

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

July 11, 2000 Board Meeting

10-1

Subject

Diamond Valley Lake Project Status Report for May 2000

Description

All major facilities at the Diamond Valley Lake Project are complete. As of May 2000, the reservoir is 25 percent full and ahead of the planned fill schedule. The reservoir will experience a 10-day hold period from June 5th through 15th, during which pumping into the reservoir will be interrupted to comply with the reservoir filling plan, approved by Division of Safety of Dams.

By the end of May, eight of the twelve pumps were operable. The pump contractor, Nissho Iwai America Corporation is on schedule to complete installation of pumps 9 through 12 by the end of September. Performance testing of pumps 1 through 8 is scheduled to begin in June.

Several contracts are underway to satisfy the remaining reservoir project commitments. These contracts include Site Fencing, High Water Operational Roads, and Disturbed Area Seeding.

Security fencing around the project perimeter will be completed in two phases. The initial phase provides security fencing around the east end of the project area including the East Recreation Area. Priority was given to this end of the project area due to its remoteness to the operations activities and previous incidences of trespassing by the public. This contract was advertised in early May and bids will be opened June 21st. The second phase provides security fencing around the north and west ends of the project area including the North Hills and West Recreation Area. This contract is scheduled to be advertised in September.

The High Water Operational Roads provide continuous operational access around the perimeter of the reservoir. This project will be completed in two phases. Access from the north abutment of the West Dam to the Saddle Dam was constructed in the previous West Dam contract. The initial contract for the North High Water Operational Road provides operational access from the Saddle Dam to the north abutment of the East Dam. This contract will be advertised in early June. The second contract for the South High Water Operational Road will provide continuous operational access from the south abutment of the West Dam to the south abutment of the East Dam. Since the south segment requires a significant amount of design effort and regulatory coordination, this contract will be advertised later this summer. Criteria used to design these roads are based on operational needs. Recreational needs will be addressed at a later date as recreation plans are developed.

Restoration of areas disturbed during the construction of the reservoir is required by the Project Final Environmental Impact Report (FEIR). The Disturbed Area Seeding contract will provide erosion and dust control by hydroseeding or imprinting seeds in the Multi-Species Reserve corridors and in both recreation areas. In order to complete this work by early fall, this contract will be advertised in early June.

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 \$7.6 million, from the \$2,002.6 million July 1999 baseline to \$2,010.3 million. These projected costs do not include resolution of the East Dam claims. Total expenditures to date are \$1,954.7 million, including \$38 million for settlement of the West Dam claim and \$5.6 million recreation actuals that will be transferred to Recreation at a future date.

Expenditures also include the purchase of properties surrounding the reservoir operating area and the Multi-Species Reserve. Property usage is being evaluated with the possibility that several areas will be designated as surplus in the future. Any proceeds realized by Metropolitan by the sale or turn over of these properties will be credited to the project budget, thereby decreasing the projected total cost of the project. (See **Attachment 1** for a financial summary, **Attachment 2** for a schedule summary). Financial information presented in this Board letter is consistent with financial data (April 30, 2000) reviewed by Antoinette Christovale (Assistant Chief Financial Officer) and David Gledhill (DVLV Evaluation Team manager).

EXPENDITURES (May 2000) includes West Dam Claims Settlement & Recreation Actuals		\$1,954.7 million
WORK IN PROGRESS includes Dam Deformation Monitoring, Pump Procurement, Environmental Documentation, Labor for DVLV Management, Design Staff, Construction Management, & Environmental Support		\$24.3 million
REMAINING CONTRACTS		
Perimeter Fencing	\$1.7 million	
High Water Operation Roads	\$14.4 million	
Disturbed Area Seeding	\$6.4 million	
Labor – Design & Construction Management	\$4.0 million	
Miscellaneous Completion Contracts	\$3.5 million	
Miscellaneous Environmental Activities	\$0.8 million	
Project Labor Agreement	\$0.5 million	
SUBTOTAL	\$31.3 million	\$31.3 million
TOTAL PROJECTED COSTS		\$2,010.3 million
REMAINING BUDGET		\$76.8 million
TOTAL PROJECT BUDGET		\$2,087.1 million

ISSUES AND CONCERNS

East Dam claims mediations occurred in May without resolution. Discussions are on-going for future mediation sessions.

Policy

Board Request

Fiscal Impact


None.



Roy L. Wolfe
Acting Manager, Corporate Resources

6/27/2000

Date



Ronald R. Jester
General Manager

6/27/2000

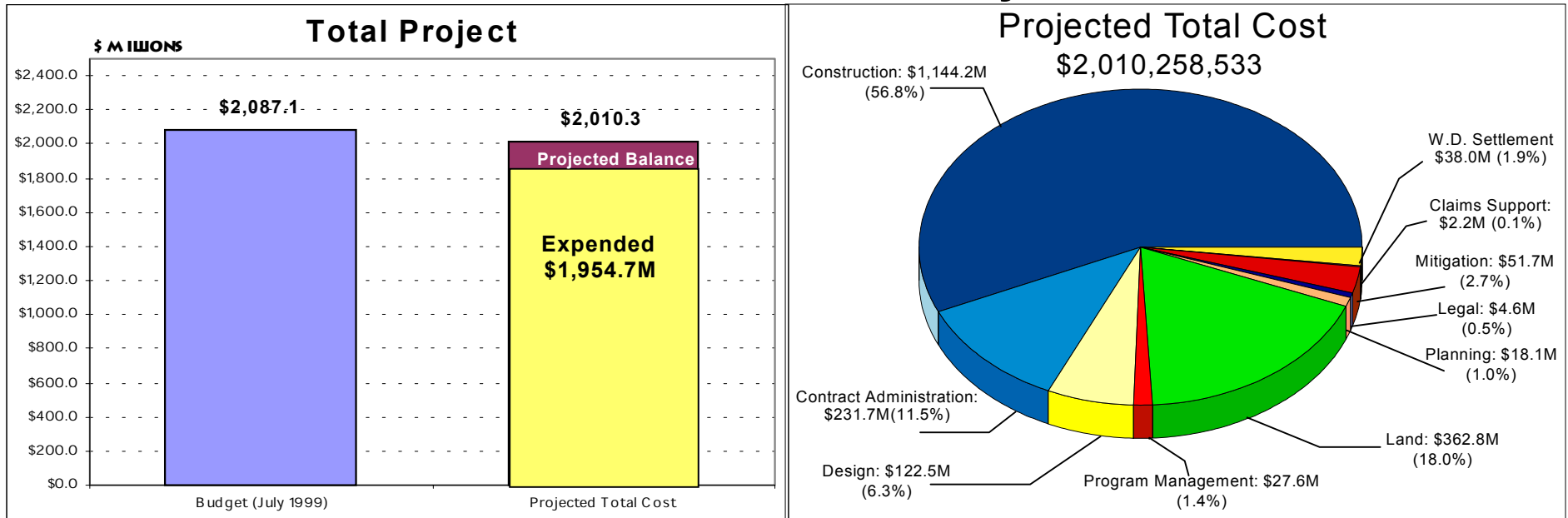
Date

Attachment 1 - Financial Summary/Project Cash Flow

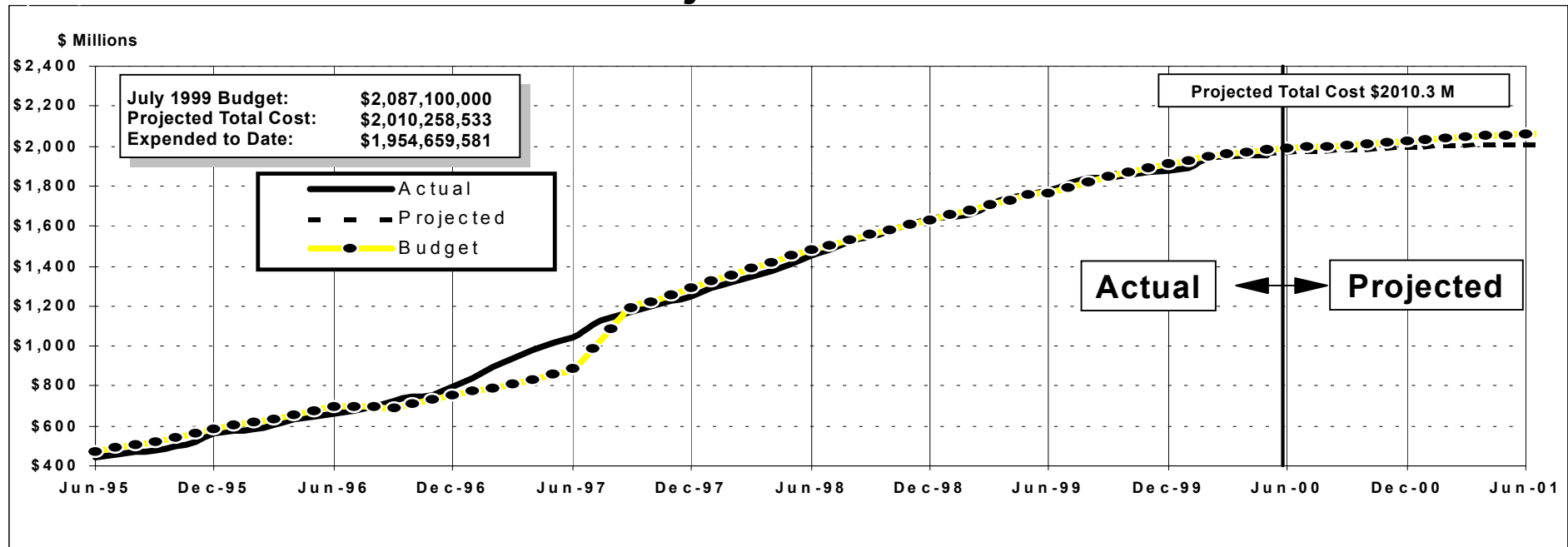
Attachment 2 - Schedule Summary/Remaining Budget

BLA #141

Financial Summary



Project Cash Flow

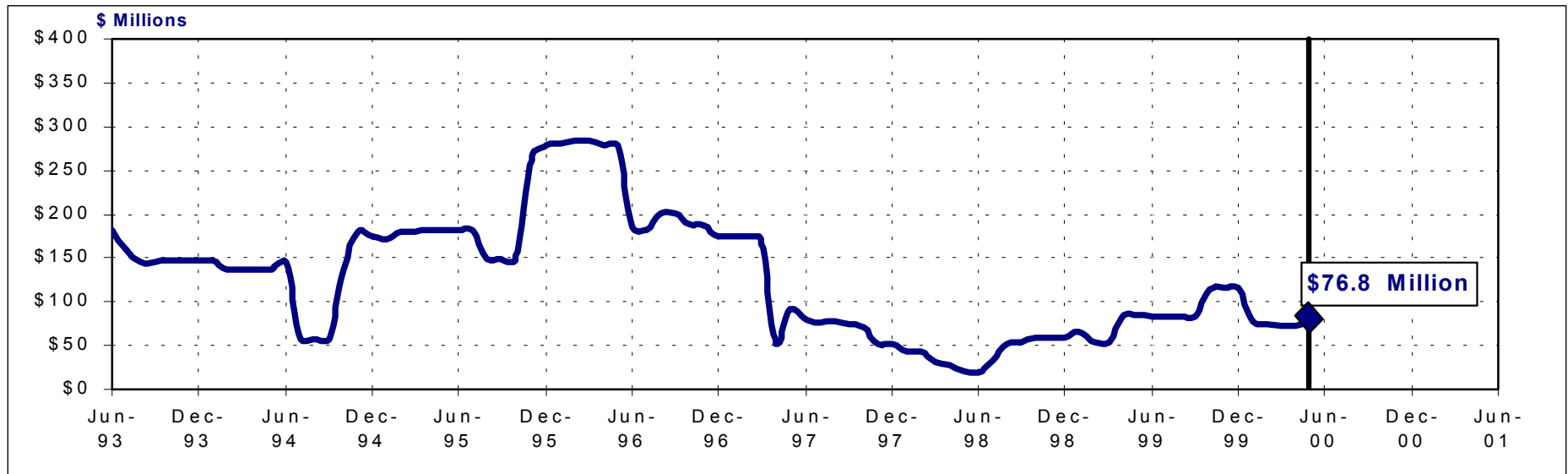


Schedule Summary

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	72%	100%	Jul-00	May-00	Project Complete

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.