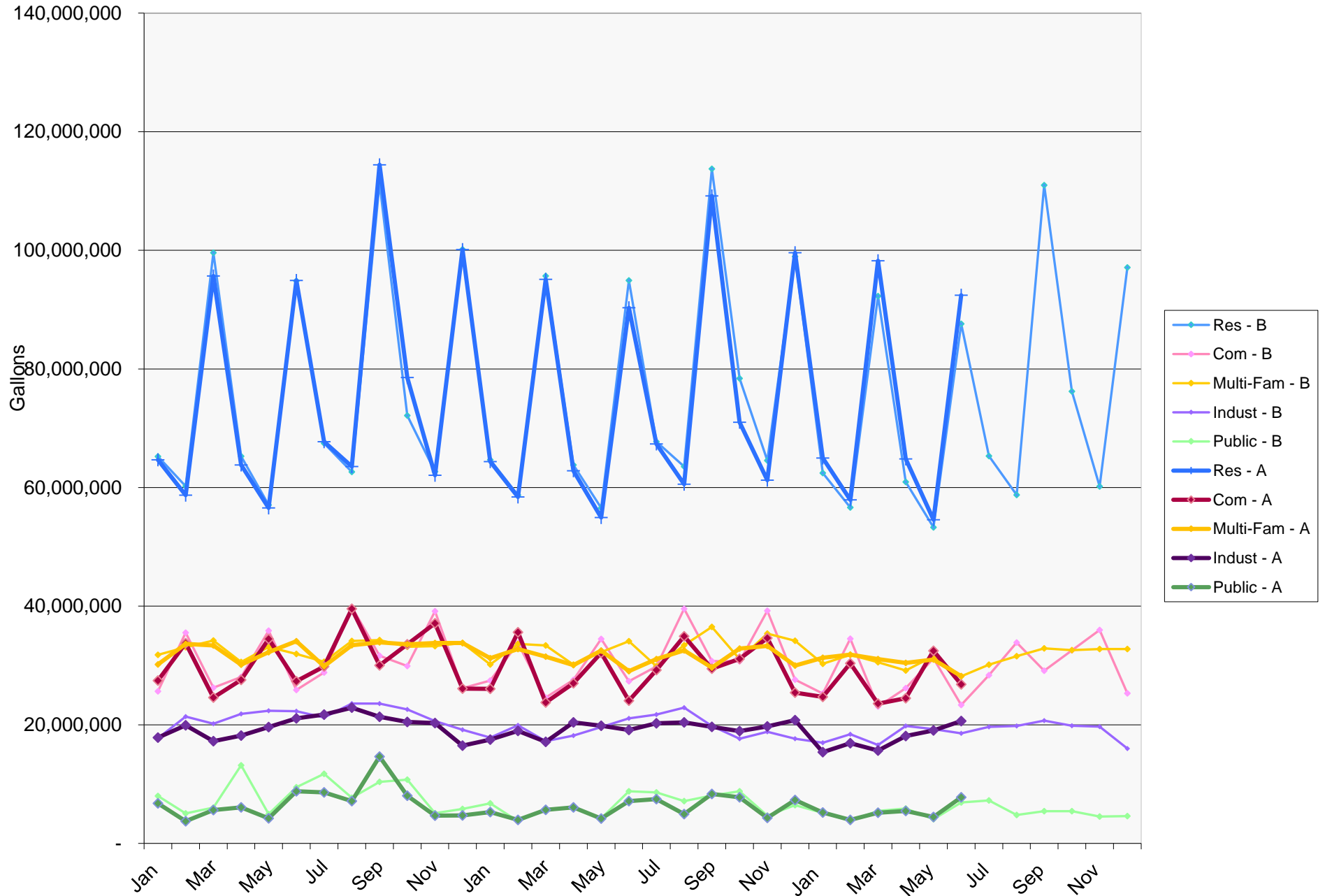


**WAUKESHA WATER UTILITY
STATEMENT OF REVENUES & EXPENSES
MONTH ENDED 6/30/2018**

| | CURRENT MONTH | | | | YEAR TO DATE | | | | ANNUAL BUDGET |
|-------------------------------------------|-----------------------|-----------------------|----------------------|----------------|-----------------------|-----------------------|-----------------------|----------------|------------------------|
| | ACTUAL'18 | BUDGET'18 | VARIANCE | % | ACTUAL'18 | BUDGET'18 | VARIANCE | % | |
| OPERATING REVENUES: | | | | | | | | | |
| Residential | \$519,756.80 | \$499,733.32 | \$20,023.48 | 4.01 | \$2,371,693.86 | \$2,344,496.13 | \$27,197.73 | 1.16 | \$4,935,965.56 |
| Commercial | 111,318.59 | 100,352.63 | 10,965.96 | 10.93 | 678,857.58 | 710,976.67 | (32,119.09) | (4.52) | 1,511,321.72 |
| Industrial | 70,023.20 | 64,831.94 | 5,191.26 | 8.01 | 363,913.71 | 384,722.15 | (20,808.44) | (5.41) | 790,195.60 |
| Public | 30,828.86 | 27,781.29 | 3,047.57 | 10.97 | 132,406.60 | 131,231.69 | 1,174.91 | 0.90 | 302,092.85 |
| Multi Family | 118,881.45 | 120,921.47 | (2,040.02) | (1.69) | 766,101.17 | 787,757.59 | (21,656.42) | (2.75) | 1,618,382.44 |
| Irrigation | 684.41 | 0.00 | 684.41 | 0.00 | 5,845.30 | 0.00 | 5,845.30 | 0.00 | 0.00 |
| Total Metered Sales | \$851,493.31 | \$813,620.65 | \$37,872.66 | 4.65 | \$4,318,818.22 | \$4,359,184.23 | (\$40,366.01) | (0.93) | \$9,157,958.17 |
| Private Fire Capacity | \$20,013.73 | \$17,218.56 | \$2,795.17 | 16.23 | \$120,277.45 | \$110,632.08 | \$9,645.37 | 8.72 | \$222,476.02 |
| Public Fire Capacity | 214,055.29 | 205,361.30 | 8,693.99 | 4.23 | 1,033,105.49 | 1,047,738.52 | (14,633.03) | (1.40) | 2,113,211.26 |
| Other Operating Revenues | 34,901.93 | 28,115.53 | 6,786.40 | 24.14 | 197,946.42 | 203,358.77 | (5,412.35) | (2.66) | 473,981.97 |
| TOTAL OPERATING REVENUES | \$1,120,464.26 | \$1,064,316.04 | \$56,148.22 | 5.28 | \$5,670,147.58 | \$5,720,913.60 | (\$50,766.02) | (0.89) | \$11,967,627.42 |
| OPERATING EXPENSES: | | | | | | | | | |
| Source | \$50,149.52 | \$50,778.77 | (\$629.25) | (1.24) | \$301,570.94 | \$304,672.62 | (\$3,101.68) | (1.02) | \$680,345.28 |
| Pumping | 75,466.16 | 90,346.61 | (14,880.45) | (16.47) | 452,295.09 | 530,670.87 | (78,375.78) | (14.77) | 1,071,398.85 |
| Treatment | 42,349.22 | 56,890.66 | (14,541.44) | (25.56) | 201,090.04 | 245,343.96 | (44,253.92) | (18.04) | 491,137.92 |
| Distribution | 91,612.26 | 91,455.11 | 157.15 | 0.17 | 560,249.93 | 535,694.41 | 24,555.52 | 4.58 | 1,337,137.56 |
| Customer Service | 13,397.43 | 9,074.33 | 4,323.10 | 47.64 | 90,163.62 | 55,239.98 | 34,923.64 | 63.22 | 127,755.52 |
| Administrative | 127,832.38 | 156,457.87 | (28,625.49) | (18.30) | 708,095.28 | 847,937.07 | (139,841.79) | (16.49) | 1,584,571.00 |
| Total | \$400,806.97 | \$455,003.35 | (\$54,196.38) | (11.91) | \$2,313,464.90 | \$2,519,558.91 | (206,094.01) | (8.18) | \$5,292,346.13 |
| MANAGERS' MARGIN | 719,657.29 | 609,312.69 | 110,344.60 | 18.11 | 3,356,682.68 | 3,201,354.69 | \$155,327.99 | 4.85 | 6,675,281.29 |
| Depreciation | 151,225.22 | 152,003.45 | (778.23) | (0.51) | 913,213.37 | 912,020.70 | 1,192.67 | 0.13 | 1,824,041.40 |
| Tax Equivalent | 153,174.20 | 153,174.20 | 0.00 | 0.00 | 919,045.20 | 919,045.20 | 0.00 | 0.00 | 1,838,090.40 |
| Other Taxes | 11,924.74 | 12,249.45 | (324.71) | (2.65) | 72,902.59 | 72,871.70 | 30.89 | 0.04 | 158,227.20 |
| TOTAL OPERATING EXPENSES | \$717,131.13 | \$772,430.45 | (\$55,299.32) | (7.16) | \$4,218,626.06 | \$4,423,496.51 | (\$204,870.45) | (4.63) | \$9,112,705.13 |
| TOTAL OPERATING INCOME(LOSS) | \$403,333.13 | \$291,885.59 | \$111,447.54 | 38.18 | \$1,451,521.52 | \$1,297,417.09 | \$154,104.43 | 11.88 | \$2,854,922.29 |
| NON OPERATING INCOME&(EXPENSE) | (146,953.65) | (200,729.50) | 53,775.85 | (26.79) | (798,043.09) | (1,116,755.02) | 318,711.93 | (28.54) | (467,892.24) |
| NET INCOME(LOSS) | \$256,379.48 | \$91,156.09 | \$165,223.39 | 181.25 | \$653,478.43 | \$180,662.07 | \$472,816.36 | 261.71 | \$2,387,030.05 |

WWU
Billed Gallons
Actual v Budget
2016 - 2018



**WAUKESHA WATER UTILITY
BALANCE SHEET
6/30/2018**

| <u>ASSETS</u> | <u>THIS YEAR</u> |
|-------------------------------------|--------------------------------|
| CURRENT | |
| CASH AND INVESTMENTS | \$19,609,391.26 |
| ACCOUNTS RECEIVABLE | 8,867,976.98 |
| RECEIVABLE FROM SEWER REIMB | 0.01 |
| MATERIALS & SUPPLIES | 538,593.01 |
| OTHER CURRENT ASSETS | 15,840.00 |
| ACCRUED UTILITY REVENUE | 0.00 |
| TOTAL CURRENT ASSETS | <u>\$29,031,801.26</u> |
| DEFERRED | |
| DEFERRED ASSETS | <u>\$20,817,690.31</u> |
| TOTAL DEFERRED DEBITS | 20,817,690.31 |
| RESTRICTED | |
| DEBT PAYMENT ACCOUNT | \$644,461.13 |
| DEBT RESERVE ACCOUNT | 476,548.47 |
| CONSTRUCTION FUND | 148.25 |
| TAX EQUIV RESERVE ACCOUNT | <u>793,078.77</u> |
| TOTAL RESTRICTED FUNDS | <u>\$1,914,236.62</u> |
| LONG TERM | |
| UTILITY PLANT IN SERVICE-NET | \$90,671,714.89 |
| PROPERTY HELD FOR FUTURE USE | 435,089.69 |
| CONSTRUCTION WORK IN PROGRESS | 1,294,356.40 |
| RESTRICTED NET PENSION | <u>(120,942.00)</u> |
| TOTAL UTILITY PLANT | <u>\$92,280,218.98</u> |
| TOTAL ASSETS | <u><u>\$144,043,947.17</u></u> |
| <u>LIABILITIES</u> | |
| CURRENT | |
| CUR PORTION BOND | 610,000.00 |
| NOTES PAYABLE | 26,610,000.00 |
| ACCOUNTS PAYABLE | 1,893,174.67 |
| PAYABLE TO OTHER FUNDS | 3,172,421.51 |
| CUSTOMER DEPOSITS | 194,758.16 |
| A/P MISCELLANEOUS | 0.00 |
| TAXES ACCRUED | 937,440.00 |
| INTEREST ACCRUED | 384,343.64 |
| EMPLOYEE WITHHOLDING | 12,141.91 |
| ACCRUED PAYROLL | 84,960.00 |
| ACCRUED VACATION | <u>236,087.81</u> |
| TOTAL CURRENT LIABILITIES | <u>\$34,135,327.70</u> |
| DEFERRED CREDITS | |
| CUSTOMER ADVANCES CONSTRUCTION | \$0.00 |
| REGULATORY LIABILITY | 1,051,081.70 |
| OPEB LIABILITY | 3,949,620.51 |
| OTHER DEFERRED CREDITS | <u>2,910,381.21</u> |
| TOTAL DEFERRED CREDITS | <u>\$7,911,083.42</u> |
| LONG-TERM | |
| BONDS | \$28,287,213.66 |
| <u>EQUITY</u> | |
| CAPITAL PAID IN BY MUNICIPALITY | \$2,669,743.20 |
| EQUITY FINANCED BY UTILITY | 36,520,472.56 |
| EQUITY FROM CONTRIBUTIONS | 33,170,671.20 |
| RESTRICTED EQUITY | 695,957.00 |
| NET PROFIT (LOSS) | <u>653,478.43</u> |
| TOTAL EQUITY | <u>\$73,710,322.39</u> |
| TOTAL EQUITY AND LIABILITIES | <u><u>\$144,043,947.17</u></u> |

**WAUKESHA WATER UTILITY
STATEMENT OF SOURCES AND USES OF CASH
PERIOD ENDING JUNE 30, 2018**

Cash Balance - May 31, 2018

\$22,656,219

SOURCES:

Operations:

| | |
|----------------------------------------------|--------------------|
| Customers - water sales | \$785,827 |
| Waste Water Utility - joint metering billing | 56,007 |
| Rent of utility property - cellular leases | 12,153 |
| Receipts on sewer bills | 1,018,583 |
| Receipts from return flow | 122 |
| Other - miscellaneous | 10,491 |
| Total Cash From Operating Activities | <u>\$1,883,182</u> |

Capital and Related Financing Activities:

| | |
|-----------------------------------------------|------------------|
| Grants | |
| Contributions | 762 |
| Issuance of long-term debt | 674,274 |
| Sale of short-term debt | |
| Interest income | 35,617 |
| Total Cash From Capital/ Investing Activities | <u>\$710,654</u> |

Total Cash Receipts

\$2,593,836

USES:

| | |
|---------------------------------------------|-----------|
| Salaries, wages, payroll taxes and benefits | \$262,812 |
| Subcontracted and outside services | 69,766 |
| Disbursement to city for sewer transfer | 1,027,377 |
| Pumping power | 53,320 |
| Purchase of materials and supplies | 37,559 |
| Tax equivalent - PILOT | |
| Acquisition of capital assets | 1,597,163 |
| Debt service - principal | 675,000 |
| Debt service - interest | 3,431 |

Total Cash Used

\$3,726,427

Net Change in Cash

(\$1,132,591)

Cash Balance - June 30, 2018

\$21,523,628

WWU
TRANSMISSION AND DISTRIBUTION
BUDGET VARIANCE ANALYSIS

| Project | Project # | Description/Location | Budget | Current Estimate | PJC Total | Aldermanic District | | Construction Completion |
|----------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------|-------------|---------------------|------------------|-------------------------|
| WM offsets from WSB from Genesee Road to Fiddlers Creek Drive | M00501 | Water Main offsets to accommodate changes in the storm sewer and roadway alignments. Project run by WDOT. | | \$ 134,208 | \$ 19,826 | 6 | Jack Wells | Summer 2019 |
| | | | | | | 7 | Daniel J. Manion | |
| | | | | | | 13 | Dean Lemke | |
| | | | | | | 14 | Bill Boyle | |
| Northview Rd - Grandview to Tallgrass | M00518 | Replace 1,500 feet of 8-inch main from 1967 with 12-inch PVC water main on Northview Rd. between Grandview and Tallgrass. Project done with City. | | \$ 360,504 | \$ 41,626 | 5 | Peter Bartels | October 2018 |
| | | | | | | 14 | Bill Boyle | |
| South St - Grand to Barstow and Gaspar St - Main to Broadway | M00519 | Replace 720 feet of 12-inch main from 1938 with 12-nch dulctile iron main on South St. from Grand to Barstow. Replace 280 feet of 6-inch main from 1909 with 8-inch ductile iron. Project done with City. | | \$ 395,176 | \$ 52,329 | 11 | Erik Helgestad | July 2018 |
| Fairview - Motor to St Paul and Motor - Fairview to Washington | M00520 | Replace 1,540 feet of 6-inch from 1927 with 8-inch PVC on Fairview - Motor to St. Paul and Motor - Fairview to Washington. Project done with City. | | \$ 304,562 | \$ 214,090 | 2 | Eric Payne | September 2018 |
| Oakmont to Pebble Valley Zone | TBD | Extend 12" water main through easement connecting Pebble Valley and Oakmont. | | \$ 325,000 | \$ - | 14 | Bill Boyle | January 2019 |
| Routine Projects | | | \$ 2,160,072 | \$ 1,519,449 | \$ 327,871 | | | |
| Misc Routine | | | \$ 905,584 | \$ 905,584 | \$ 905,584 | | | |
| Total Routine | | | \$ 3,065,656 | \$ 2,425,033 | \$1,233,455 | | | |
| | | | | | | | | |
| | | | | | | | | |
| Main St - Barstow to Lombardi | GLCD0007 | Replace 2,800 feet of 8-inch from 1909 with 24-inch ductile iron on Main St. from Barstow to Lombardi. Project being done with City sanitary. | | \$ 2,049,467 | \$ 53,765 | 3 | Cassie Rodriguez | October 2018 |
| | | | | | | 11 | Erik Helgestad | |
| N Moreland - Michigan to Summit | GLCD0009 | Replace 2,000 feet of 8-inch from 1957 with 16-inch ductile iron main on N. Moreland Blvd. from Michigan to Summit. | | \$ 616,800 | \$ 18,873 | 4 | Joe Pieper | October 2018 |
| | | | | | | 15 | Cory Payne | |
| Motor - Fairview to Mountain and Fairview - Motor to Dopp | GLCD0010 | Replace 1,160 feet of 6-inch from 1917 with 20-inch ductile iron on Motor - Fairview to Mountain and Fairview - Motor to Dopp. Project done with City. | | \$ 347,462 | \$ 260,625 | 2 | Eric Payne | September 2018 |
| Distribution System Improvements | | | \$ 4,001,241 | \$ 3,013,730 | \$ 333,263 | | | |
| | | | | | | | | |
| Total Transmission & Distribution | | | \$ 7,066,897 | \$ 5,438,763 | \$1,566,718 | | | |

Bold Totals are Based on Bids



Future Water Supply
WWU Admin Sub Costs
2018

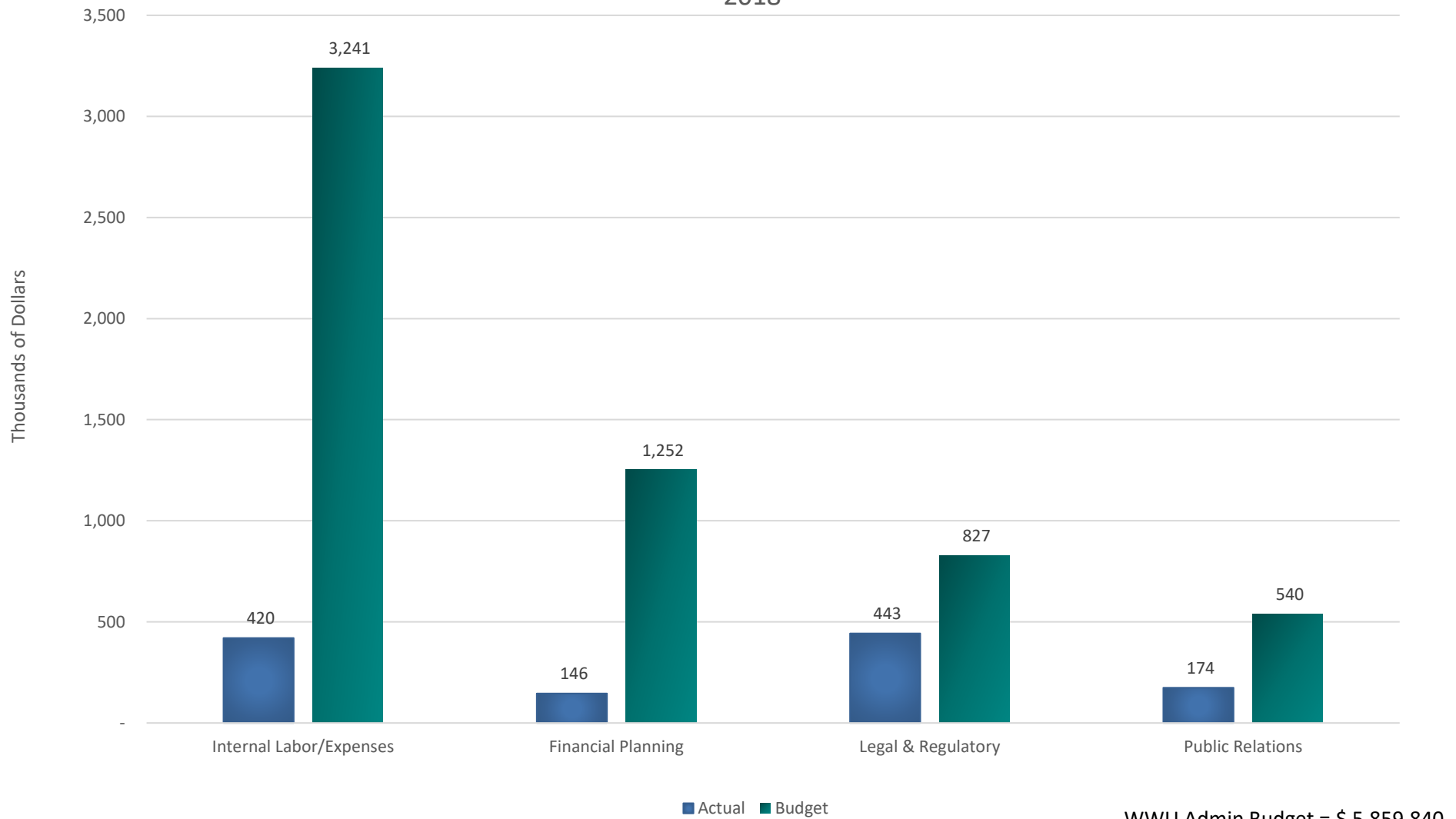




Exhibit 5 – Earned Value Analysis



Earned Value Analysis

The Earned Value (EV) technique is being used to monitor the Program scope, schedule and cost, and to assess overall Program performance. The components of EV are the work breakdown structure, the schedule and the estimated costs. By connecting these components, future Program performance can be predicted and proactive actions can be taken to stay on track.

The work breakdown structure is a grouping of Program elements that define and organize the scope of the Program. For this Program, the work breakdown structure is defined by the Task and subtask activities, deliverables, meetings and workshops. An estimated cost, or Planned Value (PV), duration and interdependencies are assigned to the Task and subtask activities, deliverables, meetings and workshop. A PV cumulative cost curve is used to identify the value at any point in time of the work that is planned to be done.

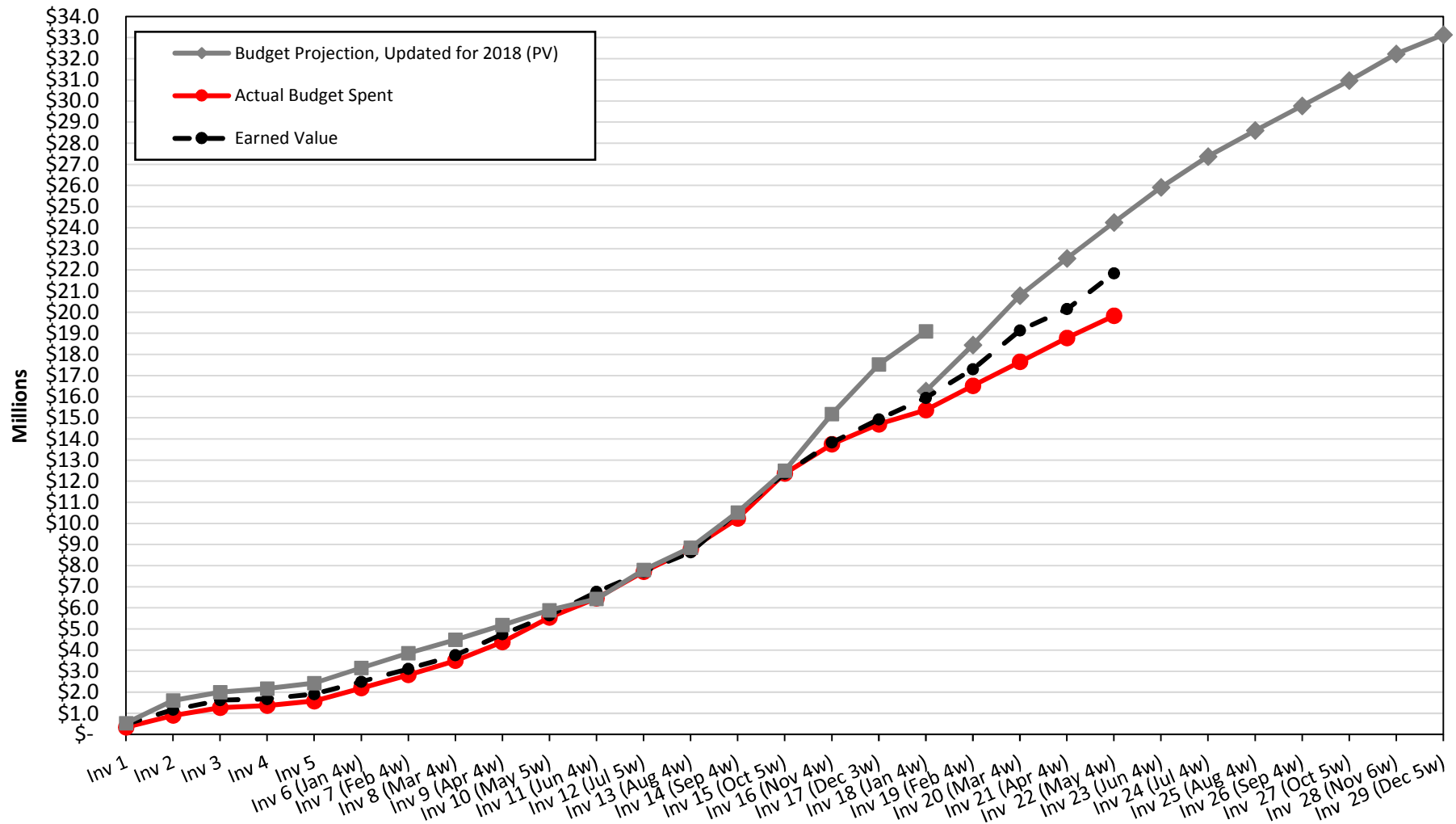
On a monthly basis, the value of the work completed as a percentage of the PV is determined by the Program Manager and defines the EV which is shown on the cumulative cost curve. The monthly Program invoices define the Actual Costs (AC) which are also shown on the cumulative cost curve. Using the cumulative cost curves developed for the overall Program and each Task, the Schedule Performance Index (SPI) and the Cost Performance Index (CPI) are calculated. SPI is calculated by dividing EV by PV. The CPI is calculated by dividing EV by AC.

At the December 2017 Commission Meeting, the WWU Commission approved the 2018 Milwaukee Route Study for \$1,345,565 and the Phase 2 2018 budget of \$13,999,908. The remaining budget for Task 3-300 and 5-200 water quality scope in the amount of \$691,441 has been removed from the Program Approved Total amount of \$34,242,960.

The 2018 budgets approved by the Commission in December 2017 have been added to the Earned Value charts in this Exhibit. The Earned Value charts have been updated to reflect the planned expenditure of the 2018 budgets for each Task through December 2018.

The work progress and challenges for each Task are noted on the following graphs.

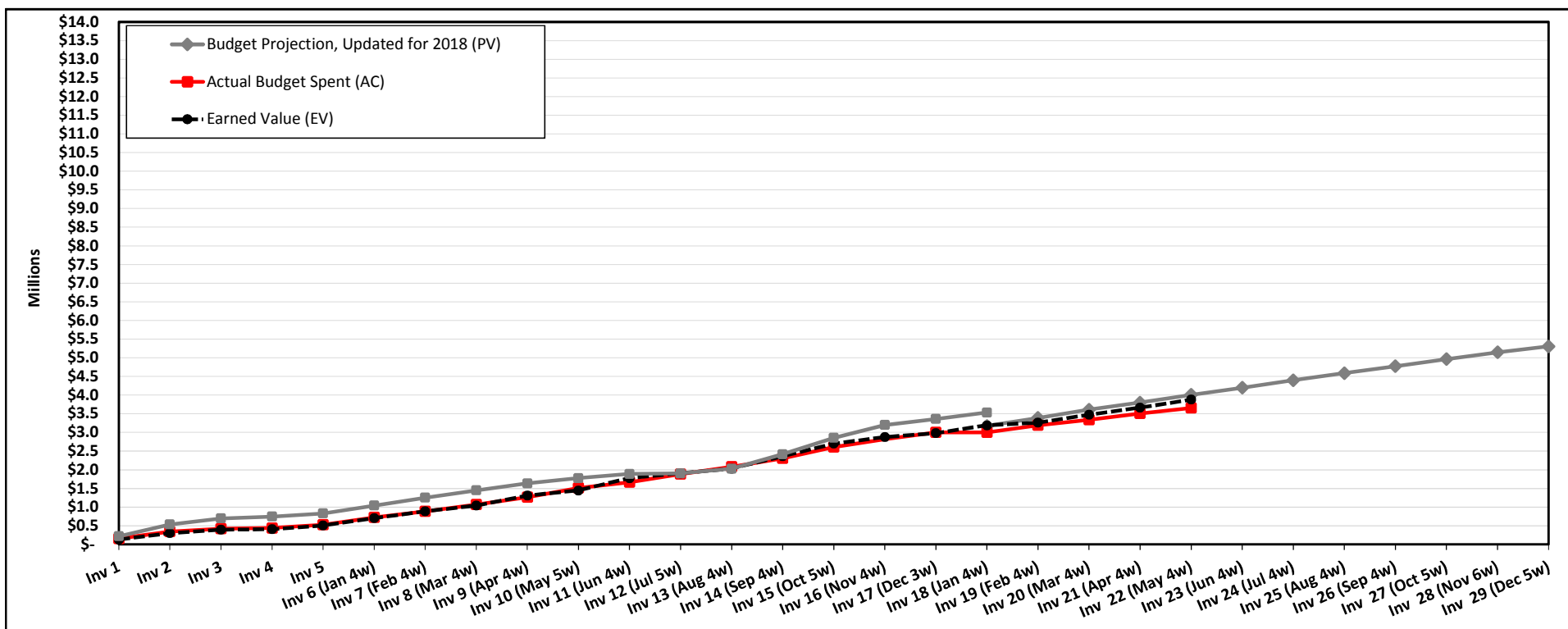
Great Lakes Water Supply Program PM/CM
Program Invoice No. 22 (4/21 - 5/18)
Earned Value Chart
Phase 1 and 2
(Excluding Allowances and Contingencies)



% Spent 59.6%
Actual Budget Spent \$19,832,904

Schedule Performance Index (SPI) 0.90
Cost Performance Index (CPI) 1.10

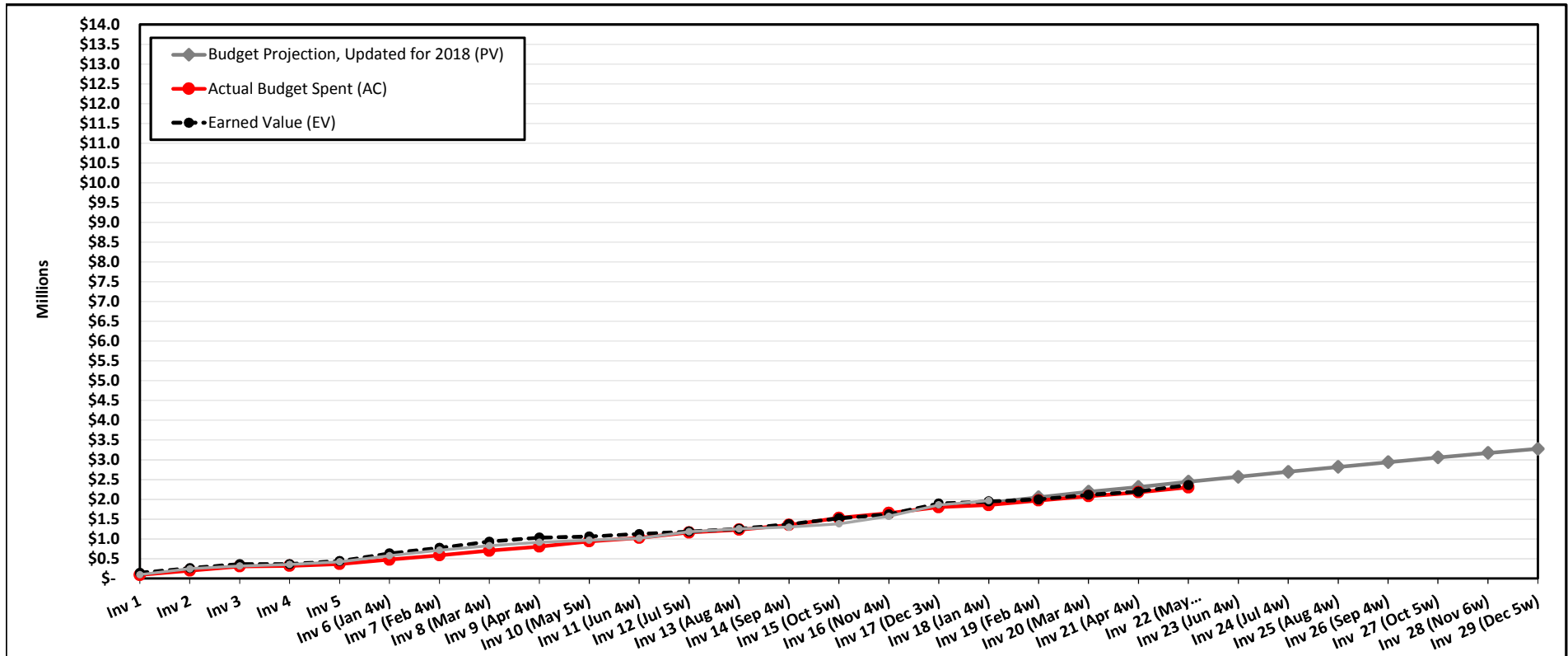
Note: Budget associated with Task 3-300, 5-200 and 5-300 water quality scope has been removed.



| Earned Value Calculations | |
|----------------------------------------------------------|-----------------|
| Budget at Completion ^{(BAC)(1)} (BAC) | \$ 5,390,965 |
| Estimate to Complete ^(ETC1) (ETC1=EAC1-AC) | \$ 1,421,726 |
| Cost Variance ^(CV) (CV=EV-AC) | \$ 225,629 |
| Schedule Variance ^(SV) (SV=EV-PV) | \$ (129,118) |
| Cost Performance Index ^(CPI) (CPI=EV/AC) | 1.06 |
| Schedule Performance Index ^(SPI) (SPI=EV/PV) | 0.97 |
| Cost /Schedule Index ^(CSI) (CSI=CPI x SPI) | 1.03 |
| Estimate at Completion ^(EAC1) (EAC1=BAC/CPI) | \$ 5,077,591.59 |
| Variance at Completion ^(VAC1) (VAC1=BAC-EAC1) | \$ 313,373.41 |

| Task 1 | Program Management Plan/Progress |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> Performed QM review of five (5) Program deliverables. Prepared and submitted Invoice No. 21; updated the Financial Management Dashboard and Report for Invoice No. 21. Continued the development of the Water Infrastructure Finance and Innovation Act (WIFIA) Letter of Interest (LOI). Held seven (7) Program Team Task 1 meetings. |

| Task 1 | Program Management Challenges |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> Awaiting finalization of the WSPS location and connection to the MWW distribution system has negatively impacted the schedule for submission of the PSC Construction Authorization, which is a critical path item for the design, bidding and construction of the Program. The delay on selecting the preferred supply route has delayed progress on the field investigations needed to complete the PSC CA application. |



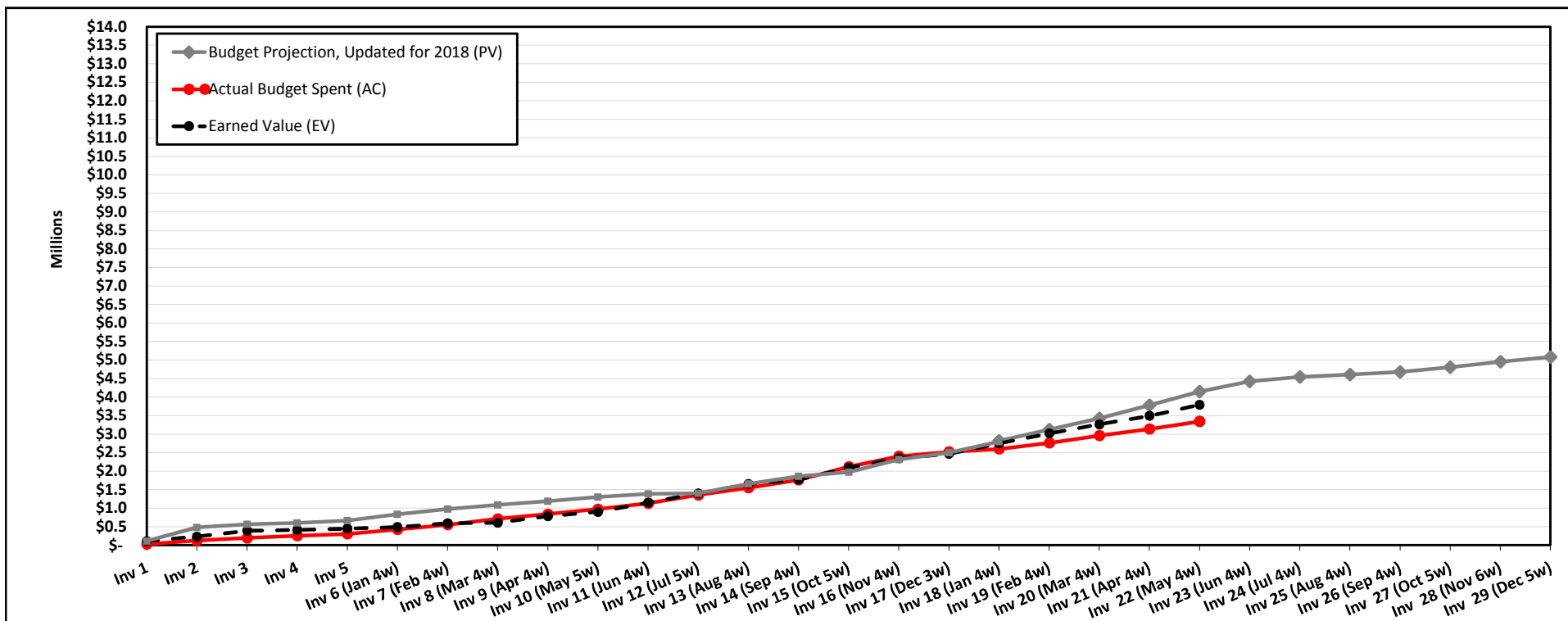
| Earned Value Calculations | |
|----------------------------------------------------------|-----------------|
| Budget at completion ^(BAC) (BAC) | \$ 3,325,716 |
| Estimate to Complete ^(ETC1) (ETC1=EAC1-AC) | \$ 940,010 |
| Cost Variance ^(CV) (CV=EV-AC) | \$ 59,856 |
| Schedule Variance ^(SV) (SV=EV-PV) | \$ (85,223) |
| Cost Performance Index ^(CPI) (CPI=EV/AC) | 1.03 |
| Schedule Performance Index ^(SPI) (SPI=EV/PV) | 0.97 |
| Cost /Schedule Index ^(CSI) (CSI=CPI x SPI) | 0.99 |
| Estimate at Completion ^(EAC1) (EAC1=BAC/CPI) | \$ 3,241,412.23 |
| Variance at Completion ^(VAC1) (VAC1=BAC-EAC1) | \$ 84,303.77 |

Task 2 Programmatic Support Services Plan/Progress

- Submitted the Draft 2018 Program Information Plan to legal counsel for use in discussions with the Wisconsin Public Service Commission.
- Communicated with residents and businesses along the preferred Water Supply route regarding field investigations.
- Submitted Draft Contractor Outreach Approach for internal QA/QC review.
- Discussed rates issues and ways of providing information and transparency on rate impacts for utility customers with the utility and requested historical information.

Task 2 Programmatic Support Services Challenges

- WWU legal counsel has discussed the Draft 2018 Program Information Plan with Wisconsin PSC to obtain their concurrence with the Plan and WWU's ability to recover costs through water rates. We are awaiting the results of that conversation. The results of the discussion may impact the Program strategic communication plan implementation activities through the remainder of the Program.



Note: The Task 3 amount for Invoice 5 was reported incorrectly in the previous version of this Report. The correct cumulative amount is \$263.96 lower.
The Task 3 Budget at completion amount was revised to reflect Task Authorizations and contract amendments

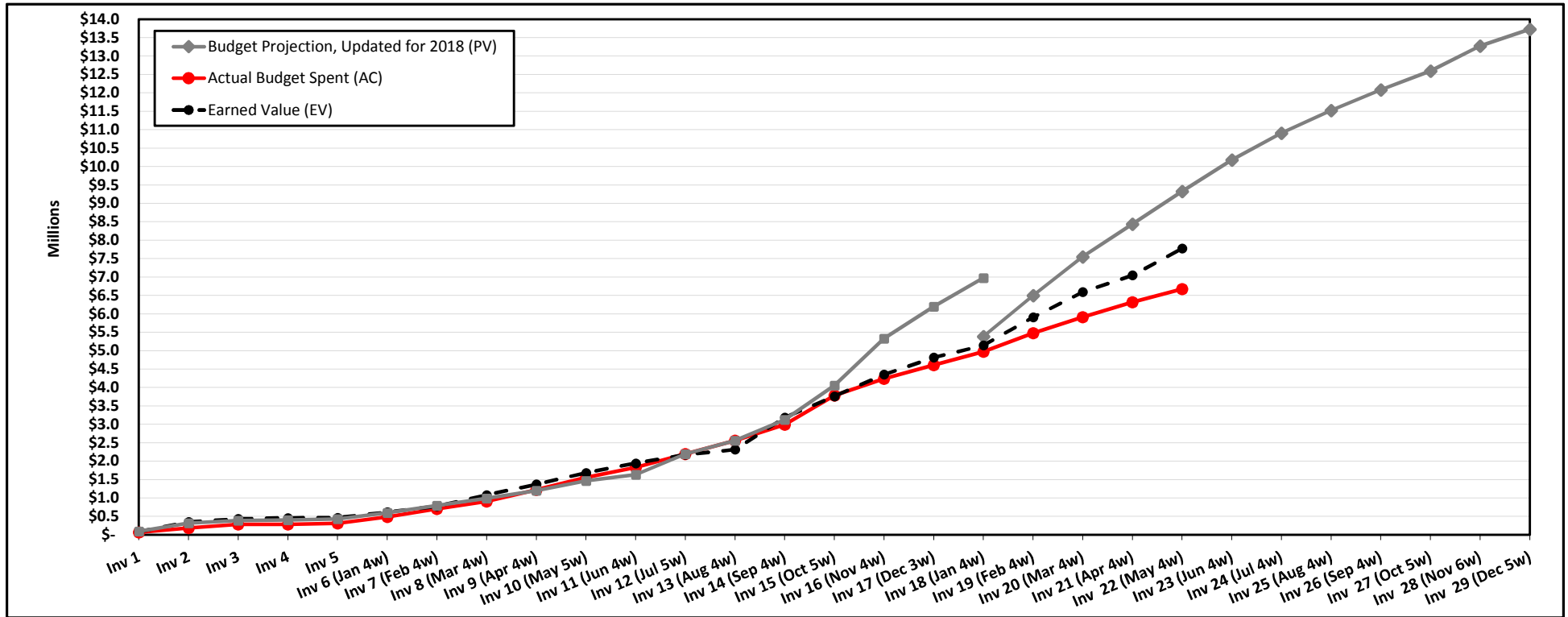
| Earned Value Calculations | |
|----------------------------------------------------------|-----------------|
| Budget at completion ^{(BAC)(1)} (BAC) | \$ 5,083,873 |
| Estimate to Complete ^(ETC1) (ETC1=EAC1-AC) | \$ 1,139,413 |
| Cost Variance ^(CV) (CV=EV-AC) | \$ 446,317 |
| Schedule Variance ^(SV) (SV=EV-PV) | \$ (356,586) |
| Cost Performance Index ^(CPI) (CPI=EV/AC) | 1.13 |
| Schedule Performance Index ^(SPI) (SPI=EV/PV) | 0.91 |
| Cost /Schedule Index ^(CSI) (CSI=CPI x SPI) | 1.04 |
| Estimate at Completion ^(EAC1) (EAC1=BAC/CPI) | \$ 4,485,578.98 |
| Variance at Completion ^(VAC1) (VAC1=BAC-EAC1) | \$ 598,294.02 |

Task 3 Permitting Plan/Progress

- Held six (6) Program Task 3 meetings.
- Continued drafting additional information requested by WDNR for the EIS/WEPA Submittal.
- Continued drafting the PSC CA application and the WDNR/USACE wetlands and waterways applications and supporting documents.
- Held meeting with WWU and CWP staff on Return Flow Management Plans and chloride optimization.
- Identified required permits for Supply Pipeline field investigations.

Task 3 Permitting Challenges

- Ongoing WDNR negotiations on the Return Flow Management Plan have delayed the completion of the document. Meetings and analysis to complete this work will continue.
- Ongoing WDNR negotiations on chlorides compliance have delayed the completion of the Chloride Reduction Plan.
- The delay on selecting the preferred supply route has delayed progress on the PSC CA application and the WDNR/USACE wetlands and waterways application sections related to the supply route.

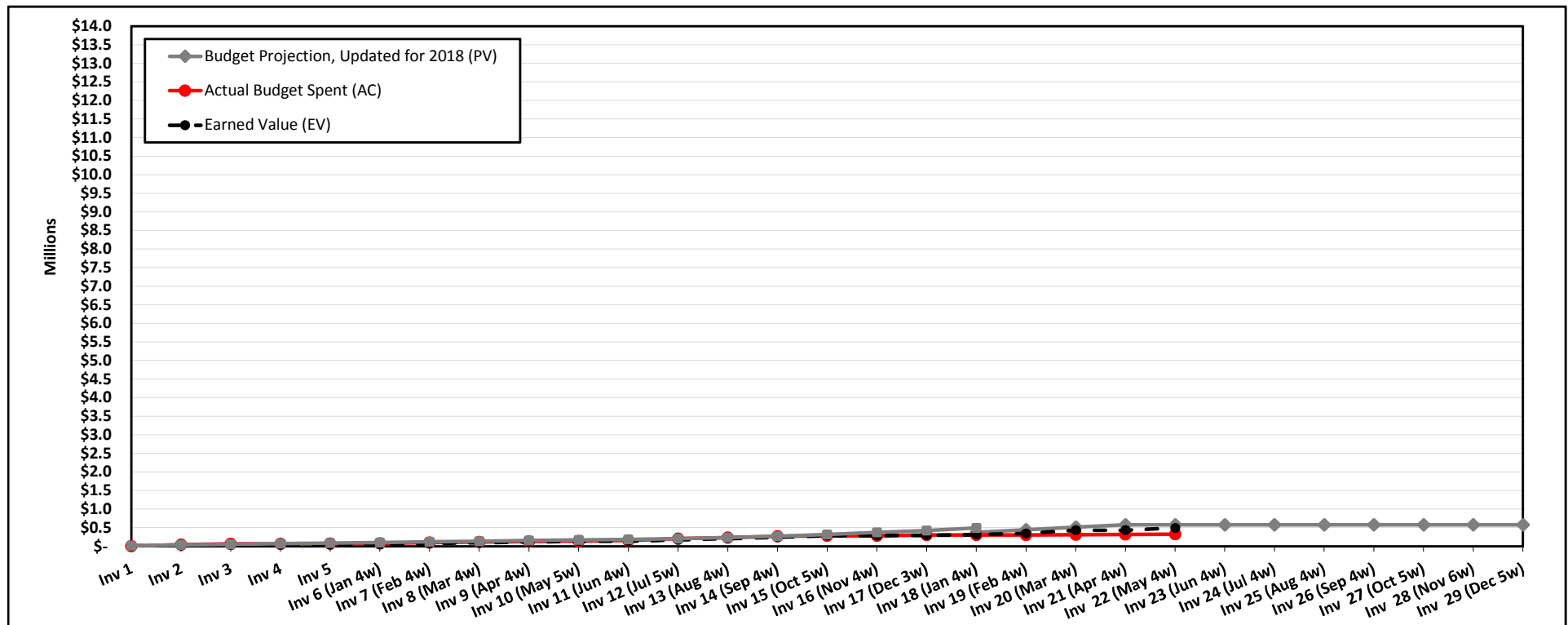


Note: The Task 4 Budget at completion amount was revised to reflect Task Authorizations and contract amendments

| Earned Value Calculations | |
|----------------------------------------------------------|------------------|
| Budget at completion ^(BAC) (BAC) | \$ 13,744,049 |
| Estimate to Complete ^(ETC1) (ETC1=EAC1-AC) | \$ 5,115,657 |
| Cost Variance ^(CV) (CV=EV-AC) | \$ 1,107,977 |
| Schedule Variance ^(SV) (SV=EV-PV) | \$ (1,550,053) |
| Cost Performance Index ^(CPI) (CPI=EV/AC) | 1.17 |
| Schedule Performance Index ^(SPI) (SPI=EV/PV) | 0.83 |
| Cost /Schedule Index ^(CSI) (CSI=CPI x SPI) | 0.97 |
| Estimate at Completion ^(EAC1) (EAC1=BAC/CPI) | \$ 11,786,386.04 |
| Variance at Completion ^(VAC1) (VAC1=BAC-EAC1) | \$ 1,957,663.25 |

| Task 4 Route Study and Pipeline Plan/Progress |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Submitted the Draft Preliminary Design Report (6-240 D1) to WWU for review and comment. Submitted the Draft Interstate 43 Hardship Application (4-110 D1) to WisDOT for review and comment. Proceeded with field investigations and further developed reports associated with field investigations along the Water Supply and Return Flow Pipelines. The budget projection for 2018 anticipated potential adjustments to the work plan that have not been needed. The majority of major design |

| Task 4 Route Study and Pipeline Challenges |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Awaiting finalization of the WSPS location and connection to the MWW distribution system has negatively impacted the schedule for submission of the PSC Construction Authorization, which is a critical path item for the design, bidding and construction of the Program. The delay on selecting the preferred supply route has delayed progress on the field investigations needed to complete the PSC CA application and the WDNR/USACE wetlands and waterways application sections related to the supply route. |



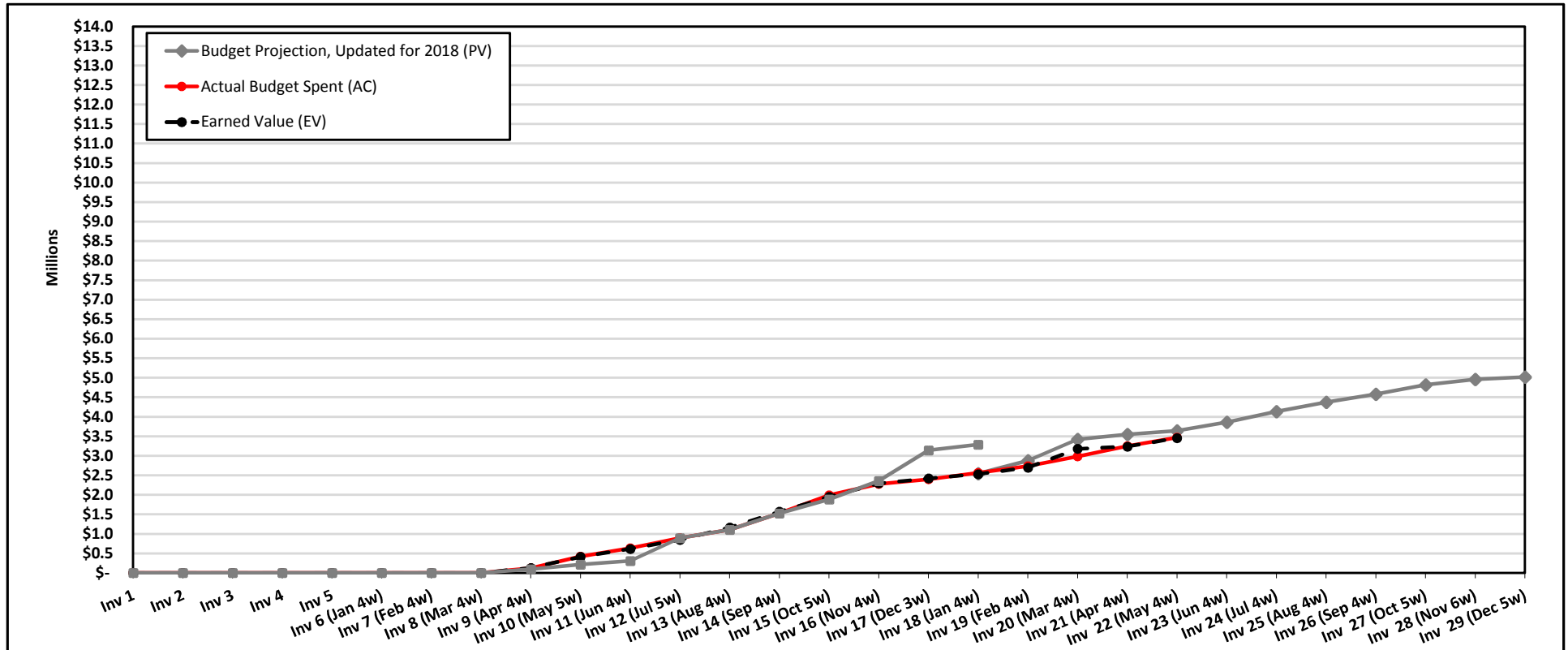
| Earned Value Calculations | |
|----------------------------------------------------------|---------------|
| Budget at completion ^(BAC) (1) (BAC) | \$ 579,901 |
| Estimate to Complete ^(ETC1) (ETC1=EAC1-AC) | \$ 56,610 |
| Cost Variance ^(CV) (CV=EV-AC) | \$ 172,124 |
| Schedule Variance ^(SV) (SV=EV-PV) | \$ (86,985) |
| Cost Performance Index ^(CPI) (CPI=EV/AC) | 1.54 |
| Schedule Performance Index ^(SPI) (SPI=EV/PV) | 0.85 |
| Cost /Schedule Index ^(CSI) (CSI=CPI x SPI) | 1.31 |
| Estimate at Completion ^(EAC1) (EAC1=BAC/CPI) | \$ 377,401.92 |
| Variance at Completion ^(VAC1) (VAC1=BAC-EAC1) | \$ 202,499.15 |

Task 5 Distribution System Plan/Progress

- The QM review of 5-110 D1 Distribution Model Update Calibration Technical Memorandum was performed.
- The QM review of 5-120 D1 Distribution System Evaluation and Improvement Identification Technical Memorandum was performed.

Task 5 Distribution System Challenges

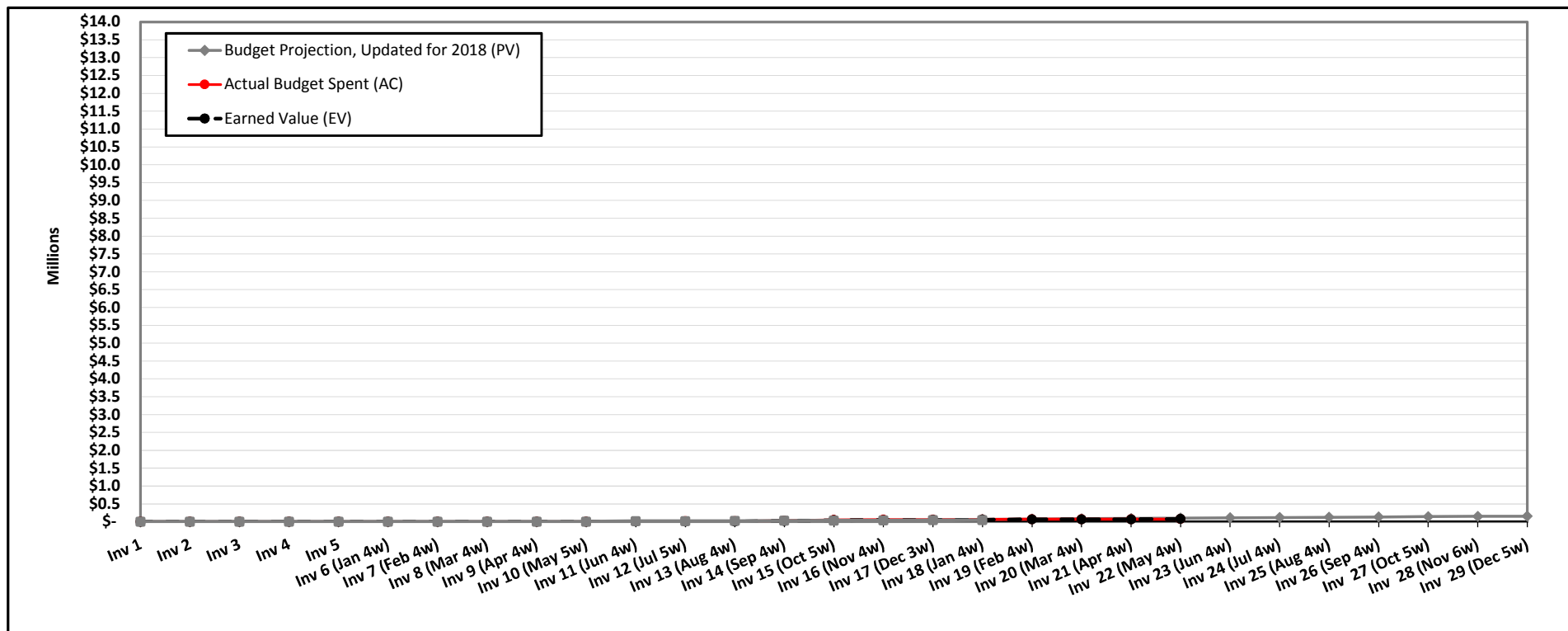
- Scope and budget associated with Tasks 5-200 and 5-300 water quality have been removed.



| Earned Value Calculations | |
|----------------------------------------------------------|-----------------|
| Budget at completion ^{(BAC)(1)} (BAC) | \$ 5,018,415 |
| Estimate to Complete ^(ETC1) (ETC1=EAC1-AC) | \$ 1,565,520 |
| Cost Variance ^(CV) (CV=EV-AC) | \$ (11,018) |
| Schedule Variance ^(SV) (SV=EV-PV) | \$ (182,956) |
| Cost Performance Index ^(CPI) (CPI=EV/AC) | 1.00 |
| Schedule Performance Index ^(SPI) (SPI=EV/PV) | 0.95 |
| Cost /Schedule Index ^(CSI) (CSI=CPI x SPI) | 0.95 |
| Estimate at Completion ^(EAC1) (EAC1=BAC/CPI) | \$ 5,034,405.00 |
| Variance at Completion ^(VAC1) (VAC1=BAC-EAC1) | \$ (15,989.90) |

| Task 6 Pump Stations, Storage and Chemical Treatment Plan/Progress |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Submitted the Preliminary Design Report (PDR) (6-240 D1) to WWU for review and comment. Performed Task Lead review of the RFPS Geotechnical Soil Investigation Report (6-120 D1). Initiated development of 60% specifications. Coordinated meeting with WDNR on stormwater and clear water discharge. Modeled existing site conditions for stormwater. Coordinated additional geotechnical investigations. Coordinated with DPLU for Land Transfer for BPS site. |

| Task 6 Pump Stations, Storage and Chemical Treatment Challenges |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> The site selection process must be complete for the WSPS in order to perform site investigations including: topographical survey, geotechnical investigation, easement and land acquisitions and environmental assessment. |



| Earned Value Calculations | |
|----------------------------------------------------------|---------------|
| Budget at completion ^(BAC) (1) (BAC) | \$ 154,378 |
| Estimate to Complete ^(ETC1) (ETC1=EAC1-AC) | \$ 69,970 |
| Cost Variance ^(CV) (CV=EV-AC) | \$ 7,623 |
| Schedule Variance (SV) (SV=EV-PV) | \$ (21,629) |
| Cost Performance Index ^(CPI) (CPI=EV/AC) | 1.11 |
| Schedule Performance Index ^(SPI) (SPI=EV/PV) | 0.78 |
| Cost /Schedule Index ^(CSI) (CSI=CPI x SPI) | 0.87 |
| Estimate at Completion ^(EAC1) (EAC1=BAC/CPI) | \$ 139,032.51 |
| Variance at Completion ^(VAC1) (VAC1=BAC-EAC1) | \$ 15,345.49 |

Task 7 Construction and Construction Management Plan/Progress

- No activity.

Task 7 Construction and Construction Management Challenges

- Impending Federal funding and financing opportunities may impact the contracting strategy for the Program.
- A Contracting Strategy Workshop will be scheduled upon completion of the PM and CM Phase 3 scope of work negotiations.