



**RECHARGE
FRESNO**
Securing Our Water Future

***Recharge Fresno
Program Update***

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

Department of Public Utilities May 12, 2016

Enterprise Accountability and Oversight Act and Construction Management Act

- **Semi-Annual Progress Report to Council:**
 - EAOA requires City Manager to provide semi-annual progress reports to the Council.
- **Capital Project Oversight Board:**
 - EAOA requires establishment of Oversight Board to act in advisory capacity. Oversight Board shall:
 - review change orders and report on legitimacy to Council;
 - critique funding authorization requests, semi-annual progress reports and RFP's for future enterprise projects, and provide commentary to Council;

Enterprise Accountability and Oversight Act and Construction Management Act

- **Change Orders**
 - CMA adjusts authority for approval of change orders for projects over \$10 million
 - CMA requires use/adjustment of construction/contingency budgets following approval of the change order;
- **Contractor Pre-qualification**
 - CMA requires prequalification of prospective bidders...(to) evaluate prospective contractors...on their experience, qualifications, financial capacity...
- **Earned Value Management**
 - EAOA and CMA require use of Earned Value Management for projects exceeding \$10 million.



Discussion Topics



- **Capital Program and Projects Status**
- **Local / Union / DBE Participation**
- **Expenditures and Staffing**
- **Upcoming Contract Awards/Approvals**



Managing Program within Approved \$429.1 Million Rate Plan



Project	Rate Plan Funding	Constr Estimate in Rate Plan	Actual Bid (Current Estimate)
SESWTF	\$ 186.4 M	\$ 160.0 M	\$ 158.8 M
FKCP	\$ 23.0 M	\$ 19.7 M	\$ 15.2 M
KRP	\$ 75.4 M	\$ 71.0 M	\$ 45.6 M
RTM	\$ 55.4 M	\$ 47.2 M	\$ 52.4 M
Total	\$ 340.2 M	\$ 297.9 M	\$ 272.0 M



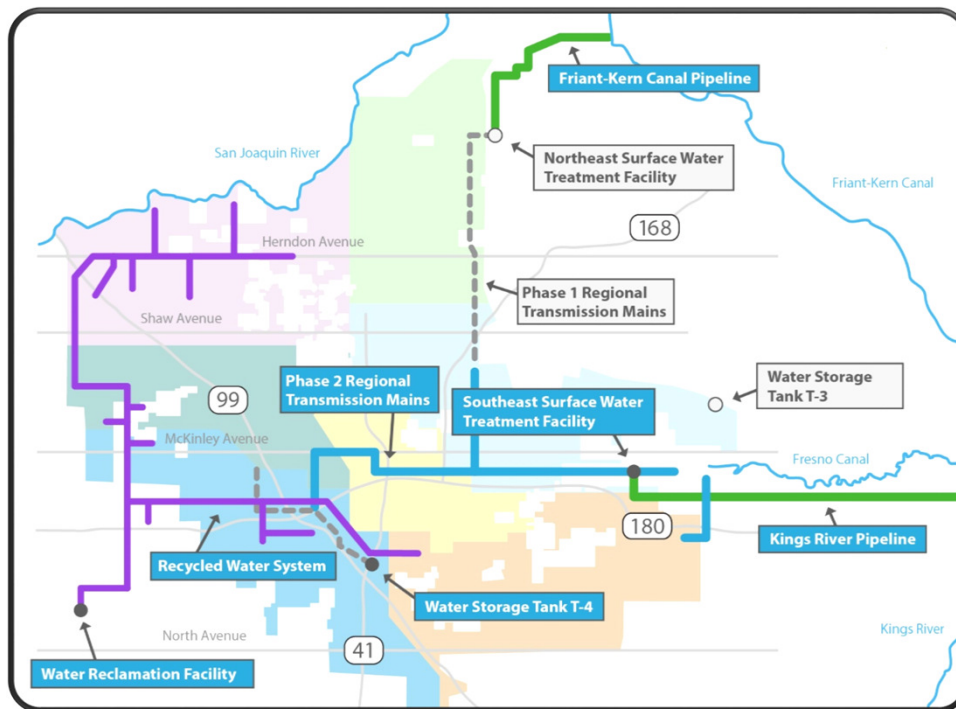
**ON BUDGET, WITHIN APPROVED
\$429.1 MILLION RATE PLAN**



ON SCHEDULE FOR FY2019 COMPLETION



Recharge Fresno Projects



Large Projects Status

**ON SCHEDULE
ON BUDGET**



SOUTHEAST SWTF

- Initially 54 and re-rated to 80 million gallon per day production capacity.
- 30-year, low-interest SRF loan.
- Complete: Design, land-acquisition, permitting, contractor pre-qualification, construction contract bid and award.
- Currently in construction.

<u>Project Financial Summary:</u> - Rate Plan Funding : \$186.4M - Expenditures to date: \$25.2M - Project completion: 17% - Supplemental budget: \$1.0M - Contingency: \$6.5M	<u>Construction:</u> - Original contract value: \$158.8M - Change orders: (\$1.7M) - Current contract value: \$157.1M - Construction start: Jan, 2016 - Final completion: Sep, 2018 - Construction completion: 9%
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Large Projects Status

**DELAYED
ON BUDGET**



FRIANT KERN CANAL PIPELINE

- 4.5-miles of 60-inch diameter pipeline. Improved water source for NESWTF.
- 30-year, low-interest SRF loan.
- Complete: Design, land-acquisition, permitting, contractor pre-qualification, construction contract bid and award.
- Preparing to start construction.

<u>Project Financial Summary:</u> - Rate Plan Funding : \$23.0M - Expenditures to date: \$6.0M - Project completion: 19% - Supplemental budget: \$300K - Contingency: \$1.5M	<u>Construction:</u> - Original contract value: \$15.2M - Change orders: \$0 - Current contract value: \$15.2M - Construction start: May, 2016 - Final completion: Oct, 2017 - Construction completion: 0%
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Large Projects Status



**ON SCHEDULE
ON BUDGET**



KINGS RIVER PIPELINE

- 13-miles of 72-inch diameter pipeline. Water source for SESWTF.
- 30-year, low-interest SRF loan.
- Complete: Design, land-acquisition, permitting, contractor pre-qualification, construction contract bid and award.
- Construction contract award: May 12.

Project Financial Summary:

- Rate Plan Funding : \$75.4M
- Expenditures to date: \$3.4M
- Project completion: 5%
- Supplemental budget: \$500K
- Contingency: \$19.0M

Construction: (Pending Award)

- Original contract value: \$45.6M
- Change orders: \$0
- Current contract value: \$45.6M
- Construction start: June, 2016
- Final completion: Jan, 2018
- Construction completion: 0%



Large Projects Status



**ON SCHEDULE
MONITORING BUDGET**



REGIONAL TRANSMISSION MAINS

- 13-miles of 24-66-inch diameter pipeline. Finished water from SESWTF to distribution.
- 4 construction contracts.
- Low-interest SRF loan (anticipate 30-year)
- Complete: Segments A1 & A2 100% design, Segment B 60% design, Segment C 90% design, land-acquisition, permitting, contractor pre-qualification.
- Currently bidding Segment A1.

Project Financial Summary:

- Rate Plan Funding: \$55.4M
- Expenditures to date: \$2.6M
- Project completion: 7%
- Supplemental budget and contingency: Pending bids

Construction: (Pending Bids)

- Original contract value: TBD
- Change orders:
- Current contract value:
- Construction start: Aug, 2016
- Final completion: Apr, 2018
- Construction completion: 0%

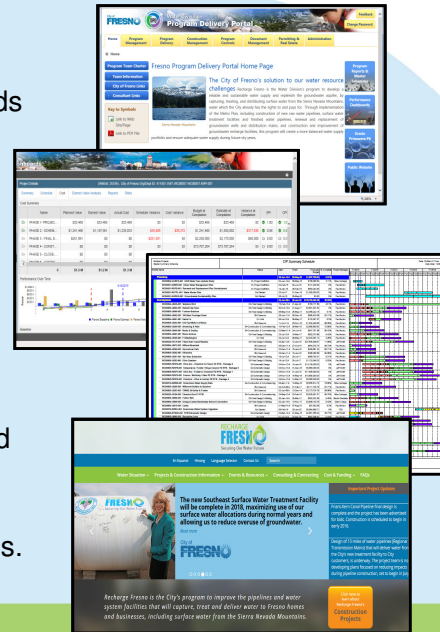


FY2016 Program Status

Project Mgmt, Engineering and Community Relations



- On-schedule and on-budget performance. SESWTF, FKCP, KRP bids under estimates.
- Employing Earned Value Management (EVM) practices.
- Completed SESWTF, FKCP, KRP and RTM A1 designs.
- Implemented QA/QC practices.
- Continuing land acquisition and environmental permitting.
- Collaborating with County of Fresno and Fresno Irrigation District.
- Continuing community outreach for construction impacts and program status.

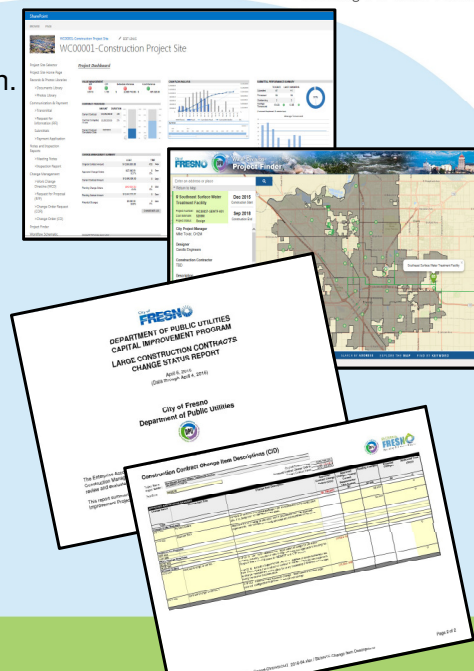


FY2016 Program Status

Construction Delivery



- Completed contractor prequalification.
- Developed CM staffing plan and on-boarded initial CM team.
- Developed and using construction management, documentation and reporting tools.
- Selected consultants and awarded contracts for labor law compliance.
- Initiated coordination with utility companies to best manage conflicts during construction.
- Continued focus on local business participation.
- Initiated pre-construction surveys to document existing conditions.



Local Contracting for Recharge Fresno projects



- Over 45 local companies involved, \$165 million.
- 55% of engineering & design by local firms.
- 53% of awarded/pending construction by local companies.
- 50% of CM services by local firms.

	Total Value	Work by Companies with Local Offices	Work by Companies with Local Headquarters
Consulting	\$ 58.8 M	55 %	22 %
Construction	\$ 251.0 M	53 %	53 %
Total	\$ 309.8 M	53 %	47 %

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



Construction Labor/Staffing and DBE Involvement



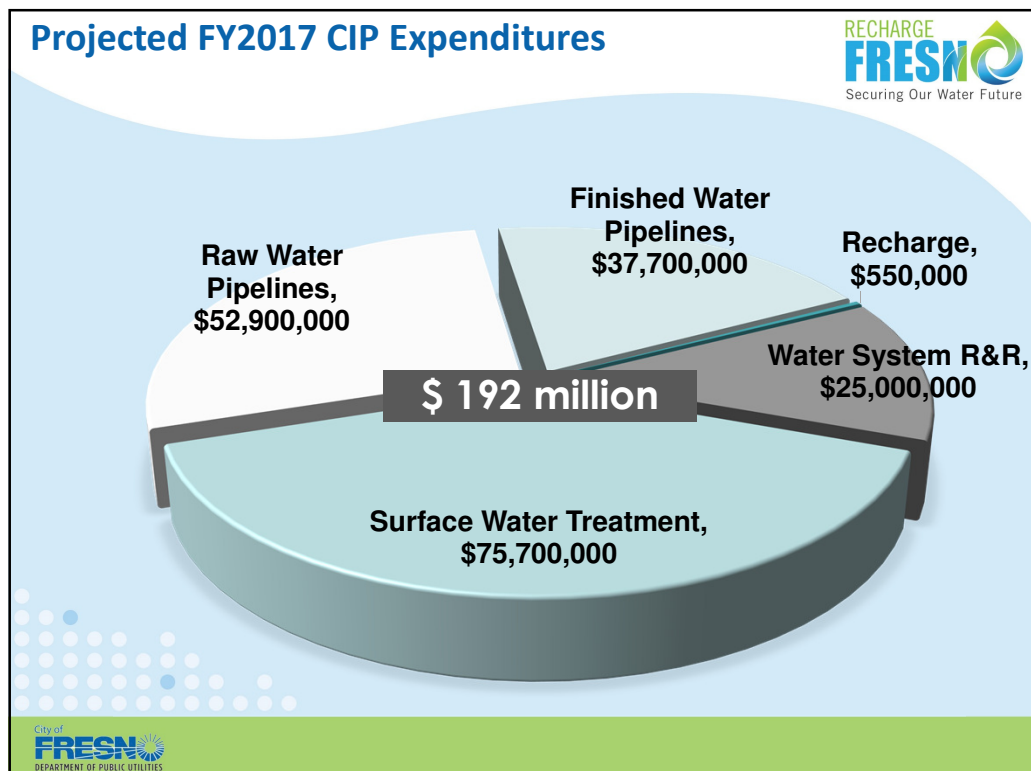
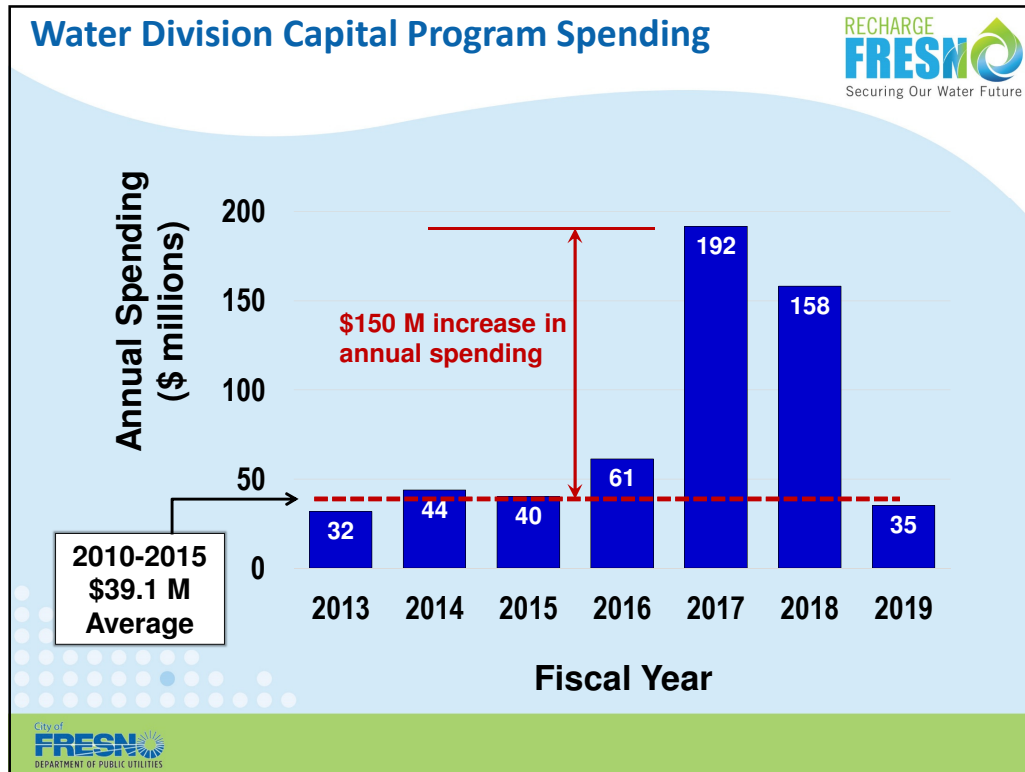
Construction Labor Staffing Profile

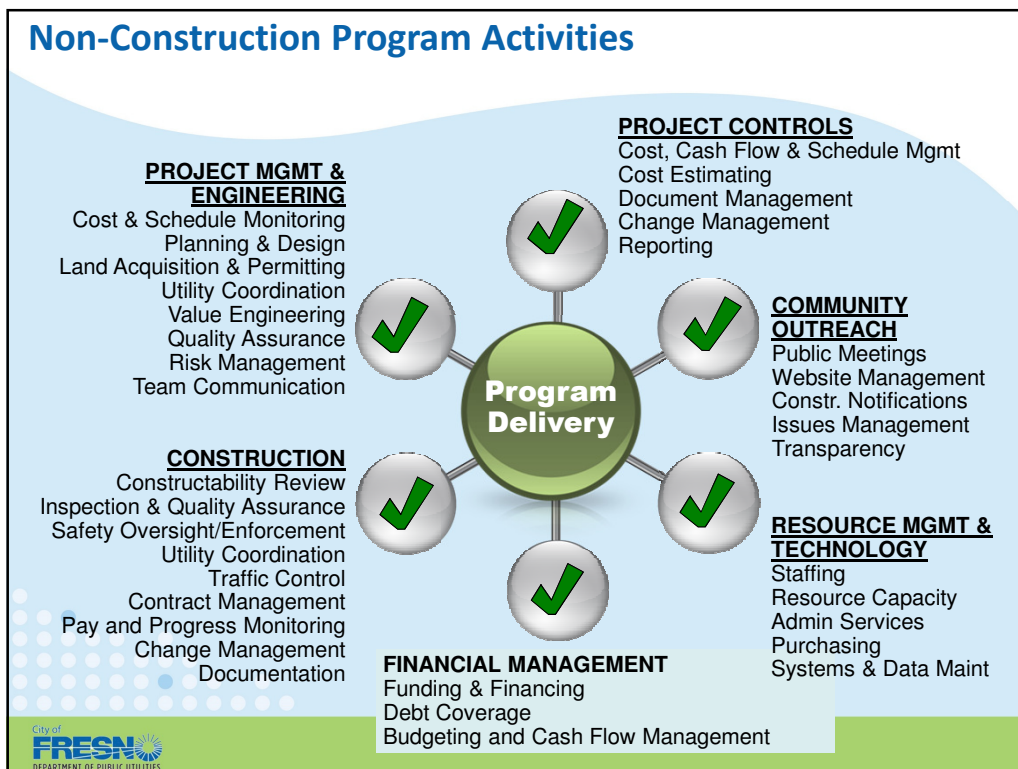
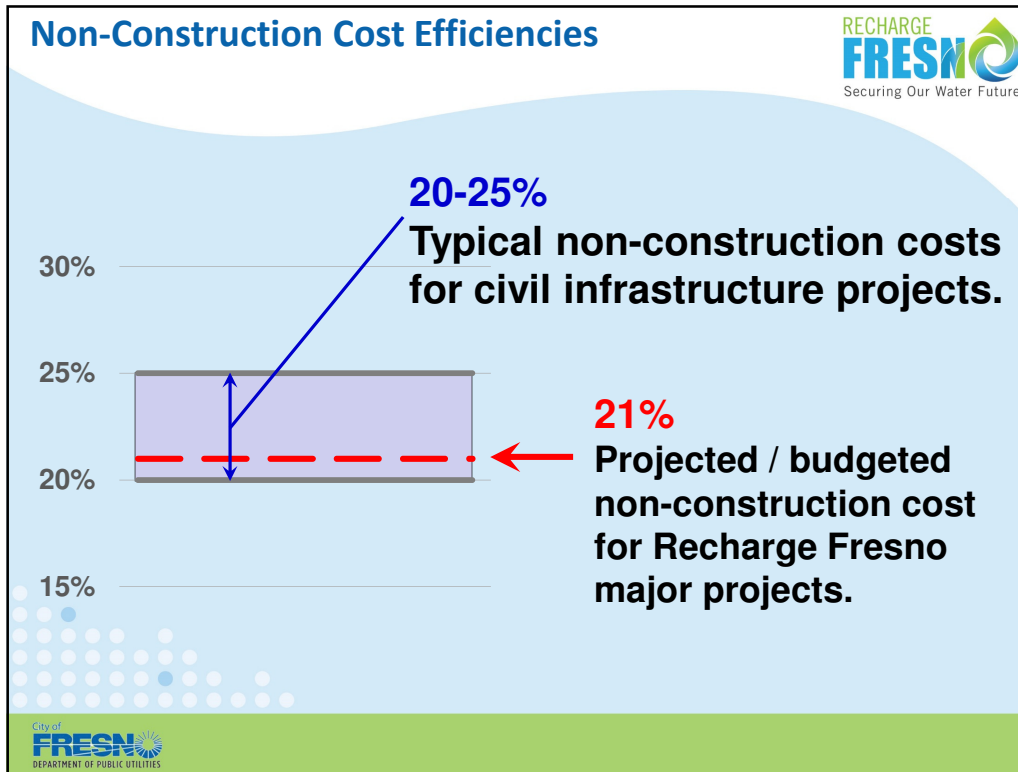
	Union Labor %	Local Labor %
Recycled Water Projects	92 %	93 %

DBE Participation

	Contract Value	DBE Value	DBE %
SESWTF	\$ 158.8 M	\$ 25.4 M	16.0 %
FKCP	\$ 15.2 M	\$ 150 K	1.0 %
KRP	\$ 46.6 M	\$ 5.7 M	12.5 %



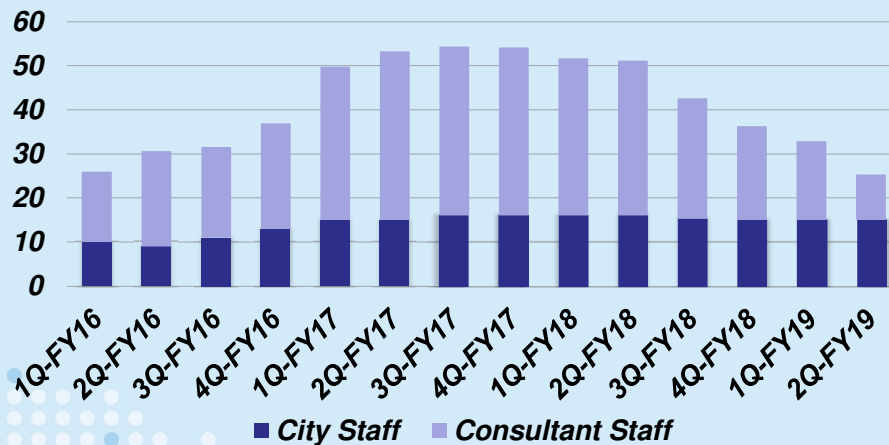




Approved Capital Program, Rate Plan and Project Budgets Support PM/CM Staffing Needs



Water Division CIP Program Mgmt & Construction Mgmt Staffing



Upcoming Construction Contracts



Project	Advertise	Bid Opening	Award
Kings River Pipeline	Jan 26, 2016	Mar 15, 2016	May 12, 2016
SESWTF Power Service (PG&E)	--	--	Jul 14, 2016
Treated Water Main RTM A1	Apr 20, 2016	Jun 07, 2016	Jul 14, 2016
Treated Water Main RTM A2	Jun 13, 2016	Aug 02, 2016	Sep 15, 2106
Treated Water Main RTM C	Aug 22, 2016	Oct 04, 2016	Nov 17, 2016
Treated Water Main RTM B	May 08, 2017	June 20, 2017	Aug 10, 2017
SESWTF Security	Ju06, 2016	Jul 05, 2016	Aug 18, 2016



Upcoming Consulting Contracts & Amendments



Project	Approval
(Amend) KRP Engr Services During Construction	May 12, 2016
(Amend) Program Management Services	May 19, 2016
(New) Safety Oversight	May 19, 2016
(Amend) RTM Engr Services During Construction	Jul 14, 2016
(New) SESWTF SCADA Programming	Jul 14, 2016
(New) Materials Testing	Jul 28, 2016
(New) Weld Inspection/Testing	Jul 28, 2016



Here's what we will accomplish in FY2017...



- **Progress on Major Projects:**
 - SESWTF – Complete 50% of construction
 - FKCP – Complete 80% of construction
 - KRP – Complete 55% of construction
 - RTMs – Complete 50% of construction
- Through effective project and construction management, **monitor risk and minimize change** to assure Recharge Fresno projects remain **on schedule and under budget**.
- Maintain strong public outreach to **keep community up to date on progress and construction impacts**.
- Continue to **coordinate with Capital Project Oversight Board** and **manage projects in compliance with CM Act**.





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Questions

www.RechargeFresno.com
1-888-FRESNOH2O



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