



Capital Investment Plan: Quarterly Report for Period Ending June 2021 & Budget Development Process

Engineering & Operations Committee

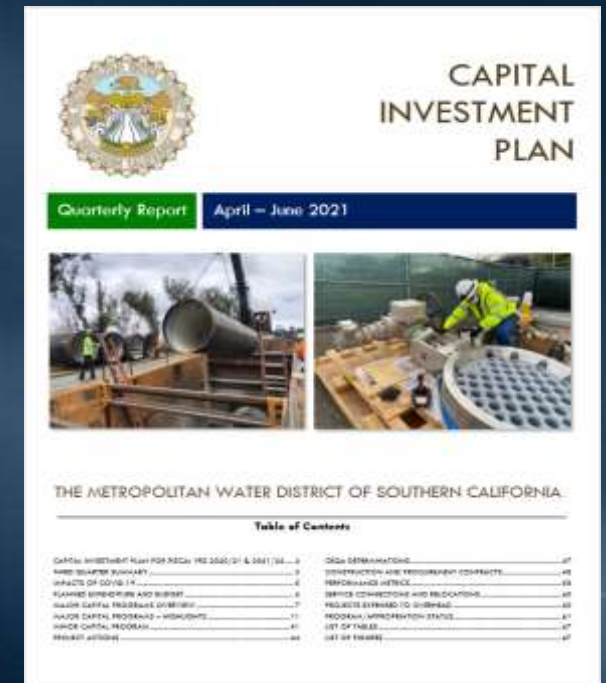
Item 6a

September 13, 2021

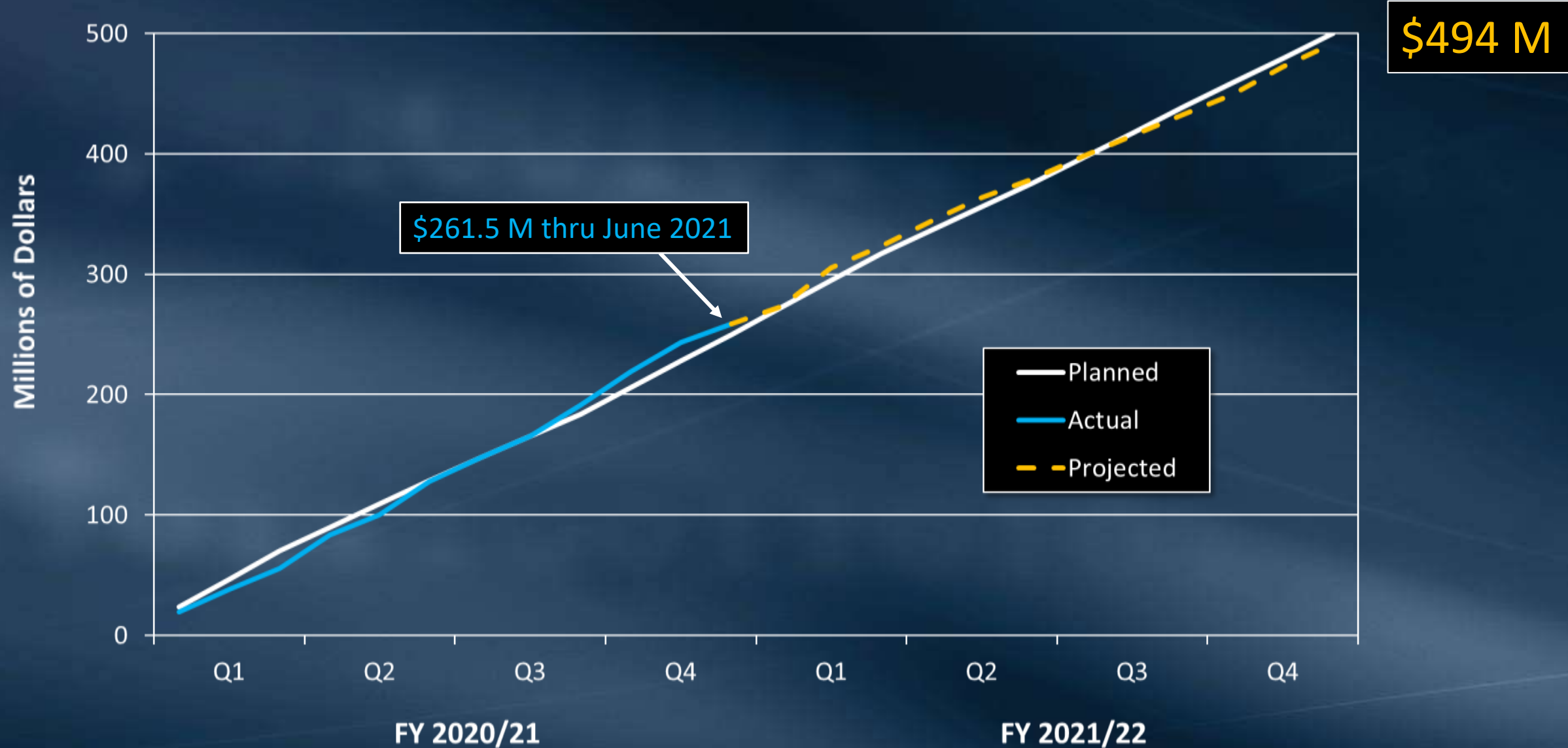
Capital Investment Plan

4th Quarter Summary for FY 2020/21

- 1 Construction contract awarded - \$2.0 M
- 1 Increase of change order authority - \$0.2 M
- 7 Professional service agreements authorized - \$6.6 M
- Contracts currently underway - \$260.9 M
 - 15 construction - \$200.4 M
 - 14 procurement - \$60.5 M
- CIP fund authorization - \$500 M biennial budget
 - \$26.7 M authorized for projects in Q4
 - \$430.3 M total authorized through Q4
 - \$69.7 M available



CIP Performance - FYs 2020/21 & 2021/22



Lakeview Pipeline Improvements



Lowering of steel liner for initial fit-up



Welding of 133-inch bulkhead

- Contract awarded in July 2020
 - Completed in May 2021
- Current Phase Estimate: \$4.6 M
- Actual for Current Phase: \$4.3 M

Diemer West Basin & Filter Building Rehabilitation



Rehabilitated West Basin at Diemer Plant

- Contract awarded in October 2018
 - Completed in July 2021
- Current Phase Estimate: **\$44.2 M**
- Actual for Current Phase: **\$42.3 M**

CRA Discharge Line Isolation Coupling Assemblies



- Contract awarded in August 2019
 - Completed in May 2021
- Current Phase Estimate: **\$38.8 M**
- Actual for Current Phase: **\$35.7 M**

Completed concrete pipe supports and stairs at Intake Pumping Plant

Contract Completion and Change Orders

Contract	Original Bid Amount	Change Order Authority	Change Order
Allen-McColloch Pipeline PCCP 2021 Relining	\$2,435,000	\$250,000	\$17,375
CRA Discharge Line Isolation Coupling Assemblies	\$32,946,000	\$1,647,300	\$0
Diamond Valley Lake Floating Wave Attenuator Repair	\$276,373	\$250,000	TBD
Greg Avenue Pump Station Rehabilitation	\$20,975,000	\$1,648,750	TBD
Lake Perris Bypass Pipeline Relining	\$5,410,000	\$270,500	\$0
Lakeview Pipeline Improvements	\$3,270,000	\$250,000	\$216,674
OC Region Erosion-Control Improvements for Six Sites	\$429,295	\$250,000	\$141,613
Second Lower Feeder PCCP Rehabilitation – Reach 2	\$53,273,196	\$6,663,659	\$4,789,985
Total	\$119,014,864		

12-month rolling average change order percent = 1.1% (does not include Board-approved Second Lower Feeder PCCP Rehabilitation - Reach 2 change order which added scope for Reach 8)



CIP Development Process

Capital Investment Plan Budget Overview

- Current CIP budget
- GM Business Plan – strategic priorities
- CIP development process
- New budgeting tools
- Schedule

Current CIP for FYs 2020/21 - 2021/22

- April 2020 Board Action
 - Appropriated \$500 million
 - Delegated authority to General Manager
 - Initiate or proceed with work on all planned capital projects identified in CIP Appendix, subject to limits on GM authority and CEQA requirements per Administrative Code

GM Business Plan - Strategic Priorities

- Resiliency

- Emergency preparedness & business continuity:
 - Capital expenditures to enhance infrastructure reliability & flexibility

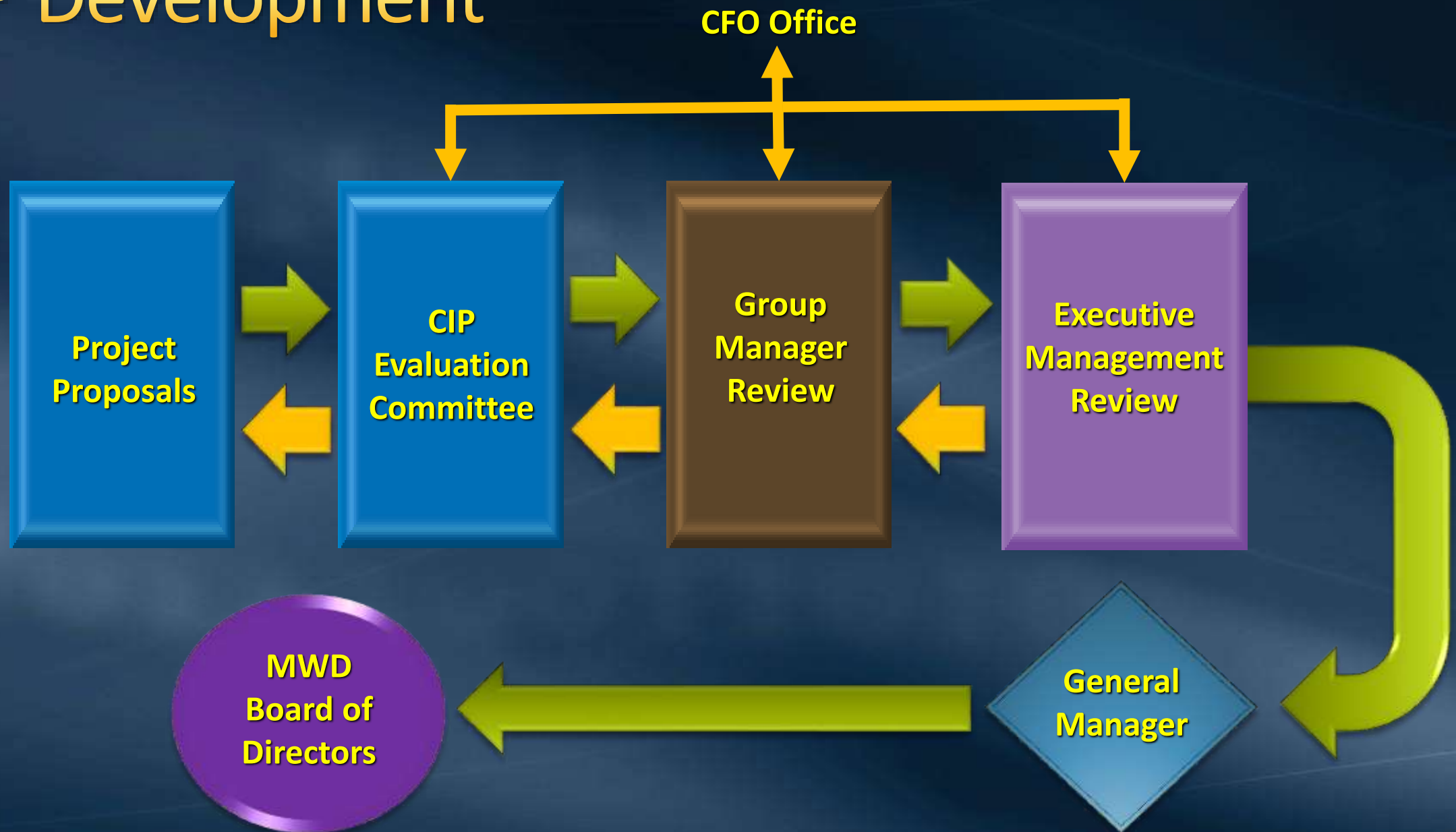
- Sustainability

- Charting long-term course addressing challenges:
 - Aging Infrastructure
 - Regional Recycled Water Program

- Innovation

- Creatively solving difficult challenges:
 - Pipe Inspection Technology
 - Data Center Modernization

CIP Development



New Web-Based CIP Proposal & CIP Risk Tool

CAPITAL INVESTMENT PLAN

Project Proposal for Fiscal Year 2022/23 – 2023/24

ContactHelp?

1

Project Summ...

Project Descript...

Risks

Alternatives

Project Estimate

Review

* Denotes required field

Project Sponsor and Preparer Information

Biennium: ⓘ

Capital Project: ⓘ

Project Manager ⓘ

Preparer Information ⓘ

MajorMinor

NikolasJeffrey S

Brand New or Existing Project ⓘ

CIP Index No ⓘ

Project No ⓘ

Project Title ⓘ

Appropriation No ⓘ

Sponsoring Group ⓘ

Metropolitan Water District of Southern California

CIP PROJECT RISK FORM

Contact | Help?

Submitted :

Form Status : Draft

General Information

Project Title* ⓘ

Preparer* ⓘ

CIP Index No. ⓘ

Subject Matter Experts Who Provided Feedback* ⓘ

Risk Input

* Denotes required fields

Hazard 1

Hazard 2

Hazard 3

Hazard 4

Hazard 5

Step 1: Define the specific hazard* ⓘ

Step 2:Pre-Mitigation Risk ⓘ

Step 3:Post-Mitigation Risk ⓘ

Likelihood of Hazard: ⓘ

Total Consequence Score ⓘ

Consequence if Hazards occurs: ⓘ

Safety ⓘ

Likelihood of Hazard: ⓘ

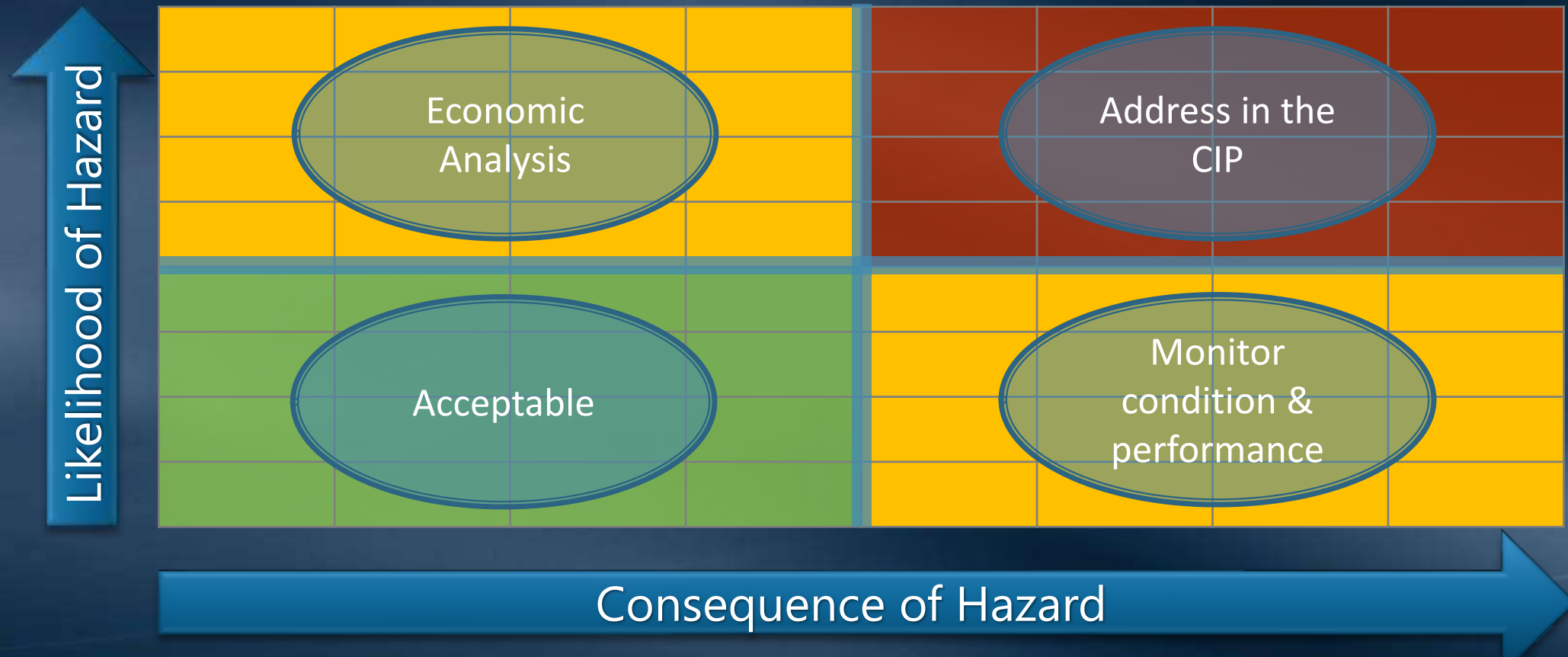
Total Consequence Score ⓘ

Consequence if Hazards occurs: ⓘ

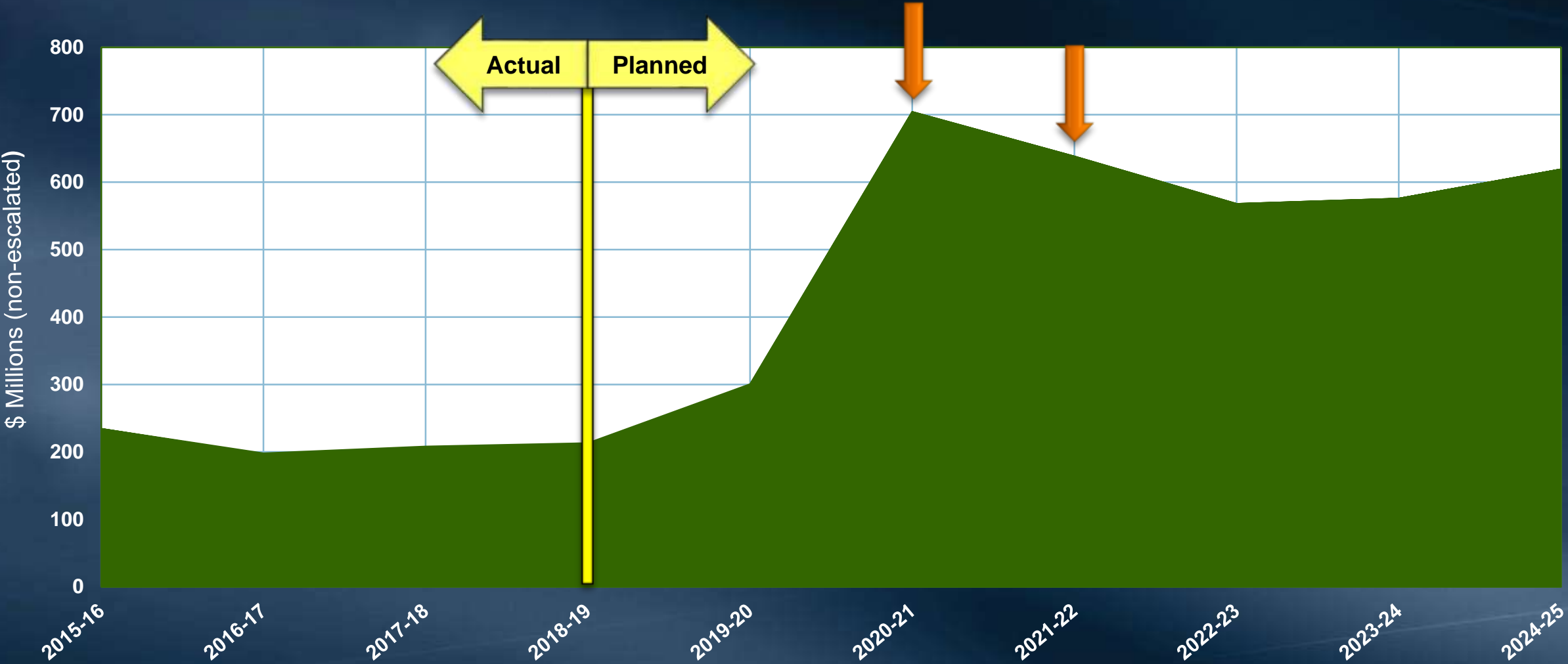
Safety ⓘ

CIP Portfolio Risk Tool

- Provides standardization of relative risk exposure
- Facilitates project prioritization & optimization of capital budget



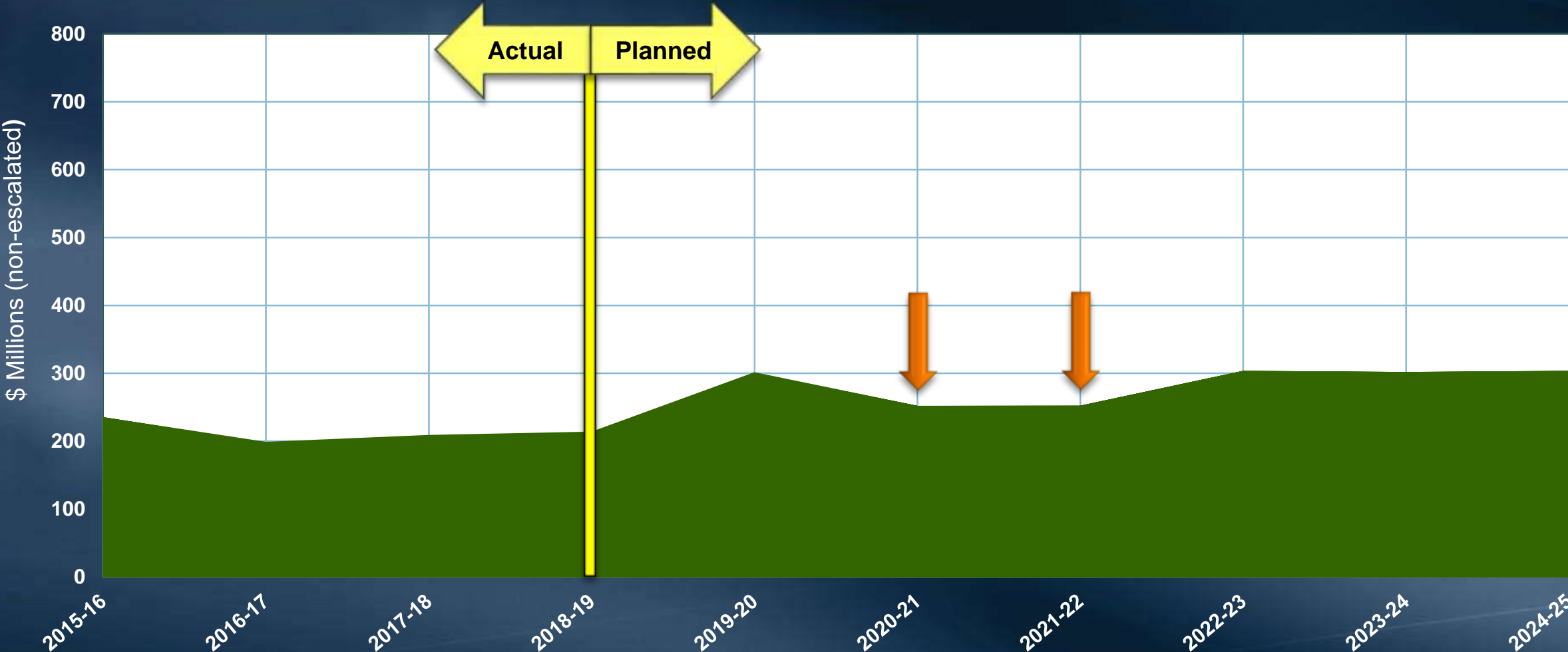
Draft CIP Budget – Before Prioritization



New Web-based CIP Budgeting Tool

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CIP Index ▲			InVizion®							
	<input type="checkbox"/>	CIP Index ▲	Project Title	Total Points	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
⌕	<input type="checkbox"/>	1618-2	Sepulveda Canyon Control Facility Reliability Improvements PDR	90	0	0	0	2,277,477	1,422,523	20,967,299
⌕	<input type="checkbox"/>	1618-21	Olinda PCS Valve Replacement	40	149,593	304,118	1,496,289	1,350,000	0	0
⌕	<input type="checkbox"/>	1618-31	Lake Mathews Electrical Upgrades	350	7,258	652,382	3,058,274	3,307,086	0	0
⌕	<input type="checkbox"/>	1618-34	Mills Plant Ozone Generator PLC Control & Communication Equipment U	292	763,043	1,160,788	96,168	0	0	0
⌕	<input type="checkbox"/>	1618-35	Mills Finished Water Reservoir Rehabilitation	375	261,186	1,973,303	990,250	9,978,901	3,610,849	0
⌕	<input type="checkbox"/>	1618-39	Diemer Treatment Plant - Slope Erosion Remediation Project	325	772,043	1,282,984	3,566,195	0	0	0
⌕	<input type="checkbox"/>	1618-43	Skinner Plant 1 - Concrete Joint Sealant Replacement	75	778,144	1,121,856	0	0	0	0
⌕	<input type="checkbox"/>	1618-45	Ozone Contactor Roof Elastomeric Coating	135	1,388,526	746,474	0	0	0	0
⌕	<input type="checkbox"/>	1618-48	Skinner Ozone Generator PLC Control & Communication Upgrade	320	139,782	402,994	44,006	0	0	0
⌕	<input type="checkbox"/>	1618-5	New La Verne Warehouse	165	13,813,638	1,251,657	501,659	0	0	0

CIP Budget – After Prioritization



Schedule: CIP Development & Approval

- CIP budget development kickoff: April
- Proposal submission: April to August
- Proposal evaluation: July to September
- Group manager review: September to October
- Executive manager review: October to November
- CIP budget completion: December
- Board workshop: February 2022
- Board adopts & appropriates budget: April 2022

