

July 23, 1999

To: Board of Directors (Budget and Finance Committee—Information)
(Engineering and Operations Committee—Information)

From: General Manager _____

Submitted by: Chief Engineer _____

Assistant Chief Engineer _____

Subject: Monthly Project Status Report for the Eastside Reservoir Project – June 1999
[Any discussion of claims will be heard in closed session – Conference with
Legal Counsel - Significant Exposure to Litigation (two matters) pursuant to
Gov. Code Section 54956.9(b).]

RECOMMENDATION(S)

For information only.

EXECUTIVE SUMMARY

This report summarizes progress and provides highlights for the Eastside Reservoir Project for the month ending June 1999, and for actual costs as of May 1999.

DETAILED REPORT

The Eastside Reservoir Project is forecasting initial filling of the reservoir in December 1999. Following Board approval at the July Board meeting, the project budget has increased from \$1.972 billion to \$2.087 billion, reflecting a \$115 million budget increase. Current project information is attached reflecting total budget and schedule summaries.

The West Dam, Saddle Dam, and Forebay contractor, Atkinson-Washington-Zachry (AWZ), continued placing materials in all areas of the West Dam and Saddle Dam embankments. The West Dam embankment is approximately 235 feet (out of 285 feet) above the original ground elevation (93% complete). The Saddle Dam is approximately 150 feet (out of 177 feet) above the original ground level. The contractor is maintaining an embankment placement rate sufficient to meet the forecasted completion date in November 1999.

The East Dam contractor, Kiewit-Granite, is placing embankment material in the south end of the East Dam (57 feet above ground level); the north end of the dam is up to within 4 feet of the dam crest (77% complete overall). At current placement rates and per the revised schedule, work is anticipated to be complete in December 1999.

The P-1 Pumping Plant contractor, Advanco Constructors, continued with foundation and encasement work; installation of trashracks and water cooling lines, installation of cable terminations for pumps 1-4, installation of pumps and motors; installation of various architectural components; and continued assembly of the spherical valve. Milestone 2, energizing the substation, did not meet its scheduled date of July 1. Work around actions are being implemented to mitigate the impact to start-up operations. All work is forecasted for completion in February 2000; formal turnover of the pumps to the Metropolitan start-up team will begin in September 1999.

AWZ, the Inlet/Outlet Tower contractor, continued with placement of structural concrete and mass concrete in areas of the emergency gate, valve tower, and anchor head. All mass concrete work is now complete. All tendons are now installed and tendon stressing has begun. All work on the Inlet/Outlet Tower is forecasted to complete in January 2000. The Tower is capable of delivering water to the reservoir in December 1999. The Inland Feeder Pressure Control Structure contractor, Advanco Constructors, continues to perform work ahead of schedule and is forecasted to complete in October 1999.

The Secondary Inlet contractor, J. F. Shea Co., Inc., continued with placement of concrete slabs at the Valve Structure and placement of pipe for the cut and cover pipeline from the south portal area Spool Structure to the Jet Structure. All work on the Secondary Inlet is forecasted to complete in October 1999. The North Rim contractor, J. F. Shea Co., Inc., continued work at the portal structure and vent shafts and subcontractor Sudhakar continued drilling holes for grout and drain nipple installation. All work on the North Rim is forecasted to be complete in January 2000.

The West Dam Earthwork contractor, Ford Construction Co. Inc. continued with the excavation of the North Retention Basin, South and Central Retention Basins and rough grading for the road to the Signal Spillway, Marina, and the High Water Road. All work on the West Dam Earthwork is forecasted to complete in November 1999.

Remaining contracts to be awarded in order to complete the reservoir project, are the High Water Road (North and South segments), Dam Access Roads, Disturbed Area Seeding and Aesthetic Treatment, Fencing, Tank Saddle Cut-off and Signal Spillway and several smaller contracts.

PROJECTED COSTS

This month the projected costs increased by \$1.9 million, from \$2.002 billion to \$2.004 billion. The projected costs increased for: West & Saddle Dam (\$3.4 million), East Dam (\$1.2 million), North Rim Remediation (\$0.4 million), Inland Feeder Pressure Control Structure (\$0.2 million), and Metropolitan Construction labor (\$0.6 million). The projected costs decreased for: West Dam Earthwork (\$1.4 million), P-1 Pumping Plant (\$2.4 million), and other miscellaneous changes (\$0.1 million).

ISSUES AND CONCERNS

While the project is proceeding towards an initial pump fill date in December and a timely completion of remaining work in the first quarter of 2000, there are several concerns which management is addressing which could potentially impact the schedule or cost of the project.

The Pumping Plant Contractor, Advanco, is behind schedule on wiring the pump motors and controls. An agreement has been negotiated. If successfully implemented, this plan will meet the December pump fill date.

The West Dam contractor (AWZ) has been directed to supply an additional 1 million tons of 6 inch minus rock to the East Dam. Metropolitan is working with the contractor to mitigate any impacts. Costs of these changes are included in current budget projections.

DGM/kv/hjg

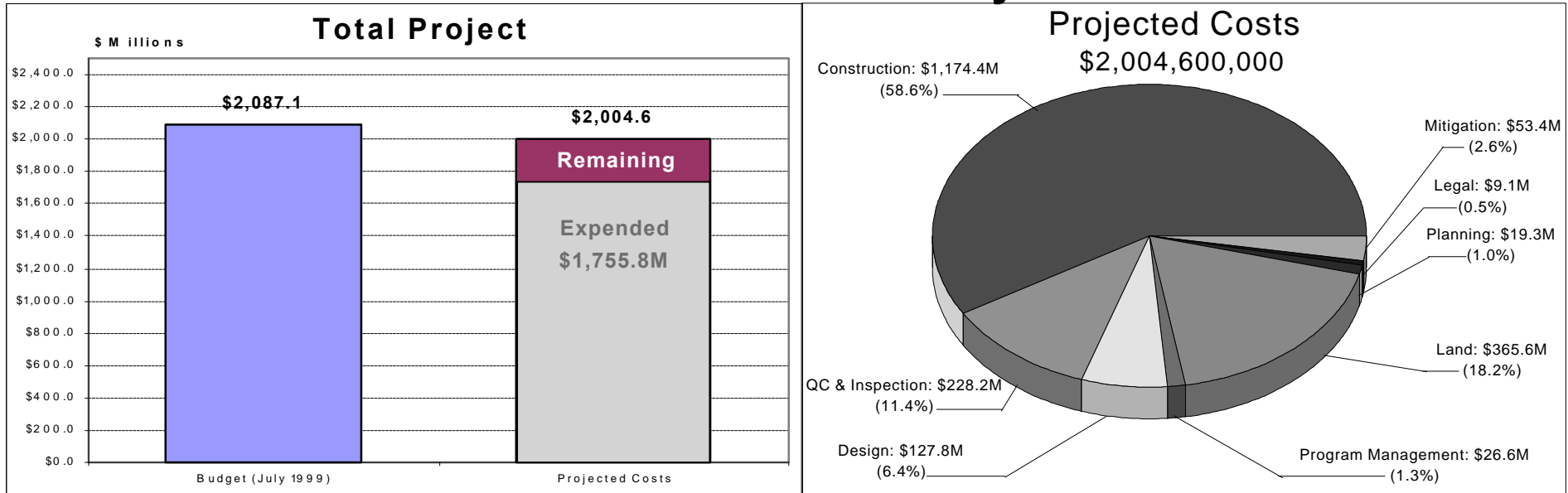
Attachment 10-4A

Attachment A for 10-4

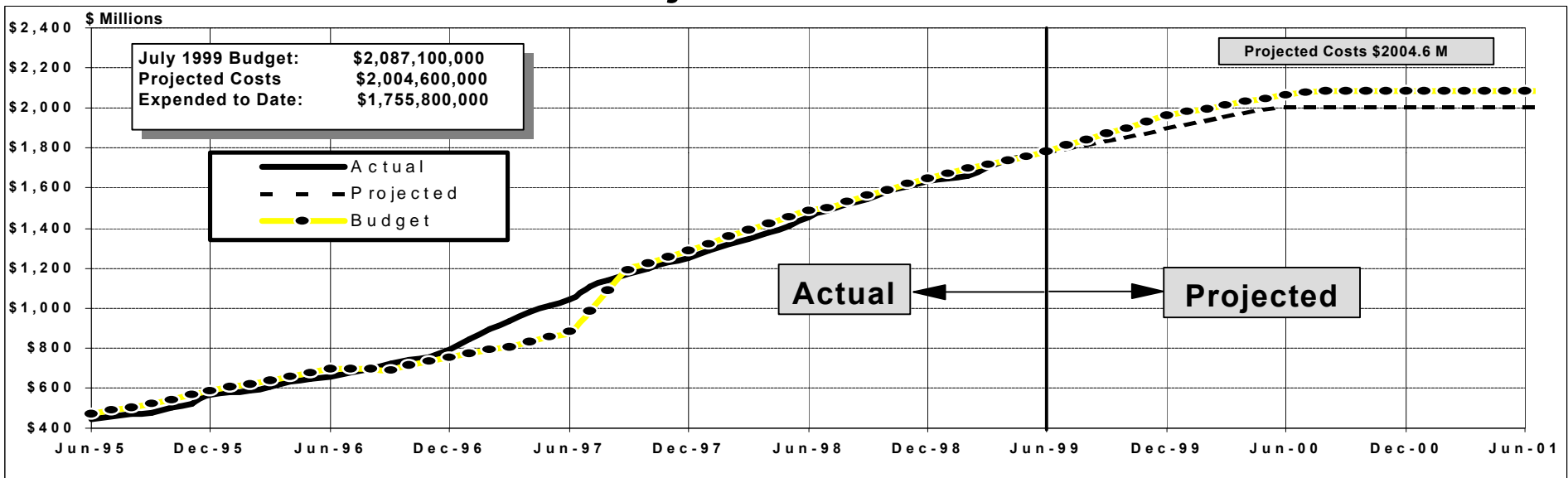
Attachment 10-4A
Engineering Division

July 23, 1999

Financial Summary



Project Cash Flow



Attachment A for 10-4

Engineering Division

July 23, 1999

Schedule Summary

DESCRIPTION	PROGRESS		COMPLETION DATE		COMMENTS
	PLANNED ¹	ACTUAL	CONTRACT ²	FORECAST	
West Dam - Saddle Dam - Forebay	95%	93%	Nov-99	Nov-99	Embankment placement is slightly ahead of schedule.
East Dam Embankment	83%	77%	Nov-99	Dec-99	Despite Delays due to dam sequence changes, production remains on track for a December 99 completion.
Inlet / Outlet Tower	80%	80%	Jan-00	Jan-00	On schedule. Capable of pumping through the Tower in December 1999.
P-1 Pumping Plant	85%	80%	Oct-99	Feb-00	A mitigation plan is in effect to turnover pumps 1-4 by September 21, 1999.
Secondary Inlet	91%	85%	Oct-99	Oct-99	Delays in concrete placement have not yet been recovered.
North Rim Remediation	67%	66%	Jan-00	Jan-00	Grouting productivity is increasing.
Inland Feeder Pressure Control Structure	82%	86%	Dec-99	Oct-99	Ahead of schedule.
West Dam Earthwork	35%	45%	Dec-99	Nov-99	1 .5 months ahead of schedule.

1. Current approved schedule

2. Original contract duration + approved extensions