

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

March 30, 1993

To: Board of Directors (Engineering and Operations Committee--Action)
 (Finance and Insurance Committee--Action)

From: General Manager

Subject: Consider the Addendum to the Final Environmental Impact Report, Authorize the General Manager to Execute a Memorandum of Understanding, and Revision No. 5 to Appropriation No. 559 to Increase Funding to Finance all Costs for Planning, Land Acquisition, and Design in Advance of Award of construction contracts for the Inland Feeder Project from \$11,100,000 to \$114,000,000.

Report

On February 9, 1993, your Board certified the Final Environmental Impact Report (FEIR) for the Inland Feeder Project and adopted the Far East Combination Alternative Project. On March 12, 1993, the California Environmental Quality Act (CEQA) statute of limitations for the Inland Feeder Project closed without any further comments. As part of the Board certification of the FEIR, a 30-day extension on the CEQA statute of limitations was granted to the Moreno Highlands, to allow for discussions on a Memorandum of Understanding (MOU).

During the 30-day extension period, numerous meetings have been held between Metropolitan and Moreno Highlands to discuss future land development plans and the coordination of the Inland Feeder construction. Based on these discussions, approximately 1.5 miles of the Inland Feeder alignment in the San Jacinto Valley would be changed from the location provided for in the FEIR. The revised alignment would place this segment of the Inland Feeder Project along existing public streets and not traverse the proposed Moreno Highlands Development.

Pursuant to CEQA, an Addendum to FEIR has been prepared to address possible environmental impacts associated with this change in the project alignment. As disclosed in this Addendum, the proposed realignment does not raise any significant new issues or cause any effects which are more severe than those already disclosed in the FEIR. The realignment would actually lessen potential impacts to the federally endangered Stephens' kangaroo rat (SKR).

Your Board is required to review the Addendum with the FEIR and find that the changes to the FEIR made by the Addendum do not raise important new issues about the significant effects on the environment. The Addendum is enclosed with this letter as Attachment 1. A copy of the Inland Feeder FEIR is available for review in the Office of the Executive Secretary.

To facilitate the orderly completion of the Inland Feeder Project and to identify the responsibilities of Metropolitan and Moreno Highlands, an MOU has been developed. This MOU refers to the realignment addressed in the Addendum to the FEIR and defines the responsibilities of Metropolitan and Moreno Highlands during the construction of the Inland Feeder Project segment in the vicinity of the Moreno Highlands development area. Also covered in this MOU is the disposal of excess material and the possibility of lowering the Inland Feeder below a proposed main trunk sewer line.

To meet the required on-line year of 1998, it is proposed that the General Manager be authorized to proceed with final design, including all necessary land acquisition and mitigation programs leading to the construction of the Inland Feeder Project, Far East Combination Alternative. As described in Attachment 2, Revision No. 5 to Appropriation 559, an increase of \$102,900,000 to a total of \$114,000,000 is requested to finance all costs in advance of award of construction contracts.

Board Committee Assignments

This letter is referred for action to:

The Engineering and Operations Committee because it has responsibility for providing storage and distribution facilities for the delivery of water pursuant to Administrative Code Section 2431 (d); and

The Finance and Insurance Committee because of its authority over requests for authorization of appropriations pursuant to Administrative Code Section 2441 (d).

Recommendations

ENGINEERING AND OPERATIONS COMMITTEE FOR ACTION

1. It is recommended that your Board consider the Addendum with the Final Environmental Impact Report FEIR for the Inland Feeder Project and find that the changes to the EIR made by the Addendum do not raise any important new issues about the significant effects on the environment;

2. It is recommended that the General Manger be authorized to execute the Memorandum of Understanding with Moreno Highlands, for the Inland Feeder Project, Far East Combination Alternative.

FINANCE AND INSURANCE COMMITTEE FOR ACTION

1. It is recommended that your Board consider the Addendum with the FEIR for the Inland Feeder Project and find that the changes to the EIR made by the Addendum do not raise any important new issues about the significant effects on the environment;

2. That your Board authorize Revision No. 5 to Appropriation No. 559, an increase of \$102,900,000 to a total of \$114,000,000 to finance all costs in advance of award of construction contracts for the Inland Feeder Project. The increase in funds will be provided through the 1993 Revenue Bond Construction Financing Fund.


Richard W. Balczak
Acting General Manager

DWR/dgs

s:Board/17

Attachment

ATTACHMENT 2

INLAND FEEDER SUMMARY OF COST
 BREAKDOWN FOR APPROPRIATION 559
 REVISION NO. 5

	Revision No. 4 (1)	Revision No. 5 (2)
Labor		
Study	1,100,000	1,100,000
Environmental	75,000	450,000
Engineering	1,000,000	15,200,000
Right-of-Way	300,000	3,500,000
Subtotal	2,475,000	20,250,000
Incidental Expenses	75,000	600,000
Administrative Overhead	1,365,000	11,200,000
Equipment and Materials	50,000	8,500,000
Technical/Professional Services	5,590,000	29,700,000
Operating Equipment Use	16,000	350,000
Environmental Mitigation	20,000	7,900,000
Right-of-Way	500,000	20,300,000
Contingency	<u>1,009,000</u>	<u>15,200,000</u>
Total	\$11,100,000	\$114,000,000

Note: (1) Breakdown based on actual costs; (2) Escalated dollars