



● **Board of Directors**
Engineering and Operations Committee

February 8, 2000 Board Meeting

10-1

Subject

Diamond Valley Lake Project Status Report for December 1999-2nd posting

Description

Two contracts, the I/O Tower and Pumping Plant, are projected to be completed in March 2000. Projected total costs are within the revised project budget of \$2.087 billion approved by the Board in July 1999. Current project information is attached, reflecting total budget and schedule summaries.

Atkinson-Washington-Zachry achieved substantial completion of all work on November 30, 1999. Demobilization is expected to continue into January 2000. Testing of the Remote Monitoring Units (RMU's) has been delayed into January 2000 due to software problems.

Kiewit-Granite completed construction of the crest road, installation of the fencing, removal of the rock crushing plant, and continued to demobilize. All work was substantially complete on December 18, 1999. The contractor is continuing to work on closeout items and cleanup.

The Pumping Plant contractor, Advanco Constructors (now acquired by J. F. Shea Co. Inc.) completed work in the yard area. Work continues on vent piping, installing of high voltage cable and duct banks, and pulling and terminating of control cables. Projected completion date is March 2000.

Inlet/Outlet Tower contractor, Atkinson-Washington-Zachry, continued with electrical installations for the permanent power. Delays to completion of the work are anticipated until early March 2000, due to mechanical and electrical start-up difficulties.

Inland Feeder Pressure Control Structure contractor, J. F. Shea Co. Inc., completed all work on December 21, 1999.

Secondary Inlet contractor, J. F. Shea Co. Inc., achieved substantial completion on December 31, 1999. All closeout work and demobilization are expected to be completed by early February 2000.

North Rim contractor, J. F. Shea Co. Inc continued with installation of electrical support and lighting materials. Completion of all work and closeout of the contract is expected in January 2000.

The Tank Saddle Cut-off and Signal Spillway contract was awarded to J. F. Shea Co. Inc., and the Notice-to-Proceed was issued on December 6, 1999. Contractor is in the process of mobilizing.

Remaining contracts to be awarded are the High Water Road (north and south segments), Disturbed Area Seeding, Disturbed Area Aesthetic Treatment, Site Fencing, and several smaller contracts.

The dedication ceremonies are scheduled for March 17-19, 2000.

PROJECTED TOTAL COSTS

The projected total costs (not including potential claims and recreation) have decreased by \$31.9 million, from \$2.003 billion to \$1.971 billion, since establishment of the revised budget (\$2.087 billion) at the July 1999 Board meeting. Total expenditures to date are \$1.872 billion (see [Attachment 1](#) for a financial summary and [Attachment 2](#) for a schedule summary).

Projected Cost Increases and Decreases

Revised Budget (July 1999 Board Mtg.)	\$2.087 billion
Baseline Remaining Budget (July 1999 Board Mtg.)	<u>(\$85 million)</u>
Projected Cost (July 1999 Board Mtg.)	\$2.003 billion
West Dam and Saddle Dam	\$2.5 million
East Dam	(\$0.8 million)
West Dam Earthwork	(\$0.8 million)
Tank Saddle Cutoff Wall/Spillway	(\$0.6 million)
North Rim	(\$0.6 million)
Secondary Inlet	\$0.3 million
I/O Tower	(\$0.2 million)
P-1 Pumping Plant	(\$2.4 million)
Inland Feeder Pressure Control Structure	\$0.2 million
High Water Roads	(\$1.8 million)
Quarry Operation Road	(\$1.5 million)
Site Completion	(\$1.0 million)
Disturbed Areas Aesthetic Treatment	(\$27.8 million)
Dam Access Road	(\$3.1 million)
Fencing	\$0.9 million
Disturbed Areas Seeding	(\$0.6 million)
OCIP	\$6.9 million
Post Design Services - (Raytheon)	\$1.8 million
Construction Management/Post Design - (MWD)	(\$3.7 million)
Recreation Infrastructure Design - (MWD)	(\$0.5 million)
ROW - (Land, MWD Labor & Consultants)	(\$2.8 million)
Claims Support Services through December 2000	\$3.8 million
Other Miscellaneous Changes	(\$0.1 million)
Net Decrease	(\$31.9 million)
Projected Cost (November 1999)	\$1.971 billion ¹

¹Excludes \$5.6 million of recreation expenditures to be transferred to Recreation following their budget appropriation. Projected actual costs do not include ongoing legal claims.

These changes consist of 262 line item increases and decreases to the projected costs resulting from quantity variances, directed changes issued by Metropolitan, and pending changes not yet finalized. Financial information presented in this board letter is consistent with financial data (November 30, 1999) prepared by Lambertus Becker (Chief Financial Officer) and David Gledhill (Independent Oversight to the General Manager).

ISSUES AND CONCERNS

Issues with major contracts have been resolved and work was completed for an operational reservoir at the end of December 1999. Minor issues are being resolved, but several are extending out the final completion dates. Communication links on the Global Positioning System and RMU's are extending completion of the West Dam into January 2000. The I/O Tower has experienced delays in the electrical and mechanical systems installations, which has extended completion until March 2000.

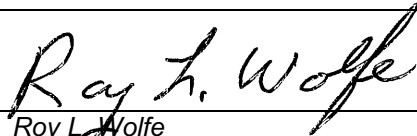
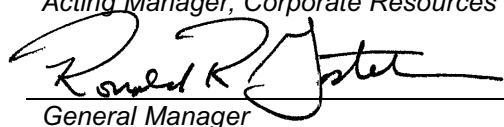
None of these issues is expected to have an impact on reservoir filling activities.

RECENT DEVELOPMENTS

Test pumping to the reservoir began on November 8, 1999, and the first four of 12 pumps completed start-up and testing on schedule at the end of December. The reservoir is currently being operated in a testing mode, pending issuance of a DSOD permit, and pumping continues at an average rate of 1,200 acre feet per day. By mid-January 23,000 acre feet of blended water had been pumped into the reservoir. Pumping into the reservoir is scheduled to continue 24 hours per day, as the availability of the water allows.

Policy

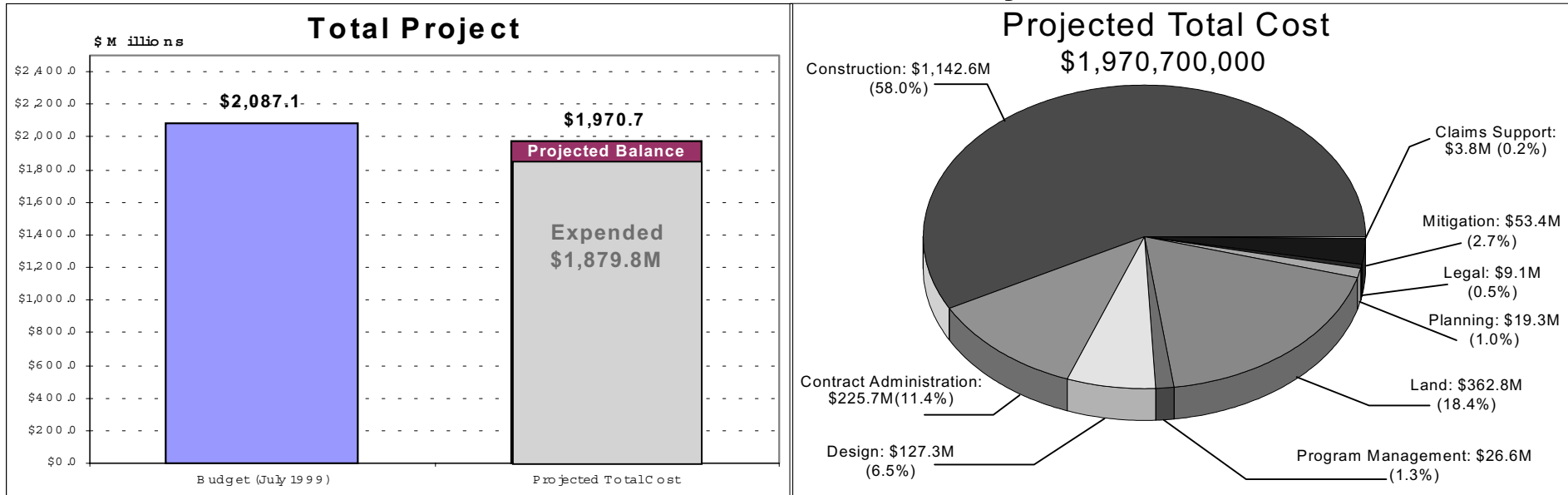
Board Request

	1/13/00
Roy L. Wolfe Acting Manager, Corporate Resources	<i>Date</i>
	1/24/2000
Ronald R. Jester General Manager	<i>Date</i>

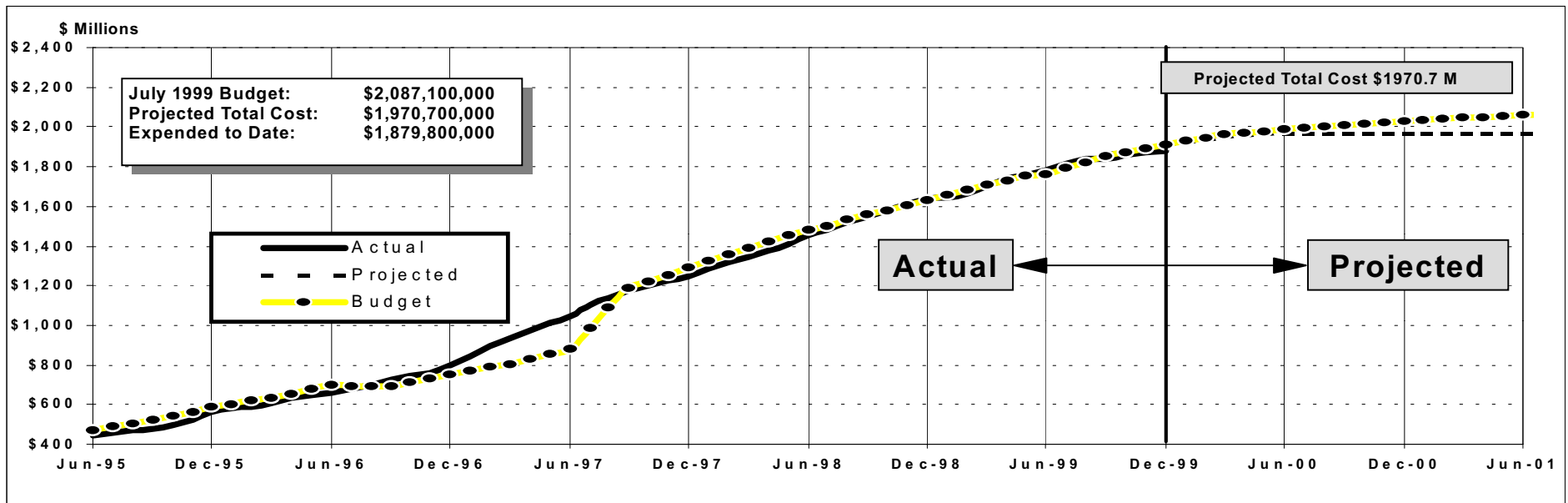
Attachment 1 – Financial Summary/Project Cash Flow

Attachment 2 – Schedule Summary/Remaining Budget

Financial Summary



Project Cash Flow

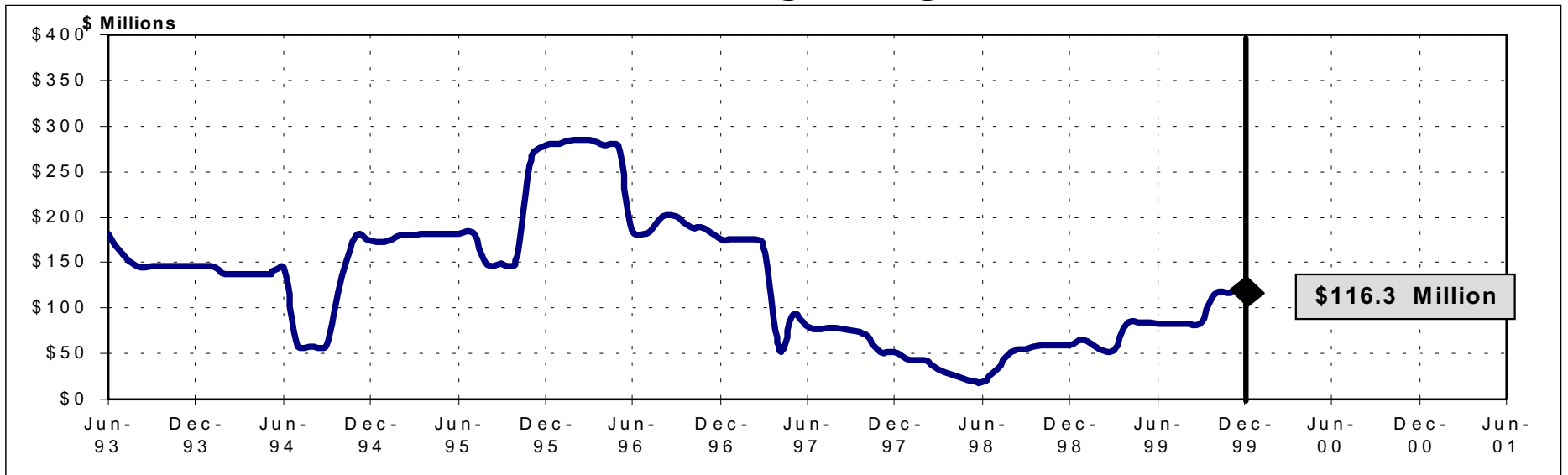


10-1 Schedule Summary

DESCRIPTION	PROGRESS		COMPLETION DATE		COMMENTS
	PLANNED ¹	ACTUAL	CONTRACT ²	FORECAST	
West Dam - Saddle Dam - Forebay	100%	100%	Nov-99	Dec-99	Project complete
East Dam Embankment	100%	100%	Nov-99	Dec-99	Project complete
Inlet / Outlet Tower	94%	94%	Feb-00	Mar-00	On schedule.
P-1 Pumping Plant	96%	96%	Feb-00	Mar-00	Schedule slipped one month due to delays in electrical installation
Secondary Inlet	100%	100%	Oct-99	Dec-99	Substantially complete with punchlist items remaining to be completed.
North Rim Remediation	99%	99%	Jan-00	Jan-00	On schedule.
Inland Feeder Pressure Control Structure	100%	100%	Dec-99	Dec-99	Project complete
Tank Saddle Cutoff Wall / Spillway	1%	2%	Jul-00	Jul-00	NTP issued 12/6/99. Mobilizing

1. Current approved schedule 2. Original contract duration + approved extensions

Remaining Budget



Note: Remaining Budget equals the revised total budget (July 1999) minus the Projected Total Costs.