

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

June 13, 2000 Board Meeting

10-1

Subject

Diamond Valley Lake Project Status Report for April 2000

Description

Major facilities of the project are complete and water has been pumped into the reservoir since November 1999. As of April 2000, the reservoir is 19% full and ahead of the planned fill schedule.

The I/O Tower is operational, and the contractor continues completion of electrical and mechanical punch-list items. The contractor expects to vacate the site in June.

At the Hiram W. Wadsworth Pumping Plant, Advanco Constructors continues work on electrical and mechanical punch-list items, start-up of the contractor furnished equipment, and cleanup around the site.

The Tank Saddle Cutoff and Signal Spillway work has proceeded exceptionally well and is 90 percent complete, which is two months ahead of schedule. The concrete cutoff wall at the Tank Saddle was completed in early February. The Signal Spillway should be completed in mid-May.

Several contracts must be completed to satisfy the remaining reservoir project commitments. These contracts include Site Fencing, High Water Roads (north and south segments), Disturbed Area Seeding, and Perimeter Aesthetic Treatment. They are scheduled to be issued during the second and third quarters of 2000.

Completion of several remaining contracts is required for a fully functional and permitted reservoir. The Fencing contract (Phase I) for enclosing the east-end was advertised in early May. Other contracts planned for the second and third quarters of 2000 include Site Fencing (Phase II), High Water Roads (north and south segments), Disturbed Area Seeding, and Perimeter Aesthetic treatment.

PROJECTED TOTAL COSTS

The revised project budget of 2,087 million was established at the July 1999 Board meeting. Projected total costs have increased by a cumulative amount of 11.4 million, from the 2,002.6 million July 1999 baseline total projected costs to 2,014.1 million. These projected costs include the West Dam settlement, but do not include resolution of the East Dam claims and unexpended remaining budget. Total expenditures to date are \$1,952.2 million and include \$38 million for settlement of the West Dam claim and recreation actuals that will be transferred to recreation at a future date. (See [Attachment 1](#) for a financial summary, [Attachment 2](#) for a schedule summary)

Revised Budget (July 1999)	\$2,087 million
Remaining Budget (July 1999)	(\$84 million)
Projected Total Costs (July 1999)	\$2,003 million
Scope Changes¹	
West Dam and Saddle Dam	\$1.9 million
East Dam	(\$0.1 million)
West Dam Earthwork	(\$0.7 million)
Tank Saddle Cutoff Wall/Spillway	(\$0.8 million)
North Rim	(\$0.5 million)
Secondary Inlet	\$0.2 million
I/O Tower	(\$1.3 million)
P-1 Pumping Plant	(\$2.4 million)
Inland Feeder Pressure Control Structure	\$0.2 million
Pump Procurement	\$1.0 million
Butterfly Valve Procurement	\$0.1 million
Domenigoni Parkway Improvements	(\$0.2 million)
OCIP	\$6.9 million
Groundwater Monitoring	\$0.2 million
Piezometer Installation	\$0.3 million
Infrared Air Photos	\$0.1 million
Surface Water Release to San Diego Pipelines 1 & 2	\$0.4 million
Restoration of Old Newport Road	\$0.1 million
East Dam Sump Pump Electrical Supply	\$0.1 million
Construction Management Services - (SCA)	(\$1.6 million)
Post Design Services - (Raytheon)	\$2.6 million
MWD – Start-up	\$1.0 million
Program Management Services - (Parsons)	(\$0.7 million)
Union Station Management Staff - (MWD)	\$1.7 million
Construction Management/Post Design - (MWD)	\$3.8 million
Additional Dam Deformation Monitoring	\$0.4 million
ROW - (Land, MWD Labor & Consultants)	(\$2.8 million)
Claims Support Services through December 2000	\$2.8 million
Fencing	\$0.9 million
Monitor Project Impacts	\$0.2 million
Biological Enhancements	\$0.5 million
Modify Corridor East of P-1	\$0.1 million
Other Miscellaneous Changes	(\$0.5 million)
Project Labor Agreement 2000-2001	\$0.5 million
Sub-Total Scope Changes	\$14.4 million

Project Deletions²		
High Water Roads		(\$1.8 million)
Quarry Operation Road		(\$1.5 million)
Site Completion		(\$1.0 million)
Disturbed Areas Aesthetic Treatment		(\$29.3 million)
Dam Access Road		(\$3.1 million)
Disturbed Areas Seeding		(\$0.6 million)
CM/Post Design - MWD		(\$3.2 million)
Recreation Infrastructure Design - MWD		(\$0.5 million)
	Sub-Total Project Deletions	(\$41.0 million)
Claims		
West Dam Claims Settlement		\$38.0 million
	Sub-Total Claims	\$38.0 million
	Net Increase	\$11.4 million
	Projected Total Costs (March 2000)	\$2,014 million³

¹ Includes: scope changes, quantity variations, directed changes, and credits.

² A staff evaluation process determined this work is not required for a fully operational reservoir project. To be further evaluated as a part of the recreation program.

³ Excludes potential East Dam claim and Recreation features.

These changes consist of 308 line item increases and decreases to the projected costs resulting from quantity variances, directed changes issued by Metropolitan, pending changes not yet finalized, and West Dam settlement costs. Financial information presented in this Board letter is consistent with financial data (March 31, 2000) reviewed by Antoinette Christovale (Acting Chief Financial Officer) and Dave Gledhill (DVLPEvaluation Team manager).

ISSUES AND CONCERNS

Seven of the twelve pumps are operable. Parts for pumps 8 through 10 are available for commissioning; however, neither the contractor nor his subcontractor is performing his work. Completion of work is being delayed by an internal dispute between the private contracting entities. Metropolitan staff has been meeting with the contractor to insist on compliance with contract provisions. Formal measures have been initiated to protect Metropolitan's interests if performance is not resumed.

East Dam claims mediations occurred in May without resolution.


Policy

Board Request

Fiscal Impact

None.

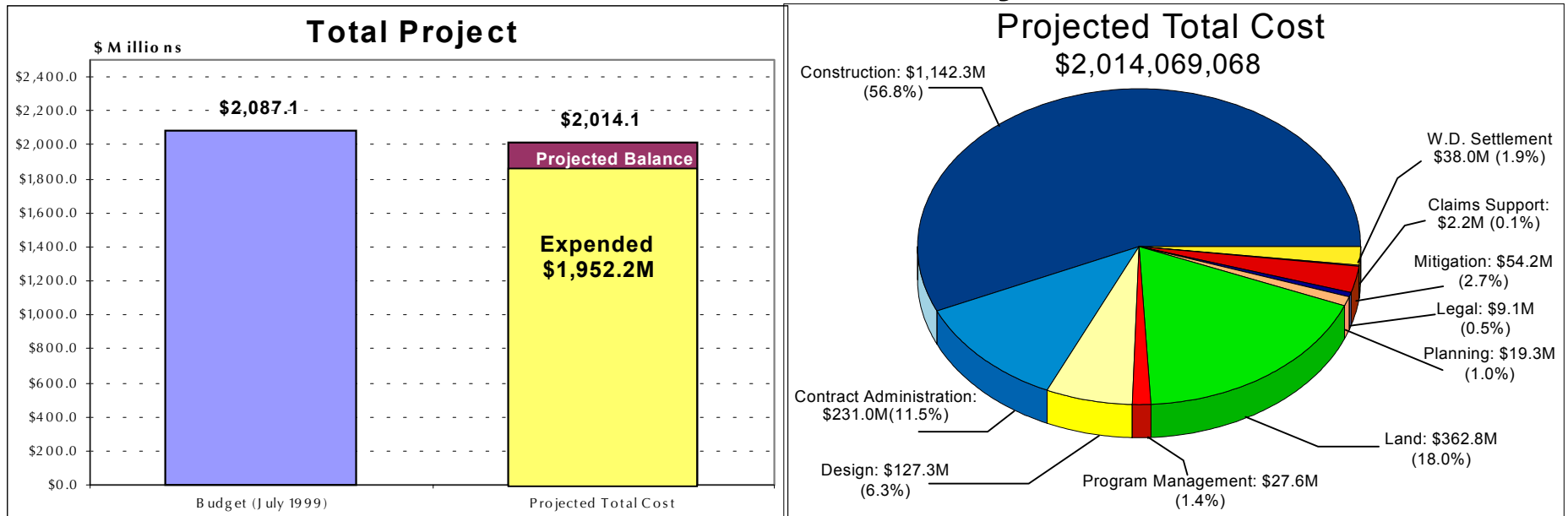

 _____ 5/16/2000
 Roy L. Wolfe Date
 Acting Manager, Corporate Resources


 _____ 5/23/2000
 Ronald R. Jeter Date
 General Manager

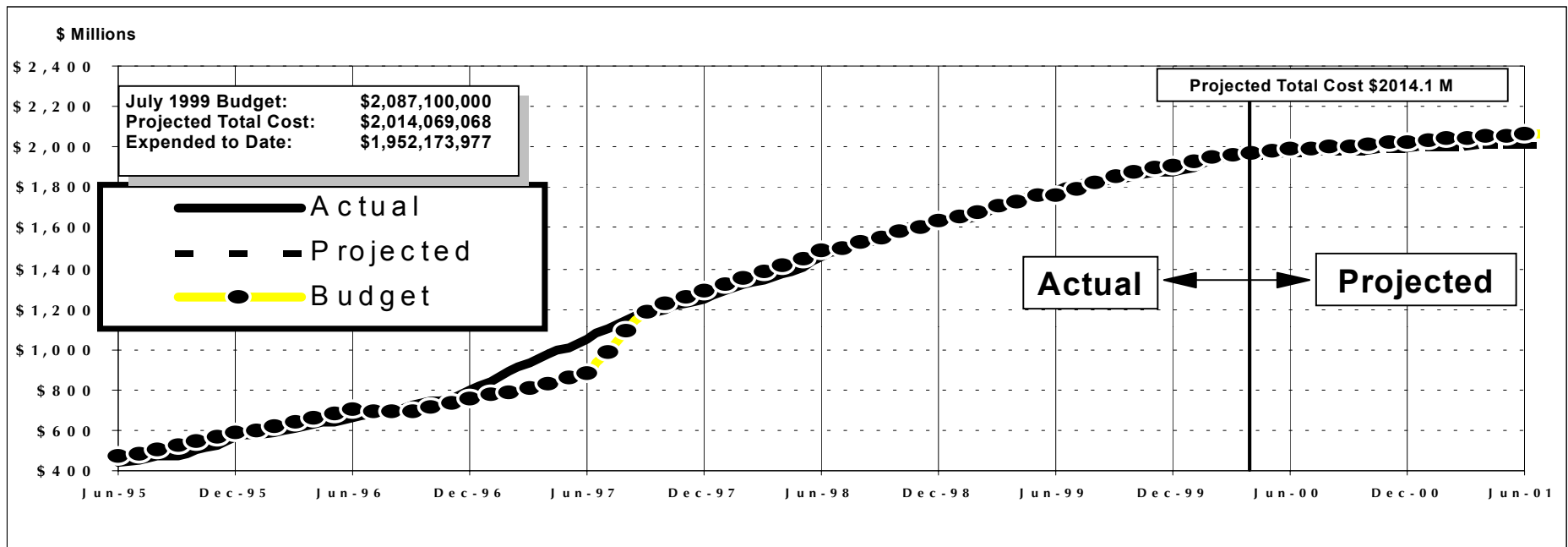
Attachment 1 - Financial Summary/Project Cash Flow

Attachment 2 - Schedule Summary/Remaining Budget

Financial Summary



Project Cash Flow

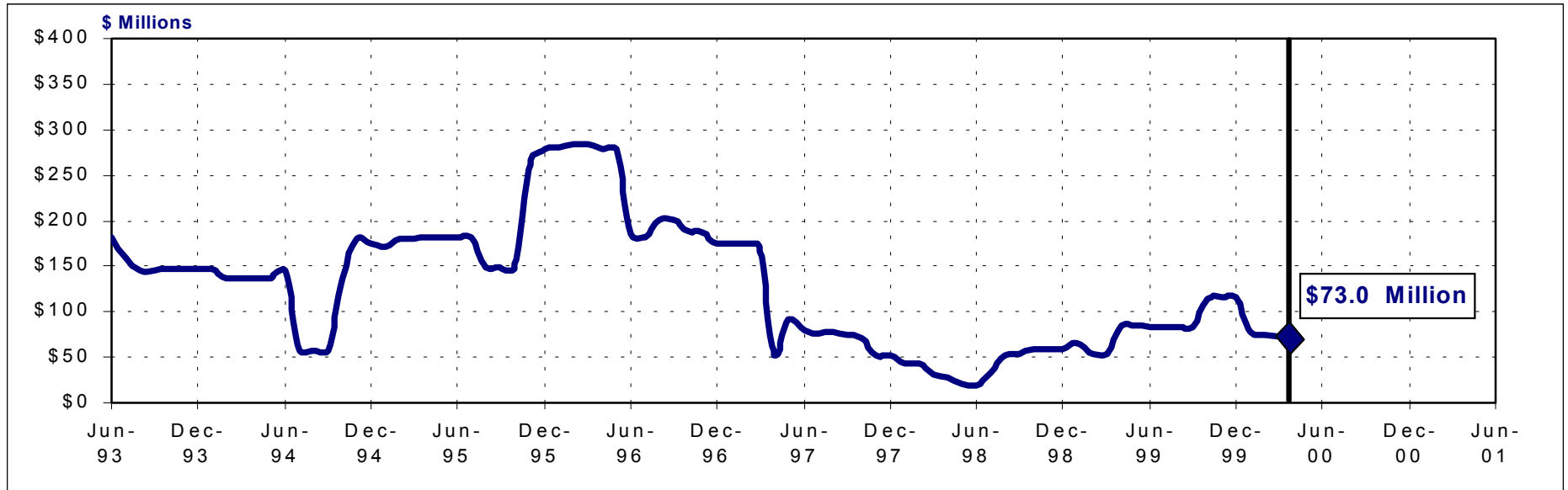


Schedule Summary

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	100%	100%	Feb-00	Mar-00	Project Complete
P-1 Pumping Plant	100%	100%	Feb-00	Mar-00	Project Complete
Secondary Inlet	100%	100%	Oct-99	Dec-99	Project Complete
North Rim Remediation	100%	100%	Jan-00	Jan-00	Project Complete
Inland Feeder Pressure Control Structure	100%	100%	Dec-99	Dec-99	Project Complete
Tank Saddle Cutoff Wall / Spillway	34%	90%	Jul-00	May-00	Ahead of Schedule

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.