



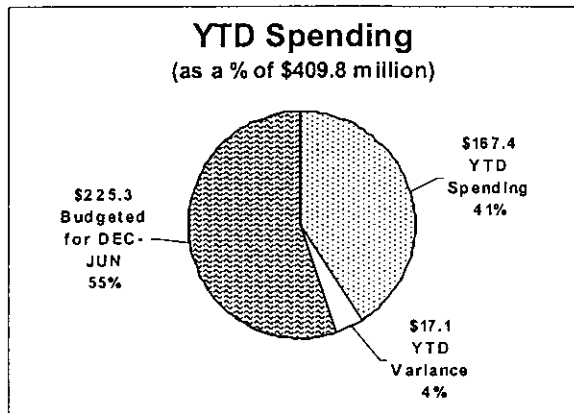
# STATUS OF MWRA BUDGETS

*CIP through November 2001*

## Focus on the FY 2002 Capital Improvement Program and Budget

Capital spending through November 2001 came to \$167.4 million, \$17.1 million (9%) below the \$184.5 million budgeted for the five-month period. Accruals for the month (a five-week accounting period) were \$45.75 million, or 40% above the \$32.5 million budgeted.

The Authority has budgeted \$409.8 million in capital spending in FY02 (net of \$49.4 million in contingency fund allowances). With \$225.3 million budgeted for the December through June period and \$17.1 million in year to date below budgeted spending, \$242.4 million remains in the CIP budget for the remaining seven months of the fiscal year.



Largest Capital Projects - FY02 (total FY02 budget: \$409.8 million)	
Walnut Hill Water Treatment Plant	\$78.7
MetroWest Water Supply Tunnel	64.4
Braintree-Weymouth	55.7
Combined Sewer Overflows	36.3
Norumbega Covered Storage	30.4
Local Water Pipeline Improvement Loan Program	23.5
Boston Harbor Project	18.8
Rehabilitation of Weston Aqueduct Supply Mains	11.0
All Other	90.9

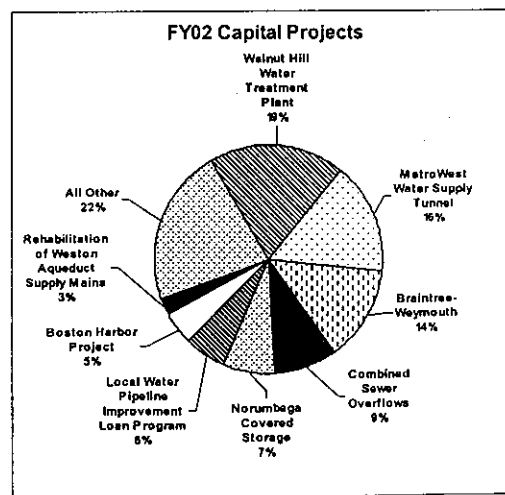
Eight capital projects make up 78% of the year's capital budget; five of these are waterworks projects and make up fully 50% of the entire capital budget for the year.

Even though the capital budget for FY02 is lower than for FY01 (\$410 million as compared to nearly \$457 million last year), spending through November 2001 was *higher* than the \$142 million accrued for the first five months of FY01.

Of the \$25 million difference, nearly \$21 million was for **Waterworks Projects**: Waterworks spending through November totaled \$103.8 million as compared to the nearly \$83 million for the same period a year ago. Waterworks spending is now 62% of all spending for the year to date, and is 71% greater than the \$60.7 million for all Wastewater

spending (including the Boston Harbor Project) for the period. Waterworks spending is now \$10 million (10%) greater than the \$93.8 million budgeted for the year to date. With major work on the MetroWest Water Supply Tunnel and Drinking Water Quality Improvements (including the Walnut Hill Water Treatment Plant and Coverage Storage projects) continuing, Waterworks spending is expected to continue to outpace Wastewater capital expenditures this fiscal year and next.

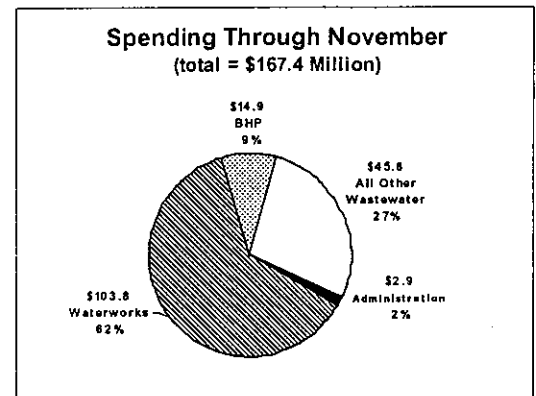
Contributing to the greater than budgeted variance for the year to date were the two largest projects in the capital budget for FY02: the *Walnut Hill Water Treatment Plant*, with spending reaching \$40.2 million (or 15% over the



\$34.8 million budgeted) and the *MetroWest Water Supply Tunnel*, with spending at \$32 million (27% over the \$25.2 million budgeted). Recent distributions under the *Local Water Pipeline Improvement Program* brought year to date spending to \$8.7 million (12% above the amount budgeted for the period). Other areas of significant spending include: the *Norumbega Covered Storage Project*, at \$13.4 million (within 3% of the amount budgeted); \$3.2 million for the *Weston Aqueduct Supply Mains* project; \$2.3 million for the *Spot Pond Supply Mains Rehabilitation* project; and \$2.2 million for the *Boston Low Service Pipe and Valve Rehabilitation* project.

Spending on the **Boston Harbor Project** came to just under \$15 million, less than 9% of all capital spending for the year to date, and less than half the \$33.5 million for the same period a year ago. Spending has centered on completion of the *Final Paving and Landscaping* project (\$7.9 million for the year to date) and *Construction Management Services* (\$3.5 million).

Spending on all **Other Wastewater Projects** totaled \$45.8 million, \$22 million (or 35.5%) below the \$71 million budgeted for the period. Spending was nearly double the \$23.6 million for the same period a year ago. The greatest contributor to the variance was later reimbursements and lower spending associated with the *Combined Sewer Overflow Program*: accruals for the period were \$3.4 million, \$17.8 million or 84% below the \$21.15 million budgeted. Also well below budgeted amounts were payments for the completion of the *Residuals* pellet plant expansion project at Fore River, where spending came to \$0.8 million, as compared to the nearly \$3.0 million budgeted; and lower distributions for the *Inflow/Infiltration Financial Assistance Program* (spending totaled \$4.1 million as compared to the \$6.7 million budgeted).



The largest Wastewater project is the *Braintree-Weymouth Relief Facilities* (including the tunnel and intermediate pump station), with spending at \$23.67 million for the year to date (within 7% of the amount budgeted). Other significant Wastewater spending was for the *Framingham Extension Relief Sewer* (\$5.3 million or 32% greater than the \$4.0 million budgeted); *Quincy Pump Facilities* (including the Quincy and Squantum Pump Stations) (\$3.7 million or 3% greater than the \$3.6 million budgeted for the year to date); and the *West Roxbury Tunnel* (\$3.1 million or 16% greater than the \$2.6 million budgeted).

### **Construction Fund Balance**

The Construction Fund balance, as of the end of November, stood at \$71.5 million; \$46.4 million was spent (on a cash basis) during the month. The Authority plans to borrow up to \$30 million through the SRF program (expected in late January or February), followed by a fixed rate borrowing of \$180 million in March.