

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

Summary

This report provides a summary of accomplishments, expenditures to date, variance explanations, and schedule status for all Capital Investment Plan (CIP) programs. This report also identifies any service connections approved for construction as well as relocation/protection agreements executed under the General Manager's authority. During the fourth quarter of the 2005/06 fiscal year, eleven Board actions appropriated a total of \$143.0 million and awarded one construction contract. Additionally, four agreements for consulting services and one Memorandum of Understanding with the California Department of Parks and Recreation were authorized. Through June 2006, 69 programs encompassing over 350 projects were budgeted to be underway at a projected expenditure of \$506.1 million. Actual fiscal year expenditures for these programs totaled \$401.6 million, including the allocation of \$2,886,000 to the Inland Feeder and Jensen/Mills Oxidation Retrofit Program (ORP) as a result of the Cargill Settlement. An additional \$15,157,000 from the Cargill Settlement was allocated to the Diamond Valley Lake Program, for a total fiscal year capital outlay of \$416.76 million.

During the fourth quarter, over \$80.4 million in construction contract payments were made, reflecting continuing progress on the Skinner Plant Expansion No. 4, Chemical System Modifications, and ORP contracts; the Inland Feeder Arrowhead Tunnels contract, where 1,590 feet of tunnel was mined from April through June, for an overall mined length of 19,325 feet; and the installation of over 4,714 feet of pipe on the San Diego Pipeline No. 6 North Reach contract. Additionally, four major construction contracts were underway at the Diemer Plant: the Solids Handling Facilities and Vehicle Maintenance Center; the Plant Maintenance Center; the Chemical System Upgrades, and the South Slope Stabilization contract. Six construction contracts were completed this quarter, including the San Diego Pipeline No. 5 and Lake Skinner Outlet Conduit Repairs, the Sepulveda Feeder Carbon Fiber Repair, the Diemer Water Treatment Plant Settling Basin No.8 Spillway Conduit, the Desert Pavement Maintenance contract, and the rehabilitation of swimming pools at the Iron Mountain and Gene Pump Plants.

At the end of the fourth quarter, twenty-eight construction contracts were underway with a total value of over \$878 million. Three of these contracts required additional time beyond their original completion dates. An extension to the completion date for the Weymouth Solids Handling Facilities was pending as a result of rain delays and to complete minor punch-list items. An extension to the completion date for the Weymouth Finished Water Reservoir Roof Recoating was 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 settlement negotiations with the contractor.

One new service connection was authorized for construction this quarter, bringing the fiscal year total to three. No relocation/protection agreements were executed during the quarter.

More detailed information regarding accomplishments and budget variances is included in the following pages. Performance targets for construction inspection and design costs as a percentage of construction costs were met on all projects on which construction or design, respectively, were completed in the fourth quarter.

Attachments

Attachment 1 provides summary budget, expenditures, and progress information for all capital programs underway during 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.

Supply and Delivery Reliability:	<p style="text-align: center;">Through 4th Quarter</p> <p style="text-align: center;">Budget: \$216.7M Expended: \$182.6M</p>
<ul style="list-style-type: none"> • Construction continued on the Inland Feeder Arrowhead Tunnels. A total of 1,590 feet was mined on the Arrowhead East and Arrowhead West tunnels. The Arrowhead East Tunnel is approximately 60 percent complete and the Arrowhead West Tunnel is approximately 30 percent complete. • Construction of the Skinner Plant Module No. 7 is approximately 81 percent complete. Work continued on the Washwater Reclamation Plant No. 3 and is approximately 61 percent complete. • Construction is nearing completion on the Diemer Plant’s Yorba Linda Feeder Bypass. The work included installation of approximately 1,580 feet of pipeline, including excavation of a tunnel and vertical shaft. <p>The variance between budgeted and expended dollars is primarily due to difficult ground conditions on the Inland Feeder Arrowhead Tunnels, and actual expenditures under the Desalination Research and Innovative Partnership Program that have been offset by over \$3 million of reimbursements.</p>	<div style="text-align: center;">  </div> <p style="text-align: center;">San Diego Pipeline No. 6 North Reach Positioning of pipe segment in tunnel crossing of Rancho California Road</p> <ul style="list-style-type: none"> • 34,351 feet of the San Diego Pipeline No. 6 North Reach pipeline has been installed through June 2006, which represents 98 percent of the total length.

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<p>Infrastructure Reliability:</p>	<p style="text-align: center;">Through 4th Quarter Budget: \$115.5M Expended: \$91.4M</p>
<ul style="list-style-type: none"> • Replacement of the surface wash headers was completed at the Weymouth Water Treatment Plant. • The Board authorized nine new conveyance and distribution system rehabilitation projects. These projects involve rehabilitation of pipelines and valve structures, cathodic protection, erosion control improvements, and upgrade of the communication system at the 60-year old San Gabriel Tower. <p>The variance between budgeted and expended dollars is primarily due to: 1) Rescheduling of construction contracts under the Diemer ORP, Chemical Tank Farm Roofs, Diemer Improvements, Jensen Improvements, and CRA Reliability programs to accommodate plant shutdowns, rebidding, value engineering, and cost-effective packaging of similar types of work; and 2) Favorable bids for the Weymouth Finished Water Reservoir Roof Recoating contract (\$1.5 million below budget), and the Diemer Filter Surface Wash Piping contract (\$2 million below budget).</p>	 <p style="text-align: center;">Weymouth Water Treatment Plant Two completed sludge thickener tanks in foreground</p> <ul style="list-style-type: none"> • Construction was completed on the Solids Handling Facilities at the Weymouth Water Treatment plant.
<p>Information Technology:</p>	<p style="text-align: center;">Through 4th Quarter Budget: \$12.6M Expended: \$5.1M</p>
<ul style="list-style-type: none"> • Installation of Phone-Mail equipment for field facilities under the Information Technology System – Infrastructure Program was completed. • The first phase of the new power management system to efficiently monitor and manage power generation and billing at Metropolitans hydroelectric power plants was successfully deployed. Subsequent phases are planned to implement similar systems at the CRA Pumping Plants and all five treatment plants. <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>	 <p style="text-align: center;">Information Technology System – Infrastructure Program</p> <ul style="list-style-type: none"> • Design of the Automatic Meter Reading (AMR) communications network for the AMR pilot was completed under the Control System Enhancement Program.

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<p>Water Quality:</p>	<p style="text-align: center;">Through 4th Quarter Budget: \$112.5M Expended: \$98.0M</p>
<ul style="list-style-type: none"> • The design for the relocation of 75 air release/vacuum valve assemblies was completed under the Distribution System Treated Water Cross Connection Prevention Program. Bids for construction are scheduled to be opened in September. • Construction was completed for the instrumentation replacement project under the Treatment Plant Control and Equipment Program. • Construction progressed on the Skinner ORP and is approximately 27 percent complete. Final design is underway for the Weymouth ORP and is anticipated to be completed by December 2006. <p>The fiscal year variance is primarily due to beneficial results of the value engineering analysis performed on the Diemer south slope stabilization, which rescheduled award of the Site Preparation contract until April 2006.</p>	 <p style="text-align: center;">Diemer – Construction of the maintenance building</p> <ul style="list-style-type: none"> • Construction of the Vehicle Maintenance Building at the Diemer Plant is 60 percent complete.
<p>Stewardship:</p>	<p style="text-align: center;">Through 4th Quarter Budget: \$48.6M Expended: \$37.1M</p>
<ul style="list-style-type: none"> • Final design of the Intake Plant Secondary Containment Structures was completed. • Construction continued on the Searl Parkway Improvements Phase II and the East Recreation Area Landscaping and Signage Improvements contracts, under the Diamond Valley Recreation Program. • Construction of fluoridation systems is underway at the Skinner, Diemer, Mills and Weymouth plants. <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;">Skinner - Construction of Chemical Tank Farm No. 4</p> <ul style="list-style-type: none"> • Construction continued on the Skinner chlorine containment facilities and is approximately 35 percent complete.

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Corporate Resources Capital Project Performance Measures FY2005/06	
<p>Achieved 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>Met Target Met Target</p>
<p>Achieved 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>*Note: No designs were completed for projects less than \$3M for this quarter</p>	<p>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	\$25,506,745	\$51.9M	41%	49%	On schedule 2024/25	\$1,924,500	\$1,924,500	\$818,278	\$1,106,222	Fiscal year variance is due to longer-than-anticipated time to coordinate funding and performing proposed geotechnical investigations with other agencies. The completion date has been adjusted per the draft System Overview Study and will be re-evaluated under the Integrated Area Study.	
Hayfield Groundwater Storage Project	\$80,500,000	\$10,151,195	\$69.6M	13%	14%	On schedule 2010/11	\$238,400	\$238,400	\$201,201	\$37,199	Groundwater level monitoring and sampling are ongoing.	
Inland Feeder	\$1,186,460,000	\$859,989,267	\$978.4M	72%	84%	Being Revised 2008/09	\$79,798,400	\$79,798,400	\$52,593,769	\$27,204,631	Fiscal year variance is due to difficult ground conditions and ongoing settlement negotiations with the contractor. A new completion date is currently under discussion.	
Lake Perris Flexible Storage	\$11,110,000	\$168,957	\$6.4M	2%	50%	On schedule 2009/10	\$1,188,100	\$1,188,100	\$127,639	\$1,060,461	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. Also, expenditures are lower than anticipated due to delays resulting from seismic assessment of the dam.	
Local Groundwater Storage Agreements	\$210,000,000	\$40,254,732	\$181.0M	19%	19%	On schedule 2014/15	\$6,435,400	\$6,435,400	\$4,612,548	\$1,822,852	Fiscal year variance is due to the timing of invoicing by the partnering member agencies.	
Mills Treatment Plant Capacity Upgrade	\$70,500,000	\$2,422,066	\$62.5M	3%	8%	On schedule 2007/08	\$7,972,900	\$7,972,900	\$2,326,652	\$5,646,248	Fiscal year variance is primarily due to rescheduling of final design efforts to accommodate future shutdown windows for construction.	
Mills Water Treatment Plant Expansion No. 2	\$160,000,000	\$139,149,517	\$143.12M	87%	98%	On schedule 2006/07	\$1,738,800	\$1,738,800	\$464,509	\$1,274,291	Fiscal year variance is due to lower-than-anticipated cash flow requirements for the Entry Road and Perimeter Landscaping contract. Work is underway and is on schedule and within budget.	
Perris Valley Pipeline	\$110,000,000	\$780,070	\$103.8M	1%	2%	On schedule 2006/07	\$2,608,000	\$2,608,000	\$780,070	\$1,827,930	Fiscal year variance is due to protracted negotiations for the Design/Build contract, and invoicing lag-time for work completed for the tie-in at the Mills plant.	
Rialto Pipeline Improvements	\$7,100,000	\$837,863	\$6.4M	12%	14%	On schedule 2006/07	\$60,000	\$60,000	\$837,863	(\$777,863)	Fiscal year variance is due to the expedited design in order to meet shutdown dates for construction work during the next fiscal year. The program is within budget.	
San Diego Pipeline No. 6 - North & South Reaches	\$277,600,000	\$86,502,592	\$246.5M	31%	33%	North Reach On schedule 2006/07 Remaining On schedule 2017/18	\$43,928,100	\$43,928,100	\$54,981,538	(\$11,053,438)	Fiscal year variance is due to contract payments and progress that are ahead of cash flow projections. The program remains within budget. The South Reach completion date is under discussion.	
Second Lower Cross Feeder	\$30,712,000	\$1,791,704	25.9M	6%	7%	On schedule 2008/09	\$327,800	\$327,800	\$1,791,704	(\$1,463,904)	Fiscal year expenditures are greater than expected due to better-than-anticipated design progress. The program is on schedule and within budget.	

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Skinner Water Treatment Plant Expansion No. 4	\$143,200,000	\$95,109,650	\$135.8M	66%	67%	On schedule 2007/08	\$65,427,100	\$65,427,100	\$59,981,625	\$5,445,475	Fiscal year variance is due to construction contract payments for the Chemical System and ORP contracts, which includes components of the Skinner Expansion No.4, being temporarily collected under the Skinner ORP and Improvements Programs. The program remains within budget.
Desalination Research and Innovation Partnership	\$7,341,200	\$4,158,702	\$6.9M	57%	78%	On schedule 2006/07	\$439,000	\$439,000	(\$3,378,210)	\$3,817,210	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	\$7,812,125	\$8.3M	90%	90%	On schedule 2006/07	\$4,610,900	\$4,610,900	\$6,433,434	(\$1,822,534)	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	\$216,697,400	\$182,572,620	\$34,124,780	
Infrastructure Reliability											
Accusonic Flow Meter Upgrade	\$1,033,000	\$806,848	\$914,000	78%	90%	On schedule 2006/07	\$141,900	\$141,900	\$38,606	\$103,294	Fiscal year variance is primarily due to rescheduling of Metropolitan 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	\$1,172,194	\$1.6M	25%	69%	On schedule 2006/07	\$171,700	\$171,700	\$81,952	\$89,748	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	\$1,646,876	\$13.5M	11%	12%	On schedule 2006/07	\$2,768,700	\$2,768,700	\$689,469	\$2,079,231	Fiscal year variance is primarily due to rescheduling of construction contracts to obtain cost effective packaging of similar work. One construction contract was awarded at the end of the third quarter, another was awarded during the fourth quarter, and the final contract was scheduled to be awarded in July 2006.
All Treatment Plants - Site Improvements Assessment	\$1,664,000	\$0	\$1.6M	0%	0%	Being Revised 2006/07	\$885,100	\$885,100	\$0	\$885,100	This program is being rescoped for FY 2006/07 to include energy savings considerations, and is therefore being rescheduled.
Allen McColloch Pipeline Repair	\$8,650,000	\$6,364,626	\$7.9M	74%	80%	Repairs/Upgrades On schedule 2006/07 Other On schedule 2014/15	\$485,200	\$485,200	\$422,752	\$62,448	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	\$3,862,098	\$8.5M	42%	48%	On schedule 2008/09	\$1,516,300	\$1,516,300	\$514,617	\$1,001,683	Fiscal year variance is due to deferral of plant shutdowns which affected award of a hydrophone installation contract.
Cabazon Radial Gate Facility Improvements	\$1,800,000	\$178,179	\$1.4M	10%	6%	On schedule 2006/07	\$159,000	\$159,000	\$4,144	\$154,856	Program deferred in FY04/05. Planned progress is pending execution of agreement for development of environmental documentation.
Capital Projects Costing Less than \$250,000 for FY2004/05	\$3,300,000	\$1,573,044	\$3.0M	48%	47%	On schedule 2006/07	\$1,411,600	\$1,411,600	\$1,002,123	\$409,477	Six projects have been completed; sixteen are ongoing; one was cancelled and incorporated into other capital work.

Note: Generally, comments are provided for variances of about \$1M or more, or over about 90% of the FY Budget to Date. Also, for programs with schedule revisions or Percent Work Complete significantly different from Percent Budget Expended.

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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)
Capital Projects Costing Less than \$250,000 for FY 2005/06	\$3,000,000	\$549,149	\$2.9M	18%	13%	On schedule 2007/08	\$395,600	\$395,600	\$594,149	(\$198,549)	Nineteen projects are ongoing; three projects were moved to other programs.
Capital Projects Costing Less than \$250,000 for FY 2006/07	\$5,600,000	\$0	\$5.1M	0%	0%	On schedule TBD	\$0	\$0	\$0	\$0	This Program was authorized in June 2006 and is scheduled to begin in the first quarter of FY06/07.
Conveyance and Distribution System Rehabilitation	\$48,535,000	\$23,151,468	\$40.9M	48%	48%	On schedule 2008/09	\$7,330,300	\$7,330,300	\$11,379,248	(\$4,048,948)	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	\$56,300,000	\$39,378,376	\$51.1M	70%	75%	On schedule 2007/08	\$6,393,000	\$6,393,000	\$2,545,195	\$3,847,805	Fiscal year variance is due to significant reduction in the planned canal lining repairs as a result of last year's inspections.
CRA – Electrical/Power Systems Reliability	\$20,100,000	\$16,808,730	\$17.9M	84%	85%	On schedule 2007/08	\$901,800	\$901,800	\$339,936	\$561,864	Design and construction are on schedule and within budget.
CRA – Pumping Plant Reliability	\$61,700,000	\$4,408,874	\$53.12M	7%	14%	On schedule 2012/13	\$4,933,100	\$4,933,100	\$961,919	\$3,971,181	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 abatement of asbestos wiring.
CRA and Distribution System - Site and Improvements Assessment	\$2,221,000	\$0	\$1.9M	0%	0%	On schedule 2006/07	\$454,000	\$454,000	\$0	\$454,000	Program under review; initial Board action is pending.
Dam Rehabilitation & Safety Improvements	\$4,972,000	\$747,237	\$3.6M	15%	11%	On schedule 2006/07	\$756,900	\$756,900	\$375,201	\$381,699	Work is on schedule and within budget.
Diemer Water Treatment Plant Improvements	\$84,220,000	\$5,457,254	\$77.2M	6%	8%	On schedule 2009/10	\$11,032,100	\$11,032,100	\$3,106,129	\$7,925,971	Fiscal year variance is due to transfer of the Chemical Storage Tank Farm Extension project to the Diemer ORP appropriation, extensive negotiations to finalize the consultant's scope of work and schedule, 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	\$22,258,889	\$19.9M	50%	57%	On schedule 2006/07	\$12,417,700	\$12,417,700	\$14,810,041	(\$2,392,341)	Fiscal year variance is due to contract payments for the Vehicle Maintenance Center (VMC) being temporarily collected under the Solids Handling program. The VMC, while funded under the Diemer ORP, was included in the Solids Handling Facility construction contract due to timing and location. Design and construction are on schedule and within budget.
Diemer Water Treatment Plant Washwater Tanks Refurbishment	\$1,350,000	\$830,062	\$1.2M	61%	62%	On schedule 2007/08	\$977,200	\$977,200	\$77,646	\$899,554	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	\$11,724,215	\$13.2M	79%	78%	On schedule 2006/07	\$296,000	\$296,000	\$189,075	\$106,925	Work is on schedule and within budget.
Information Technology System - Infrastructure	\$38,750,600	\$11,764,627	\$31.6M	30%	26%	On schedule 2009/10	\$4,096,500	\$4,096,500	\$3,334,386	\$762,114	Work is on schedule and within budget.

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Jensen Water Treatment Plant Improvements	\$81,730,000	\$11,494,319	\$69.0M	14%	20%	On schedule 2011/12	\$10,042,400	\$10,042,400	\$6,291,203	\$3,751,197	Fiscal year variance is due to the extensive geotechnical evaluation prior to start of final design for the Solids Handling Facilities, and termination of the Jensen Basin No. 3 Leak Repair contract to resolve PCB-disposal issues.
Mills Water Treatment Plant Improvements	\$11,958,000	\$3,548,132	\$8.6M	30%	30%	On schedule 2011/12	\$2,876,300	\$2,876,300	\$352,068	\$2,524,232	Fiscal year variance is primarily due to revisions in the scopes and schedules of several projects to coordinate with the Mills Capacity Upgrade program.
Remote Computer Room Environmental Control Improvements	\$2,420,000	\$714,111	\$2.2M	30%	34%	Being Revised 2005/06	\$795,700	\$795,700	\$360,172	\$435,528	Construction is 90% complete. Punch-list items are scheduled to be completed in first quarter of FY 2006/07. The program remains within budget.
Reservoir Cover and Replacement	\$15,570,000	\$147,406	\$13.15M	1%	2%	On schedule 2007/08	\$1,596,500	\$1,596,500	\$6,084	\$1,590,416	Fiscal year variance is due to extended negotiations for cost sharing on the improvements for the Orange County Reservoir.
Skinner Water Treatment Plant Improvements	\$131,308,000	\$34,912,063	\$116.7M	27%	29%	On schedule 2008/09	\$18,100,600	\$18,100,600	\$26,312,619	(\$8,212,019)	Fiscal year variance is due to all of the construction contract payments for the Chemical Systems contract, which includes components of the Skinner Expansion No.4, Plant Improvements, and Chlorine Containment programs, being temporarily collected under the Improvements Program. The Chlorine Containment and some of the Expansion work, while funded under their respective programs, were included in the Chemical Systems contract due to timing and location. The program remains within budget.
Weymouth Water Treatment Plant Improvements	\$153,300,000	\$34,675,420	\$134.4M	23%	28%	On schedule 2010/11	\$23,471,200	\$23,471,200	\$17,490,977	\$5,980,223	Fiscal year variance is primarily due to a favorable bid for recoating the finished water reservoir (\$1.5M below the budget) and planned rescheduling so that construction of noncritical rehabilitation projects will occur after ozone construction.
Whitewater Siphon Protection	\$10,350,000	\$2,067,012	\$9.2M	20%	20%	On schedule 2009/10	\$1,158,300	\$1,158,300	\$173,240	\$985,060	Fiscal year variance is due to rescheduling of the procurement of property for environmental mitigation while the EIR is under review, and lower-than-anticipated costs in development of the EIR.
TOTAL							\$115,564,700	\$115,564,700	\$91,452,951	\$24,111,749	
Information Technology											
Control System Enhancement & Automation	\$21,061,100	\$4,232,698	\$17.8M	20%	21%	On schedule 2009/10	\$4,550,200	\$4,550,200	\$1,977,778	\$2,572,422	Fiscal year variance is due to: 1) Performance of lower-cost pilot studies for such projects as the Real Time Operating System and the Energy Management System in order to determine the most effective implementation approach prior to performing full project design; and 2) Longer-than-anticipated time to develop detailed and comprehensive scopes of work for professional services agreements. Work is on schedule and within budget.
Distribution System Control and Equipment Upgrade	\$11,354,000	\$3,811,834	\$9.4M	34%	30%	On schedule 2008/09	\$2,337,800	\$2,337,800	\$1,776,511	\$561,289	Program is on schedule and within budget.

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Information Technology System – Business, Finance & HR	\$19,200,000	\$5,106,560	\$17.5M	27%	30%	On schedule 2008/09	\$3,440,300	\$3,440,300	\$1,299,901	\$2,140,399	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	\$1,037,200	\$0	\$1,037,200	Fiscal year variance is due to the decision to cancel the Data Warehousing project additional analysis of the return on the investment.
Strategic Operations and Maintenance Management System	\$6,977,400	\$3,719,565	\$6.5M	53%	55%	Being Revised 2005/06	\$1,311,200	\$1,311,200	\$48,527	\$1,262,673	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	\$12,676,700	\$5,102,717	\$7,573,983	
Water Quality											
Diemer Water Treatment Plant – Construct Sedimentation Basin Spillways	\$9,810,000	\$6,839,131	\$7.5M	70%	76%	On schedule 2006/07	\$2,320,000	\$2,320,000	\$3,917,456	(\$1,597,456)	Contractor progress and payments are ahead of cash flow projections. The program remains within budget.
Diemer Water Treatment Plant – Oxidation Retrofit	\$207,000,000	\$24,339,195	\$180.8M	12%	11%	On schedule 2010/11	\$30,571,600	\$30,571,600	\$17,225,278	\$13,346,322	Fiscal year variance is primarily due to lower-than-anticipated cash flow on the Plant Maintenance Center and Chemical System Upgrades contracts, and additional time needed to implement the value engineering recommendations for the South Slope Stabilization work.
Distribution System – Treated Water Cross Connection Prevention	\$41,880,000	\$13,374,731	\$37.7 M	32%	33%	On schedule 2007/08	\$6,162,700	\$6,162,700	\$2,572,301	\$3,590,399	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 construction contracts is scheduled for bid in June 2006.
Jensen & Mills Water Treatment Plants – Oxidation Retrofit	\$234,000,000	\$232,982,881	\$234M	99.6%	99%	On schedule 2006/07	\$5,327,600	\$5,327,600	\$7,714,472	(\$2,386,872)	Fiscal year variance is primarily due to additional work by Metropolitan 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	\$35,728,571	\$35.7M	96%	97%	On schedule 2006/07	\$158,100	\$158,100	\$214,922	(\$56,822)	Program is on schedule and within budget.
Skinner Water Treatment Plant – Oxidation Retrofit	\$241,100,000	\$75,660,557	\$224.4M	31%	32%	On schedule 2007/08	\$56,481,000	\$56,481,000	\$56,605,377	(\$124,377)	Program is on schedule and within budget.
Water Quality Pilot Plant Treatment Facility	\$8,609,000	\$85,866	\$7.1M	1%	1%	On schedule 2006/07	\$243,100	\$243,100	\$85,866	\$157,234	New program in FY2005/06. The Board authorized initial funding in May 2006.
Water Treatment Plants - Algae Control Study	\$630,000	\$103,732	\$.6M	16%	30%	Being Revised 2005/06	\$606,400	\$606,400	\$103,732	\$502,668	Fiscal year variance and schedule revision is due to efforts to secure bids to install a basin cover as a pilot project. It is planned to install a cover in FY 2006/07 and test the effects of the cover on algae growth during the summer of 2007.
Water Treatment Plants – Control and Equipment Upgrade	\$7,641,000	\$1,248,384	\$6.6M	16%	17%	On schedule 2009/10	\$335,000	\$335,000	\$195,543	\$139,457	Program is on schedule and within budget.
Weymouth Water Treatment Plant – Oxidation Retrofit	\$174,300,000	\$13,255,480	\$146.5M	8%	9%	On schedule 2010/11	\$10,366,700	\$10,366,700	\$9,455,125	\$911,575	Program is on schedule and within budget.
TOTAL							\$112,572,200	\$112,572,200	\$98,090,072	\$14,482,128	

							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)
Stewardship											
All Facilities – Security Systems Improvements	\$22,020,000	\$12,269,577	\$19.9M	56%	68%	On schedule 2006/07	\$3,177,500	\$3,177,500	\$3,356,558	(\$179,058)	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	\$2,080,000	(\$40,132)	\$2,120,132	Percent completed is greater than percent expended because actual expenditures have been offset by reimbursement payments received. Program is on schedule and within budget.
Chemical Containment Phase II	\$7,000,000	\$0	\$6.6M	0%	0%	On schedule 2008/09	\$879,400	\$879,400	\$0	\$879,400	New program in FY 2005/06. Initial Board action is pending.
Chlorine Containment and Handling Facilities	\$92,850,000	\$29,520,697	\$86.1M	32%	34%	On schedule 2008/09	\$13,139,300	\$13,139,300	\$6,712,155	\$6,427,145	Fiscal year variance is due to contract payments for the Skinner Chemical Systems contract, which includes the Chlorine Containment Facilities, being temporarily collected under the Expansion 4 program. Also, bid dates were rescheduled for the Skinner and Jensen contracts in order to ensure multiple competitive bids were received.
CRA – Discharge Containment	\$5,400,000	\$563,097	\$4.6M	10%	13%	On schedule 2007/08	\$959,000	\$959,000	\$189,321	\$769,679	Program is on schedule and within budget.
CRA – Real Property Recordation	\$24,665,000	\$5,723,246	\$24.1M	23%	40%	Ahead Budget - 2020/21 Projected - 2010/11	\$1,381,000	\$1,381,000	\$2,465,889	(\$1,084,889)	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	\$6,486,714	\$6.4M	88%	100%	On schedule 2005/06	\$1,127,600	\$1,127,600	\$1,527,753	(\$400,153)	Constuction was completed on schedule with some punch-list items remaining. The program is within budget.
Diamond Valley Recreation	\$96,829,367	\$51,393,983	\$96.8M	53%	52%	On schedule 2008/09	\$20,851,200	\$20,851,200	\$7,958,942	\$12,892,258	Fiscal year variance is due to protracted 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	\$2,751,000	\$1,919,535	\$2.4M	70%	77%	On schedule 2006/07	\$341,800	\$341,800	\$536,875	(\$195,075)	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	\$678,378	\$11.5M	5%	10%	On schedule 2007/08	\$3,022,600	\$3,022,600	(\$99,904)	\$3,122,504	Fiscal year variance is due to salvage of used equipment and rescheduling of work to accommodate planned ORP construction. The Board authorized preliminary design in March 2006.
Power Reliability and Energy Conservation	\$22,200,000	\$14,327,225	\$17.70	65%	80%	On schedule 2006/07	\$1,458,900	\$1,458,900	\$1,342,787	\$116,113	Program is on schedule and within budget.
Weymouth Water Treatment Plant – Renovation of the Softener Buildings	\$5,200,000	\$4,457,004	\$5.5M	86%	100%	On schedule 2005/06	\$256,700	\$256,700	\$424,825	(\$168,125)	Construction work is complete and minimal close-out work was budgeted for this fiscal year. The program remains within budget.
TOTAL							\$48,675,000	\$48,675,000	\$24,375,069	\$24,299,931	