



Memo to: Board of Directors

From: Les Sterman

Subject: Program Status Report for November, 2013

Date: November 18, 2013

Notice to proceed was provided to contractors on bid packages #2a, #2b and #6. Pre-construction meetings were held with contractors on #2a and #6 and work is now underway. Bids on three remaining bid packages are due on December 3, so we would hope to award contracts for the entire project, with the exception of bid packages #7a/7b by the end of the year and have construction fully underway early next year.

I have completed an updated estimate of the cost to complete the project that will be presented at the November meeting. The last such estimate was completed in June 2013. There are a number of key decisions, including whether and how to do future financing, and whether to assume responsibility for the construction of the Wood River cutoff walls that are affected by this critical financial analysis.

The process of property acquisition is moving slowly but surely, and the process remains on the critical path for the project. Key properties have been acquired and other acquisitions are in progress. There are only a couple of problem properties where negotiations have not yet produced results. We will report on those at the Board meeting.

The Corps continues with design work for the Wood River cutoff walls as we agreed. AMEC is monitoring progress and will be able to report further at the Board meeting. The Corps continues to confirm the December 13 deadline for completion of design, but there remains much to be done to address all of the comments on the incomplete design. The responsibility for construction of the cutoff walls remains an open question. A decision on how to proceed is on our agenda for the November meeting.

The contract for wetland mitigation has been executed and we have made the initial payment to Republic services to begin construction.

The House version of the Water Resources Development Act was approved overwhelmingly and a conference committee appointed to work out the differences with the bill passed by the Senate. Congressman Davis has been appointed to the committee, which may be helpful in pursuing some of the Council's legislative priorities. Foremost among those priorities are two provisions of the Senate bill that will allow the Corps to shift appropriated funds among the projects on our

levee system so that we can optimize the allocation of those funds to the most needed projects. Also, the Senate bill includes a provision that will allow us to take credit for the cost of work we have done on the federal project against cost-share on future federal projects.

We received four proposals from firms to serve as the Council's financial advisor. I will be reviewing these proposals over the coming weeks and will ask that a selection committee be appointed to assist in that process. I hope to make a recommendation at the December meeting.

The deadline for applications for the position of Chief Supervisor was October 21, and we received 55 applications for the position, so there was a good pool of applicants. The Search Committee has been working through a selection process and will report to the Board at the November meeting. The goal would be to have the position filled by the middle of December to provide for a reasonable transition period. As always, I remain committed to making this process as seamless as possible and will be available to assist where needed following my planned January 15 departure.