



# Item C-1 City Council

Water Reclamation Facility Quarterly Update Report

August 11, 2020

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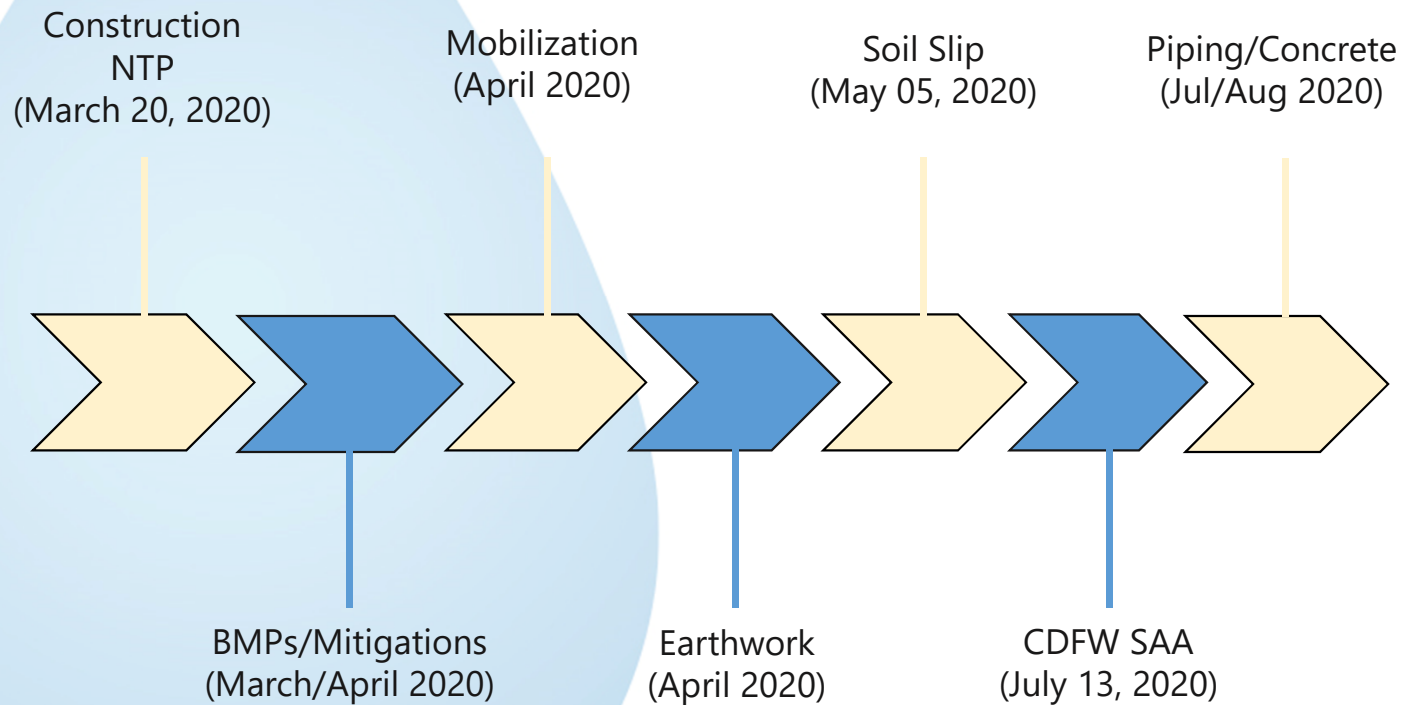
# Recommendations

- Receive WRF quarterly update report



# General Project Status

# WRF construction timeline



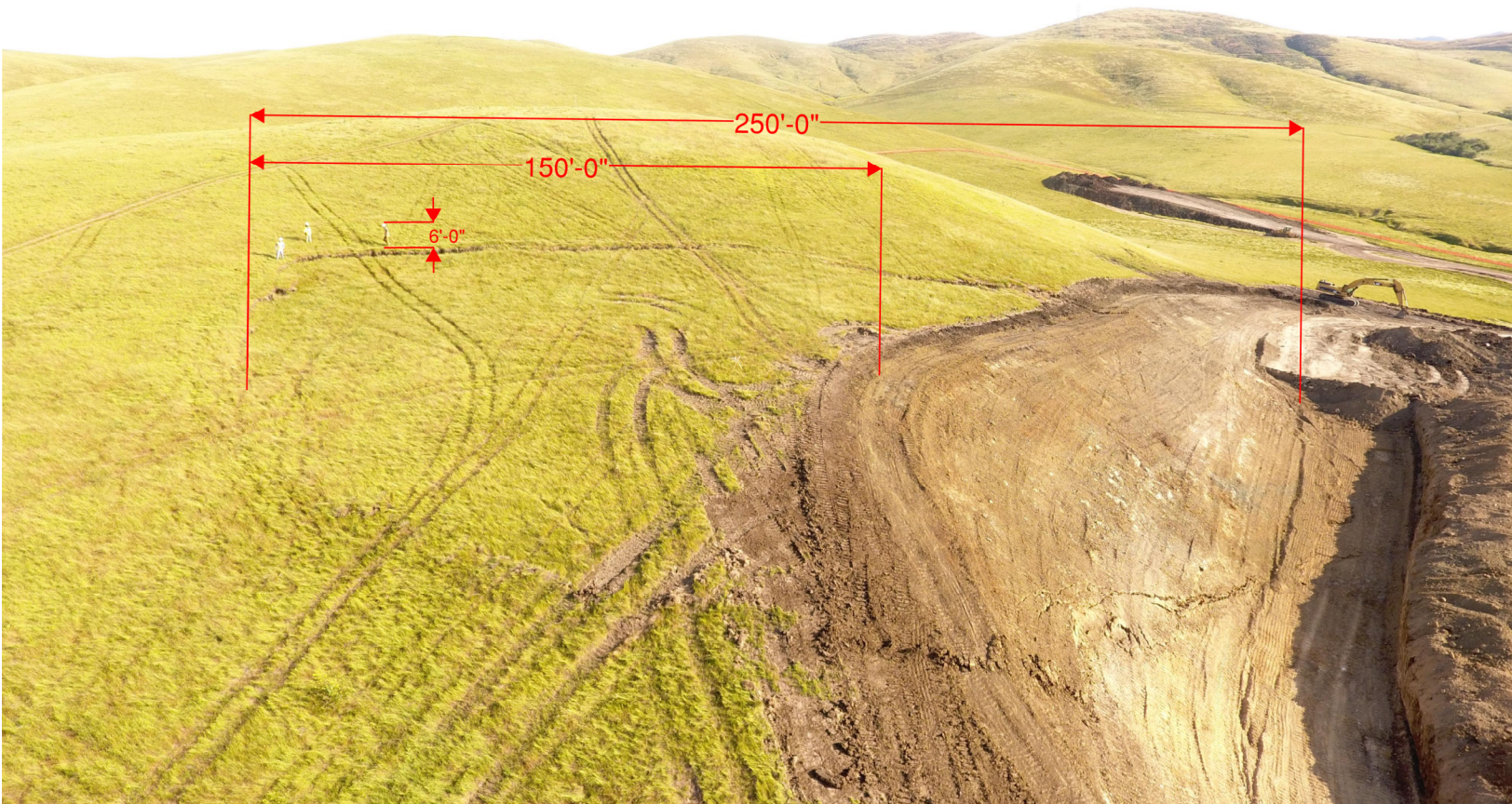
# tion and avoidance measures

Please note that this  
returned to the Calif

Programmatic Agreement  
Facility Project, San Luis

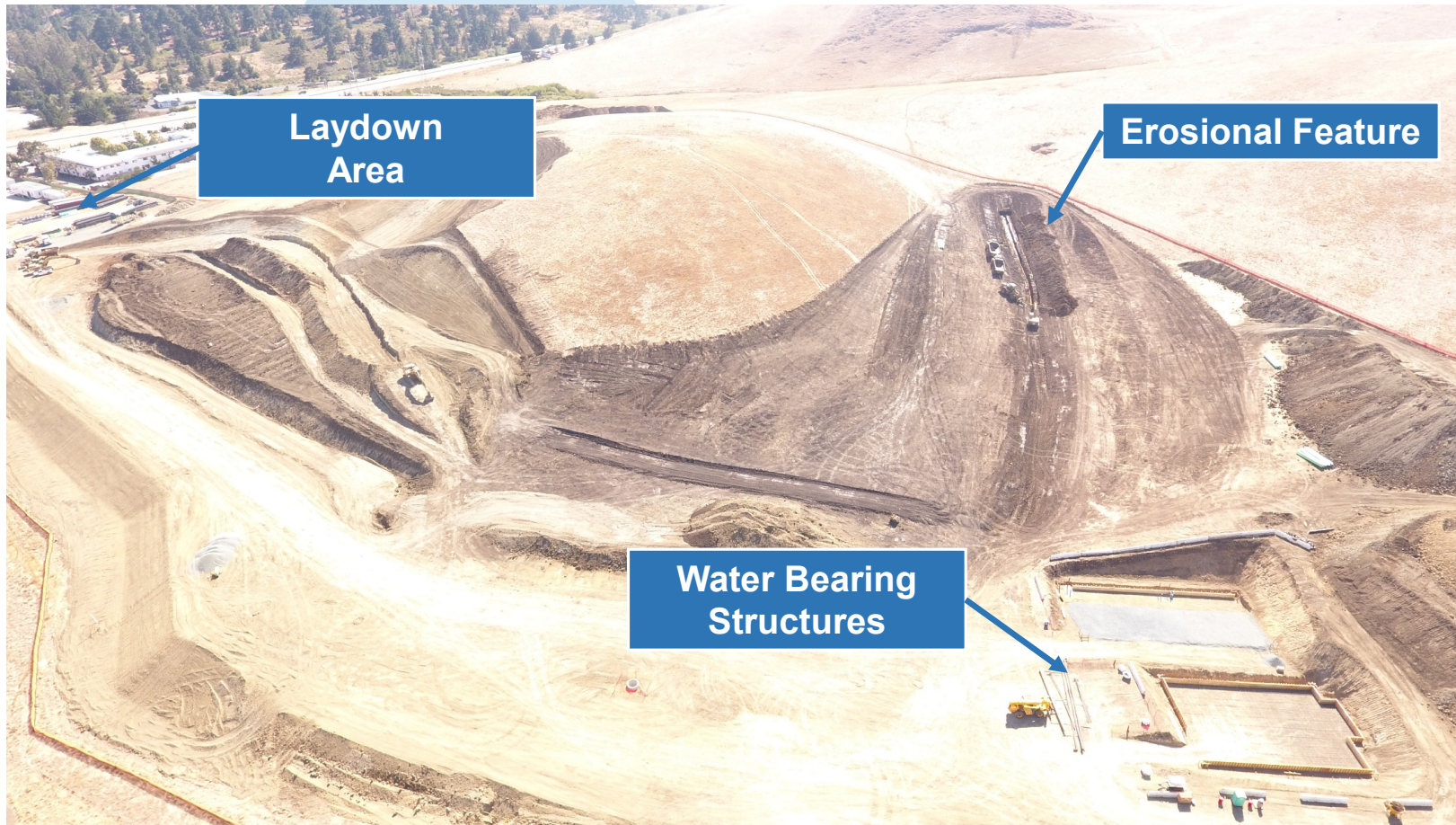
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# Soil slip





# WRF site project progress



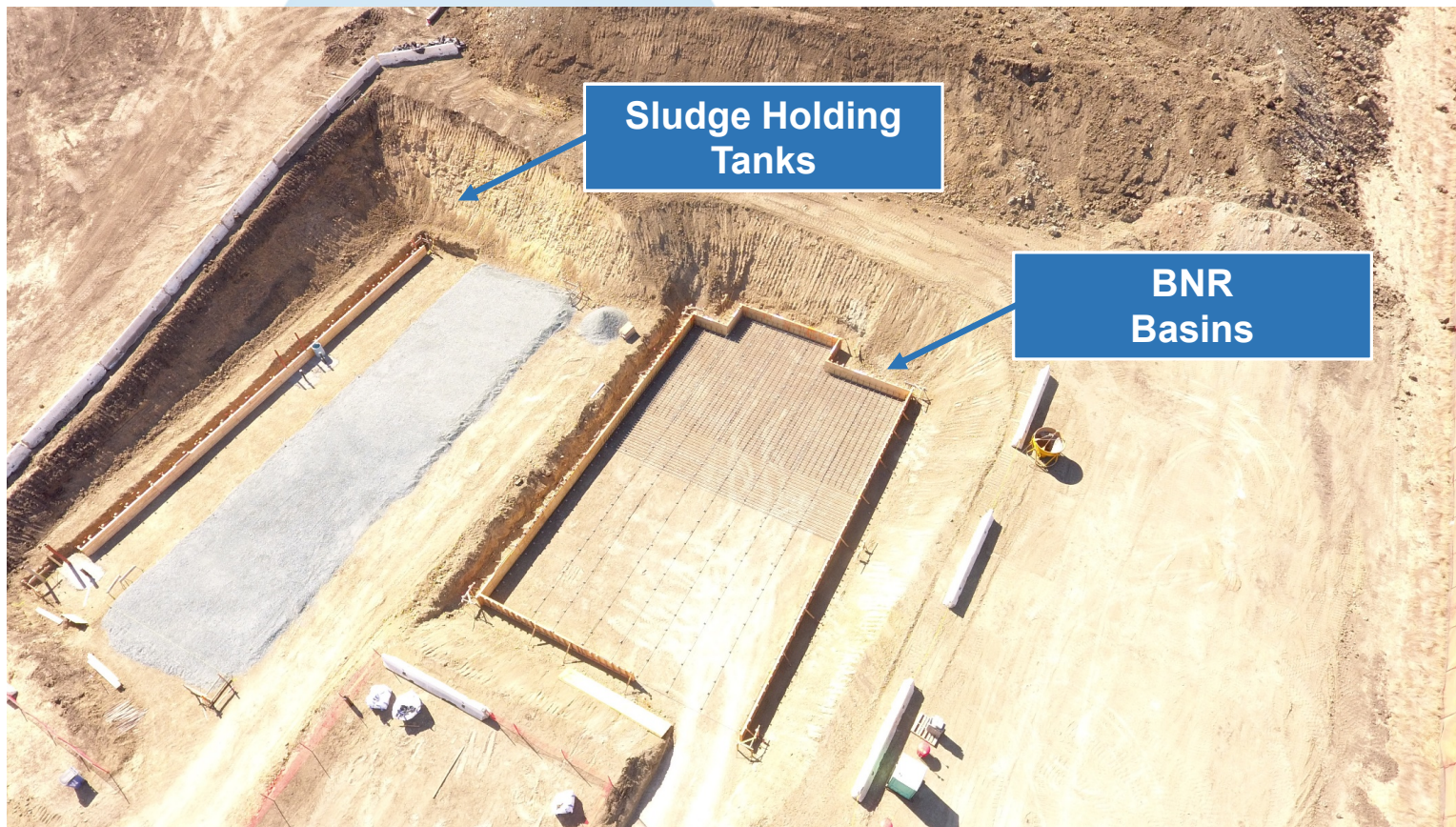


# Agreement obtained for the erosional feature



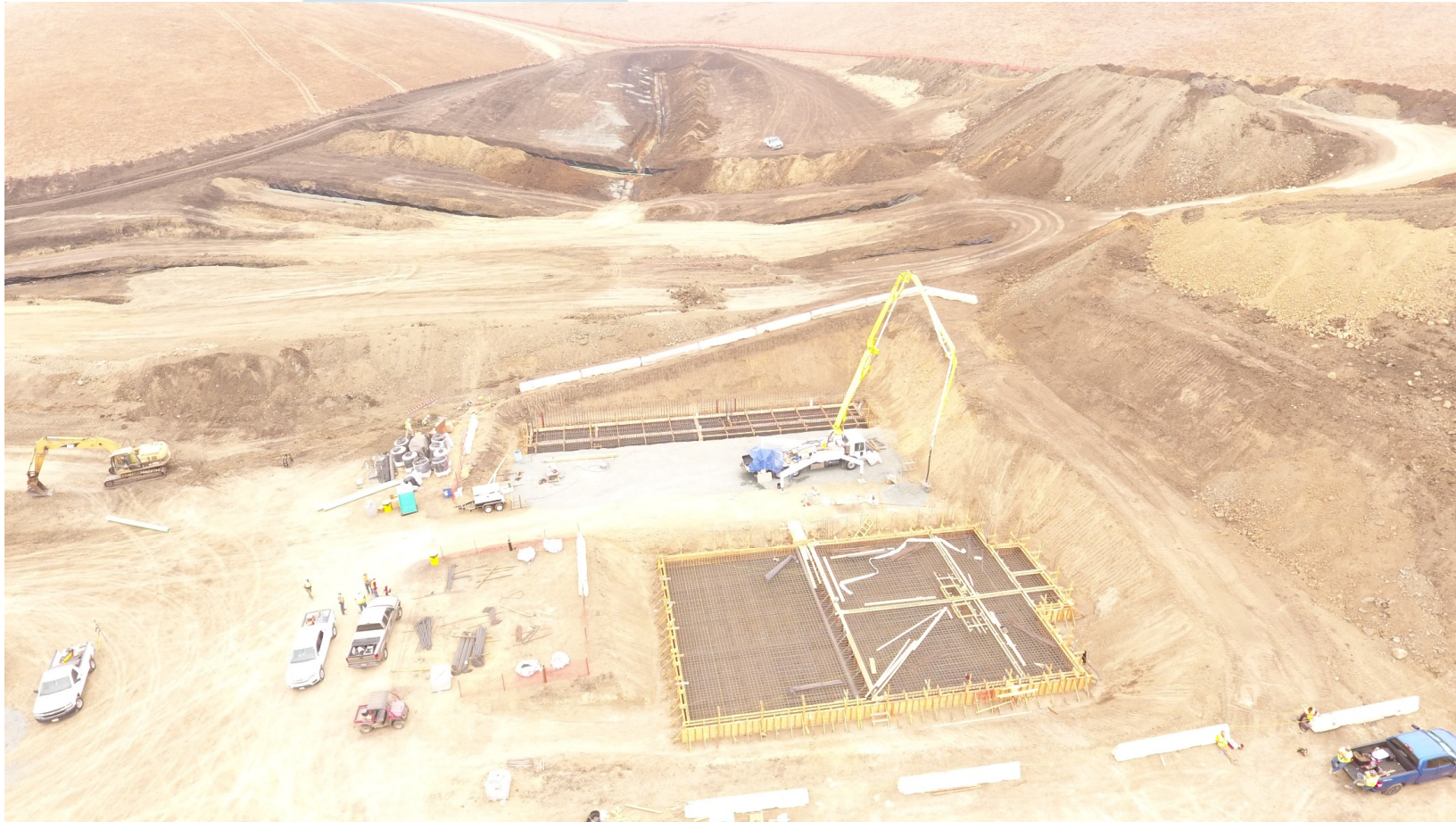


# Rebar and forming work has been completed





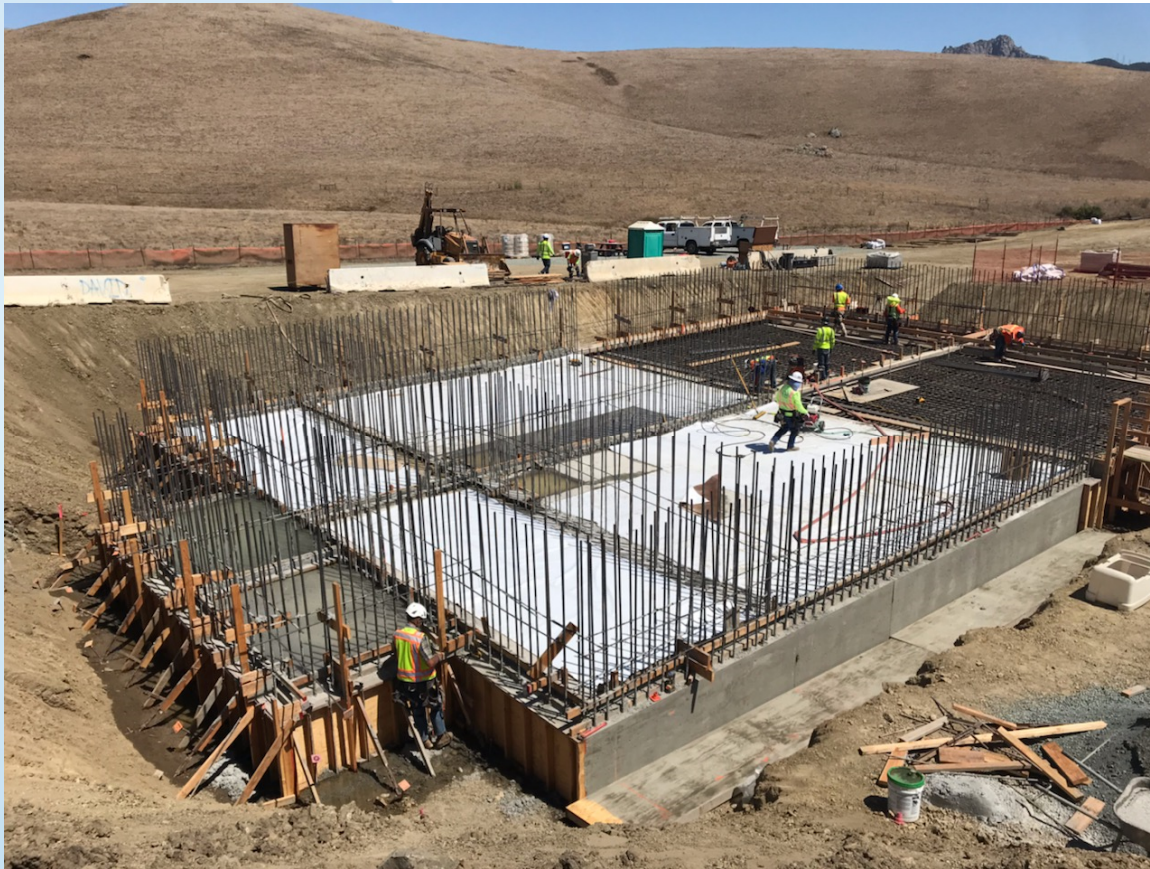
# Concrete work is underway



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# Concrete work is underway



# Pipeline work has also started



# Quarterly Report Overview



# Reporting process overview

- Single report for CFAC and City Council produced each month
  - Tracking of actual expenditures
- Monthly report expanded every third month (close of each quarter)
  - Budget reconciliation
- Budget and schedule are re-baselined annually
  - Last baseline July 01, 2020



# Summary of project status

- Project budget re-baselined at \$130.6 million
- Schedule re-baselined
  - TSO Compliance Deadline – February 28, 2023
  - WRF Substantial Completion – September 02, 2022
    - Previous WRF Substantial Completion (Q3 FY 19/20) – June 15, 2022
    - Baseline WRF Substantial Completion – November 11, 2021

# Budget history

Project Component	Baseline (Q4 FY 7/18)	Quarterly (Q3 FY 18/19)	Annual (Q4 FY 18/19)	Quarterly (Q1 FY 19/20)	Quarterly (Q2 FY 19/20)	Quarterly (Q3 FY 19/20)	Annual (Q4 FY 19/20)
Water Reclamation Facility	\$62,414,000	\$74,059,000	\$72,891,000	\$72,598,000	\$72,231,000	\$71,856,000	\$77,828,000
Conveyance Facilities	\$21,087,000	\$27,108,000	\$28,864,000	\$28,524,000	\$29,224,000	\$29,989,000	\$29,840,000
Recycled Water Facilities	\$8,593,000	\$5,366,000	\$5,250,000	\$5,212,000	\$5,353,000	\$5,526,000	\$5,526,000
General Program	\$24,403,000	\$11,614,000	\$11,801,000	\$11,625,000	\$11,701,000	\$12,964,000	\$13,260,000
Construction Contingency	\$9,444,000	\$6,450,000	\$7,132,000	\$7,131,000	\$7,364,000	\$10,264,000	\$4,207,000
<b>Total</b>	<b>\$125,941,000</b>	<b>\$124,597,000</b>	<b>\$125,938,000</b>	<b>\$125,090,000</b>	<b>\$125,873,000</b>	<b>\$130,599,000</b>	<b>\$130,661,000</b>

# New baseline budget summary

- Water Reclamation Facility
  - Contingency has been shifted to cover twenty six (26) PCOs approved in May 2020
  - Reduction in cost of new electrical service (PG&E)
- Conveyance Facilities
  - Minimal changes
- Recycled Water Facilities
  - No changes
- General Project
  - Conveyance Facilities construction management
  - Additional permitting support
  - Property acquisition (Shepherd property)

# Impacts of revised budget on total cost

Scenario	2018 Rate Study	2019 Financial Plan Update	2020 Debt Service Projections
<b>Project Budget</b>	\$126,000,000	\$125,882,000	\$130,596,000
<b>Debt Proceeds</b>	\$95,175,000	\$97,000,000	\$101,714,000
<b>Total Debt Service Cost</b>	\$179,945,000	\$132,660,000	\$128,138,000
<b>Present Value of Total Debt Service Payments<sup>(1)</sup></b>	\$107,738,000	\$81,698,000	\$74,622,000
<b>Maximum Annual Debt Service Payment</b>	\$5,293,000	\$4,422,000	\$3,993,000

Notes:













(1) Present value is shown in current dollars and assumes a 3-percent discount rate.



# Key accomplishments and challenges

Project Component	Key Accomplishments	Critical Challenges	Actions to Overcome Challenges	Likely Outcomes
General Project	Continued to support the review of the City's construction loan application by the Clean Water State Revolving Fund (CWSRF) staff.			
Water Reclamation Facility	Continued advancing construction on the South Bay Boulevard site.			
		A soil slip on the site occurred with a volume of approximately 15,000 cubic yards that has resulted in additional work for the design-build team	Negotiate with the design-build team to determine responsibility and minimize the financial impacts from dealing with the soil slip.	Pending the result of the negotiations with the design-build team, the soil slip could result in a future PCO.
Conveyance Facilities	Held the pre-bid meeting on July 07, 2020.			
		Receipt of easements necessary to construct the pipelines in the City's existing bike path.	Work closely with Vistra (Vistra Energy), PG&E, and California Public Utilities Commission (CPUC) to obtain the easements.	Delayed receipt of the easements could complicate or delay construction of the Conveyance Facilities.
Recycled Water Facilities	Received the Final TM (Characterization) from GSI confirming selection of the West injection area.			
		Receipt of property necessary to construct the injection wells.	Work with Vistra to obtain the property for the injection wells.	Without expediting the schedule, the completion of the injection wells will be delayed (does not impact compliance with the Time Schedule Order (TSO)).

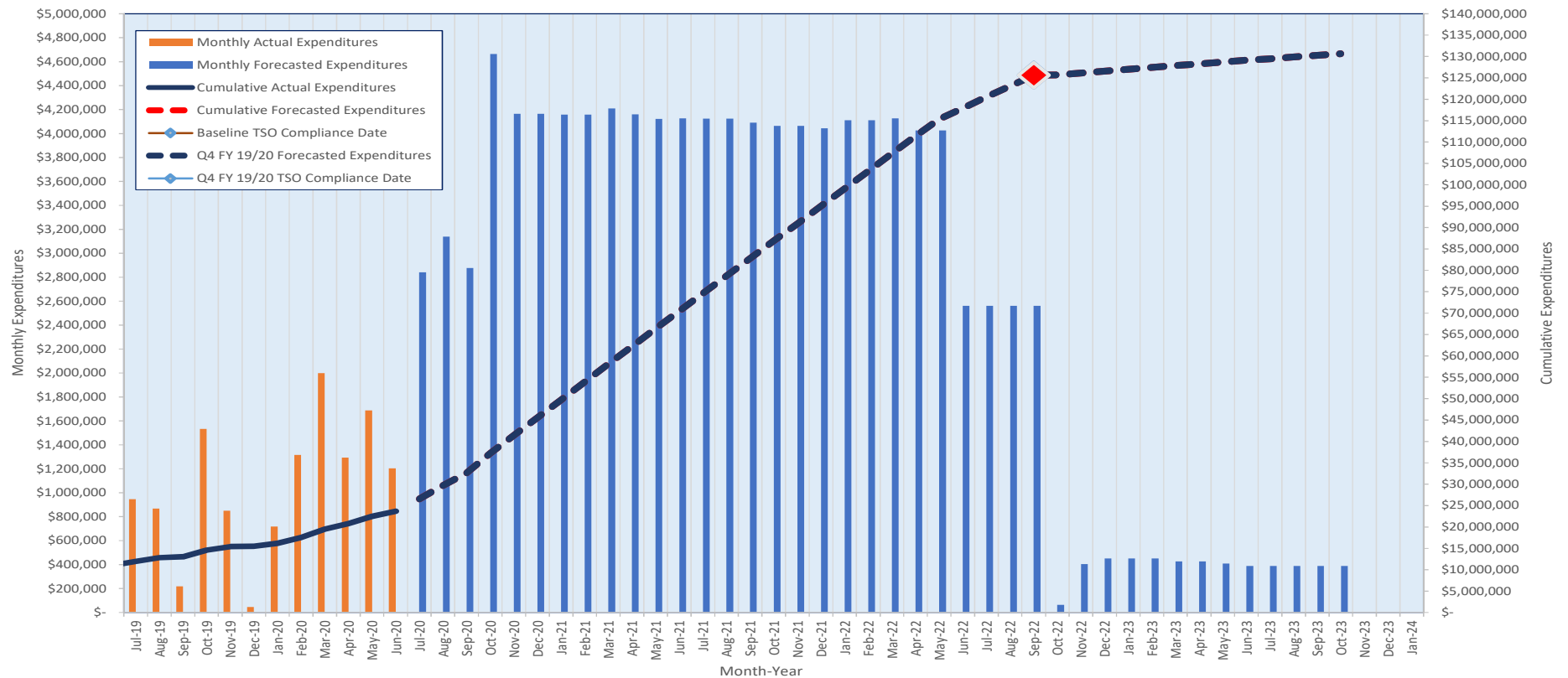
# Project dashboard

Performance Measure	Data	Baseline (Q4FY 19/20)	Current (Q4 FY 19/20)	Delta	Status			
1: Total Project Costs	Total Project Projected Cost at Completion versus the Baseline Budget (budget as of 06/30/20)	\$130.7 M	\$130.7 M	0.0%		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 06/30/20)	\$79.3 M	\$79.3 M	0.0%		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 06/30/20)	\$32.3 M	\$32.3 M	0.0%		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 06/30/20)	\$5.8 M	\$5.8 M	0.0%		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 06/30/20)	\$13.3 M	\$13.3 M	0.0%		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 06/30/20)	1.00	0.99	-0.01		>= 1.00	0.99 to 0.90	< 0.90
3: Schedule Performance Index <sup>(1)</sup>	Ratio of Planned Percent Complete to Actual Percent Complete (as of 06/30/20)	1.00	1.15	0.15		>=1.00	0.99 to 0.80	<0.80
4: Conveyance Pipeline Installed	Feet of conveyance pipeline installed (thru 06/30/20)	18,500 LF	0.0 LF	0.0%		<= 5%	> 5% and <=7.5%	> 7.5%
5: Compliance Date Countdown	Days Remaining to Compliance Date (as of 06/30/20)	973 days	794 days	180 days		<= 365 days	364 days and 180 days	> 179 days



# Current vs. planned expenditures

Estimated Cash Flow Projection FY 2013-2024

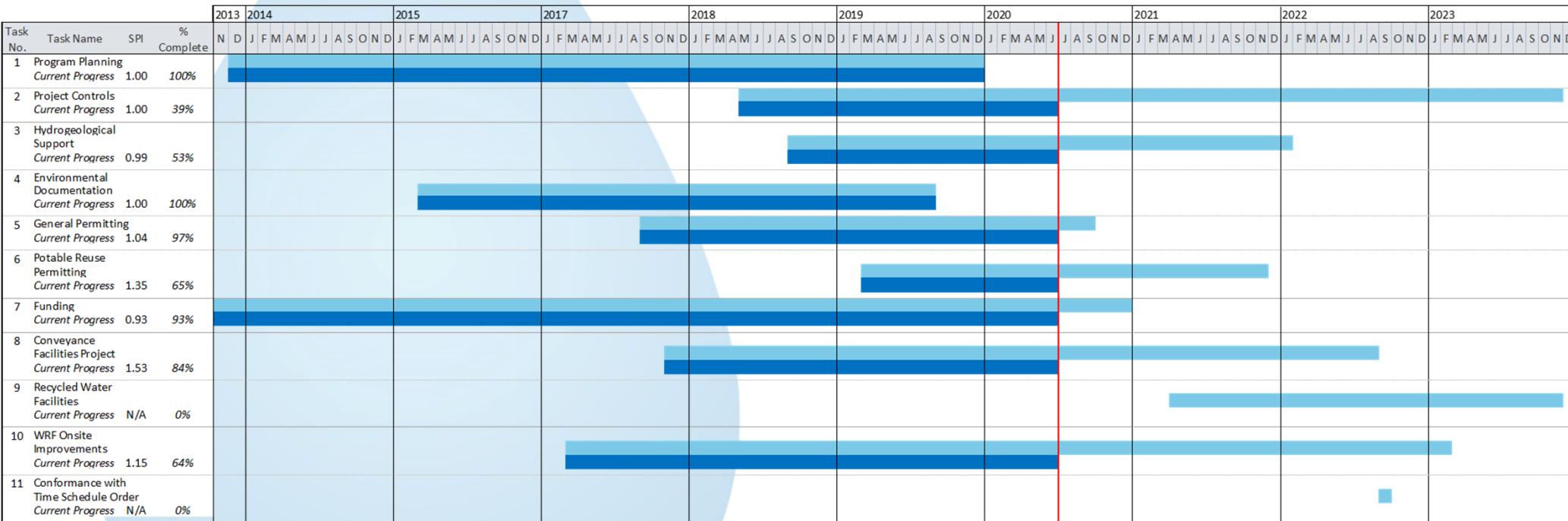


# Expenditures to date

Project	Actual Expenditures to Date	Total Contracted Cost	Contract Expended to Date (%)	Total Project Cost (Est.)	Cost Expended to Date (%)
General Project	\$6,986,000	\$10,849,000	64.4	\$13,260,000	52.7
WRF	Total Expenditures = \$23,696,000			,278,000	14.2
Conveyance Facilities	\$1,807,000	\$2,052,000	88.1	\$32,298,000	5.6
Recycled Water Facilities	\$601,000	\$621,000	96.8	\$5,825,000	10.3
<b>Total</b>	<b>20,649,000</b>	<b>\$88,449,000</b>	<b>23.3</b>	<b>\$130,661,000</b>	<b>15.8</b>



# Schedule overview



Project SPI:	1.15
Program % Complete:	76%

Baseline Schedule  
Actual Progress-To-Date

# New milestone schedule overview

Milestone	Baseline Schedule due Date	Planned Completion Date
<u>General Project</u>		
Compliance with the TSO	November 11, 2021	September 02, 2022
<u>Water Reclamation Facility</u>		
Begin Construction	August 08, 2019	March 20, 2020 (Actual)
Deliver 90 Percent Design	October 24, 2019	March 31, 2020 (Actual)
Substantial Completion	November 11, 2021	September 02, 2022
Final Completion	June 09, 2022	October 31, 2022
<u>Conveyance Facilities</u>		
Deliver 90 Percent Design	October 15, 2019	February 10, 2020 (Actual)
Deliver 100 Percent Design	December 17, 2019	June 15, 2020 (Actual)
Bid Advertisement	February 21, 2020	June 16, 2020 (Actual)
Award Construction Contract	May 08, 2020	September 22, 2020
Substantial Completion	September 17, 2021	March 30, 2022
Final Completion	November 19, 2021	June 01, 2022
<u>Recycled Water Facilities</u>		
Select Preferred Injection Area	May 28, 2019	June 17, 2020 (Actual)
Deliver 30 Percent Design	August 04, 2020	December 01, 2021
Deliver 60 Percent Design	November 10, 2020	March 09, 2022
Deliver 90 Percent Design	February 16, 2021	June 15, 2022
Deliver 100 Percent Design	April 27, 2021	August 24, 2022
Award Construction Contract	July 21, 2021	November 16, 2022
Substantial Completion	April 21, 2022	September 20, 2023
Final Completion	June 21, 2022	November 15, 2023

# Schedule adjustments

- Task 9 – Recycled Water Facilities
  - Re-baseline schedule addresses delays due to Vistra property access and hydrogeological work
- Task 10 – WRF Onsite Improvements
  - Earthwork delayed due to need for SAA





# Recommendations

- Receive WRF quarterly update report

# Questions and Discussion



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