

# Agenda

1.1 – Review status of the in-progress updated Cost Estimate and discuss recommendation for reconvening the Value Planning Ad Hoc Workgroup (charter & makeup)

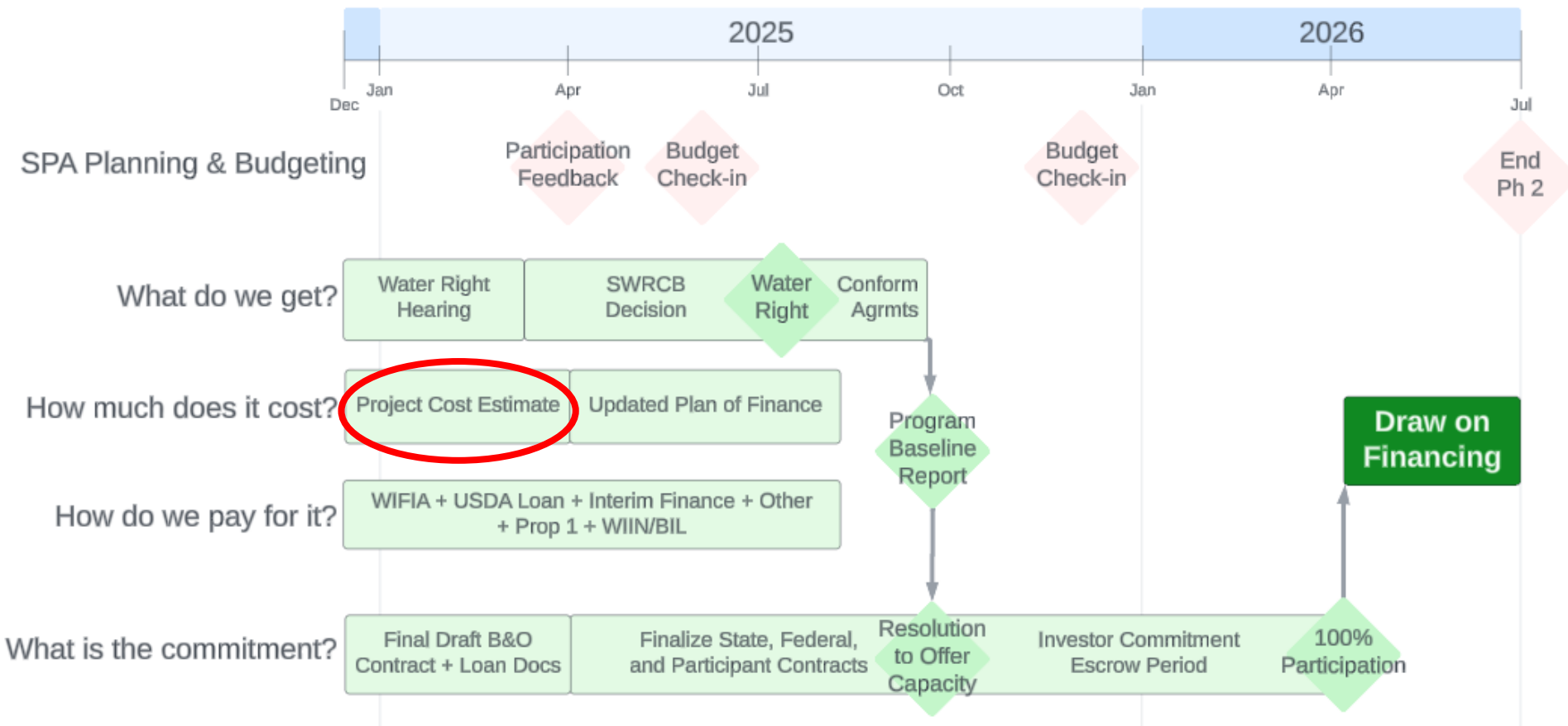
# Agenda Item 1.1

**Review status of the in-progress updated Cost Estimate and discuss recommendation for reconvening the Value Planning Ad Hoc Workgroup**

JP Robinette



# Last 18 months of Phase 2 (Planning) of the Sites Reservoir Project



# Status of the in-progress updated Cost Estimate



Non-contract cost build up



Real estate cost updates



Environmental mitigation cost update



Independent cost estimate review



Risks and contingencies



Value planning

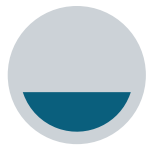
Level of service & owner decisions

Directions for incorporating current & future opportunities

# Independent Cost Estimate Review

- MWD staff is performing an independent review
- Areas of focus are basis of cost estimate and assumptions:
  - Reasonableness of quantities
  - Direct cost/unit rates
  - Markup and contingencies
- Reviews are anticipated to be completed by March 2025

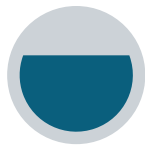
# What to expect in the updated costs



Escalation

**~25%** ↑

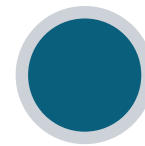
2021 to 2024



Design  
Development

**15-25%** ↑

10%-30% design



Contingencies

**TBD**

Ongoing work



There are opportunities to provide input as the Program Cost Forecast is being developed.

# Participant Input

- Reconvene Value Planning Ad-hoc Subcommittee to provide guidance to staff on:
  - Cost estimating techniques and standards
  - Value engineering considerations
  - Risks and contingencies
- Past Ad-hoc Subcommittee roster
  - Lead: Rob Kunde
  - Members:
    - Bill Vanderwaal
    - Jeff Sutton
    - Mike Azevedo
    - Randall Neudeck
    - Robert Cheng

# Value Planning Ad Hoc Sub-Committee Charter

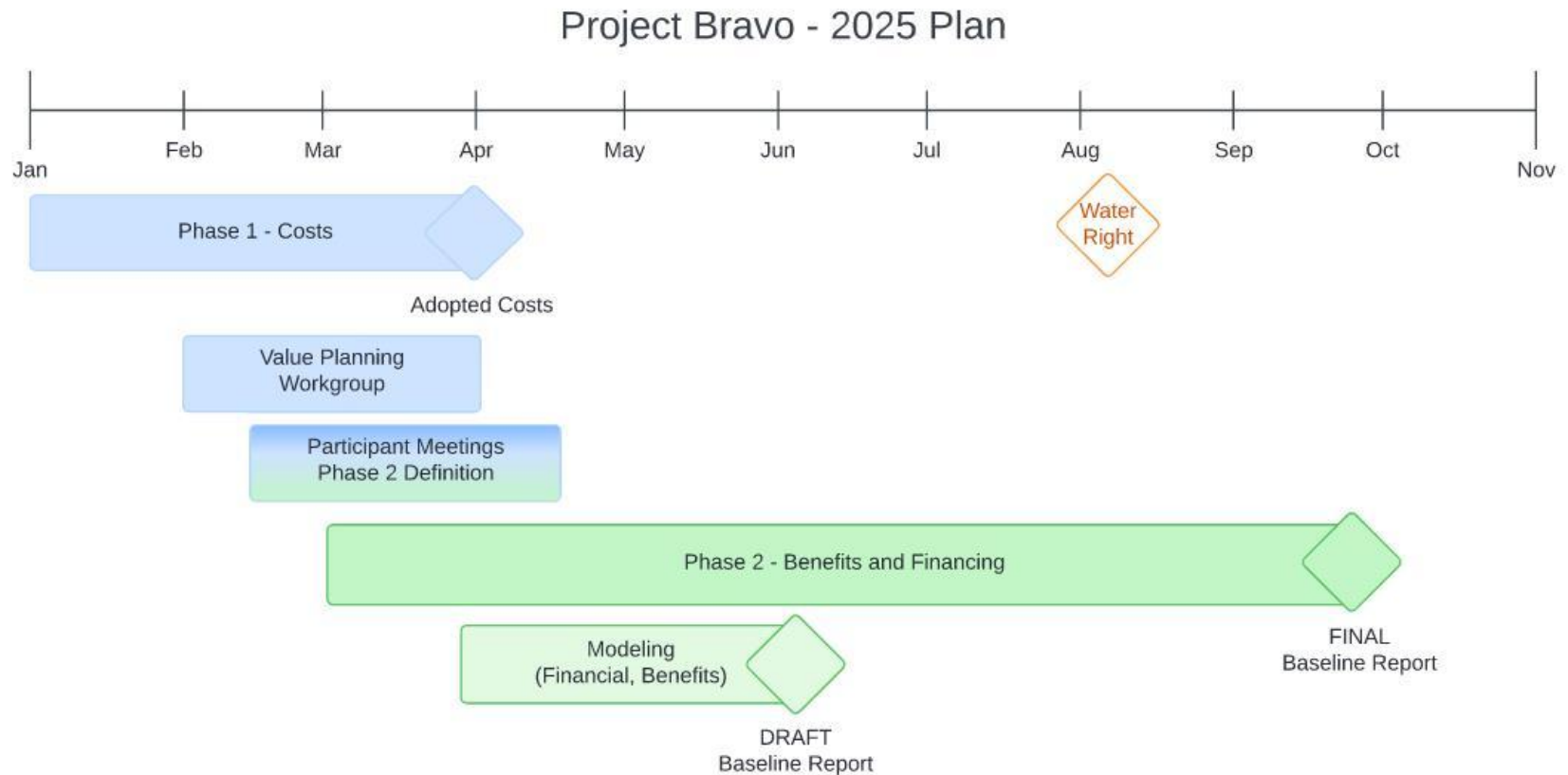
**Purpose:** To provide guidance and support in development of the Program Cost Forecast, value engineering considerations, and referrals from the O&E Workgroup

**Roles and responsibilities (areas of focus):**

- Cost estimating techniques and standards
- Risk and value engineering considerations
- Project design and level of service standards
- Material changes, as defined in the Authority's bylaws, regarding the project schedule, costs, and operations.



# Input will inform the Program Baseline Report



# Next Steps



Value Planning Ad-hoc Subcommittee convenes in February and March 2025



March 2025 O&E: preliminary updated total cost estimate



April 2025 AB/RC: consider adopting the updated total cost estimate

# Questions?



# Agenda Item 2

Engineering and Construction Manager's Report

JP Robinette



# E&C Manager's Report Topics

1. Construction Office Lead Procurement, live!
  - Target March award
2. Update on Reservoir CMAR Procurement, live!
  - Target shortlist April, award September
3. Geotech on critical path properties
4. Future agenda items
  - Operations Plan 2.0
  - Program Baseline Report
  - Engineering and Construction organization
  - Golden Gate Dam VE process and schedule update

Visit [sitesproject.org/procurement](https://sitesproject.org/procurement)

# Questions?



# Thank you!

Next Meeting:

Wednesday, March 12, 2025 (1:30 pm – 3:30 pm)

