

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

September 11, 2001 Board Meeting

10-1

Subject

Status report for the Inland Feeder Project for the month ending July 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 late July, the construction bid package for the Arrowhead Tunnels was mailed to six pre-qualified contractors. Bids are scheduled to be opened in mid-October 2001 and a Notice-to-Proceed is expected to be issued in mid-2002.

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. The Board will be updated concerning progress/schedule as information becomes available.

Arrowhead East Tunnel – City Creek Heading – Reach 2

The contractor continued installation of the pipeline section which connects the City Creek Portal to the pipe previously installed under Highway 330. The pressure bulkhead that seals the tunnel at the heading has been fabricated and transported into the tunnel for installation.

Highland Pipeline – Reach 3

Design activities have been initiated to complete the bid package by fall 2001.

Mentone Pipeline – Reach 4

All 16,660 feet of pipe have been installed. The contractor has installed approximately 60 percent of the mortar lining inside the pipe. Site restoration activities have been initiated and are scheduled for completion in fall 2001.

Riverside Badlands Tunnel – Reaches 5 & 6

On July 27, 2001, the tunnel boring machine (TBM) "holed-through" at the Opal Avenue portal which completed excavation of the 8-mile tunnel (see [Attachment 1](#) for a summary of tunneling progress). A ceremony was held to allow individuals to witness this significant milestone. Over 200 people including several Metropolitan directors and numerous media representatives were in attendance. The contractor began disassembly and removal of the TBM and will begin preparing the tunnel for installation of the steel liner.

Budget and Schedule

Based on proceeding with the existing project, which includes the construction of the Arrowhead Tunnels, the projected total cost for the Inland Feeder Program is \$980 million with a completion date of late 2007. The projected total program cost (\$980 million) does not include potential costs associated with the deletion of work on the Arrowhead East and West Tunnels. Total expenditures through July 2001 are \$541.5 million (see [Attachment 2](#) for a financial summary/project cash flow and [Attachment 3](#) for a budget comparison and schedule summary/remaining budget). The Board-approved budget remains unchanged at \$1.1865 billion.

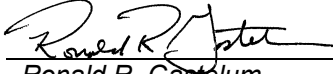
Policy

Board Request

Fiscal Impact

Refer to the attachments.

 Roy L. Wolfe Manager, Corporate Resources	8/9/2001 Date
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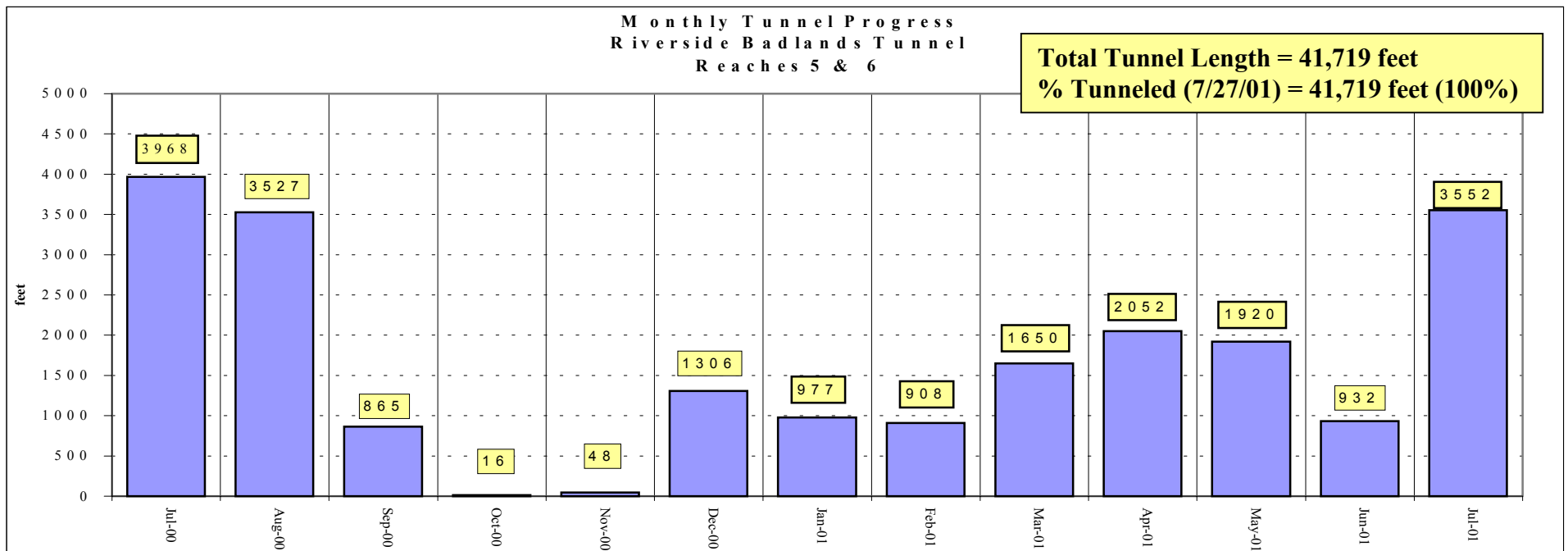
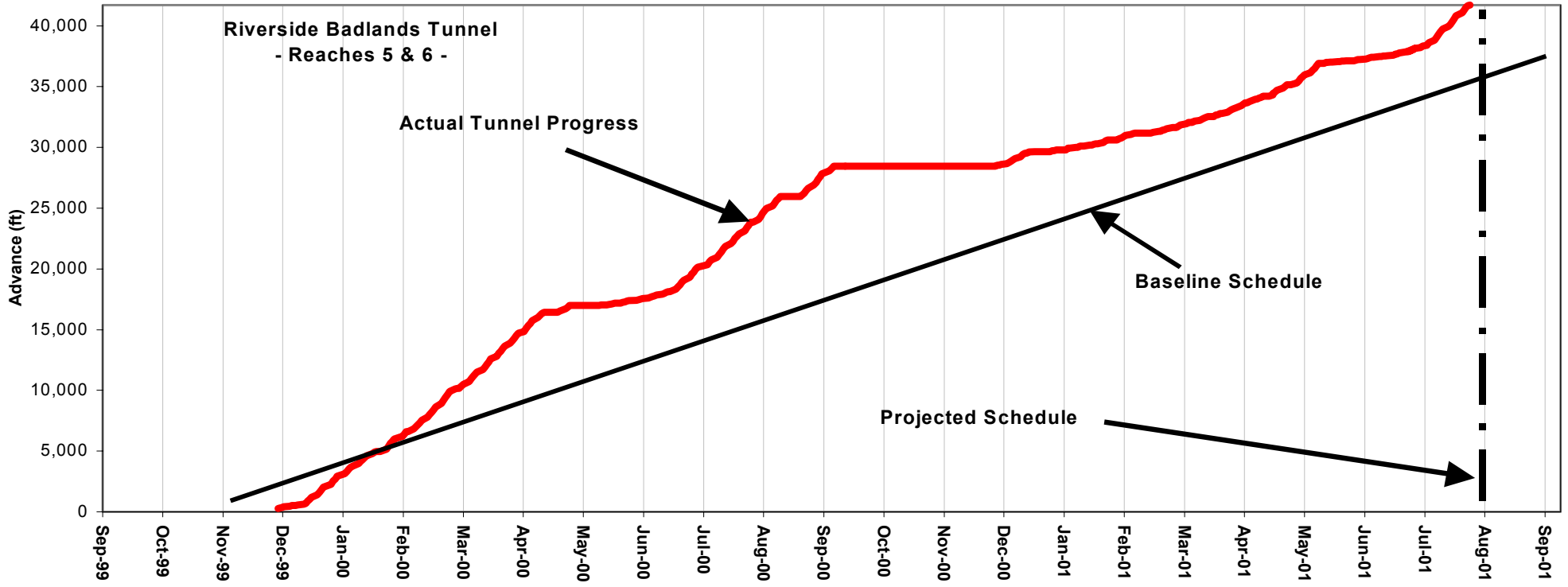
 Ronald R. Gastelum Chief Executive Officer	8/23/2001 Date
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Attachment 1 – Riverside Badlands Tunneling Progress

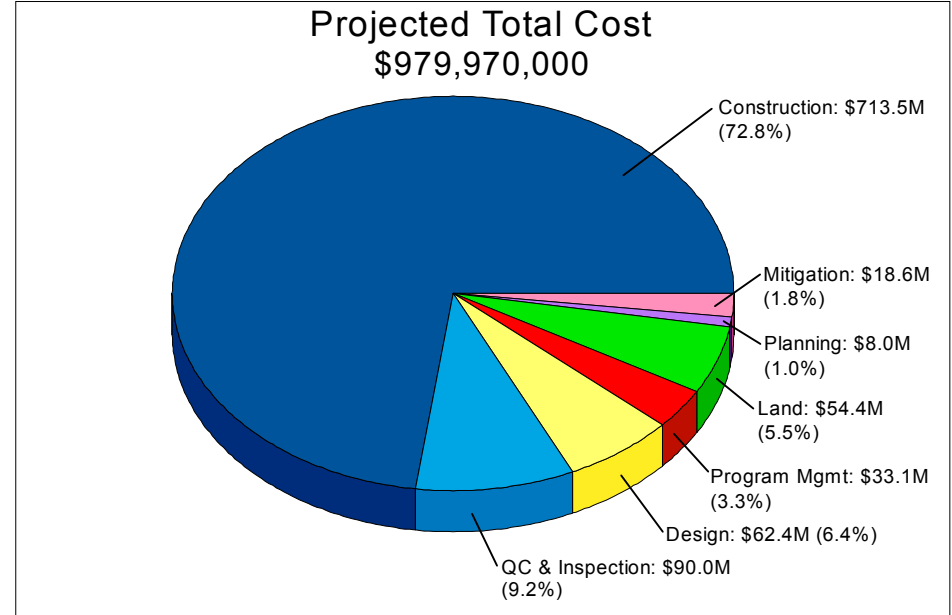
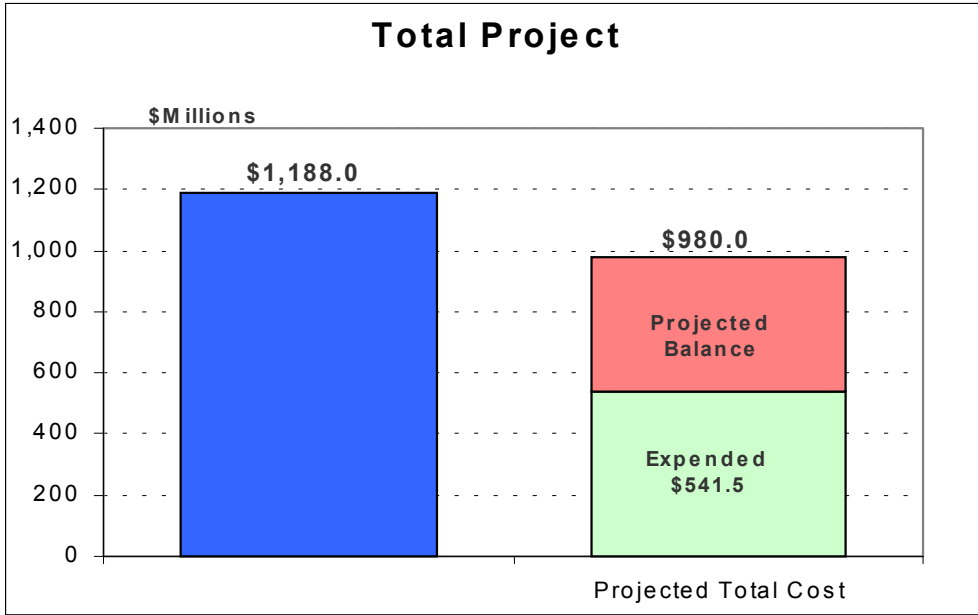
Attachment 2 – Financial Summary/Project Cash Flow

Attachment 3 – Budget Comparison and Schedule Summary/Remaining Budget

BLA #1084

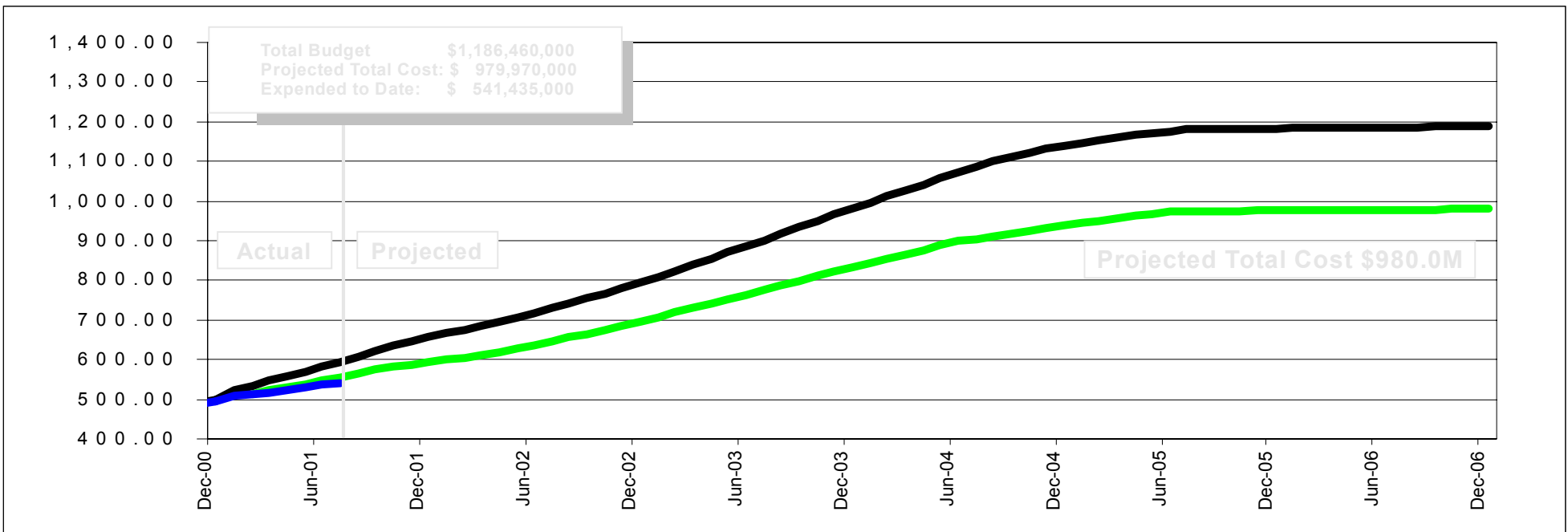


Financial Summary



1. Based on knowledge of current field conditions.

Project Cash Flow



Budget Comparison and Schedule Summary

	BUDGET (JUL-01) ⁽¹⁾	FORECAST (JUL-01)	ACTUALS THRU (JUL-01) ⁽²⁾	PROGRESS		COMPLETION DATE		COMMENTS
				PLANNED % COMPLETE	ACTUAL % COMPLETE (JUL-01) ⁽⁴⁾	CONTRACT (5)	FORECAST (JUL-01)	
Construction Reaches								
Arrowhead West Tunnel	\$ 62,243,000	\$ 56,544,000	\$ 56,013,000	----	25%	Dec-02	T.B.D.	On hold.
Arrowhead East Tunnel	\$ 141,703,000	\$ 133,721,000	\$ 127,980,000	----	38%	Jan-03	T.B.D.	On hold.
Arrowhead Tunnels	\$ 287,545,000	\$ 306,591,000	\$ 3,242,000	1%	1%	-----	T.B.D.	Out for bid
Highland Pipeline ⁽³⁾	\$ 51,742,000	\$ 52,551,000	\$ 7,507,000	15%	15%	-----	-----	In Design.
Mentone Pipeline	\$ 40,515,000	\$ 40,247,000	\$ 37,697,000	59%	98%	Mar-02	Oct-01	Under construction.
Riverside Badlands Tunnel	\$ 142,535,000	\$ 145,808,000	\$ 110,774,000	72%	80%	Aug-03	Apr-02	Under construction.
Riverside North Pipeline	\$ 58,134,000	\$ 56,252,000	\$ 55,255,000	100%	100%	Completed	Nov-99	Completed Nov. 99
Riverside South Pipeline	\$ 42,508,000	\$ 42,431,000	\$ 42,364,000	100%	100%	Completed	Aug-99	Completed Aug. 99
Construction Support								
Right-of-Way and Land	\$ 54,448,000	\$ 54,448,000	\$ 44,400,000	-----	82%	-----	-----	-----
Environmental Planning/Mitigation	\$ 18,598,000	\$ 18,598,000	\$ 11,429,000	-----	61%	-----	-----	-----
Owner Controlled Insurance Prog.	\$ 38,889,000	\$ 33,188,000	\$ 17,192,000	-----	44%	-----	-----	-----
Study/Initial Planning	\$ 8,024,000	\$ 8,024,000	\$ 8,024,000	-----	100%	-----	-----	-----
Program Management	\$ 33,086,000	\$ 31,650,000	\$ 19,558,000	-----	59%	-----	-----	-----
Projected Total Cost	\$ 979,970,000	\$ 980,053,000	\$ 541,435,000					
Remaining Budget	\$ 206,486,000	\$ 206,407,000						
Total Approved Budget	\$ 1,186,456,000	\$ 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

