

● **Board of Directors**
Engineering and Operations Committee

February 8, 2000 Board Meeting

10-2

Subject

Inland Feeder Project Status Report for December 1999

Description

On December 1, 1999 mining began at the Gilman Springs Portal of the Inland Feeder's Riverside Badlands Tunnel. During the month, the tunnel boring machine (TBM) progressed 2,656 feet and is exceeding projected average mining rates due to favorable ground conditions (see [Attachment 1](#) for a summary of mining progress). Mining included the crossing under Highway 60 with no measurable surface impact. The tunnel contractor, Shank/Balfour Beatty, is working a three-shift schedule that includes two 8-hour mining shifts and one 8-hour maintenance shift.

As previously reported, all work at the Arrowhead East Tunnel has been suspended while negotiations with the San Manuel Indian Reservation and the U.S. Forest Service continue regarding mining methods. A total of 8,008 feet has been mined to date. Groundwater outflows continue to be less than 300 gallons per minute.

On the Arrowhead West Tunnel contract, work is being completed on the pipeline segments in Devil Canyon (2,482 feet) and Waterman Canyon (3,509 feet).

The Highland Pipeline design remains at about 90 percent complete.

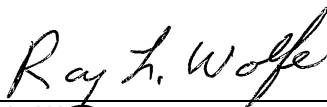

The Inland Feeder Project is scheduled for completion in 2004. The project remains on-budget at \$1.188 billion. Total expenditures to date are \$406.8 million (see [Attachment 2](#) for a financial summary and [Attachment 3](#) for a schedule summary).

Recent Developments

Mining on the Riverside Badlands Tunnel has advanced a total of 4,668 feet through January 19, 2000.

Policy

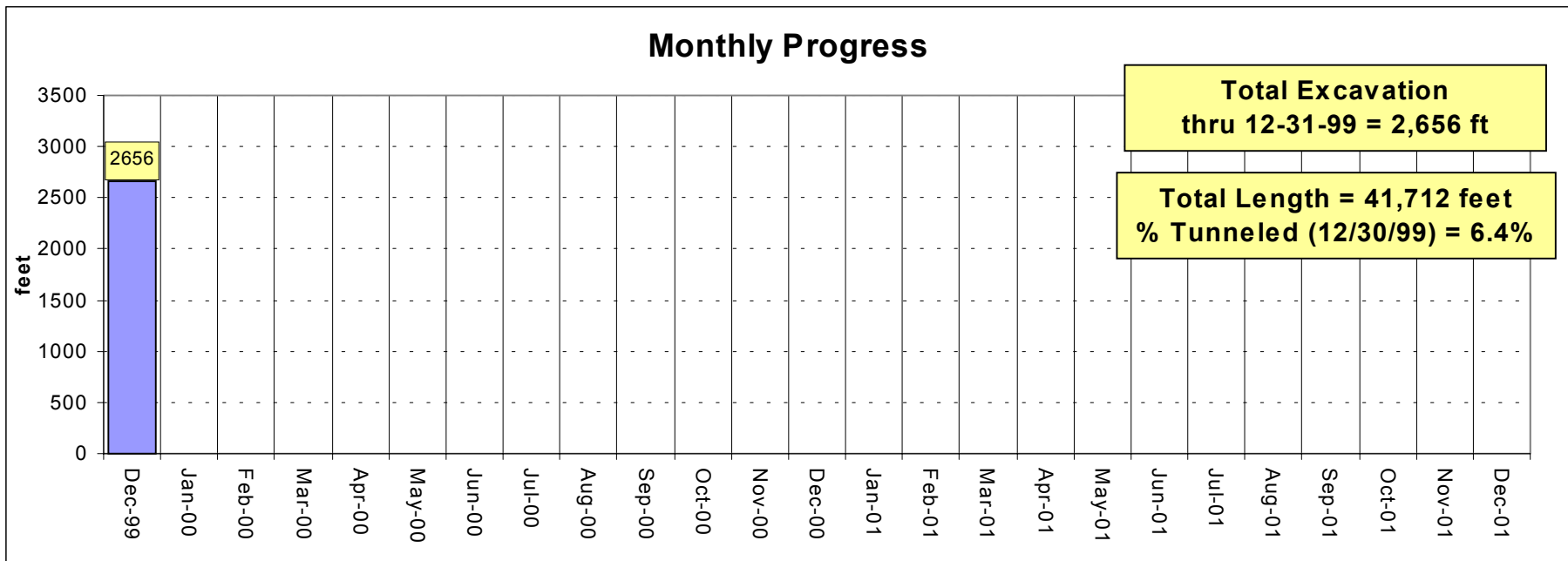
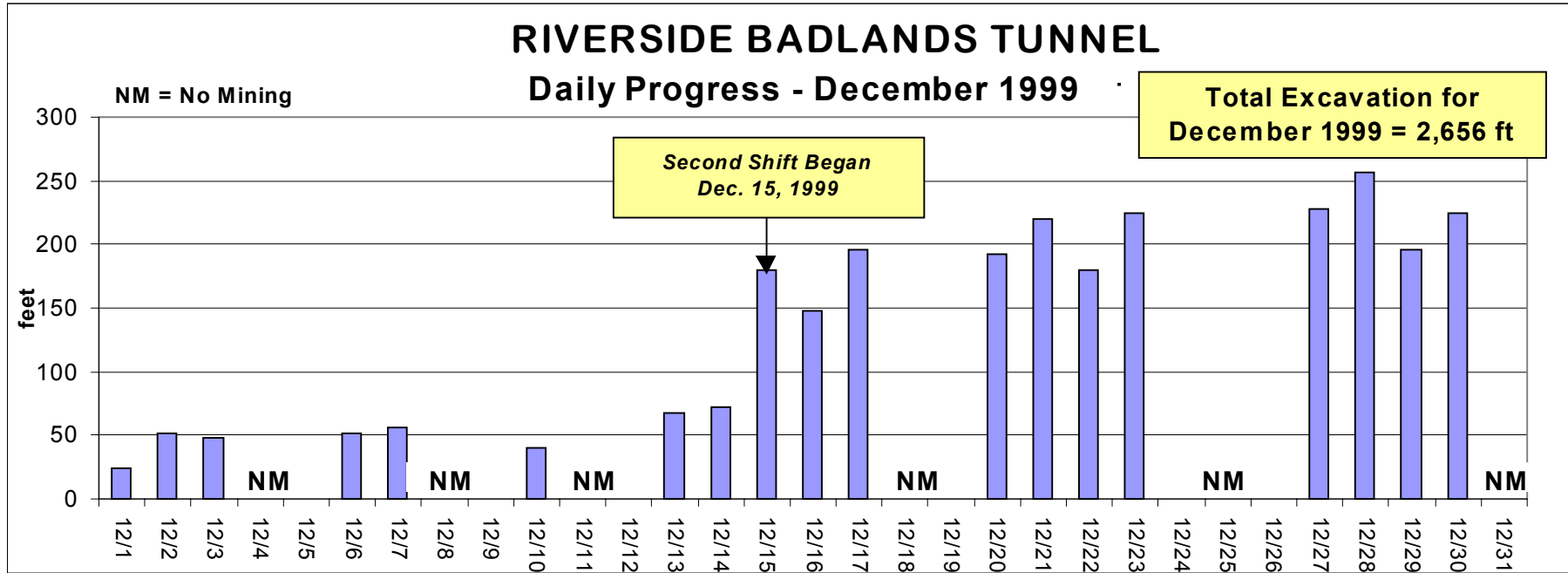
Board Request

	1/24/2000
Roy L. Wolfe Acting Manager, Corporate Resources	Date
	1/24/2000
Ronald R. Jester General Manager	Date

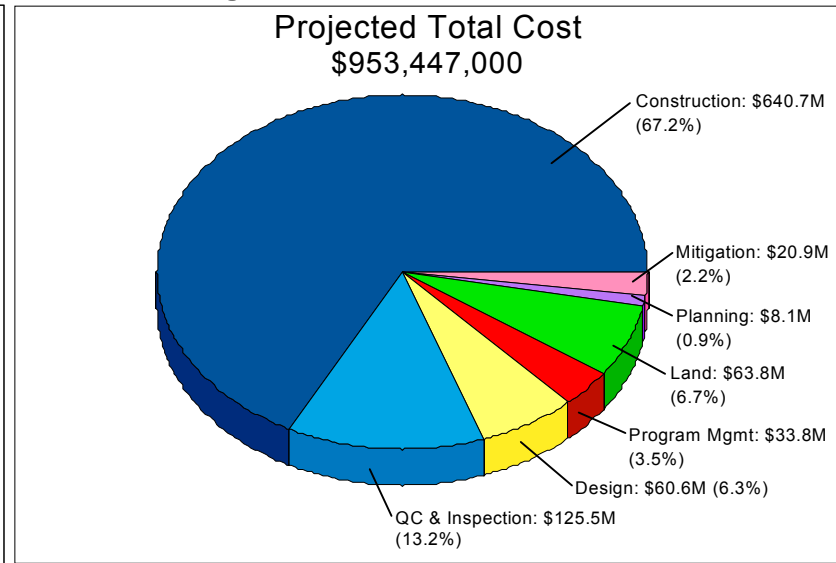
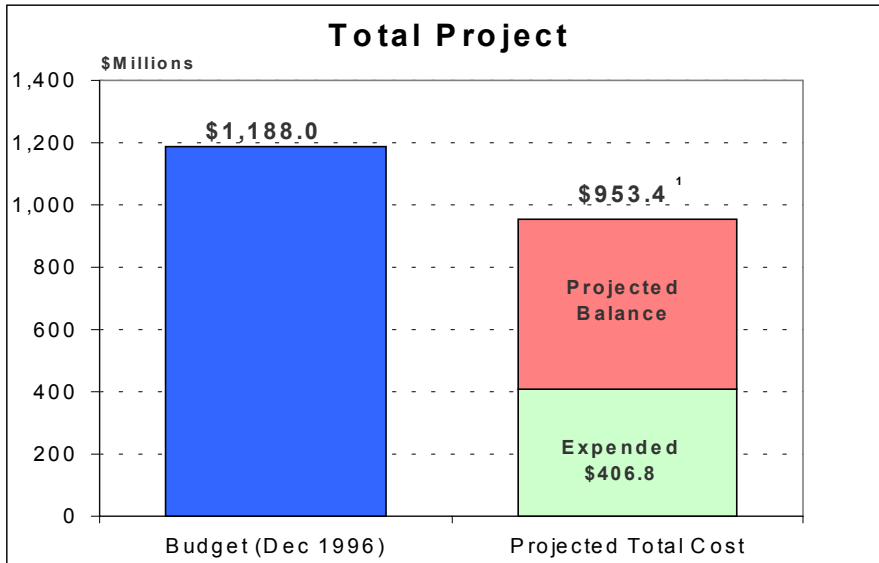
[Attachment 1 – Riverside Badlands Tunnel mining progress](#)

[Attachment 2 – Financial Summary](#)

[Attachment 3 – Schedule Summary](#)

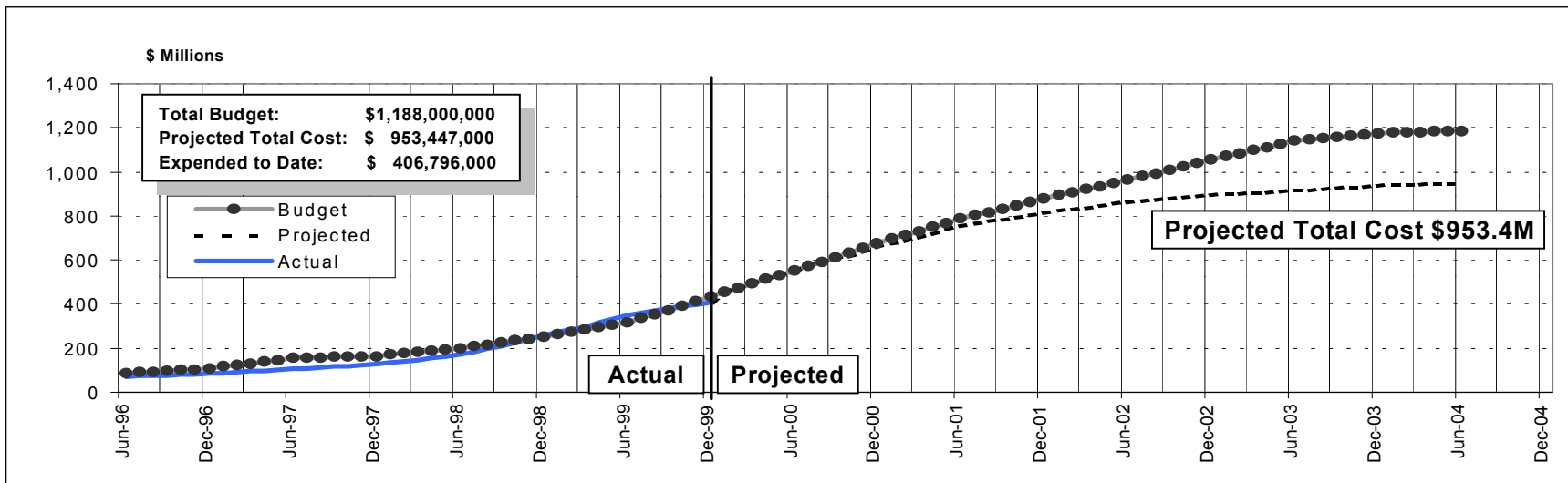


Financial Summary



1. Based on knowledge of current field conditions.

Project Cash Flow



Schedule Summary

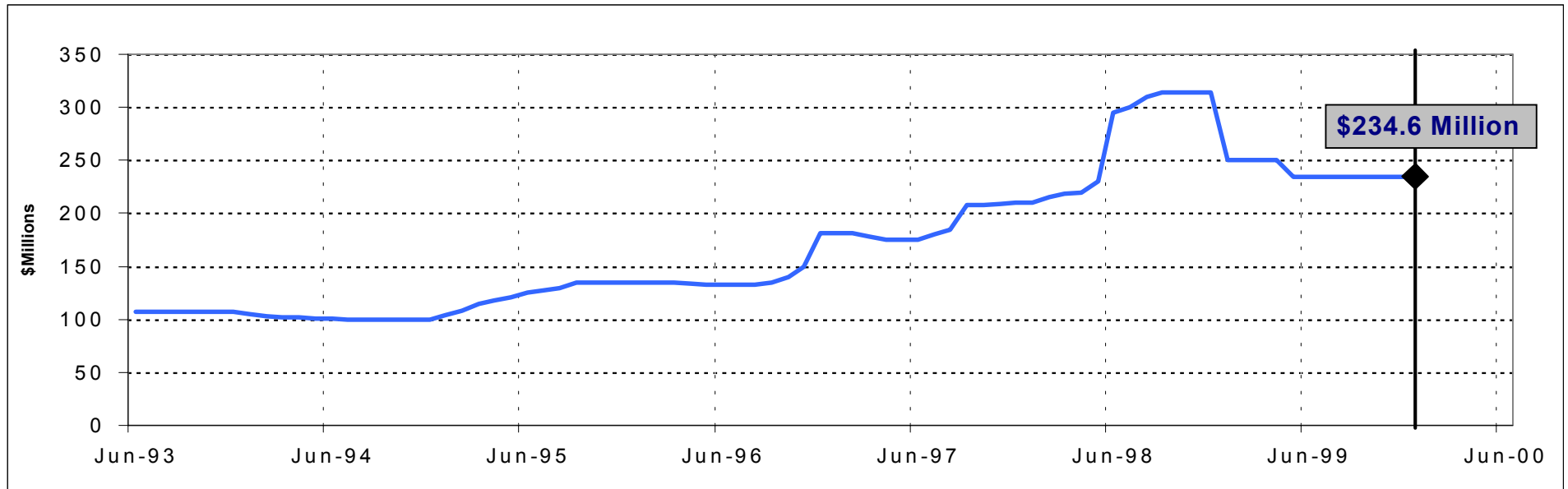
DESCRIPTION	PROGRESS		COMPLETION DATE		COMMENTS
	PLANNED ¹	ACTUAL	CONTRACT ²	FORECAST	
<i>Design</i>					
Highland Pipeline	100%	90%	----	Jun-00	
Mentone Pipeline	100%	100%	Complete	Complete	Bids opened September 2, 1999. Award contract at the February Board.
<i>Construction</i>					
Arrowhead West Tunnel	35%	25%	Jun-02	Jun-02	Assembly of TBM and pipe fabrication on hold at Waterman Canyon Portal. Waterman and Devil Canyon Pipelines are nearly complete.
Arrowhead East Tunnel	62%	38%	Sep-02	Dec-02	Mining on hold (8,008 feet mined)
Mentone-RUSD Pipeline ³	100%	100%	Complete	Complete	Construction completed February 1998.
Riverside Badlands Tunnel	28%	26%	Jul-03	Jul-03	Mining began at the Gilman Springs Portal December 1, 1999. Mining has advanced 2,656 feet.
Riverside Pipeline North	100%	100%	Complete	Complete	Construction completed November 1999.
Riverside Pipeline South	100%	100%	Complete	Complete	Construction completed August 1999.

1. Based on Approved Schedule

2. Original Contract Duration + Approved Extensions

3. Represents 3,400 foot section of Mentone Pipeline constructed to support opening of new high school.

Remaining Budget¹



1. Project budget minus projected total cost.