WSIP Quarterly Update
Q4 | FY 2013 – 2014

Revenue Bond Oversight Committee

October 6, 2014
Daniel L. Wade, WSIP Director
Infrastructure
Program Status

As of June 30, 2014

- Construction (16), $2.838M
- Closeout (4), $226M
- Completed (59), $789M
- Construction Completed (63), $1,015M
- In Pre-Construction (2), $147M
- Not Applicable (2), $32M
- Design (1), $117M
- Planning (1), $30M
- Bid & Award (0), $0M

Total: $1,015M
Accomplishments

- Environmental Permitting Completed: Peninsula Pipelines Seismic Upgrade
- Issued Notice to Proceed for Construction Contracts:
  - Peninsula Pipelines Seismic Upgrade
  - Contract 3 - System Security Integration (SSI)
- Construction Substantially Completed: Crystal Springs / San Andreas Transmission Upgrade
- Project Completion: BDPL Nos. 3 & 4 Crossovers
- Safety record based on 6.4 million recorded hours
  - Lost Time Incidence Rate = 0.65 (vs Industry Average of 1.4)
- Completed 163 of 197 system shutdowns
- Achieved Level of Service (LOS) on 33 of 44 Regional Projects with LOS goals
- Published WSIP Staff Transition Plan
- Celebrated WSIP 10-Year milestone
Program Cost Trend

- $4,648
- $4,681
- $4,766
- $4,766
- $4,610
- $4,640
- $4,670
- $4,700
- $4,730
- $4,760
- $4,790

Q1/FY13-14
Q2/FY13-14
Q3/FY13-14
Q4/FY13-14

In Millions

- = Forecasted Cost at Completion (Includes funding for Local Water Supply projects)
- = 2013 Approved Budget (Includes funding for Local Water Supply projects)
- = 2014 Approved Budget (Includes funding for Local Water Supply projects)
SJPL System - Eastern Segment
Alameda Siphon #4

SJPL System - Western Segment
New Irvington Tunnel (95% Complete)

BDPL 3 & 4 Crossover / Isolation Valves
BDPL 3 & 4 Crossovers
Seismic Upgrade BDPL 3 & 4 (76% Complete)

BDPL 5 – East Bay

BDPL 5 – Peninsula

CS/SA Transmission (97% Complete)
New Crystal Springs Bypass Tunnel
Peninsula Pipeline Seismic Upgrade (Const. August 2014)

Bay Tunnel (93% Complete)

Crossover of BDPL 3 & 4

TRANSMISSION PROJECTS

SAN FRANCISCO
SAN FRANCISCO BAY
PACIFIC OCEAN
SUNOL WATERSHED
SAN JOAQUIN

Calaveras Fault
Hayward Fault
San Andreas Fault
Harry Tracy Water Treatment Plant
San Andreas Reservoir
San Francisco Reservoir
Pulgas Water Temple
Pulgas Reservoir

New Crystal Springs Reservoir
CSPL No. 2
SAPL No. 3

BDPL 5 – Peninsula

Bay Tunnel (93% Complete)

New Irvington Tunnel (95% Complete)

BDPL 3 & 4 Crossover / Isolation Valves
BDPL 3 & 4 Crossovers
Seismic Upgrade BDPL 3 & 4 (76% Complete)
Pre-Construction Update

• Alameda Creek Recapture
  • Continued work on the Conceptual Engineering Report
  • Work on project EIR to start in Fall 2014

• Peninsula Pipelines Seismic Upgrade
  • Notice to proceed issued April 28, 2014

• Regional Groundwater Storage and Recovery
  • Response to comments on Draft EIR issued July 2014
  • Final EIR certified August 7, 2014
  • Project Approval anticipated August 12, 2014
  • Advertise for Construction Bids September 2014
Calaveras Dam Replacement
CDRP Safety – 150,000 Hours Completed
New Irvington Tunnel
New Irvington Tunnel Pipe Installation
New Irvington Tunnel Pipe Buckling
Project Status

- Removed damaged section of tunnel lining
- Investigating the cause of pipe buckling
- Investigating areas of tunnel adjacent to damaged section and in other areas of tunnel where similar high groundwater inflows occurred during tunneling and grouting operations
- Developing a repair plan
- Implement repairs at damaged section of tunnel
- Repair other areas of tunnel, if necessary
- Current delay estimate: 2 to 4 months
HTWTP Long-Term Improvements
WSIP
Regional Construction Program
Status of Active Construction Contracts
August 2014
WSIP Construction Program
Regional Contracts
Monthly Exposure Hours

WSIP Recordable Injuries Rate (RIR)
BLS RIR for Construction
WSIP Lost Time Incident Rate (LTIR)
BLS LTIR for Construction

5.7 = Annual BLS construction industry national average Total Recordable Injury Incidence Rate (RIR) for 2012
1.4 = Annual BLS construction industry national average Total Lost Time Incidence Rate (LTIR) for 2012
Change Order Reason
Approved Change Orders
August 2014

WSIP Total

- Regulatory Requirement: $10,148,010.39 (3%)
- Risk Mitigation: $7,841,961.69 (3%)
- Design Error: $22,987,421.80 (7%)
- Design Omission: $14,172,043.40 (4%)
- Owner Request: $16,589,370.55 (5%)
- Differing Site Condition: $236,876,059.34 (74%)
- Other: $12,565,248.12 (4%)

WSIP Total Excluding CDRP

- Regulatory Requirement: $6,939,181.69 (4%)
- Risk Mitigation: $9,194,596.97 (6%)
- Design Error: $21,815,807.42 (14%)
- Design Omission: $13,914,073.40 (9%)
- Owner Request: $16,266,366.32 (11%)
- Other: $8,501,268.37 (6%)
- Differing Site Condition: $75,853,519.23 (50%)

Note: Includes completed contracts and BHR contracts
WSIP Regional Construction Contracts
Approved Change Order Categories
As a Percent of Contract Award
August 2014

WSIP Total
18.70%

WSIP Total Excluding CDRP
8.88%

Note: Includes completed contracts and BHR contracts
Remaining WSIP Risks for Active Construction Projects

Cumulative Confidence Level For Remaining WSIP Risks

- Remaining Contingency Plus Remaining Directors Reserve = $54.1M
- Remaining Contingency = $26.8M
- Remaining Directors Reserve = $27.3M
## Construction Bid Savings To Date

<table>
<thead>
<tr>
<th>CALENDAR YEAR</th>
<th>BID SAVINGS</th>
</tr>
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<tbody>
<tr>
<td>2005</td>
<td>$(5,043,458)</td>
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<tr>
<td>2006</td>
<td>$2,779,984</td>
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<tr>
<td>2007</td>
<td>$1,855,525</td>
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<tr>
<td>2008</td>
<td>$(24,722,809)</td>
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<tr>
<td>2009</td>
<td>$(177,990,630)</td>
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<tr>
<td>2010</td>
<td>$(92,893,907)</td>
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<tr>
<td>2011</td>
<td>$(126,584,888)</td>
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<tr>
<td>2012</td>
<td>$(29,033,508)</td>
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<tr>
<td>2013</td>
<td>$(3,138,551)</td>
</tr>
<tr>
<td>2014</td>
<td>$(6,688,135)</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$(461,460,377)</strong></td>
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WSIP Bid Savings vs. Construction Cost Increases

Future Forecast Increase $125.7M

Pending = $75.4M, Potential = $9.1M, Trends = $41.2M
### Deferred Projects

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>PROJECT BUDGET</th>
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<tbody>
<tr>
<td>Millbrae Yard Improvements</td>
<td>$65M</td>
</tr>
<tr>
<td>Regional Desalination Project</td>
<td>$60M</td>
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<tr>
<td>San Francisco Eastside Recycled Water Project</td>
<td>$212M</td>
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<td><strong>TOTAL</strong></td>
<td><strong>$337M</strong></td>
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# Active Water Supply Projects

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>PROJECT BUDGET</th>
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</thead>
<tbody>
<tr>
<td>San Francisco Groundwater Supply</td>
<td>$67M</td>
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<tr>
<td>Regional Groundwater Storage &amp; Recovery</td>
<td>$114M</td>
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<tr>
<td>Alameda Creek Recapture Project</td>
<td>$29M</td>
</tr>
<tr>
<td>San Francisco Westside Recycled Water</td>
<td>$186M</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$396M</strong></td>
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