

February 12, 1999

To: Board of Directors (Engineering and Operations Committee--Information)
(Budget and Finance Committee--Information)

From: General Manager _____

Submitted by: Gary M. Snyder _____
Chief Engineer

Subject: Monthly Project Status Report for the Inland Feeder Project – January 1999
[Any discussion of claims will be heard in closed session - Conference with
Legal Counsel - Significant Exposure to Litigation (two matters) pursuant to
Gov. Code §54956.9(b).]

RECOMMENDATION(S)

For information only.

EXECUTIVE SUMMARY

This report summarizes progress and provides highlights for the Inland Feeder Project for the month ending January 1999.

DETAILED REPORT

The Inland Feeder Project continues on schedule and within budget to support an on-line date of early-2004. The project budget remains unchanged at \$1.188 billion. A review of construction cost elements of the Project has determined that a potential usage of a portion of the existing \$314.3 million contingency account is likely to occur. Utilizing actual construction experience gained on the Project to date and historical cost trends for this type of construction, it has been determined that additional costs for tunnels and pipelines over the contract value could be anticipated. Without increasing the existing Project budget of \$1.188 billion, these potential costs above contract value would result in a Project cost of \$937.9 million, thus reducing the contingency account from \$314.3 million as reported last month, to \$250.1 million. Attachment A shows a comparison between the budget and projected costs including a schedule summary. The following provides an update for each of the Project reaches from north to south along the alignment:

Portal excavation continued at the Waterman Canyon Portal site of the Arrowhead West Tunnel. The contractor has completed the concrete portal canopy and is excavating for the muck disposal conveyor system. Installation of the 5,200 foot pipeline in Waterman Canyon that connects the Arrowhead West and Arrowhead East Tunnels is on schedule with all significant milestones being

achieved including completion of the construction in the Campus Crusade for Christ area. Design, fabrication, and procurement of the components for the tunnel boring machine is on-going.

Excavation of the Arrowhead East Tunnel continued from the City Creek Portal. A total of 368 feet was excavated in January bringing the total distance being mined to 6,376 feet (see Attachment B for mining progress).

The Highland Pipeline, which spans approximately 6.1 miles through the City of Highland and a portion of the Community of Mentone, is nearing completion of the design phase. Construction is scheduled to commence in late-1999. The Mentone Pipeline design has been completed, and was advertised for bids. Bid opening is scheduled for March 1999.

Excavation of the Gilman Springs Portal of the Riverside Badlands Tunnel is approximately 90 percent complete and the contractor continues to excavate the muck disposal area. Installation of dewatering wells in San Timoteo and Live Oak Canyons are nearly complete and preliminary work has begun on the Live Oak Canyon shaft site.

The Riverside Pipeline North is proceeding ahead of schedule. Approximately 31,000 of the 44,100 feet of pipe have been installed. Completion is scheduled for late-1999.

Construction of the Riverside Pipeline South is over 90 percent complete, and will complete well ahead of schedule. All 35,800 feet of pipe has been installed, and lining operations are underway.

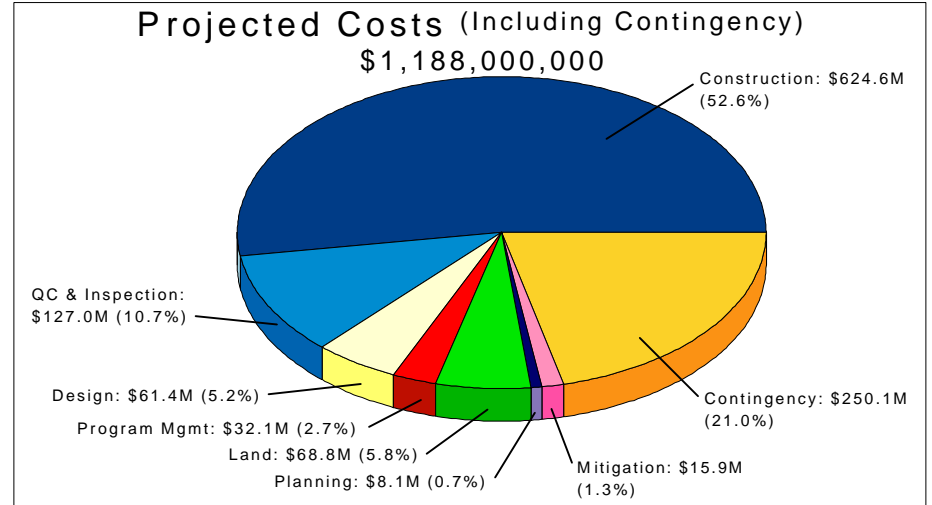
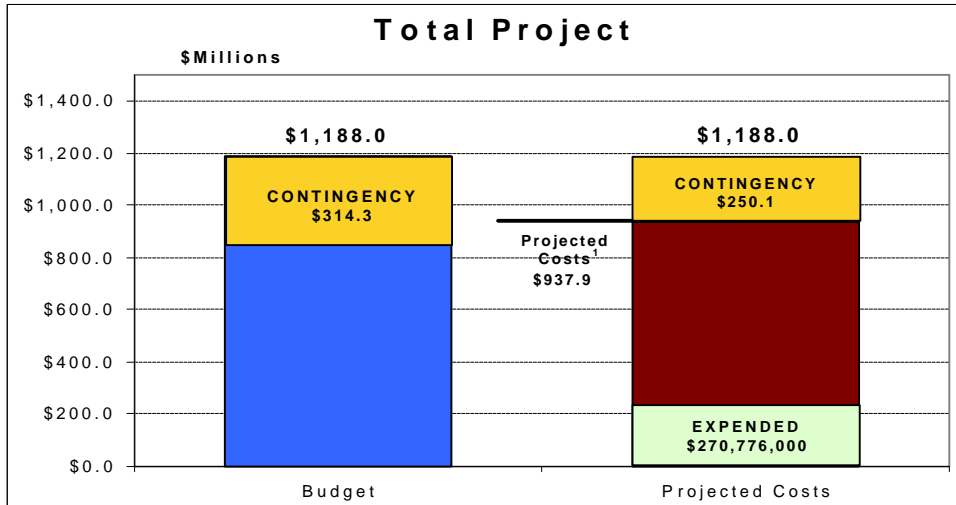
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Attachment 10-9A

Attachment 10-9B

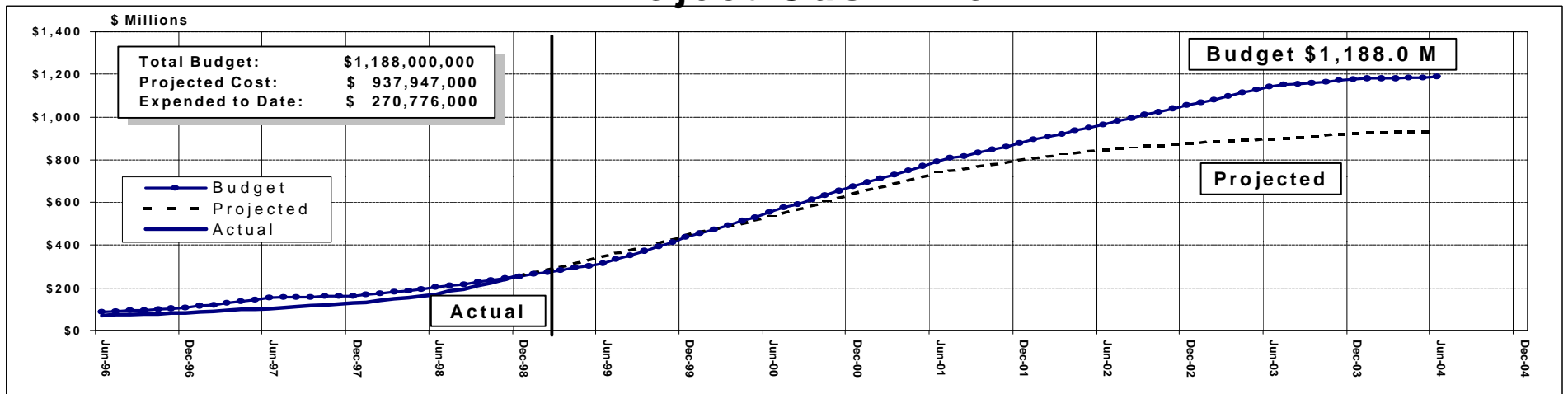
Attachment 10-9A

Financial Summary



1. Based on knowledge of current field conditions.

Project Cash Flow



Schedule Summary

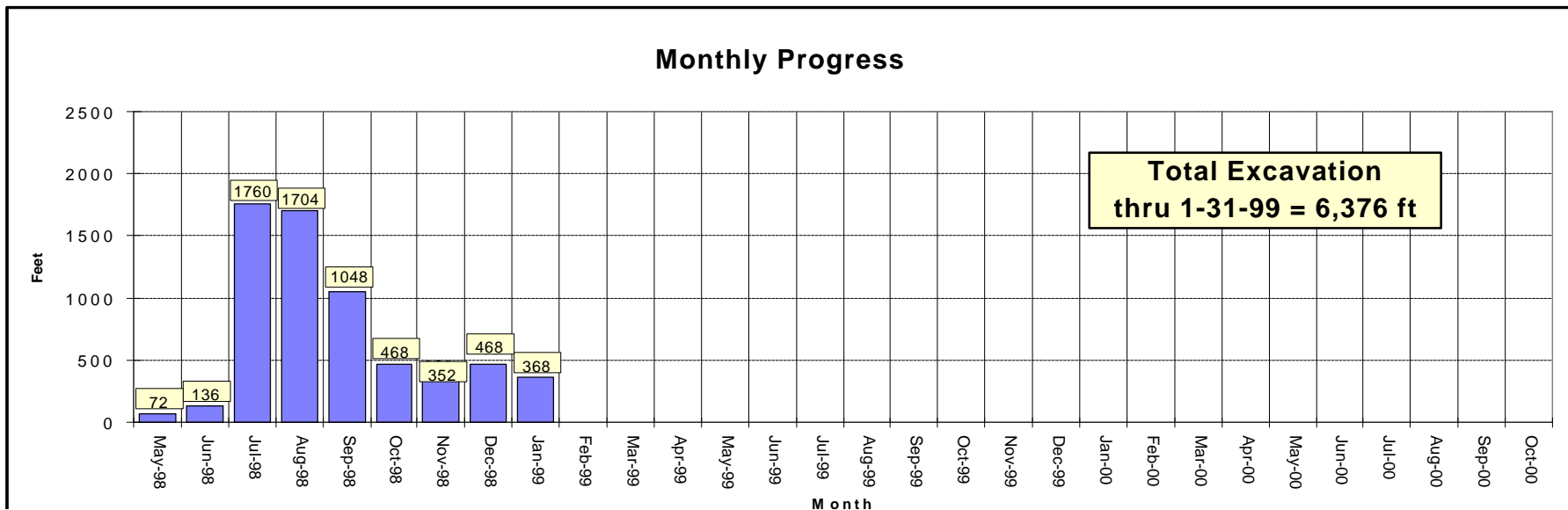
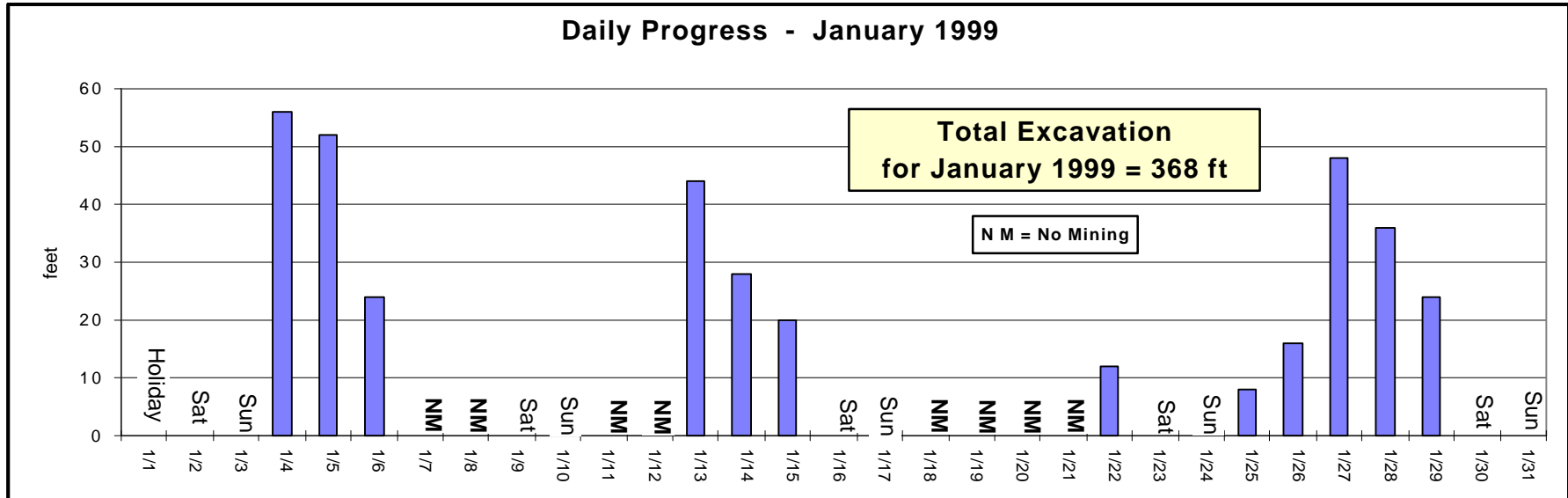
DESCRIPTION	PROGRESS		COMPLETION DATE		COMMENTS
	PLANNED ¹	ACTUAL	CONTRACT ²	FORECAST	
<u>Design</u>					
Highland Pipeline	97%	83%	Nov-98	Jun-99	Nearing completion of MOU with City of Highland
Mentone Pipeline	100%	100%	Complete	Complete	Scheduled to open bids March 1999
<u>Construction</u>					
Arrowhead West Tunnel	14%	21%	Jun-02	Jun-02	Mobilizing and installing pipe in Waterman Canyon
Arrowhead East Tunnel	36%	42%	Jan-02	Jan-02	Mining has progressed 6,376 feet
Mentone-RUSD Pipeline	100%	100%	Complete	Complete	Construction completed on schedule in Feb. 1998
Riverside Badlands Tunnel	10%	9%	Jul-03	Jul-03	Mobilizing and preparing portal site. Installing dewatering wells
Riverside Pipeline North	44%	65%	May-00	May-00	31,000 of the 44,000 feet complete
Riverside Pipeline South	51%	94%	Feb-00	Jul-99	Completed installation of pipe. Performing mortar lining operations

1. Current approved schedule 2. Original contract duration + approved extensions

Attachment 10-9B

Engineering Division ARROWHEAD EAST TUNNEL

February 12, 1999



Arrowhead East Tunnel Tunnel Advancement (Planned vs Actual & Projected)

