



Recharge Fresno Program Update

ON TIME...ON BUDGET...HIGH QUALITY...SAFE

Program and Major Project Status
Local/DBE Workforce Participation
Financial/Funding Status

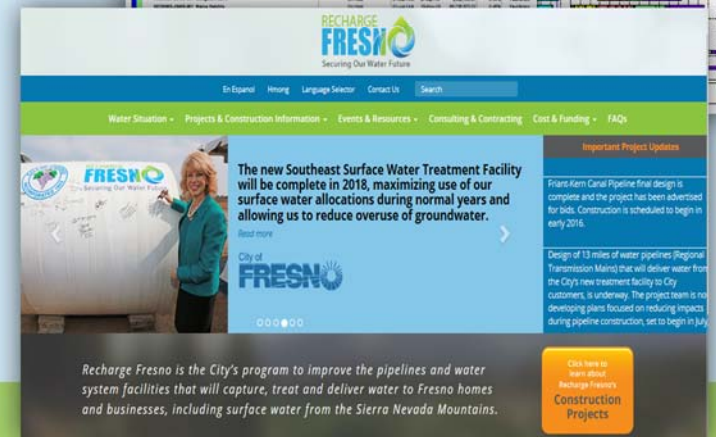
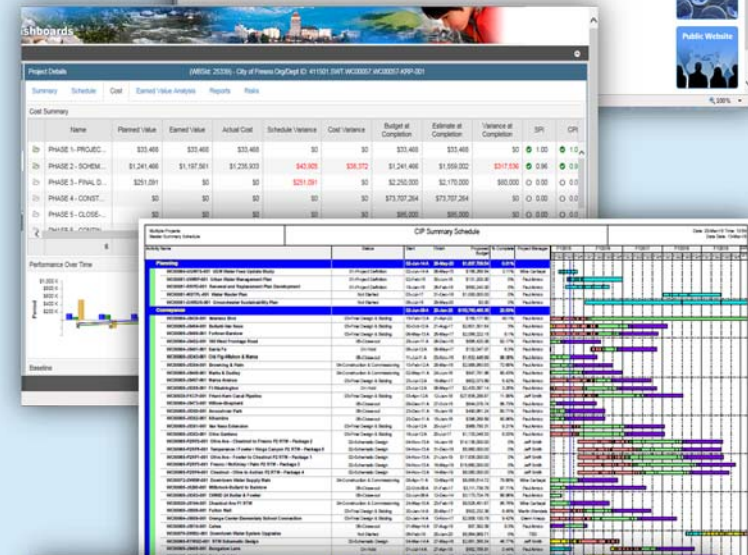


Program Status

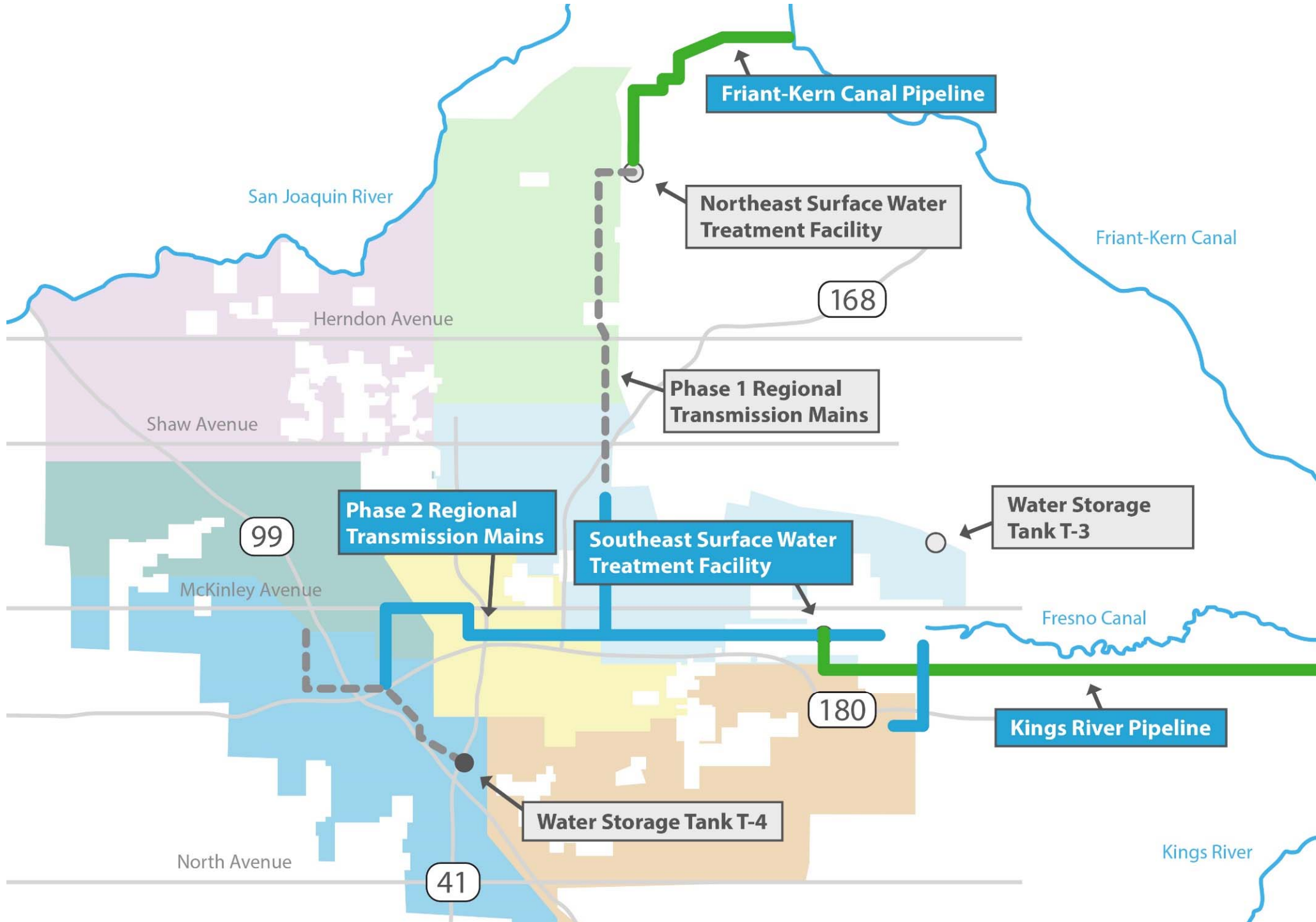
Project Mgmt, Engineering and Community Relations



- Overall program on schedule and under budget
- Secured low interest loans for all Recharge Fresno major projects
- Employing EVM (Earned Value Mgmt) practices on all projects
- Regular reporting and interaction with Capital Project Oversight Board
- Collaborating with County of Fresno and Fresno Irrigation District
- Maintaining strong public outreach to keep community up to date



Large Projects



Large Project Construction Contracts

Project	Advertise	Bid	Award
Southeast Surface Water Treatment Facility	✓	✓	✓
Friant-Kern Canal Pipeline	✓	✓	✓
Kings River Pipeline	✓	✓	✓
RTM Segment A1	✓	✓	✓
RTM Segment A2	✓	✓	✓
RTM Segment B	Jan 2017	Feb 2017	Mar 2017
RTM Segment C	Feb 2017	Apr 2017	May 2017

DBE Involvement in Recharge Fresno projects

Project	Contract Value	DBE Value	DBE %
SESWTF	\$ 158.8 M	\$ 25.4 M	16.0 %
FKCP	\$ 15.2 M	\$ 0.2 M	1.0 %
KRP	\$ 46.6 M	\$ 5.7 M	12.2 %
RTM Segment A1	\$ 28.5 M	\$ 0.3 M	1.1 %
RTM Segment A2	\$ 18.2 M	\$ 0.6 M	3.2 %
RWTM Segment SW1A	\$ 7.9 M	\$ 0.1 M	0.6 %
RWTM Segment SW1B	\$ 9.3 M	\$ 1.3 M	13.5 %
RWTM Segment SW1C	\$ 4.2 M	\$ 0.5 M	10.8 %
Total	\$ 288.7 M	\$ 33.9 M	11.7 %

Values as shown in bids for construction contracts awarded through October 2016, for DPU projects > \$10 million.

Local Contracting for Recharge Fresno projects

- Over 55 local companies involved, \$194 million.

	Total Value	Work by Companies with Local Offices	Work by Companies with Local HQs
Consulting	\$ 77.0 M	52.5 %	21.9 %
Construction	\$ 297.7 M	51.7 %	49.8 %
Total	\$ 374.7 M	51.8 %	44.1 %

*Actual/projected expenditures for awarded/pending contracts through October 2016.
Includes PM/CM, design and construction services for DPU projects > \$10 million.*

Friant Kern Canal Pipeline (FKCP)



PROJECT DESCRIPTION:

- 4.5-miles of 60-inch diameter pipeline
- Improved water source for NESWTF
- 30-year, low-interest SRF loan
- Currently in construction

FINANCIAL SUMMARY:

- Rate Plan funding: \$ 23.0 M
- Project budget/EAC: \$ 27.6 M
- Expenditure to date: \$ 6.9 M
- Project completion: 25%
- Contingency: \$ 1.5 M

Friant Kern Canal Pipeline (FKCP)



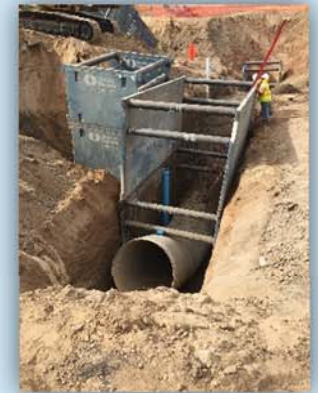
CONSTRUCTION SCHEDULE:

- Notice to proceed: 05/31/16
- Original duration: 500 days
- Addl days: 0 change, 0 rain
- Final completion: 10/12/17
- Time elapsed: 24.6%

CONTRACT VALUE:

- Original contract: \$ 15,157,862
- Suppl budget: \$ 300,000
- Change orders: \$ 0
- Current contract: \$ 15,157,862
- Actual cost: \$ 1,014,028
- Percent spent: 6.7%

Kings River Pipeline (KRP)



PROJECT DESCRIPTION:

- 13-miles of 72-inch diameter pipeline
- Water source for SESWTF
- 30-year, low-interest SRF loan
- Currently in construction

FINANCIAL SUMMARY:

- Rate Plan funding: \$ 75.4 M
- Project budget/EAC: \$ 60.5 M
- Expenditure to date: \$ 4.2 M
- Project completion: 7%
- Contingency: \$ 3.8 M

Kings River Pipeline (KRP)



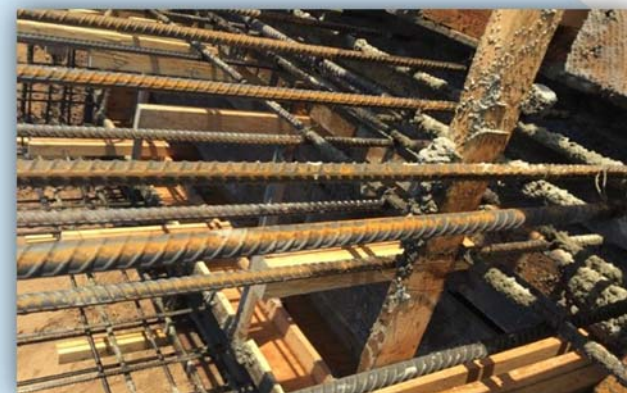
CONSTRUCTION SCHEDULE:

- Notice to proceed: 06/27/16
- Original duration: 575 days
- *Addl days: 0 change, 0 rain*
- Final completion: 01/22/18
- Time elapsed: 16.7%

CONTRACT VALUE:

- Original contract: \$ 45,083,750
- Suppl budget: \$ 500,000
- Change orders: \$ 0
- Current contract: \$ 45,083,750
- Actual cost: \$ 0
- Percent spent: 0%

Southeast Surface Water Treatment Facility



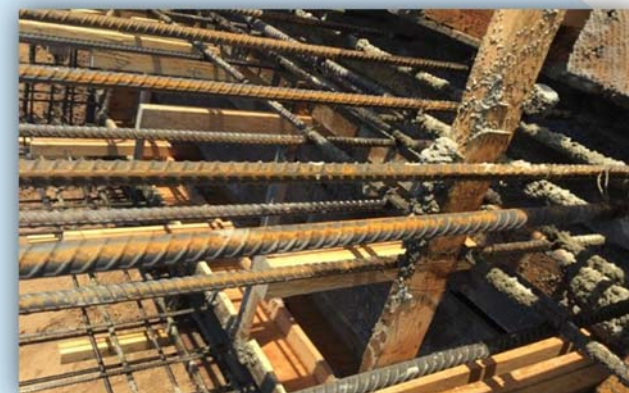
PROJECT DESCRIPTION:

- Conventional surface water treatment facility for production of potable water
- Initial capacity = 54 MGD
- Re-rate to 80 MGD
- 30-year, low-interest SRF loan
- Currently in construction

FINANCIAL SUMMARY:

- Rate Plan funding: \$ 186.4 M
- Project budget/EAC: \$ 201.6 M
- Expenditure to date: \$ 49.9 M
- Project completion: 25%
- Contingency: \$ 3.8 M

Southeast Surface Water Treatment Facility



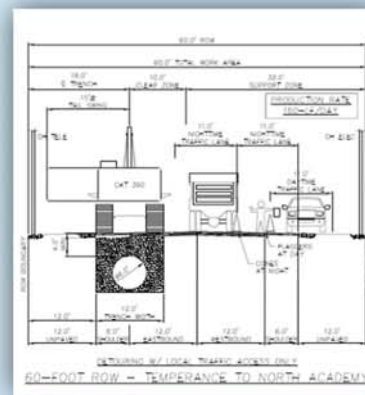
CONSTRUCTION SCHEDULE:

- Notice to proceed: 12/31/15
- Original duration: 1000 days
- Addl days: 0 change, 0 rain
- Final completion: 09/25/18
- Time elapsed: 27.5%

CONTRACT VALUE:

- Original contract: \$ 158,766,000
- Suppl budget: \$ 1,000,000
- Change orders: \$ 757,659
- Current contract: \$ 159,523,659
- Actual cost: \$ 43,902,866
- Percent spent: 27.7%

Regional Transmission Main (RTM) – Segment A1 (RTM A1)



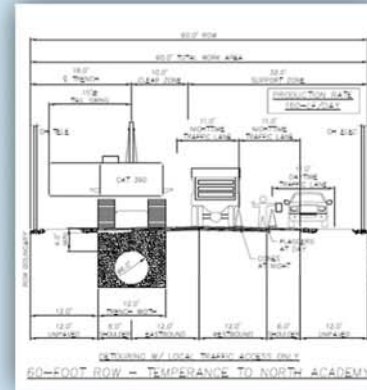
CONSTRUCTION SCHEDULE:

- Notice to proceed: 08/29/16
- Original duration: 500 days
- Addl days: 0 change, 0 rain
- Final completion: 01/10/18
- Time elapsed: 6.6%

CONTRACT VALUE:

- Original contract: \$ 28,471,884
- Suppl budget: \$ 300,000
- Change orders: \$ 0
- Current contract: \$ 28,471,884
- Actual cost: \$ 0
- Percent spent: 0%

Regional Transmission Main (RTM) – Segment A2 (RTM A2)



CONSTRUCTION SCHEDULE:

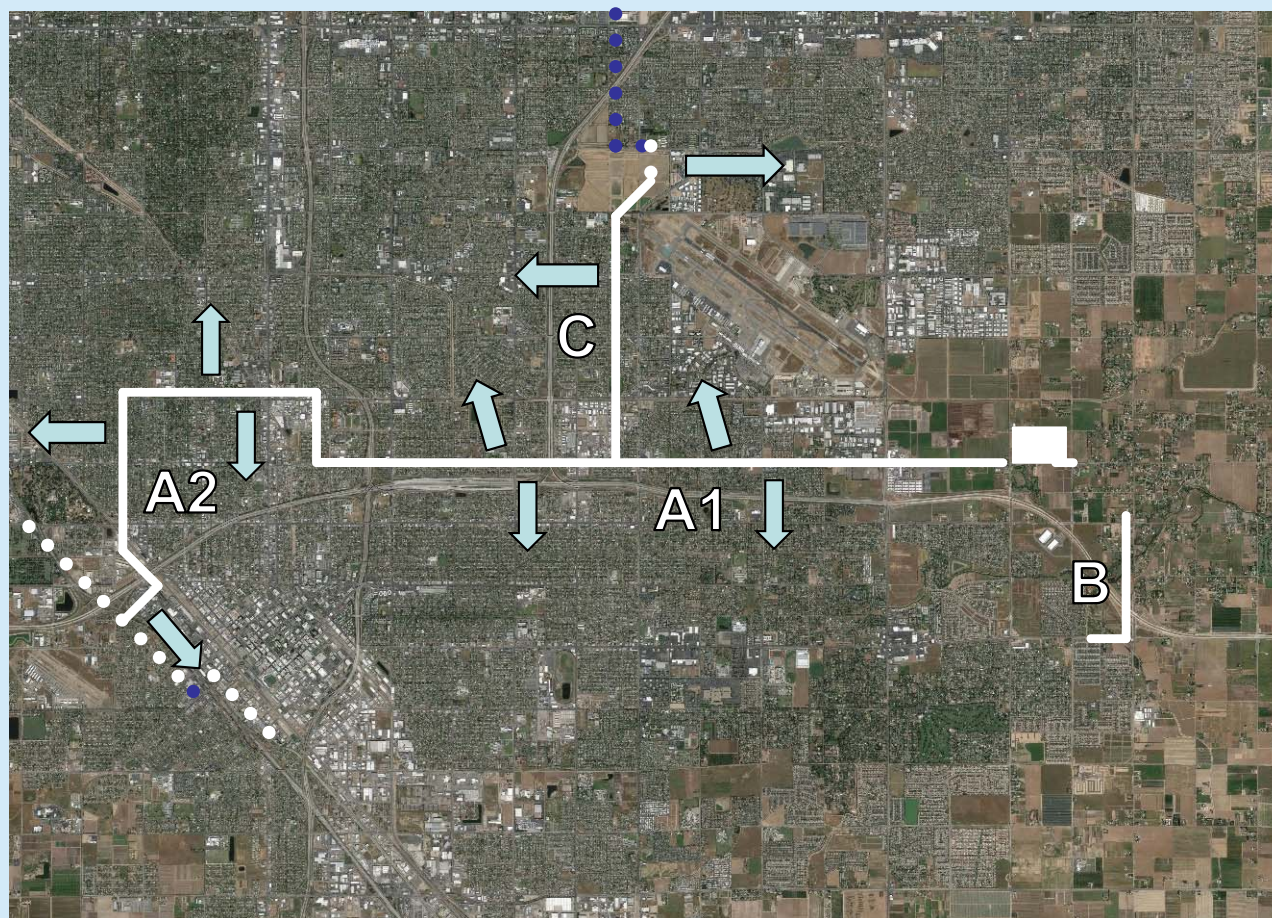
- Notice to proceed: Nov 2016
- Original duration: 500 days
- Addl days: 0 change, 0 rain
- Final completion: Mar 2018
- Time elapsed: 0%

CONTRACT VALUE:

- Original contract: \$ 18,204,180
- Suppl budget: \$ 300,000
- Change orders: \$ 0
- Current contract: \$ 18,204,180
- Actual cost: \$ 0
- Percent spent: 0%

Benefits of RTM Pipelines

- Segment A1: Allows SESWTF to produce up to 54 mgd
- Segment A2: Allows SESWTF to produce up to 80 mgd.
- Segment B: Replace production from up to 18 wells (some with TCP) and stabilize water chemistry within distribution system.
- Segment C: Allows surface water to be delivered to T3 service area and further into NW Fresno.



Managing Program within Approved \$429.1 Million Rate Plan

Rate plan funding for projects with 30-year low-interest SRF loans:

	<i>Raw Water Pipelines</i>		<i>Treatment</i>		<i>Finished Water Pipelines</i>		<i>Total</i>
Rate Plan	\$ 98.4 M	+	\$ 186.4 M	+	\$ 55.4 M	=	\$ 340.2 M



EAC	\$ 77.9 M	+	\$ 186.4 M	+	\$ 75.9 M	=	\$ 340.2 M
Delta	(\$ 20.5 M)	+	0	+	\$ 20.5 M	=	0

Contingency for unanticipated change, included in EAC:

	\$ 5.3 M	+	\$ 3.8 M	+	\$ 4.4 M	=	\$ 13.5 M
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Staff Requested Council Action

(December 8, 2016)

Staff will recommend that Council adopt resolution to allow increase to maximum SRF loan amount for RTM project, offset by reduced loan amounts for KRP & FKCP projects.

- ❖ **No change to \$429.1 M rate plan funding**
- ❖ **Simple reallocation of SWRCB SRF financing**

Next Steps:

- Council adopts revised resolution
- Staff requests SWRCB to increase loan amount
- SWRCB prepares revised financing agreement
- Director of Public Utilities signs financing agreement
- Bid and award RTM A1 and A2 construction contracts

On Time
On Budget
High Quality
Safe

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