

Kent,

The annual reporting for the above WSF project is listed below. This reporting follows your suggested format and topics.

- **Project progress**

- A contract for the collector well, connecting pipeline and ancillary facilities was awarded to Judds Brothers Construction on February 13, 2017.
 - The bidding and award were done in accordance to the City’s normal procurement policies and contract award was made to the low bidder.
 - Construction was initiated on February 27, 2017
 - Current substantial completion date by contract is April 10, 2018; however, the contractor will not meet this deadline. Currently the contractor’s schedule calls for substantial completion (startup) by June 15, 2018.
 - Estimated completion for this project component is approximately three (3) months later than shown in the WSF application.
- The City issued a RFP and selected an engineering firm for design and construction engineering phase services for the bank stabilization component of the project. The contract was subsequently approved in January 2018.
- Reimbursement claims (Claims 2 & 3) made during this period total \$1,588,453.48.

- **Project related activities planned for the coming year.**

- At the current time, all project activities associated with the collector well, pipeline and ancillary facilities should be mostly completed by July 2018. Final project acceptance and payment will likely occur during the months of August – October.
- Final design and bidding of the bank stabilization component of the project should occur in 2018 with construction proceeding through the first quarter of 2019 depending on weather conditions.
- Estimated completion of the entire project is May 2019 which is approximately four (4) months behind the schedule shown the WSF application.

- **Forecasted or projected cash flow for remainder of the project.**

| WSF 4152 Lincoln Water System Drought Resiliency and Flood Protection Estimated Cash Flow | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|
| (Cash flows are total project expenditures) | | | | | |
| Jan – Mar 2018 | Apr – Jun 2018 | Jul – Sep 2018 | Oct – Dec 2018 | Jan – Mar 2019 | Apr – Jun 2019 |
| \$2,000,000 | \$2,500,000 | \$2,500,000 | \$800,000 | \$1,000,000 | \$1,000,000 |

Notes:

1. Cash flow represents actual bid amounts for the collector well, pipeline and ancillary facilities.
2. Cash flow also includes new 30% design, cost estimates for the bank stabilization project which have increased the total project costs and corresponding cash flow over that reported in the 2017 Annual Report. This new cash flow shows total project expenditures similar to that shown in the WSF application, or very near \$12.7 million.

- **Reassessment of the likelihood that benefits projected in the application will be realized and, for the final report, a description of benefits realized or reasonably expected to be realized as compared to those stated in their application.**

There have been no changes made or forecasted as to reducing benefits originally anticipated and documented in the original application. Ongoing and rapid bank erosion continues to occur near critical infrastructure and so this project component remains a very high priority.

If you, or any Commission members, have questions related to the above report or the project itself, please feel free to contact me.

Thank you again for all your assistance in managing and reporting our WSF project.

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