

Recharge Fresno Program Update

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

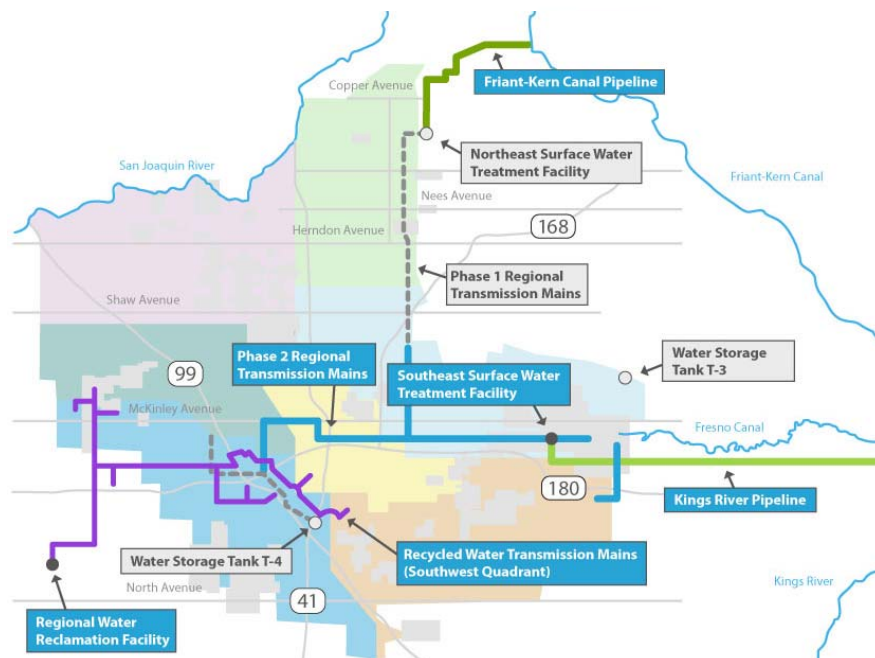
Department of Public Utilities

City Council Mtg - April 27, 2017

Major Projects Status
Program Delivery and Financial Status
DBE and Local Business Participation
Union and Local Resident Participation
Safety



DPU Major Projects



Ongoing Construction Contracts

Raw Water Pipelines



FRIANT KERN CANAL PIPELINE

- Original contract: \$ 15,157,862
- Change orders: \$ (70,274)
- Current contract: \$ 15,087,588
- Cost to date: \$ 12,132,351
- Percent spent: 80%
- Final Completion: 10/12/17

KINGS RIVER PIPELINE

- Original contract: \$ 45,083,750
- Change orders: \$ 0
- Current contract: \$ 45,083,750
- Actual cost: \$ 11,737,912
- Percent spent: 26%
- Final Completion: 03/23/18



Ongoing Construction Contracts

Surface Water Treatment



SOUTHEAST SURFACE WATER TREATMENT FACILITY

- Original contract: \$ 158,766,000
- Change orders: \$ 1,130,895
- Current contract: \$ 159,896,895
- Cost to date: \$ 76,271,583
- Percent spent: 48%
- Final Completion: 9/25/18



Ongoing Construction Contracts

Finished Water Pipelines



REGIONAL TRANSMISSION MAIN – SEGMENT A1

- Original contract: \$ 28,471,884
- Change orders: \$ 0
- Current contract: \$ 28,471,884
- Actual cost: \$ 9,331,473
- Percent spent: 33%
- Final Completion: 1/10/18

REGIONAL TRANSMISSION MAIN – SEGMENT A2

- Original contract: \$ 18,204,180
- Change orders: \$ 0
- Current contract: \$ 18,204,180
- Actual cost: \$ 915,568
- Percent spent: 5%
- Final Completion: 03/22/18



Ongoing Construction Contracts

Recycled Water Pipelines



RECYCLED WATER TRANSMISSION MAIN – SEGMENT SW1B

- Original contract: \$ 9,341,491
- Change orders: \$ 0
- Current contract: \$ 9,341,491
- Actual cost: \$ 8,530,359
- Percent spent: 91%
- Est Final completion: 8/30/17

RECYCLED WATER TRANSMISSION MAIN – SEGMENT SW1C

- Original contract: \$ 4,198,175
- Change orders: \$ 269,718
- Current contract: \$ 4,467,893
- Actual cost: \$ 4,165,642
- Percent spent: 93%
- Est Final completion: 8/30/17



Upcoming Major Construction Contracts



Construction Contract	Bid	Award	NTP	Completion
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Potable Water

RTM Segment B	✓	May '17	Jul '17	Feb '18
RTM Segment C	Jun '17	Jul '17	Sep '17	Aug '18

Recycled Water

SW RWTM Segment SW1C2	Jul '17	Aug '17	Sep '17	Aug '18
SW RWTM Segment SW4	Dec '17	Jan '18	Mar '18	Apr '19
SW RWTM Segment SW1D	Dec '17	Jan '18	Feb '18	Dec '18
SW Recycled Water Pump Station SWPS1	Dec '17	Jan '18	Feb '18	Dec '18



Non-Construction Program Activities

PROJECT MGMT & ENGINEERING

Cost & Schedule Monitoring
Planning & Design
Land Acquisition & Permitting
Utility Coordination
Value Engineering
Quality Assurance
Risk Management
Team Communication

CONSTRUCTION

Constructability Review
Inspection & Quality Assurance
Safety Oversight/Enforcement
Utility Coordination
Traffic Control
Contract Management
Pay and Progress Monitoring
Change Management
Documentation

Program
Delivery

PROJECT CONTROLS

Cost, Cash Flow & Schedule Mgmt
Cost Estimating
Document Management
Change Management
Reporting

COMMUNITY OUTREACH

Constr. Notifications
Issues Management
Transparency
Website Management
Public Meetings

RESOURCE MGMT & TECHNOLOGY

Staffing
Resource Capacity
Admin Services
Purchasing
Systems & Data Maint

FINANCIAL MANAGEMENT

Funding & Financing
Debt Coverage
Budgeting and Cash Flow Management



Program Status

Project Mgmt, Engineering and Community Relations



- Overall program under budget and on schedule for SESWTF start-up in FY2019
- Employing EVM (Earned Value Mgmt) practices on all major projects
- Collaborating with County of Fresno and Fresno Irrigation District
- Driving best and most cost-effective technical solutions
- Maintaining strong public outreach to keep community up to date
- Implementing similar PM/CM practices on recycled water distribution system projects



Program Status

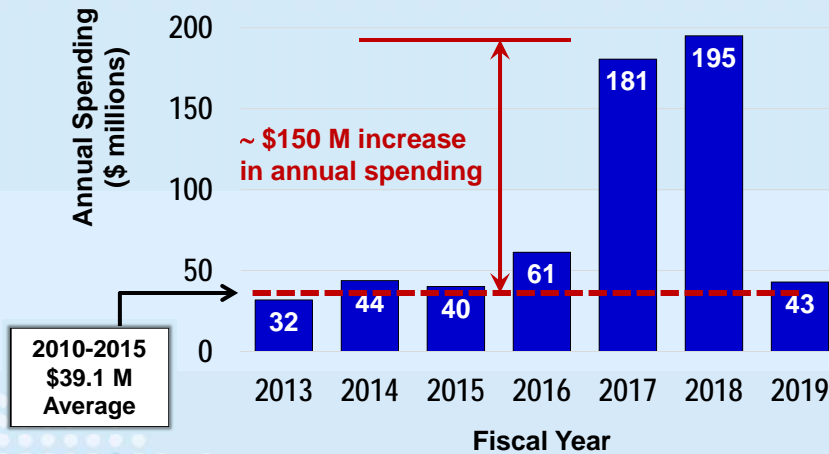
Construction Delivery



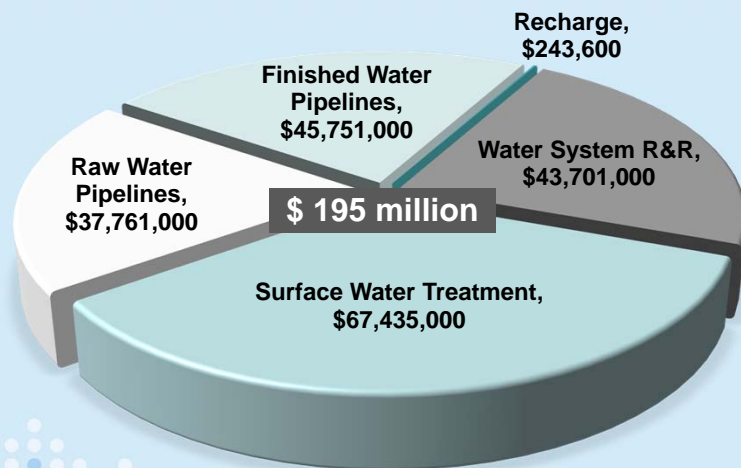
- Maintaining safety for employees, partners and the community
- Regular reporting and interaction with Capital Project Oversight Board
- Managing cost and schedule risk
- Collaborating with contractors to drive on schedule performance.
- Continued focus on local business participation.
- Coordinating with utility companies to best manage conflicts during construction.
- Effectively using CM documentation and reporting tools.



Water Division CIP Spending (FY2013 – FY2019)



Water Division CIP Spending (FY2018)



Managing Program Within the Approved \$429.1 Million Rate Plan (WATER)



Rate plan funding for projects with 30-year, 1.6% interest SRF loans:

	Raw Water Pipelines		Treatment		Finished Water Pipelines		Total
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
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Remaining contingency included in EAC for unanticipated change:

	\$ 2.5 M	+	\$ 3.4 M	+	\$ 1.0 M	=	\$ 6.9 M
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DBE and Local Business Participation



	Total Value	Work Contracted/Subcontracted to DBE Businesses	
Construction	\$ 297.7 M	\$ 33.9 M	11.7 %

*Values as shown in bids for construction contracts awarded through March 2017.
Includes construction contracts for DPU projects > \$10 million.*

	Total Value	Work Contracted/Subcontracted to Local Companies	
Engineering, Design Services and CM	\$ 77.8 M	\$ 41.7 M	53.5 %
Construction	\$ 297.7 M	\$ 153.8 M	51.7 %
Total	\$ 375.5 M	\$ 195.5 M	52.1 %

*Actual/projected expenditures for contracts awarded through March 2017.
Includes PM/CM, design and construction contracts for DPU projects > \$10 million.*



Union and Local Resident Participation



- Monitoring and documentation of workforce statistics related to union affiliation and residency.
- Nine (9) completed and ongoing construction contracts with total construction value of \$297.7 million.
- 353,923 hours worked.

	Hours	% of Total Hours
Work by Union Members	337,430	95 %
Work by Local Residents	217,542	61 %

Actual hours for completed and ongoing construction contracts awarded through March 2017. Includes construction contracts for DPU projects > \$10 million.



Protection of Employees, Partners and the Public

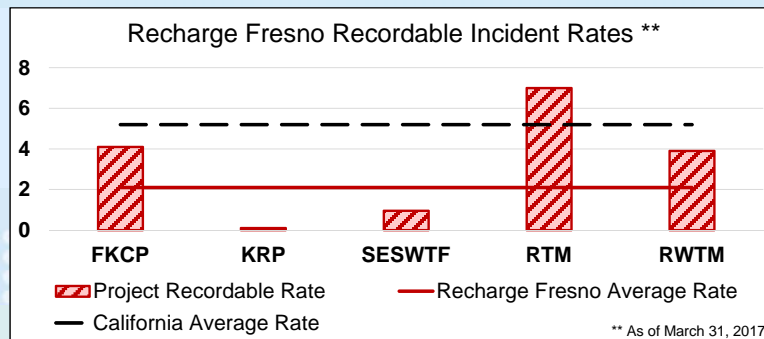
- Elevation of Safety Culture – “TARGET ZERO”, with goal to bring everyone home as healthy as they left
- Monthly Safety Discussions with Program Team
- Preparation and Distribution of Weekly Safety Briefs
- Site Observation and Documentation of Issues/Incidents
- Weekly Safety Discussions with Contractor
- Bi-weekly Safety Committee Meetings



Recharge Fresno Safety Performance



- An OSHA “Recordable Incident” is a work-related injury or illness that requires medical treatment beyond first aid.
- For Recharge Fresno large projects, most severe recordable incident has been a broken leg.
- Recordable Incident Rate = incidents x 200,000 / work hours.



Staff Requested Council Action (May 11, 2017)



As planned, staff will recommend approval of Amendment No. 6 to the Professional Consultant Agreement with CH2M HILL Engineers, Inc., for Fiscal Year 2018 Program Management Services and for extension of the Agreement term.

- **Original contract approved on October 31, 2013.**
- **Annual funding is determined based on staff needs projections for project management, engineering, construction management and other technical support.**
- **All funding for Program Management services is including within DPU's capital projects' budgets.**

Recharge Fresno Soft Cost Analysis and PM/CM Services Expenditures



- Total CIP Values of Large Projects \$ 413 M
 - Construction (Hard) Costs \$ 326 M (79%)
 - Non-construction (Soft) Costs \$ 87 M (21%)

- Program Mgmt / Construction Mgmt Services:

Period of Service	Actual Expenditure
FY 2014	\$ 6,992,958
FY 2015	\$ 6,658,595
FY 2016	\$ 7,296,265
FY 2017	\$ 11,950,000

** FY2017 value as projected through July 2017



On Time
On Budget
High Quality
Safe

www.RechargeFresno.com

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