



Memo to: Board of Directors

From: Chuck Etwert

Subject: Program Status Report for July 2015

Date: July 13, 2015

Approximately 75% of the \$47.1 million of construction, involved in the eight current construction bid packages (not including BP 7B), has been completed thru June. With 1.1 million dollars' worth of construction completed in June, the total amount of construction completed is now \$35.6 million. There has now been high river conditions for the last seven weeks which has slowed construction and pushed back completion dates.

Amec Foster Wheeler will be reporting on the high water conditions and the problems that have been encountered at various locations.

We have two change orders for BP #6 on this month's agenda. They involve the emergency work required due to high river conditions and modifications to three piezometers in the Prairie Du Pont/Fish Lake Levee System. Amec Foster Wheeler will be explaining them at the meeting. There will be some flood work change orders on next month's agenda.

AMEC Foster Wheeler and I continue to meet with the Corps of Engineers regarding the process of the Council moving ahead with 500-year level of protection projects and ensuring that work the Council does is eligible for future Work In-Kind Credit.

We have been informed by the Corps (letter attached) that the Integral Determination Reports (IDRs) for Wood River and East St. Louis originally projected for approval in September, have been delayed due to WRRDA 2014 implementation guidance not being issued. Once issued, the approval process is estimated to take four months. Therefore, the earliest we can expect approval of the IDRs is probably November. The IDRs, which identify the work that will be eligible for Work-In-Kind Credit, reduce the risk of not receiving credit for work performed. All risk is eliminated after approval of the revised Project Partnership Agreements (PPAs), which take approximately a year to complete after approval of the IDRs.

Attached is our letter in response to Colonel Mitchell's letter of June 16, 2015, regarding the Corps' proposed revised solicitation procedures for the construction of Metro East Levee

projects. I indicated, we look forward to receiving additional information explaining the criteria and the process, prior to making any decision regarding sponsor cost share funding.

In addition, last Friday Senator Durbin's office sent us a copy of a letter from the Department Of The Army to the Corps of Engineers indicating that it will be working with the St. Louis District on the development of how the "extra credit" for bids with PLA will work. A copy is attached.

As is our custom, the draft budget for the coming year is presented at the July Board meeting. I have continued the past practice of also providing a project estimate of revenues and expenses thru the end of fiscal year 2016.

There will be an executive session on litigation at the end of the meeting.

I have also included in your Board packet, a copy of Amec Foster Wheeler's Monthly Progress Report for July and an article from the St. Louis Post-Dispatch regarding the Council moving ahead with the 500-Year Authorized Level projects.