



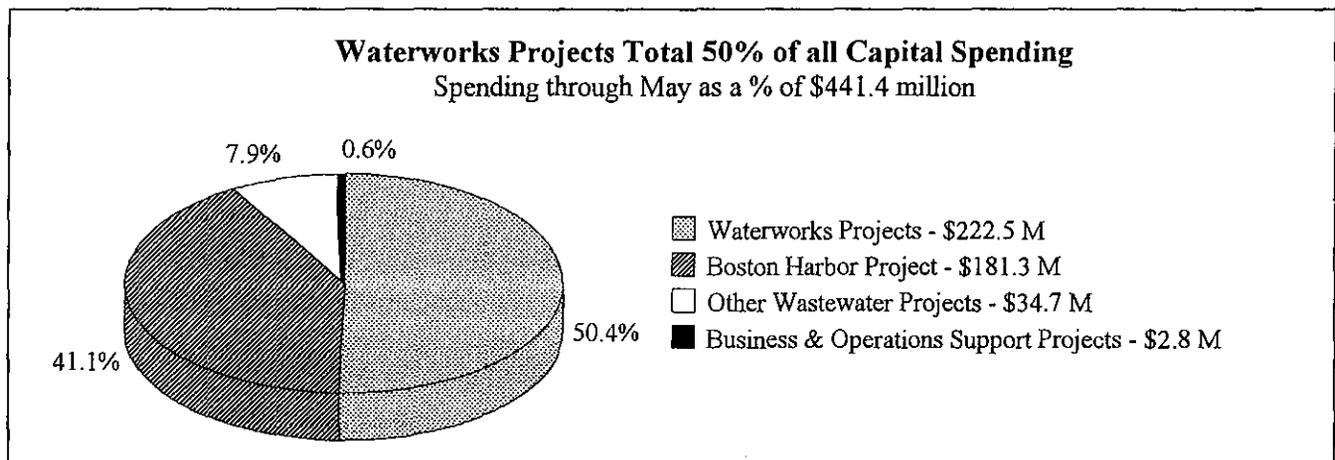
# STATUS OF MWRA BUDGETS

## *CIP through May 1999*

### Focus on the FY99 Capital Improvement Program

Capital spending through May 1999 came to \$441.4 million, or 9.1% below the \$485.6 million budgeted for the eleven-month period. Accruals for the month (a five-week accounting period) were \$50.7 million, or 23.2% greater than the \$41.2 million budgeted. There is \$86.6 million remaining in the FY99 budget for June.

Waterworks spending accounts for more than half of all capital spending: \$222.5 million or nearly 51% of all spending for the year to date. As the Boston Harbor Project nears completion, Waterworks spending will continue to outpace Wastewater expenditures as the major player in the capital budget. The capital projects with the largest dollar accruals continue to be *MetroWest Water Supply Tunnel* and the *Walnut Hill Water Treatment Plant*. Waterworks spending as a percent of all capital spending has increased from 25% in FY97, to 39% in FY98, to more than half of all capital spending in FY99.

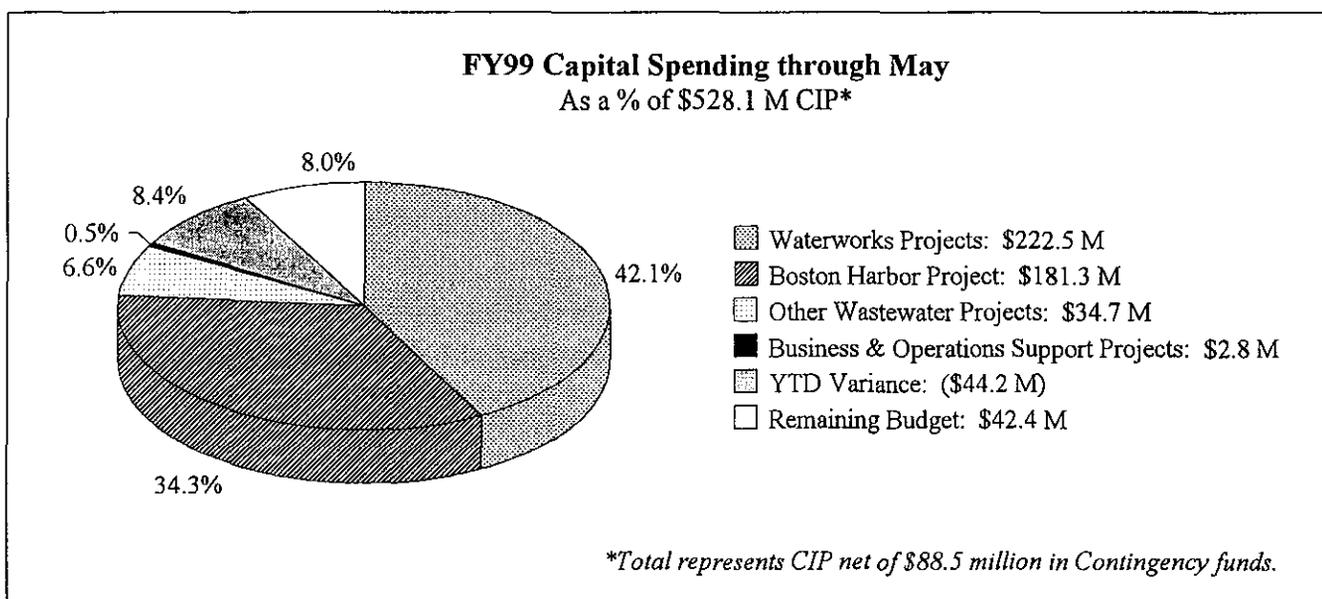


Spending on the *Boston Harbor Project* came to \$181.3 million, or 41% of all capital spending for the fiscal year to date (as compared to 50% at the end of FY98 and 61% of all capital spending during FY97). Spending is 4.4% less than the \$189.5 million budgeted for the year to date.

The greatest spending for the year to date has been for construction of *Secondary Battery C*, at \$58.3 million (nearly one-third of all Boston Harbor Project spending for the year to date). Spending through May is \$2.2 million, or 4% above the amount budgeted for the period. Spending is also greater than budgeted for *Concrete Coating/Repair & Upgrade Phase II* and *Construction Management Services*. The \$12.9 million in spending for the *Concrete Coating/Repair & Upgrade* project, to address corrosion problems at several Deer Island facilities, is \$5.6 million more than budgeted for the period (including more than \$700,000 in change orders during FY99). Spending for *Construction Management Services* at \$19.05 million is 40% over budget for the period, reflecting a \$6.5 million contingency transfer in December. Other active Boston Harbor Project contracts are *Ancillary Modifications Phase 3* (\$15.6 million); *Nut Island Headworks* (\$12.0 million); the *Inter-Island Tunnel* (\$6.7 million); and *Western Shoreline Protection* (\$5.7 million).

Spending on *Other Wastewater Projects* totaled \$34.7 million, or 58% of the \$59.8 million budgeted for the period. More than half of the underspending (\$13.7 million) is due to delays in reimbursements for community-managed *CSO projects*, while *Residuals* underspending at \$7.2 million accounts for 29% of the below budget spending. Other active Wastewater projects include: *Quincy Pump Facilities* (\$4.4 million); the *I/I Local Financial Assistance program* (\$4.66 million); the *North Metropolitan Trunk Sewer* (\$2.9 million); the *Upgrade Existing CSO Facilities project* (\$5.5 million); and the *North Dorchester Bay & Reserved Channel project* (\$4.3 million).

Spending on *Waterworks* through May reached \$222.5 million. Lower than budgeted spending of \$22.9 million for the MetroWest Tunnel project contributed to Waterworks underspending of 4.6% for the period. More than half of all Waterworks spending, or \$134.8 million has been for the *MetroWest Water Supply Tunnel*, now with several construction contracts in progress. Other active Waterworks projects are the *Walnut Hill Treatment Plant* (\$21.1 million); *Nash Hill Covered Storage* (\$7.5 million); *Boston Low Service - Pipe & Valve Replacement* (\$7.2 million); *Fells Covered Storage* (\$5.9 million); *Local Water Infrastructure Rehabilitation Grant/Loan Program* (\$5.9 million); *Weston Aqueduct Supply Mains 4* (\$5.4 million); *Water Main Relocation in Chelsea* (\$3.8 million); *Watershed Protection Study* (\$3.5 million) and *Southern Service Improvements* (\$3.4 million).



### Construction Fund Balance

The *Construction Fund Balance*, as of the end of May, stood at \$75.9 million. Spending during May (on a cash basis) was \$66.65 million for the five-week accounting period, and \$472.8 million for the fiscal year to date. Receipts during May totaled \$42.8 million, including \$15 million in commercial paper proceeds and \$24.3 million in federal grant receipts. For the fiscal year to date, receipts have totaled \$416 million, including \$69.9 million in federal grant receipts, \$67.7 from the SRF program, and \$263.9 million in new borrowings and commercial paper receipts (\$66 million of the new borrowing was used to retire commercial paper notes). The Authority has also just issued \$150 million in subordinated general revenue bonds: \$115.8 million will be deposited to the construction fund, and another \$32.0 million will be used to retire commercial paper notes.