

Budget & Finance Committee

Agenda Item 1.2 – Work Plan Status Update

September 15, 2023



Current Work Plan Status

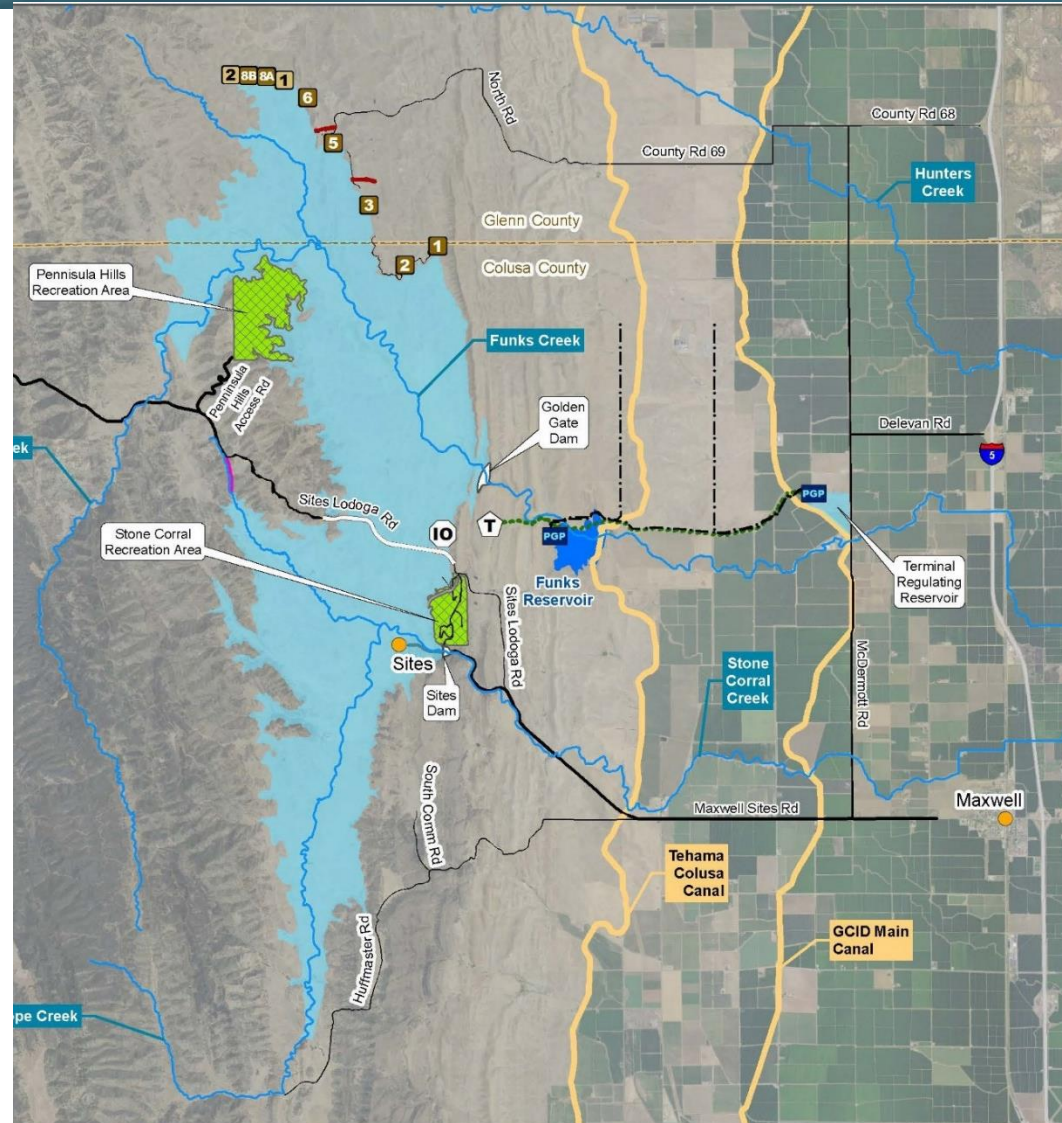
- Current Amendment 3 Work Plan period of performance is 2022 – 2024
- Amendment 3 Work Plan is intended to closeout our current phase and initiate Final Design & Construction Phases
- Approximately 50% through the current Work Plan and 2 key takeaways:
 - There is a need to extend our A3 period to include 2025
 - Project Schedule effort has led to a prioritization opportunity

Lead Up Activities

- **Project Schedule** and **Conditions Precedent** to the Benefits and Obligations Contracts are key predecessors driving changes to the Work Plan Update
- Ongoing discussions - primarily addressed in O&E Workgroup
- Summary of what has recently been discussed...

Anticipated Construction Critical Path

- #1 Golden Gate Dam
- #2 Sites Lodoga Rd Detour
- #3 Sites Dam
- #4 Transmission Powerlines
- #5 Inlet/Outlet Facilities
- #6 TRR Complex
- #7 Funks Complex
- #8-14 Saddle Dams
- #15 Dunnigan Pipeline
- #16 Sites Lodoga Rd and Bridge
- #17-18 Recreation Areas



2024- 2025 Critical Path Items

- In developing 2024 - 2025 optimized schedule investigated top 5 critical items
 - Programmatic Environmental plans and compliance
 - Required to achieve clearance for Geotech and Construction activities to commence
 - Critical Land Acquisition
 - Land required to construct first three projects
 - Golden Gate Dam
 - Longest design and construction activity
 - Sites Lodoga Rd Reroute
 - Required to keep traffic access while constructing Sites Dam
 - Sites Dam
 - Next longest design and construction activity

Draft recommendation of budget principles based on schedule optimization efforts

- Complete required permits, agreements, and cost estimates to support signing Benefits and Obligations Contracts and financing by the end of 2025 (Highest Priority)
- Hire Reservoir Package CMAR and Mitigation Contractor early 2025
- Acquire property for Golden Gate Dam Foundation, Sites Dam Foundation, and Sites Lodoga Rd Detour sub-projects
- Complete programmatic pre-construction requirements
- Execute Golden Gate Dam Foundation sub-project starting Jan 2024. Check-in to see if Sites Dam Foundation and Sites Lodoga Rd Detour can be started mid-2024 based on budget forecasts.

Work Plan Update Requested Actions

- Four requested actions to be brought to the Board next month:
 - Amendment 3 Work Plan Priority Changes
 - Extension of Amendment 3 Period
 - Proposed 2024 Annual Budget
 - Proposed 2024 Cash Call Amount

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O&E

Discussions

Anticipated Available Funding

Estimated funding available for remainder of Amend 3

- Cash Dec 31, 2023 \approx \$25M
 - (Cash on hand) + (New revenue) – (Forecasted expenses)
- 2024 new revenue \approx \$39M
 - \$13M in Federal WIIN & IJA reimbursements
 - \$25M in Cash Call (\$160/AF)
 - \$0.5M in AB Dues
- 2025 new revenue \approx \$14M
 - \$7M in Federal WIIN & IJA reimbursements
 - \$7M in Cash Call (\$40/AF)
 - \$0.5M in AB Dues

Estimated **\$77M** in available funds

Expenses Estimates for Revised Plan

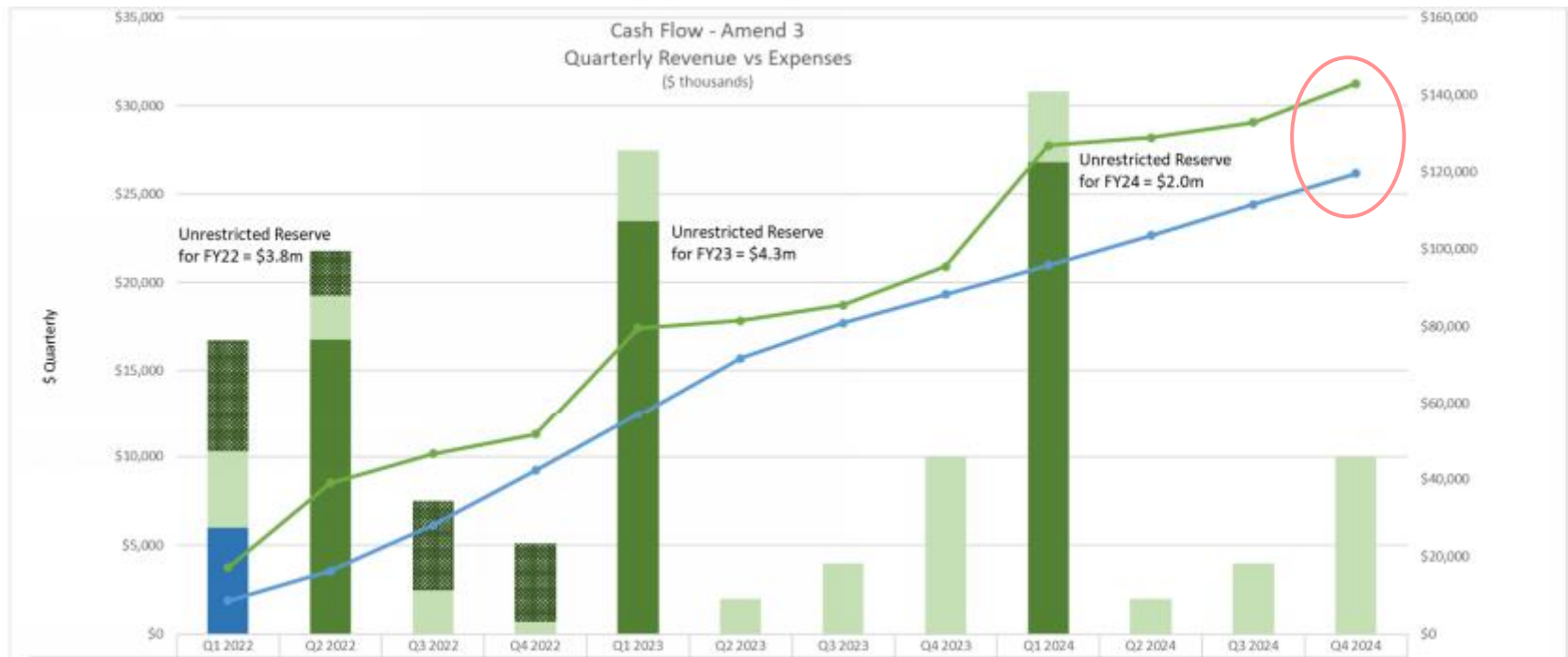
- Includes stopping and slowing down non-critical activities remaining in 2023
- Estimated expenses for proposed work plan revision ≈ \$96M
 - Programmatic Environmental plans and compliance
 - Critical Land Acquisition
 - Golden Gate Dam
 - Sites Lodoga Rd Reroute
 - Sites Dam

What can we afford?

- Estimated \$77M in available funds
- Estimated \$96M in proposed expenses
- Adjusted plan to fit within expected revenue
 - Programmatic Environmental plans and compliance
 - Hire Reservoir CMAR and Mitigation Contractor
 - Critical Land Acquisition (Includes Sites Dam and Lodoga Rd)
 - Golden Gate Dam Sub-Project
- Delay start of Sites Dam and Sites Lodoga Rd Reroute Geotechnical and Design work until funds available
 - Estimated at approx. \$20M
 - Check back in mid-2024

Cost Tradeoffs from Orig Work Plan

- Shift to a more concentrated focus for Engineering & Geotech
- Utilizing unallocated funds



Questions?

