

- Capital Investment Plan – Quarterly Report for the period ending March 2006

Summary

This report provides a summary of accomplishments along with expenditures to date, variance explanations, and schedule status for all Capital Investment Plan (CIP) programs. During the third quarter of the 2005/06 fiscal year, twelve Board actions appropriated a total of \$45.9 million and awarded six construction contracts. Additionally, three agreements were authorized for consulting services. This report also identifies any service connections approved for construction as well as relocation/protection agreements executed under the General Manager's authority. Through March 2006, 72 programs encompassing over 350 projects were budgeted to be underway at a projected expenditure of \$343.5 million. Actual fiscal year expenditures totaled \$283.3 million.

During this quarter, over \$82 million in construction contract payments were made, reflecting progress on the Skinner Expansion No. 4 and Oxidation Retrofit Program (ORP) contracts, and the installation of over 10,500 feet of pipe on the San Diego Pipeline No. 6 North Reach contract. Tunnel mining progress was somewhat reduced on the Inland Feeder Arrowhead Tunnels contract as a result of significant groundwater inflows that required extensive grouting, as well as modifications to the boring machine cutter-head. A total of 1,645 feet was mined from January through March, for a total mined length of 17,735 feet. Additionally, three major construction contracts were underway at the Diemer Plant – The Solids Handling Facilities and Vehicle Maintenance Center, the Plant Maintenance Center, and the Chemical System Upgrades. One construction contract, the Desert Facilities – Fire Protection Upgrade at Whitsett Intake, Iron Mountain, Eagle Mountain, and Hinds Pumping Plants, was completed this quarter.

At the end of the third quarter, twenty-eight construction contracts were underway with a total value of over \$810 million. Four of these contracts will require additional time beyond their original completion dates. The Diamond Valley Recreation East Marina Phase 1 contract was 96 percent complete with some minor remedial work still remaining. A short extension to the completion date for the Weymouth Solids Handling Facilities was pending as a result of rain delays and to complete some minor punch list items. An extension to the completion date for the Weymouth Finished Water Reservoir Roof Recoating is pending as a result of rain delays and replacement of some of the new roofing material that did not adequately bond to the concrete reservoir. The Arrowhead Tunnels completion date is under review as a result of ground conditions and settlement negotiations with the contractor. The remaining twenty-four construction contracts are on schedule and within budget.

No new service connections were authorized for construction, and no relocation/protection agreements were executed during the quarter.

More information regarding accomplishments and budget variances is included in the following pages. Targets for construction inspection and design costs as a percentage of construction costs were met.

Attachments

Attachment 1 provides summary budget, expenditures, and progress information for every capital program underway in Fiscal Year 2005/06.

Quarterly Report

Highlights of progress and major milestones on selected programs are presented below, grouped by reporting category. The programs are categorized as follows:


Supply and Delivery Reliability – Programs to provide new water supplies and/or major delivery facilities, including service connections.

Infrastructure Reliability – Programs to upgrade, refurbish, replace, or repair existing facilities and equipment, including pipeline relocations and protection.



Information Technology – Programs to upgrade, replace or provide new software applications and technology.

Water Quality – Programs to ensure Metropolitan meets all applicable water quality regulations and codes.



Stewardship – Programs to ensure the protection, safety, and security of Metropolitan’s employees, visitors, and all real and intellectual properties and assets; and to provide for prudent and cost effective use and management of Metropolitan’s assets in compliance with all applicable regulations and codes.

<p>Supply and Delivery Reliability:</p>	<p style="text-align: center;">Through 3rd Quarter Budget: \$152.8 M Expended: \$148.9M</p>
<ul style="list-style-type: none"> • Construction continued on the Inland Feeder Arrowhead Tunnels. A total of 1,645 feet were mined on the Arrowhead East and Arrowhead West tunnels. The Arrowhead East Tunnel is approximately 64 percent complete and the Arrowhead West Tunnel is approximately 31 percent complete. • Two shutdowns were completed at the Skinner Plant to construct several tie-ins of new facilities and equipment under the Skinner Expansion No. 4 Program. Construction of Module No. 7 is approximately 70 percent complete. • The Board authorized final design and awarded a procurement contract for valves for the Second Lower Cross Feeder. <p>The 3 percent variance between budgeted and expended dollars is primarily due to difficult ground conditions on the Inland Feeder Arrowhead Tunnels.</p>	<div style="text-align: center;">  </div> <p>Installation of the 144-inch by 166-inch tee connecting San Diego Pipeline No. 6 to the Lake Skinner Outlet Conduit</p> <ul style="list-style-type: none"> • 29,850 feet of the San Diego Pipeline No. 6 North Reach pipeline has been installed through March 2006, which represents 84 percent of the total length. Tie-in of the North Reach pipeline was completed during the 14-day shutdown of the Lake Skinner Outlet Conduit.

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<p>Infrastructure Reliability:</p>	<p style="text-align: center;">Through 3rd Quarter Budget: \$76.9M Expended: \$50.3M</p>
<ul style="list-style-type: none"> • Construction continued on the solids handling facilities at both the Weymouth and Diemer Plants, with work at the Weymouth plant nearing completion. • Construction continued on the Skinner Chemical Systems Modification contract. The contractor completed installation of new chemical injection and sampling lines during the plant shutdown. <p>The variance between budgeted and expended dollars is primarily due to: 1) Award of the Skinner Chemical System Modifications contract later than originally scheduled in order to incorporate value engineering design changes and to ensure multiple competitive bids were received, 2) The favorable bid for the Weymouth Finished Water Reservoir Roof Recoating contract (\$1.5 million below the budget), and 3) The favorable bid for the Diemer Filter Surface Wash Piping contract (\$2 million below the budget).</p>	<div style="text-align: center;">  </div> <p style="text-align: center;">Carbon fiber application at Sepulveda Feeder</p> <ul style="list-style-type: none"> • Construction was completed on the Sepulveda Feeder Carbon Fiber Repairs, and the San Diego Pipeline No. 5 and Lake Skinner Outlet Conduit contracts.
<p>Information Technology:</p>	<p style="text-align: center;">Through 3rd Quarter Budget: \$8.0M Expended: \$3.8M</p>
<ul style="list-style-type: none"> • The computer monitor replacement initiative at Union Station Headquarters and other major Metropolitan facilities was completed. • Phase I of the Programmable Logic Controller Standardization Project (PLC) was completed. These units are used to control a variety of processes at the treatment plants and throughout the distribution system. The devices are tied into Metropolitan’s Supervisory Control and Data Acquisition (SCADA) system. Completion of this phase standardized all PLC’s on one brand. <p>The variance between budgeted and expended dollars is primarily due to: 1) Cancellation, pending further evaluation of the return on investment, of the Data Warehousing project, and 2) Longer-than-anticipated time to develop appropriate scopes of work for professional services agreements for the Integrated Budget Management System and Fleet Management System projects.</p>	<div style="text-align: center;">  </div> <p style="text-align: center;">Information Technology System – Security Program</p> <ul style="list-style-type: none"> • The self-service password reset program was successfully implemented under the Information Technology System – Security Program.

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<p>Water Quality:</p>	<p style="text-align: center;">Through 3rd Quarter Budget: \$74.9M Expended: \$65.7M</p>
<ul style="list-style-type: none"> Metropolitan staff designed and successfully completed installation of the new Granulated Activated Carbon (GAC) system at each of the five desert pumping plants, thereby reducing disinfection by-product levels in the domestic water systems to within regulatory requirements. Construction progressed on the Skinner ORP, where the contractor completed excavation for Washwater Reclamation Plant No. 3. and continued installation of major piping, electrical duct banks, the washwater pumpback structure. Construction is approximately 15 percent complete. <p>The fiscal year variance is primarily due to the additional value engineering analysis required for the Diemer south slope stabilization design, which required rescheduling of the advertisement and award of the Site Preparation contract. That contract was scheduled to be awarded in April 2006.</p>	 <p style="text-align: center;">Diemer Plant Settling Basin No. 8 Spillway Conduit</p> <ul style="list-style-type: none"> Construction of the Diemer Plant Settling Basin No. 8 Spillway Conduit is 98 percent complete.
<p>Stewardship:</p>	<p style="text-align: center;">Through 3rd Quarter Budget: \$31.1M Expended: \$14.6M</p>
<ul style="list-style-type: none"> The Board awarded a \$19.9 million construction contract for the Mills Chemical System Upgrades, which includes the new Mills Chlorine Containment and Handling Facilities and fluoridation system. Construction commenced on the Parkway Improvements Phase II and the East Recreation Area Landscaping and Signage Improvements contracts, under the Diamond Valley Recreation Program. <p>The fiscal year variance is primarily due to reduced and delayed expenditures on the Diamond Valley Recreation Program as negotiations continued with the developer. The Searl Parkway Extension contract was rescheduled while permits and approvals were obtained from the City of Hemet and the utility agencies. Also, the Mills and Jensen Chlorine Containment contracts were rescheduled in order to ensure that multiple competitive bids were received.</p>	 <p style="text-align: center;">Operational testing of fire pump at Hinds Pumping Plant</p> <ul style="list-style-type: none"> Construction was completed on new fire water supply systems, and replacement of existing sprinkler systems with new fire suppression, detection and alarm systems under the Desert Facilities – Fire Protection Upgrade Program.

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Corporate Resources Capital Project Performance Measures FY2005/06	
<p>Achieved performance measure target for cost of construction inspection as a percentage of construction cost for projects:</p> <ul style="list-style-type: none"> • greater than \$3 million; target 9% - 12% • less than \$3 million; target 9% - 15% <p>* Note: No completed projects were greater than \$3M for this quarter</p>	<p>* (see Note) Met Target</p>
<p>Achieved performance measure target for cost of final design as a percentage of construction cost for projects:</p> <ul style="list-style-type: none"> • greater than \$3 million; target 9% - 12% • less than \$3 million; target 9% - 15% 	<p>Met Target Met Target</p>

							FY 2005/06 Status				
Program Title	Total Program Estimate	Total Expenditures to Date	Projected Cost to Complete	% Budget Expended	% Work Complete	Schedule Status/ Completion Date	Fiscal Year Budget	Fiscal Year Budget To Date	Fiscal Year Expenditures	Expenditure Variance	Comments (See Note)
Supply & Delivery Reliability											
Central Pool Augmentation and Water Quality Project – Study and Land Acquisition	\$62,100,000	\$25,308,990	\$51.9M	41%	49%	On schedule 2024/25	\$1,924,500	\$963,006	\$620,523	\$342,483	Completion date adjusted per System Overview Study
Hayfield Groundwater Storage Project	\$80,500,000	\$10,133,534	\$69.6M	13%	14%	On schedule 2010/11	\$238,400	\$126,758	\$183,541	(\$56,783)	Groundwater level monitoring is ongoing.
Inland Feeder	\$1,186,460,000	\$850,340,039	\$978.4M	72%	84%	Being Revised 2008/09	\$79,798,400	\$59,259,700	\$42,944,541	\$16,315,159	Fiscal year variance is due to difficult ground conditions and ongoing settlement negotiations with the contractor that have slowed construction progress. A new completion date is currently under discussion.
Lake Perris Flexible Storage Program	\$11,110,000	\$490,596	\$6.4M	4%	40%	On schedule 2009/10	\$1,188,100	\$909,600	\$44,576	\$865,024	Percent work completed is significantly greater than percent budget expended because actual expenditures have been offset by reimbursement payments received from the State Water Resources Control Board. Expenditures are lower than anticipated due to delays resulting from seismic assessment of the dam.
Local Groundwater Storage Agreements	\$210,000,000	\$39,396,457	\$181.0M	19%	19%	On schedule 2014/15	\$6,435,400	\$3,695,300	\$3,754,274	(\$58,974)	Fiscal year variance is due to the timing of invoicing by the partnering member agencies.
Mills Treatment Plant Capacity Upgrade Program	\$70,500,000	\$1,528,584	\$62.5M	2%	5%	On schedule 2007/08	\$7,972,900	\$6,104,100	\$1,433,170	\$4,670,930	Fiscal year variance is due to extensive negotiations to finalize the consultant's scope of work and schedule under the professional services agreement .
Mills Water Treatment Plant – Expansion No. 2	\$160,000,000	\$138,943,998	\$139.8M	87%	98%	On schedule 2006/07	\$1,738,800	\$1,160,900	\$258,990	\$901,910	Landscaping work is underway; on schedule and within budget.
Perris Valley Pipeline Program	\$81,300,000	\$478,296	\$71.6M	1%	2%	Ahead 2009/10	\$2,608,000	\$1,694,800	\$478,296	\$1,216,504	Fiscal year variance is due to delays associated with establishing implementation agreements with the member agencies, negotiations for the Design/Build contract, and invoicing lag time for work completed for the tie-in at the Mills plant.
Rialto Pipeline Improvements Program	\$7,100,000	\$135,098	\$6.4M	2%	3%	On schedule 2006/07	\$60,000	\$45,000	\$135,098	(\$90,098)	Fiscal year variance is due to the expedited design in order to meet shutdown dates for construction work next fiscal year. The program is within budget.
San Diego Pipeline No. 6 - North & South Reaches	\$277,600,000	\$73,521,950	\$246.5M	26%	29%	North Reach On schedule 2006/07 Remaining On schedule 2017/18	\$43,928,100	\$29,301,500	\$42,000,896	(\$12,699,396)	Fiscal year variance is due to contract payments and progress that are ahead of cash flow projections. The program remains within budget. Completion date adjusted per System Overview Study.
Second Lower Cross Feeder	\$30,712,000	\$838,819	25.9M	3%	5%	On schedule 2008/09	\$327,800	\$247,800	\$838,819	(\$591,019)	Fiscal year expenditures are greater than expected due to better than anticipated design progress. The program is on schedule and within budget.
Skinner Water Treatment Plant – Expansion No. 4 Program	\$143,200,000	\$89,206,230	\$100.6M	62%	64%	On schedule 2007/08	\$65,427,100	\$45,514,700	\$54,078,205	(\$8,563,505)	Fiscal year variance is due to contract payments for the Chemical System contract, which includes components of the Skinner Expansion and Improvements programs and the Chlorine Containment Program, being temporarily collected under the Expansion 4 program only. The program remains within budget.

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Water Quality – Desalination Research and Innovation Partnership	\$7,341,200	\$4,053,359	\$6.9M	55%	78%	On schedule 2006/07	\$439,000	\$375,600	(\$3,483,553)	\$3,859,153	Percent work completed is significantly greater than percent budget expended because actual expenditures have been offset by reimbursement payments received.
Yorba Linda Feeder Bypass	\$8,720,000	\$6,958,934	\$8.3M	80%	90%	On schedule 2006/07	\$4,610,900	\$3,460,400	\$5,580,244	(\$2,119,844)	Fiscal year variance is due to contract payments and progress that are ahead of cash flow projections. The program remains within budget.
TOTAL							\$216,697,400	\$152,859,164	\$148,867,620	\$3,991,544	
Infrastructure Reliability											
Accusonic Flow Meter Upgrade	\$1,033,000	\$772,254	\$914,000	75%	89%	On schedule 2006/07	\$141,900	\$105,900	\$4,112	\$101,788	Fiscal year variance is primarily due to rescheduling of District forces to higher priority work. Percent expended is less than percent completed because installation costs are less than originally anticipated.
All Facilities – Inspection & Replacement of Critical Vacuum Valves	\$4,600,000	\$1,157,160	\$4.1M	25%	69%	On schedule 2006/07	\$171,700	\$131,200	\$66,918	\$64,282	Percent expended is less than percent completed because the actual number of valves that require replacement is less than the original estimated amount based on the initial sampling.
All Facilities - Install Roofs for Chemical Tank Farms	\$15,080,000	\$1,572,766	\$13.5M	10%	12%	On schedule 2006/07	\$2,768,700	\$661,300	\$615,359	\$45,941	Design and construction is on schedule and within budget.
All Treatment Plants - Site Improvements Assessment Program	\$1,664,000	\$0	\$1.6M	0%	0%	On schedule 2006/07	\$885,100	\$646,500	\$0		Program under review; initial Board action is pending.
Allen McColloch Pipeline Repair	\$8,650,000	\$6,298,152	\$7.9M	73%	80%	Repairs/Upgrades On schedule 2006/07 Other On schedule 2014/15	\$485,200	\$419,030	\$356,278	\$62,752	Completion date is tied to update of original design drawings. Final facility improvements are on schedule and within budget.
Assess the Condition of Metropolitan's Prestressed Concrete Cylinder Pipe	\$9,200,000	\$3,548,025	\$8.5M	39%	44%	On schedule 2008/09	\$1,516,300	\$1,075,700	\$200,544	\$875,156	Fiscal year variance is due to pending invoice payments for work that was performed during the third quarter facility shutdowns.
Cabazon Radial Gate Facility Improvements	\$1,800,000	\$177,572	\$1.4M	10%	6%	On schedule 2006/07	\$159,000	\$121,700	\$3,527	\$118,173	Program deferred in FY04/05. Planned progress is pending execution of agreement for development of environmental documentation.
Capital Programs Costing Less than \$250,000 for FY2004/05	\$3,300,000	\$1,202,342	\$3.0M	36%	30%	On schedule 2006/07	\$1,411,600	\$1,212,600	\$631,420	\$581,180	Six projects have been completed; sixteen are ongoing; one was cancelled.
Capital Program Costing Less than \$250,000 for FY 2005/06	\$3,000,000	\$138,860	\$2.9M	5%	5%	On schedule 2007/08	\$395,600	\$289,000	\$138,860	\$150,140	Nineteen projects are ongoing; three projects were moved to other programs.
Conveyance and Distribution System - Rehabilitation Program	\$48,535,000	\$21,531,389	\$40.9M	44%	46%	On schedule 2008/09	\$7,330,300	\$5,972,200	\$9,759,168	(\$3,786,968)	Fiscal year variance is due to contractor payments paid in the first quarter of this fiscal year for work completed in the fourth quarter of FY 04/05; and expedited pipeline repairs on the Foothill Feeder, San Diego Pipeline No. 5, and the Lake Skinner Outlet Conduit. The program remains within budget.
CRA – Conveyance Reliability Program	\$56,300,000	\$38,487,192	\$51.1M	68%	75%	On schedule 2007/08	\$6,393,000	\$5,991,700	\$1,654,011	\$4,337,689	Fiscal year variance is due to significant reduction in the planned canal lining repairs as a result of last year's inspections.

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CRA – Electrical/Power Systems Reliability Program	\$20,100,000	\$16,790,459	\$17.9M	84%	85%	On schedule 2007/08	\$901,800	\$829,300	\$321,664	\$507,636	Design and construction are on schedule and within budget.
CRA - and Distribution System - Site and Improvements Assessment	\$2,221,000	\$0	\$1.9M	0%	0%	On schedule 2006/07	\$454,000	\$376,500	\$0	\$376,500	Program under review; initial Board action is pending.
CRA – Pumping Reliability Program	\$61,700,000	\$3,944,890	\$62.2M	6%	14%	On schedule 2012/13	\$4,933,100	\$3,696,100	\$497,934	\$3,198,166	Fiscal year variance is due to rebidding the procurement of Circulating Water System Strainers to obtain competitive bids, and delays to the Intake Plant Instrumentation Replacement due to asbestos wiring.
Dam Rehabilitation & Safety Improvements	\$4,972,000	\$644,504	\$3.6M	13%	11%	On schedule 2006/07	\$756,900	\$669,800	\$272,467	\$397,333	Design and construction are on schedule and within budget.
Diemer Water Treatment Plant – Improvements Program	\$84,220,000	\$3,744,963	\$77.2M	4%	8%	On schedule 2009/10	\$11,032,100	\$7,910,300	\$1,393,838	\$6,516,462	Fiscal year variance is due to transfer of the Chemical Storage Tank Farm Extension project to the Diemer Oxidation Retrofit Program (ORP) appropriation, extensive negotiations to finalize the consultant's scope of work and schedule under the professional services agreement, and the low bid for the Filter Surface Wash Piping Replacement contract (over \$2 million below budget).
Diemer Water Treatment Plant – Solids Handling and Water Reclamation	\$44,824,000	\$15,981,675	\$19.9M	36%	38%	On schedule 2006/07	\$12,417,700	\$8,145,300	\$8,532,828	(\$387,528)	Design and construction are on schedule and within budget.
Diemer Water Treatment Plant – Washwater Tanks Refurbishment	\$1,350,000	\$796,924	\$1.2M	59%	62%	On schedule 2007/08	\$977,200	\$941,400	\$44,508	\$896,892	Fiscal year variance is due to refurbishment rescheduling to accommodate relocation of communication equipment by lessee.
Diemer Land Acquisition, Habitat Conservation Plan, and Site Grading	\$14,771,000	\$11,664,194	\$13.2M	79%	78%	On schedule 2006/07	\$296,000	\$261,100	\$129,054	\$132,046	Construction is on schedule and within budget.
Information Technology System – Infrastructure	\$38,750,600	\$9,835,316	\$31.6M	25%	26%	On schedule 2009/10	\$4,096,500	\$1,351,100	\$1,405,075	(\$53,975)	Work is on schedule and within budget.
Jensen Water Treatment Plant – Improvements Program	\$81,730,000	\$11,103,147	\$69.0M	14%	15%	On schedule 2011/12	\$10,042,400	\$6,402,000	\$5,900,032	\$501,968	Design and construction are on schedule and within budget.
Mills Water Treatment Plant – Improvements Program	\$11,958,000	\$3,525,513	\$8.6M	29%	30%	On schedule 2011/12	\$2,876,300	\$2,232,900	\$329,449	\$1,903,451	Fiscal year variance is primarily due to additional time required to rescope the project work for more efficient implementation in conjunction with projects under the Mills Capacity Upgrade program.
Remote Computer Room Environmental Control Improvements	\$2,420,000	\$556,977	\$2.2M	23%	34%	On schedule 2005/06	\$795,700	\$793,800	\$203,039	\$590,761	Construction is on schedule and within budget.
Reservoir Cover and Replacement Program	\$15,570,000	\$146,169	\$8.7M	1%	2%	On schedule 2007/08	\$1,596,500	\$1,000,600	\$4,847	\$995,753	Fiscal year variance is due to delay in start of final design for the Orange County Reservoir as a result of extended negotiations with MWDOC on cost sharing agreement.
Skinner Water Treatment Plant - Improvements Program	\$131,308,000	\$12,298,608	\$116.7M	9%	10%	On schedule 2008/09	\$18,100,600	\$6,636,200	\$3,699,164	\$2,937,036	Fiscal year variance is due to the several month extension for advertisement and award of the Chemical System contract which included components of the Skinner Expansion and Improvements programs, and the Chlorine Containment Program. The bid period was extended to ensure multiple competitive bids were received.

							FY 2005/06 Status				
Program Title	Total Program Estimate	Total Expenditures to Date	Projected Cost to Complete	% Budget Expended	% Work Complete	Schedule Status/ Completion Date	Fiscal Year Budget	Fiscal Year Budget To Date	Fiscal Year Expenditures	Expenditure Variance	Comments (See Note)
Weymouth Water Treatment Plant – Improvements Program	\$153,300,000	\$31,178,621	\$134.4M	20%	20%	On schedule 2010/11	\$23,471,200	\$18,096,700	\$13,994,178	\$4,102,522	Fiscal year variance is primarily due to a favorable bid for recoating the finished water reservoir (\$1.5M below the budget).
Whitewater Siphon Protection	\$10,350,000	\$2,015,528	\$9.2M	19%	20%	On schedule 2009/10	\$1,158,300	\$850,200	\$121,755	\$728,445	Program is on schedule and within budget.
TOTAL							\$115,564,700	\$76,820,130	\$50,280,029	\$25,893,601	
Information Technology											
Control System Enhancement & Automation	\$21,061,100	\$3,671,887	\$17.8M	17%	21%	On schedule 2009/10	\$4,550,200	\$2,058,600	\$1,416,967	\$641,633	Program is on schedule and within budget.
Distribution System – Control and Equipment Upgrade Program	\$11,354,000	\$2,717,275	\$9.4M	24%	23%	On schedule 2008/09	\$2,337,800	\$1,773,300	\$1,146,754	\$626,546	Program is on schedule and within budget.
Information Technology System – Business, Finance & HR	\$19,200,000	\$4,998,898	\$17.5M	26%	37%	On schedule 2008/09	\$3,440,300	\$2,588,800	\$1,192,239	\$1,396,561	Fiscal year variance is due to longer than anticipated time to develop detailed and comprehensive scopes of work for professional services agreements.
Information Technology System – Enterprise Decision System	\$4,268,200	\$0	\$3.5M	0%	0%	On schedule 2007/08	\$1,037,200	\$890,700	\$0	\$890,700	Fiscal year variance is due to the decision to cancel the Data Warehousing project pending further justification evaluation of the return on the investment.
Strategic Operations and Maintenance Management System	\$6,977,400	\$3,704,428	\$6.5M	53%	55%	On schedule 2005/06	\$1,311,200	\$694,200	\$33,390	\$660,810	Fiscal year variance is due to inadequate performance by the consultant. A new RFP process was initiated last year while consultant staffing issues were being corrected. The remaining projects are now underway.
TOTAL							\$12,676,700	\$8,005,600	\$3,789,350	\$4,216,250	
Water Quality											
Diemer Water Treatment Plant – Construct Sedimentation Basin Spillways	\$9,810,000	\$6,720,876	\$7.5M	69%	75%	On schedule 2006/07	\$2,320,000	\$1,829,500	\$3,799,201	(\$1,969,701)	Contractor progress and payments are ahead of cash flow projections. The program remains within budget.
Diemer Water Treatment Plants – Oxidation Retrofit Program	\$207,000,000	\$16,422,338	\$180.8M	8%	7%	On schedule 2010/11	\$30,571,600	\$16,711,700	\$9,308,422	\$7,403,278	Fiscal year variance is primarily due to lower than anticipated cash flow on the Plant Maintenance Center and Chemical System Upgrades contracts, and the additional time needed to complete the value engineering analysis for the South Slope Stabilization/Site Preparation contract.
Distribution System – Treated Water Cross Connection Prevention Program	\$41,880,000	\$12,760,189	\$41.8 M	30%	33%	On schedule 2007/08	\$6,162,700	\$3,122,800	\$1,957,760	\$1,165,040	Fiscal year variance is due to additional time needed to secure numerous encroachment permits for construction in public rights of way. The first of several new construction contracts is scheduled for bid in June 2006.
Jensen & Mills Water Treatment Plants – Oxidation Retrofit Program	\$234,000,000	\$232,982,881	\$234M	99.6%	99%	On schedule 2006/07	\$5,327,600	\$4,807,300	\$5,759,190	(\$951,890)	Fiscal year variance is primarily due to additional work by District forces to comply with new Fire Department requirements that were not part of the construction contract. Program is on schedule and within budget.
Lake Mathews Watershed – Drainage Water Quality Management Plan	\$37,400,000	\$35,635,663	\$43.7M	95%	97%	On schedule 2006/07	\$158,100	\$100,300	\$122,013	(\$21,713)	Program is on schedule and within budget.
Pilot Plant Testing and Equipment Storage Facility	\$1,397,000	\$0	\$1.28M	0%	0%	On schedule 2006/07	\$243,100	\$192,500	\$0	\$192,500	New program in the FY2005/06. Initial Board action is pending.
Skinner Water Treatment Plant – Oxidation Retrofit Program	\$241,100,000	\$57,792,716	\$224.4M	24%	24%	On schedule 2007/08	\$56,481,000	\$40,189,500	\$38,737,536	\$1,451,964	Fiscal year variance is due to the July 2005 award date for the construction contract, which resulted in actual costs accruing later than planned.

							FY 2005/06 Status				
Program Title	Total Program Estimate	Total Expenditures to Date	Projected Cost to Complete	% Budget Expended	% Work Complete	Schedule Status/ Completion Date	Fiscal Year Budget	Fiscal Year Budget To Date	Fiscal Year Expenditures	Expenditure Variance	Comments (See Note)
Water Treatment Plants - Algae Control Study	\$630,000	\$77,017	\$.6M	12%	10%	On schedule 2005/06	\$606,400	\$425,000	\$77,017	\$347,983	Program is on schedule and within budget.
Water Treatment Plants – Control and Equipment Upgrade Program	\$7,641,000	\$1,215,547	\$6.6M	16%	16%	On schedule 2009/10	\$335,000	\$77,600	\$162,706	(\$85,106)	Fiscal year variance is due to project progress ahead of projections. The program remains within budget.
Weymouth Water Treatment Plant – Oxidation Retrofit Program	\$174,300,000	\$9,617,608	\$146.5M	6%	9%	On schedule 2010/11	\$10,366,700	\$7,431,200	\$5,817,252	\$1,613,948	Fiscal year variance is due to extensive negotiations earlier in the fiscal year to finalize the consultant's scope of work and schedule under the professional services agreement .
TOTAL							\$112,572,200	\$74,887,400	\$65,741,097	\$9,146,303	
Stewardship											
All Facilities – Security Systems Improvements	\$22,020,000	\$10,870,010	\$19.9M	49%	64%	On schedule 2006/07	\$3,177,500	\$2,449,500	\$1,956,991	\$492,509	Program is on schedule and within budget.
All Water Treatment Plants – Fluoridation System	\$5,500,000	\$0	\$5.0M	0%	70%	On schedule 2007/08	\$2,080,000	\$877,600	(\$40,077)	\$917,677	Percent completed is greater than percent expended because actual expenditures have been offset by reimbursement payments received.
Chemical Containment Program Phase II	\$7,000,000	\$0	\$6.6M	0%	0%	On schedule 2008/09	\$879,400	\$598,400	\$0	\$598,400	New program in the FY2005/06. Initial Board action is pending.
Chlorine Containment and Handling Facilities	\$92,850,000	\$24,914,400	\$86.1M	27%	34%	On schedule 2008/09	\$13,139,300	\$6,686,500	\$2,105,857	\$4,580,643	Fiscal year variance is due to contract payments for the Chemical System contract, which includes the Skinner Chlorine Containment Facilities, being temporarily collected under the Expansion 4 program only. Also, bid awards were rescheduled for the Skinner and Jensen contracts in order to ensure multiple competitive bids were received.
CRA – Discharge Containment Program	\$5,400,000	\$504,099	\$4.6M	9%	10%	On schedule 2007/08	\$959,000	\$258,800	\$130,323	\$128,477	Program is on schedule and within budget.
CRA – Real Property Recordation Program	\$24,665,000	\$5,029,644	\$24.1M	20%	40%	Ahead Budget - 2020/21 Projected - 2010/11	\$1,381,000	\$1,053,000	\$1,772,288	(\$719,288)	Completion date reflects reduced annual expenditures to accommodate higher priority work. Progress is ahead of schedule and will be completed under budget.
Desert Facilities - Fire Protection Upgrade	\$7,342,000	\$6,310,834	\$6.4M	86%	100%	On schedule 2005/06	\$1,127,600	\$1,127,600	\$1,351,873	(\$224,273)	Constuction will be completed on schedule with some punch list items likely. It is within budget.
Diamond Valley Recreation	\$96,829,367	\$48,751,926	\$96.8M	50%	50%	On schedule 2008/09	\$20,851,200	\$15,159,400	\$5,397,202	\$9,762,198	Fiscal year variance is due to delays in the permitting agency approval process for the Searl Parkway Phase II improvements, and continuing evaluation of the Recreation Lake, Trails, and North Property Development plans.
Information Technology System – Security Program	\$2,751,000	\$1,779,304	\$2.4M	65%	71%	On schedule 2006/07	\$341,800	\$182,500	\$396,644	(\$214,144)	Fiscal year variance is due to project progress ahead of projections. The program remains within budget
La Verne Facility – Shop Equipment Upgrades	\$13,714,000	\$624,281	\$11.5M	5%	10%	On schedule 2007/08	\$3,022,600	\$1,511,400	(\$154,001)	\$1,665,401	Program was deferred in 2004/05. The Board authorized preliminary design in March 2006.
Power Reliability and Energy Conservation Program	\$22,200,000	\$14,225,135	\$17.70	64%	76%	On schedule 2006/07	\$1,458,900	\$1,051,400	\$1,240,697	(\$189,297)	Program is on schedule and within budget.
Weymouth Water Treatment Plant – Renovation of the Softener Buildings	\$6,570,000	\$4,440,251	\$5.5M	68%	100%	On schedule 2005/06	\$256,700	\$159,000	\$408,072	(\$249,072)	Construction work is complete and only minimal close-out work was budgeted for this fiscal year. The program remains within budget.
TOTAL							\$48,675,000	\$31,115,100	\$14,565,869	\$16,549,231	