

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

September 12, 2000 Board Meeting

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9-3

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**Subject**

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Authorize General Manager to execute extra work orders to transfer installation of 3,600 feet of pipeline originally planned as part of the Highland Pipeline to the Mentone Pipeline construction contract (Metropolitan Contract No. 1518).

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**Description**

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Portions of the Highland (Specifications No. 1335) and Mentone (Specifications No. 1334A) Pipelines of the Inland Feeder Project pass through habitat areas of the federally protected San Bernardino Kangaroo Rat (SBKR). The Mentone Pipeline construction contract was awarded to J. F. Shea Co, Inc. in February 2000 in the amount of \$15.397 million. Construction activities began in May 2000. The contractor will utilize the Seven Oaks Dam Project borrow pit as the site to dispose of the excavated spoils for the northern 1,000 feet of the pipeline. The site will also be used to dispose of spoils for the southern 3,600-foot portion of the Highland Pipeline scheduled for construction in fiscal year 2004-2005 (see [Attachment 1](#) for location map).

In late 1999, the United States Fish and Wildlife Service (USFWS) issued an amendment to the Biological Opinion (BO) for the haul roads accessing the disposal site. To offset potential impacts to the SBKR, the amended BO calls for providing 5 acres of mitigation land valued at \$146,000 to the USFWS for use of the haul roads through December 2000. This payment would again be required during excavation of the Highland Pipeline.

To avoid a double mitigation payment to the USFWS for use of the same disposal site, it is proposed that the Board, per Metropolitan Water District Administrative Code Section 8115 (d), authorize the General Manager to execute extra work orders, that in aggregate will not exceed \$6 million, to be negotiated with the Mentone Pipeline contractor, J. F. Shea Co., Inc., to construct the southern 3,600 feet of the Highland Pipeline.

No additional funding is necessary, as costs to complete this work have been included as part of the Highland Pipeline budget and will merely be transferred to the Mentone Pipeline reach. The project budget remains unchanged at \$1.188 billion.

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**Policy**

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Metropolitan Water District Administrative Code Section 8115 (d) – Change Orders

**Board Options/Fiscal Impacts**

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**Option #1**

Authorize the General Manager to execute extra work orders in excess of 5 percent of contract value to the contractor of the Mentone Pipeline in an amount that in aggregate does not exceed \$6 million.

**Fiscal Impact:** Accelerate the expenditure of \$6 million from fiscal year 2004-2005 to 2000-2001. A cost saving of \$146,000 will be achieved by combining disposal of spoils under the current BO under the Mentone Pipeline contract.

**Option #2**

Do not accelerate the construction of the 3,600-foot section of the Highland Pipeline. This option would not allow Metropolitan to take advantage of a cost saving of \$146,000.

**Fiscal Impact:** No change in planned expenditures.

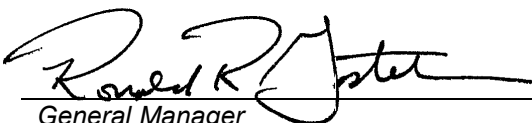
**Staff Recommendation**

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Option #1

  
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Roy L. Wolfe  
Manager, Corporate Resources

8/31/2000  
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Date

  
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Ronald R. Jester  
General Manager

9/5/2000  
\_\_\_\_\_  
Date

**Attachment 1 – Location map**

BLA #490

