



Memo to: Board of Directors

From: Chuck Etwert

Subject: Program Status Report for January 2015

Date: January 19, 2015

We continue to work on the acquisition of easements needed to complete the projects that have been awarded. I am pleased to report that the easement required from the American Oil Company and the remaining individual have finally been obtained. We are now down to one owner, Union Pacific, involving 3 parcels on the BP #3 construction project. As previously mentioned, the delay in obtaining these easements and others on the BP #7B project will have an effect on completion times and possible costs of these projects.

Approximately 52% of the \$45.0 million of construction, involved in the seven construction bid packages that have started, has been completed thru December 31st. With 2.66 million dollars' worth of construction completed in December, the total amount of construction completed is now \$23.3 million.

We have three change orders on this month's agenda, all involving construction obstructions being encountered during Relief Well construction on Bid Packages #4, #5, and #6. AMEC will be explaining them later in the meeting.

On December 23rd, we received a request from the Corps of Engineers to resend our request for In-Kind Credit for the Non-Federal Design and Construction of Supplemental Design Deficiency Corrections for East St. Louis, Illinois Flood Protection Project and the Prairie Du Pont – Fish Lake Flood Protection System in Southwestern Illinois. The Corps wanted an updated letter that included a brief description of the work to be considered for credit. It also requested, that the request be separated into two requests, one for each project. Revised requests (previously e-mailed to each Board member) were sent to the Corps the same day. Copies will be provided at the meeting.

On January 13th, I attended by phone, a debriefing by the Corps, on their recent PLA decision, to the area's elected delegation in Washington, DC. Senator Durbin's office had requested the debriefing by the Corps, which was attended by representatives from his staff and the staff of Senator Kirk, and Congressman Davis, Shimkus, and Bost. Colonel Mitchell with the assistance of other Corps representatives provided the debriefing.

I was able to provide the same concerns that I expressed at last month's board meeting regarding the Corps Response Summary and the lack of reviewing FPD bid line items to bid line items on previous Corps projects. Even the additional information, I received from the Corps after our December meeting, doesn't provide a comparison of bids with or without a PLA.

Unfortunately, after all was said and done, the best the Corps could offer was to allow bidders to submit proposals with a PLA, without a PLA, or both, with the lowest technically acceptable price being selected with or without a PLA. There would be guarantee of the utilization of a PLA. This is the same offer that Colonel Hall made to the Board last June.

To date, there hasn't been any response to Senator Durbin's November 17, 2014 letter to President Obama requesting the override of the Corps' decision to not require Project Labor Agreements (PLAs) on contracts pertaining to federal levee improvement projects in the East St. Louis, Prairie Du Pont/Fish Lake, and Wood River areas of Illinois.

The FPD is also still waiting for responses to our requests to the Corps for consolidation of the separately authorized levee projects located in Madison, Monroe, and St. Clair counties and the consideration that the levee projects within these Counties be considered for the Water Infrastructure Public-Private Partnership Pilot Program. Decisions on these requests are dependent on the Water Resources Reform and Development Act (WRRDA) of 2014 implementation guidelines that are currently being developed.

Last month I provided you some preliminary approaches on how the FPD utilizing PLAs might be able to work with the Corps and move forward towards obtaining the 500-Year (Authorized) Level Flood Protection. I will discuss this more, later in the meeting.

I have included in your Board packet a copy of AMEC's Monthly Progress Report for December and a copy of the appreciation letter sent to Commissioner Wittenauer for service to the Council.