



Memo to: Board of Directors  
From: Chuck Etwert  
Subject: Program Status Report for August 2014  
Date: August 18, 2014

We continue to work on the acquisition of easements needed to complete the projects. Unfortunately, no additional easements have been obtained during the last month, however, we are getting close to finalizing the easements discussed in the executive session last month and it appears that there has been some movement on other easements that are also still needed. We still have 8 owners involving 18 parcels involving BP #3, 7A, and 7B construction. There will be an executive session at the end of the meeting.

Bids on the two remaining bid packages 7A & 7B were submitted on August 13, and the selection of contractors for these jobs is on the August Board agenda. The good news is that the total of these bids came in \$1.7 million under the project completion budget presented at the July meeting. These contracts will be discussed in detail at the meeting.

Approximately 28% of the \$39 million of construction involved in our six current construction bid packages had been completed thru July 31<sup>th</sup>.

Construction continued to be slowed due to high water river conditions, with even less construction completed in July (\$948,303) than in June (\$1,278,064). It will be a very busy fall for our contractors. AMEC in their update report will again provide a summary of the high water effect on our projects.

The "streamlined" Sec. 408 review of BP #7A and BP #7B has been completed on schedule with the Corps providing preliminary approval to us last Friday, August 15<sup>th</sup>. Final approval should be given this week when General Deluca, who was unavailable last week, signs off on the permit. A copy of the preliminary approval is enclosed.

On Tuesday, August 12<sup>th</sup>, there was a substantial completion inspection on Bid Package 2A. Korte & Luitjohan, nothing major was identified.

AMEC is still developing the large change order for Type D and T Relief Wells in Bid Package #6 that was discussed last month. The last pilot hole was drilled last week and there are still nine relief wells to be designed. This change order should be on next month's agenda and has an estimated cost of 1.2 to 1.6 million dollars. This large change order will cause all remaining change orders on BP #6 to be approved by the Board.

As discussed by Tracey Kelsey last month a decision by the Corps of Engineers on the PLA issue is expected by mid-September.

Regarding our second FOIA request to the Corps of Engineers concerning their payments to drilling contractors working on Design Deficiency Correction Projects, which the FPD has provided non-federal cost-share funds towards, our legal counsel has advised us that from a legal standpoint the Corps isn't required to provide that information, and it's not that they can't. This is very disappointing since we have Project Partnership Agreements with the Corps in both MESD and the Wood River Districts. This decision doesn't seem to reflect the true spirit of partnership.

At the meeting on Wednesday, Jeff White of Columbia Capital will present different funding scenarios that are available to the Board for the consideration of funding future projects. With the awarding of the last two 100-year projects BP #7A & #7B, we have refined our project cost estimates to reflect the bids received, and our uncertainties have been reduced. Therefore, next month, the Board should begin discussions regarding where we go from here. I plan on providing the Board some alternative strategies prior to the September meeting.

The August Board meeting is also the "annual meeting" of the Council where the Board adopts a budget and annual report for submittal to the county boards for approval, and where new officers are elected for the coming fiscal year.

I have included in your Board packet a copy of AMEC's Monthly Progress Report for August.