



City of Morro Bay
Water Reclamation Facility Project

MONTHLY REPORT APRIL 2019

DRAFT | May 2019





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May 2019
State of California PE 73351

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Section 1

PROJECT OVERVIEW

1.1 General Project Status Update Normal

All components of the Water Reclamation Facility Project (Project) are currently in progress. City staff and the Program Manager (Carollo) are actively working with the design-build team and the pipeline designer to advance the design of the Water Reclamation Facility (WRF) and Conveyance Facilities, respectively. City staff and Carollo are also actively working with the hydrogeologist to better characterize the Lower Morro Groundwater Basin and identify the preferred injection location. The hydrogeologist (GSI) recently completed the Draft Phase 1 Groundwater Modeling Technical Memorandum (TM). The TM evaluated the impacts of injection and extraction on the nitrate concentration in the groundwater and the basin's susceptibility to seawater intrusion during period of sustained pumping. The Once the final injection location is confirmed, design of the Recycled Water Facilities (i.e., injection wells) can begin. Table 1 below summarizes the accomplishments and challenges experienced during the month of April 2019.

Table 1 Project Accomplishments and Challenges

Project Component	Key accomplishments	Critical Challenges	Actions to Overcome Challenges	Likely Outcomes
General Project	Project identified in the State Water Resources Control Board's (SWRCB's) fundability list for the Clean Water State Revolving Fund (CWSRF) Program in the Draft Intended Use Plan (IUP) for \$105 million			
	Continued development of the Final Environmental Impact Report (EIR) Addendum			
	Continued development of the Coastal Development Permit (CDP) with California Coastal Commission (CCC) staff			
	San Luis Obispo County Board of Supervisors votes to consolidate the CDP			
Water Reclamation Facility	Negotiated seventeen (17) potential change orders (PCOs) for presentation to WRFCAC and City Council			
Conveyance Facilities	Continued development of the 60 Percent Design Submittal			
		Ability to gain access to the Vistra and PG&E properties	Continue coordination with Vistra and PG&E	Without the ability to complete the surveying and geotechnical work, the completion of the 60 Percent Design Deliverable could be delayed
Recycled Water Facilities	Completed the Draft Phase 1 Groundwater Modeling Technical Memorandum (TM)			
		Ability to gain access to the Vistra and PG&E properties	Continue coordination with Vistra and PG&E	Without the ability to complete the pilot injection wells, the completion of the Phase 2 groundwater modeling could be delayed

Section 2

PROJECT COSTS

2.1 Performance Measures

A set of five Key Performance Indicators (KPIs) were established to readily measure the progress of the Project. These KPIs represent various success factors associated with the WRF project management and delivery that were established by Carollo and City of Morro Bay staff and are summarized as Table 1. The Project's performance is also illustrated graphically in Figure 1 and Figure 2.

Table 2 WRF Project Performance Measures

1	Data	Target	Current	Delta	Status	Ⓞ	Ⓢ	Ⓡ
1: Total Project Costs	Total Project Projected Cost at Completion versus the Baseline Budget (budget as of 3/31/19)	\$125.9 M	\$124.5 M	-1.2%	Ⓞ	Estimated cost within 5% of target budget	Estimated cost > 5% above target budget	Estimated cost > 10% above target budget
1.1: WRF Costs	On Site WRF Projected Cost at Completion versus the Baseline Budget (budget as of 3/31/19)	\$77.1 M	\$77.9 M	1.0%	Ⓞ	Estimated cost within 5% of target budget	Estimated cost > 5% above target budget	Estimated cost > 10% above target budget
1.2: Conveyance Facilities Costs	Conveyance Facilities Projected Cost at Completion versus the Baseline Budget (budget as of 3/31/19)	\$26.3 M	\$29.5 M	11.8%	Ⓡ	Estimated cost within 5% of target budget	Estimated cost > 5% above target budget	Estimated cost > 10% above target budget
1.3: Recycled Water Facilities Costs	Off Site Injection Facilities Projected Cost at Completion versus the Baseline Budget (budget as of 3/31/19)	\$12.1 M	\$5.7 M	-52.9%	Ⓞ	Estimated cost within 5% of target budget	Estimated cost > 5% above target budget	Estimated cost > 10% above target budget
1.4: General Project Costs	General Project Projected Cost at Completion versus the Baseline Budget (budget as of 3/31/19)	\$10.5 M	\$11.5 M	9.5%	Ⓢ	Estimated cost within 5% of target budget	Estimated cost > 5% above target budget	Estimated cost > 10% above target budget
2: Program Manager Earned Value	Ratio of Program Manager Earned Value to Actual Invoiced Cost-to-Date (as of 4/30/19)	1.00	1.06	0.06	Ⓞ	>= 1.00	0.99 to 0.90	< 0.90
3: Conveyance Pipeline Installed	Feet of conveyance pipeline installed (thru 4/30/19)	18,500 LF	0.0 LF	0.0%	Ⓞ	<= 5%	> 5% and <=7.5%	> 7.5%
4: Compliance Date Countdown	Days Remaining to Compliance Date (as of 4/30/19)	1,400 days	926 days	-474 days	Ⓞ	<= 365 days	364 days and 180 days	> -179 days

Section 3

PROJECT COSTS

3.1 Project Budget

The overall budget status for the Project is summarized in Table 2. The top half of the Table provides a summary of total estimated Project costs, including original and current estimated costs for the entire Project. The bottom half of Table 3 shows the total amount of work currently under contract and provides a summary of current and total charges.

Table 3 WRF Project Overall Budget Status (thru April 2019)

Summary of Total WRF Project Cost	
Original Baseline WRF Project Budget ⁽¹⁾	\$125,938,000
Current WRF Project Budget (as of 3/31/19)	\$124,438,000
Budget Percent Change (Current versus Original)	-1.2%
Total Expenditures for April 2019	\$785,677
Total Expenditures to Date (thru 4/30/19 invoices)	\$9,242,128
Percent of Current WRF Project Budget Expended	7.4%
Summary of Contracted Work	
Total Contracted Amount	\$75,294,895
Percent of Current WRF Project Budget Contracted	60.5%
Total Contracted Amount Expended	\$8,002,288
Percent of Contracted Amount Expended	10.6%
Remaining WRF Project Contracted Amount	\$67,292,607

Notes:

(1) Developed in the spring of 2018 as the basis of the approved rate surcharge that will take effect in July 2019.

3.2 Project Cash Flow

Presented in Figure 1 are the projected and actual expenditures for the Project through April 2019 compared to the baseline budget developed in 2018 as the basis for the rate surcharge. The line graph shows the cumulative values for the project and the bars show the discrete monthly values. For the time period before January 2019, the bars show annual values. Because the forecasted cash flows are based on anticipated project delivery schedules, the relationship of projected cash flows to actual expenditures provides an indication of schedule status.

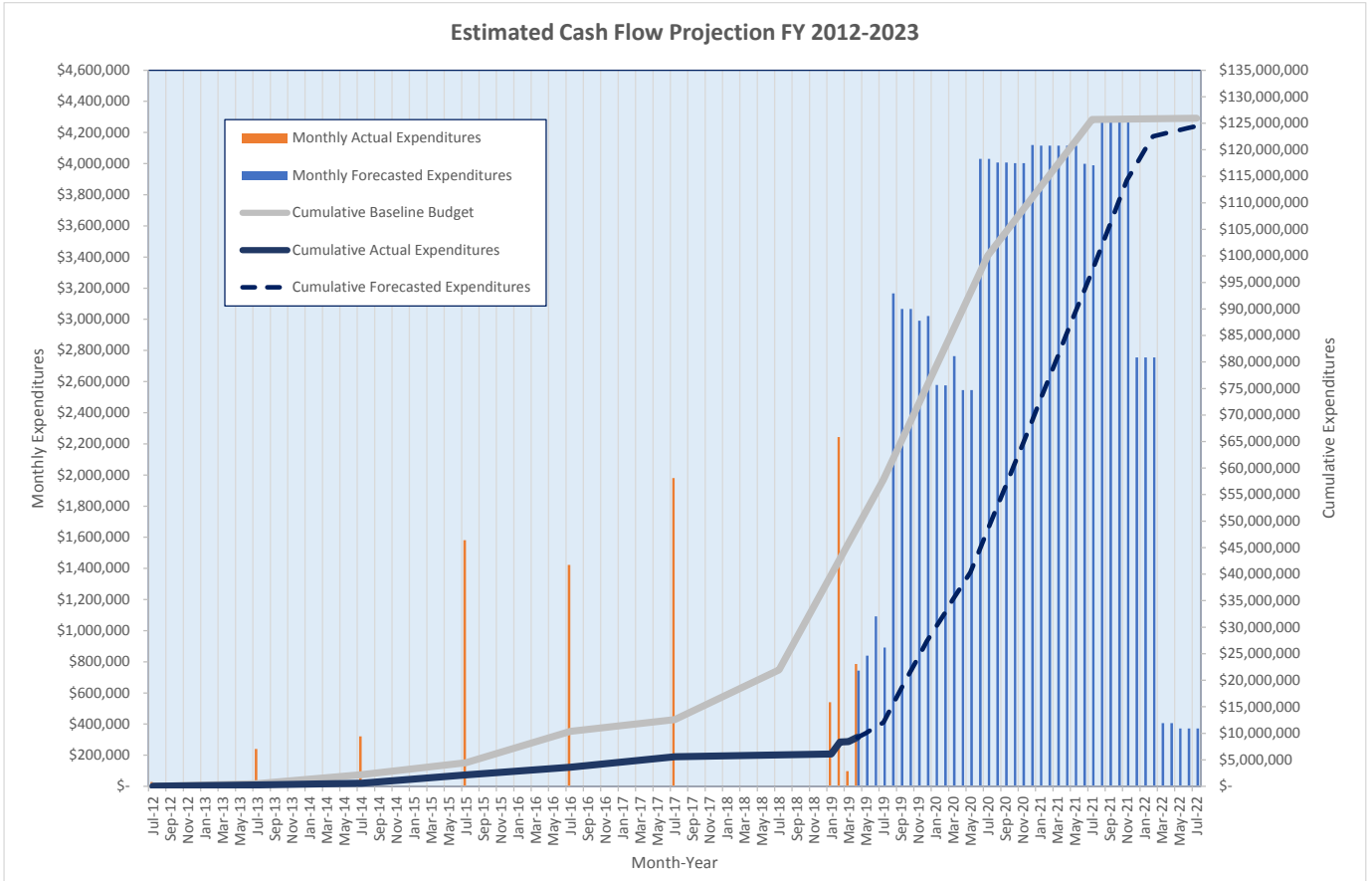


Figure 1 Project Cash Flow Projections and Actual Expenditures

Section 4

PROJECT SCHEDULE

A summary of the Project schedule is presented in Figure 2.

4.1 Project Construction Milestones

Presented in Table 4 are the construction milestones for each element of the Project.

Table 4 Project Construction Milestones

Project Name	Start of Construction		End of Construction		Permit Compliance Date	
	Planned	Actual	Planned	Actual	Planned	Actual
WRF	Aug 09, 2019		Jun 09, 2022		Feb 28, 2023	
Conveyance Facilities	May 11, 2020		Nov 19, 2021		NA	NA
Recycled Water Facilities	Jul 21, 2021		Jun 21, 2022		NA	NA

Task No.	Task Name	% Complete	2013		2014					2015					2016					2017					2018					2019					2020					2021					2022						
			N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N
1	General Program	95%																																																	
2	Hydrogeological Support	8%																																																	
3	Environmental Documentation	91%																																																	
4	General Permitting	3%																																																	
5	Potable Reuse Permitting	0%																																																	
6	Funding	49%																																																	
7	Conveyance Facilities Project	19%																																																	
8	Recycled Water Facilities	0%																																																	
9	WRF Onsite Improvements	38%																																																	
10	Conformance with Time Schedule Order	0%																																																	

Figure 2 Project Milestone Summary