

Update on Expenditures for the Bay Delta Conservation Plan



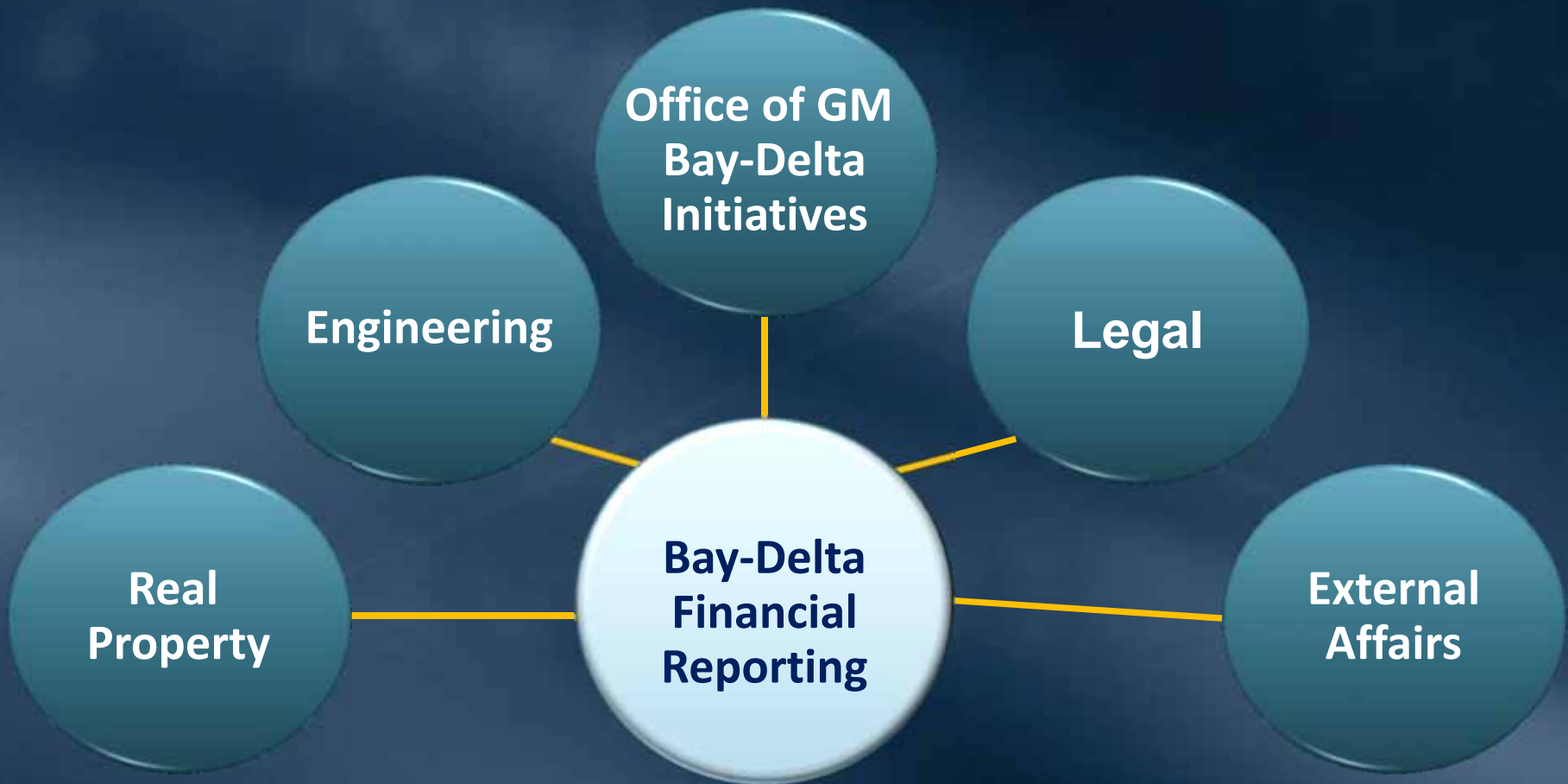
Special Committee on Bay-Delta

Item 3c, February 24, 2015

Presentation Outline

- Coordinated Financial Reporting
- Regular Internal Audits
- Financial Report
- Summary and Next Steps

Coordinated Financial Reporting



Coordinated Financial Reporting

● Bay Delta Initiatives – Key Project Activities

- Bay Delta Conservation Plan
- Regulatory – SWRCB & Biological Opinions
- Delta Science & Fish Studies
- Operations Modeling & Forecasting
- Emergency Preparedness & Delta Levees
- Drought Management
- Habitat Restoration
- SWP Contract Extension

Internal Audit Reports

- Recent audits (2011, 2012, 2014)
- Reviewed consulting agreements, internal financial controls, and accounting
- Rating received – Generally Satisfactory

Bay Delta Financial Updates

Recent Board Updates & Scope

● Financial Updates

- Sep 2014 – BDCP Cost Allocation Discussions
- Jun 2014 – Bay Delta Financial Report & Program Controls
- Feb 2014 – BDCP Cost Allocation Discussions
- Aug 2013 – BDCP Rate Impact & IRP Analysis
- Mar 2012 – Bay Delta Financial Report & Program Controls
- Oct 2010 – Bay Delta Environmental Expenditures
- Jul 2010 – Supplemental Funding Agreement
- Dec 2008 – DHCCP Funding Agreement
- Nov 2006 – BDCP Cooperative Cost Share Agreement

MWD Expenditures on BDCP

Jul 2005 thru Dec 2014

	<u>Total (9.5 years)</u>
● BDCP – Internal MWD	
• Labor	\$ 16.50M
• Professional Services	\$ 2.98M
• Travel	\$ 0.81M
• Others ⁽¹⁾	<u>\$ 0.15M</u>
	\$ 20.44M
● BDCP – Planning Cost to DWR	
• BDCP/DHCCP	\$ 63M

(1) Others include charges for materials & supplies, trainings, seminars, conferences/meetings, & reprographics

MWD Expenditures on BDCP

Categories

- Labor
 - Labor costs reports from staff throughout District
 - Represents a range of staff time
- Professional Service Categories
 - Resource analysis & flow modeling
 - Environmental documentation
 - Cost estimation, engineering, geotechnical, seismic, power
- Travel
 - Mainly to Sacramento
 - Includes flight, hotel, meals
- Other
 - Includes charges for materials & supplies, training, seminars, conferences & meetings, and reprographics

Bay Delta Conservation Plan

Planning Agreement Payments (thru Dec 2014)

- Funding Agreements
 - Nov 2006 – BDCP Cooperative Cost-Share Agmt. \$13.5 million
 - Dec 2008 – DHCCP Funding Agreement \$140.0 million
 - Jul 2010 – Supplemental Funding Agreement \$100.0 million
 - TOTAL (EIR/S & Engineering) \$253.5 million
- Incurred Costs
 - By DWR (thru Dec 2014) \$240.5 million
- Metropolitan
 - Total Share \$63 million

Summary and Next Steps



- Planning & environmental documentation costs
 - DWR payments accounted for in MWD's existing budget
- Future projected cost estimates
 - Included in Metropolitan's 10-year financial projections
- Staff will provide regular BDCP financial updates

