

- **Board of Directors**
Engineering, Operations and Real Property Committee

June 12, 2001 Board Meeting

10-1

Subject

Status report for the Inland Feeder Project for the month ending April 2001

[Any discussion of potential litigation to be heard in closed session. Conference with legal counsel – significant exposure to litigation (two matters); to be heard in closed session pursuant to Gov. Code § 54956.9(b)]

Description

Arrowhead Tunnels

In April 2001 the Board approved a request to authorize the Chief Executive Officer to accept the amended Special-Use Permit and advertise the Arrowhead Tunnels if the conditions of the permit are consistent with agreements established in prior discussions with the United States Forest Service (USFS). A draft of the amended Special-Use Permit was received from the USFS and is being reviewed by staff.

Arrowhead West Tunnel – Reach 1

Metropolitan has received the contractor's submittal of claimed costs regarding delay and deletion of mining. Staff is reviewing and evaluating the submittal. Negotiations will be initiated with the contractor following the review.

Arrowhead East Tunnel – City Creek Heading – Reach 2

The contractor has completed installation of the final impermeable liner (8,000 feet). Approximately 90 percent of concrete backfill behind the liner is complete. Work is scheduled for completion by late-2001. Negotiations with the contractor regarding closure of City Creek portal are complete and extra work orders have been issued to complete the work.

Highland Pipeline – Reach 3

Design activities have been placed on hold pending receipt of the final amended Special-Use Permit from the USFS.

Mentone Pipeline – Reach 4

The contractor installed 1,200 feet of pipe during the reporting period for a total of 17,800 feet to date (89 percent complete). This reach is scheduled for completion in late-2001.

Riverside Badlands Tunnel – Reaches 5 & 6

In April, the tunnel boring machine (TBM) advanced another 2,052 feet for a total of 35,262 feet (85 percent complete). Ground conditions have improved from previous months resulting in increased mining rates. The contractor continues to perform grouting as necessary to reduce groundwater inflows ahead of the TBM (see [Attachment 1](#) for a summary of tunneling progress).

Budget and Schedule

Based on proceeding with the existing project, which includes the construction of the Arrowhead Tunnels, the projected total cost for the program is \$980 million with a completion date of late 2006. Total expenditures through April 2001 are \$524.7 million (see [Attachment 2](#) for a financial summary/project cash flow and [Attachment 3](#) for a budget comparison and schedule summary/remaining budget). The project budget remains unchanged at \$1.1865 billion.

Policy

Board Request.

Fiscal Impact

Refer to the attachments.

 _____ Roy L. Wolfe Manager, Corporate Resources	5/17/2001 _____ Date
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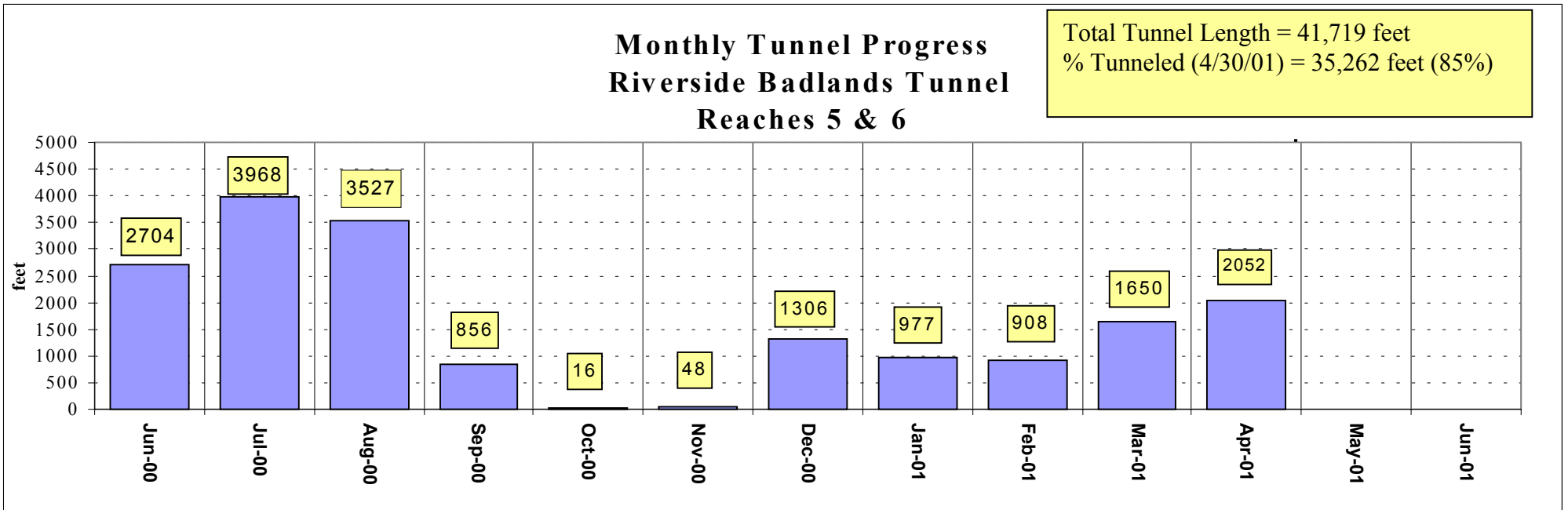
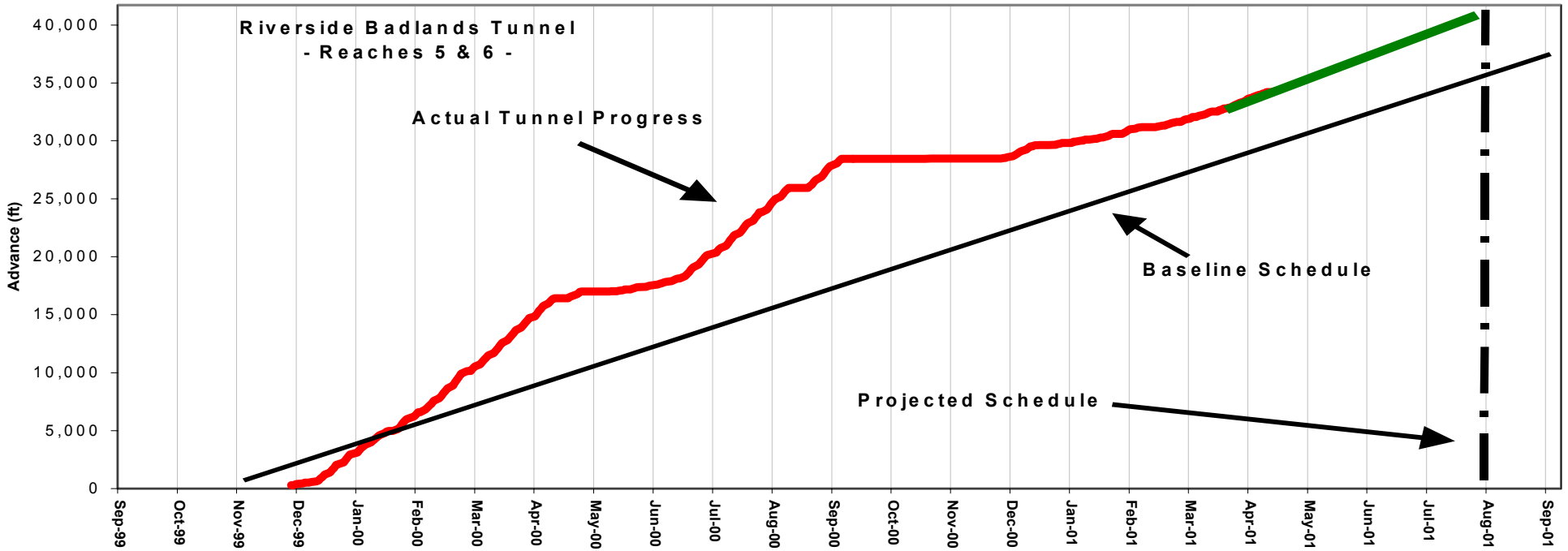
 _____ Ronald R. Jester President & Chief Executive Officer	5/19/2001 _____ Date
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Attachment 1 – Riverside Badlands Tunneling Progress

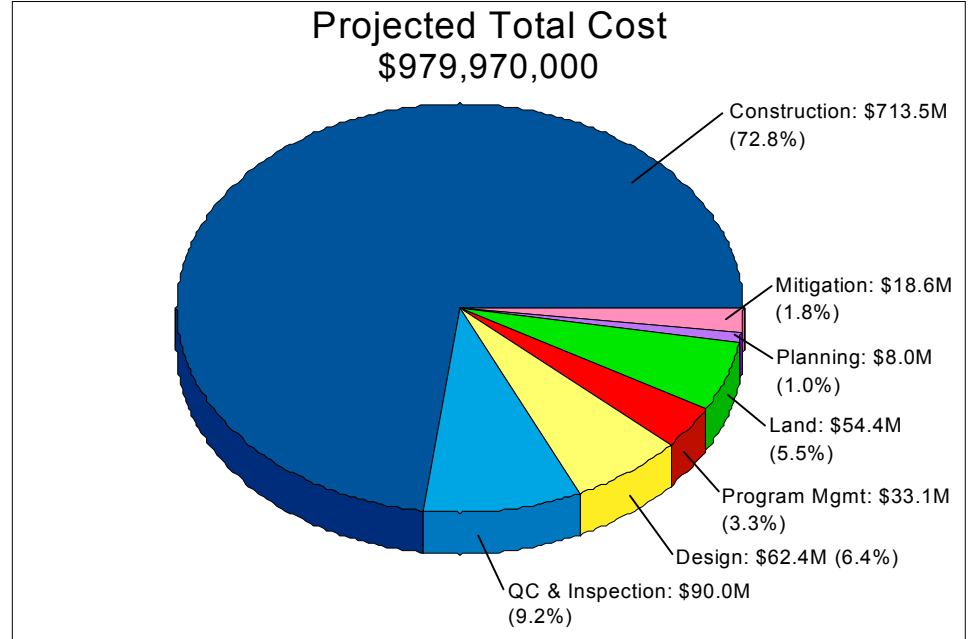
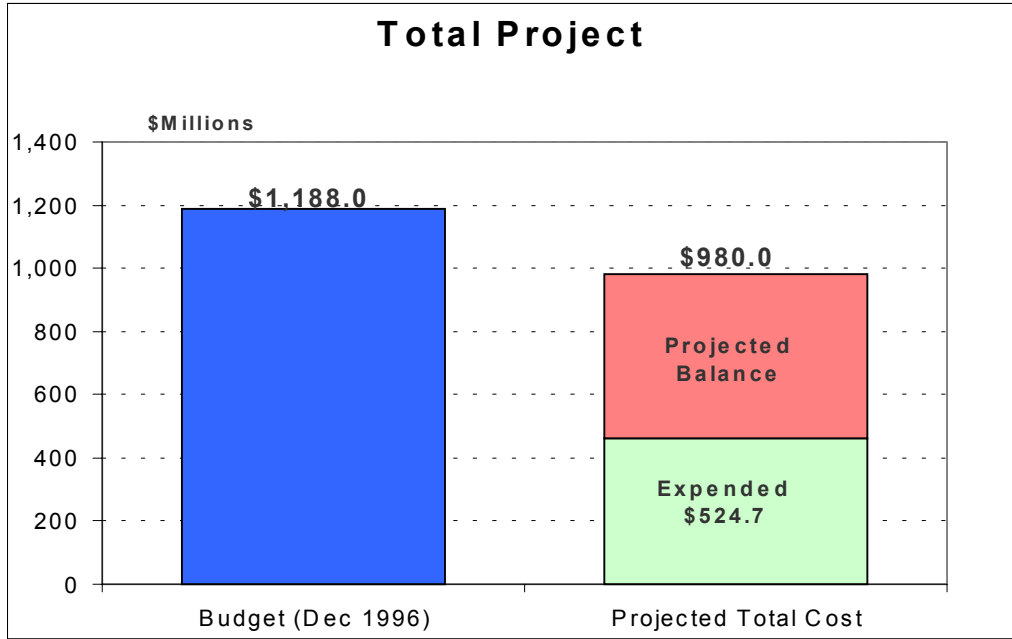
Attachment 2 – Financial Summary/Project Cash Flow

Attachment 3 – Budget Comparison and Schedule Summary/Remaining Budget

BLA #749

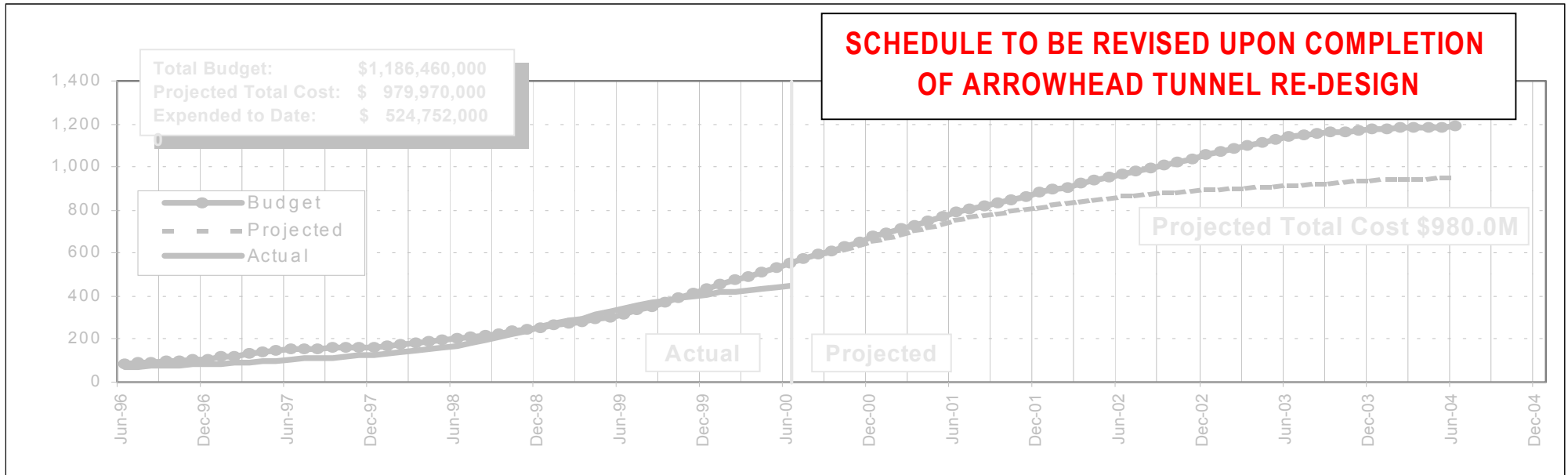


Financial Summary



1. Based on knowledge of current field conditions.

Project Cash Flow



Budget Comparison and Schedule Summary

	PRELIMINARY REBASELINE (JUN-2000) (1)	FORECAST (APR-01)	ACTUALS THRU (APR-01) (2)	PROGRESS		COMPLETION DATE		COMMENTS
				PLANNED % COMPLETE	ACTUAL % COMPLETE (APR-01) (4)	CONTRACT (5)	FORECAST (APR-01)	
Construction Reaches								
Arrowhead West Tunnel	\$ 211,728,000	\$ 210,188,000	\$ 56,424,000	----	25%	Dec-02	T.B.D.	On hold.
Arrowhead East Tunnel	\$ 281,607,000	\$ 281,607,000	\$ 126,889,000	----	38%	Jan-03	T.B.D.	On hold.
Highland Pipeline (3)	\$ 57,199,000	\$ 51,813,000	\$ 7,183,000	0%	0%	----	T.B.D.	In Design.
Mentone Pipeline	\$ 35,056,000	\$ 40,442,000	\$ 33,006,000	47%	83%	Mar-02	Oct-01	Under construction.
Riverside Badlands Tunnel	\$ 142,534,000	\$ 142,534,000	\$ 104,373,000	63%	71%	Aug-03	Apr-02	Under construction.
Riverside North Pipeline	\$ 57,984,000	\$ 57,984,000	\$ 55,252,000	100%	100%	Completed	Nov-99	Completed Nov. 99
Riverside South Pipeline	\$ 42,358,000	\$ 42,358,000	\$ 42,354,000	100%	100%	Completed	Aug-99	Completed Aug. 99
Construction Support								
Right-of-Way and Land	\$ 54,448,000	\$ 54,448,000	\$ 44,202,000	-----	81%	-----	-----	-----
Environmental Planning/Mitigation	\$ 18,598,000	\$ 18,598,000	\$ 11,173,000	-----	60%	-----	-----	-----
Owner Controlled Insurance Prog.	\$ 38,889,000	\$ 38,889,000	\$ 16,977,000	-----	44%	-----	-----	-----
Study/Initial Planning	\$ 8,024,000	\$ 8,024,000	\$ 8,024,000	-----	100%	-----	-----	-----
Program Management	\$ 33,085,000	\$ 33,085,000	\$ 18,895,000	-----	57%	-----	-----	-----
Projected Total Cost	\$ 981,510,000	\$ 979,970,000	\$ 524,752,000					
Remaining Budget	\$ 206,490,000	\$ 206,490,000						
Total Approved Budget	\$ 1,188,000,000	\$ 1,186,460,000						

- (1) Based on 30% design for Arrowhead Tunnels
- (2) Actuals for construction reaches include design costs
- (3) Expenditure for design which is at 90%.
- (4) Based on work complete for construction reaches and \$ expended for construction support
- (5) Based on original contract duration and approved extensions

Remaining Budget ¹

