

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

January 8, 2002 Board Meeting

10-1

Subject

Status report for the Inland Feeder Program for the month ending November 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. A pre-bid conference was held August 9-10. The bid opening is scheduled for January 2002.

Arrowhead West Tunnel – Reach 1

Metropolitan has received the contractor's submittal of claimed costs regarding delay and deletion of mining. Staff has requested an audit of the financial records of the contractor to substantiate these costs. Negotiations can be initiated with the contractor following the audit. The Board will be updated as information becomes available.

Arrowhead East Tunnel – City Creek Heading – Reach 2

The contractor has completed the remaining pipeline work from the City Creek Portal to Highway 330 and is now constructing the portal structure.

Highland Pipeline – Reach 3

Design activities are complete. The specifications are scheduled to be advertised in December 2001.

Mentone Pipeline – Reach 4

The contractor completed the remaining work in November and has demobilized.

Riverside Badlands Tunnel – Reaches 5 & 6

The contractor continues to install the 60-foot sections of steel pipe in the tunnel. Through November 30, 13,095 feet have been installed. Grouting to fill the void between the primary concrete segmented liner and the steel pipe is being performed as the pipe is installed. The tunnel is 41,700 feet long and is expected to be completed in November 2002.

Budget and Schedule

The projected total cost for the Inland Feeder Program remains at \$980 million. Claims associated with the deletion of work for the original Arrowhead Tunnels contracts are pending and excluded from the estimated total program cost. Staff is reviewing these claims. Total expenditures through November 2001 are \$553.4 million (see [Attachment 1](#) for a financial summary/program cash flow and [Attachment 2](#) for a budget comparison and schedule summary/remaining budget). The board-approved budget remains unchanged at \$1.1865 billion. The projected completion date for the program remains at early 2007.


Policy

Board Request.

Fiscal Impact

Refer to the attachments.

 Roy L. Wolfe Manager, Corporate Resources	12/7/2001 Date
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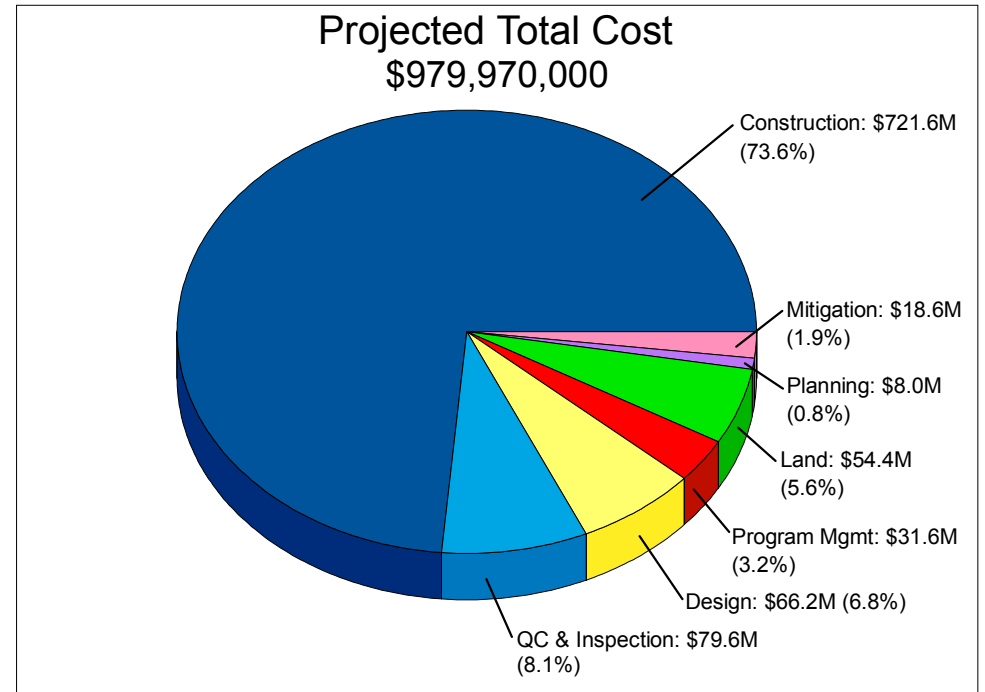
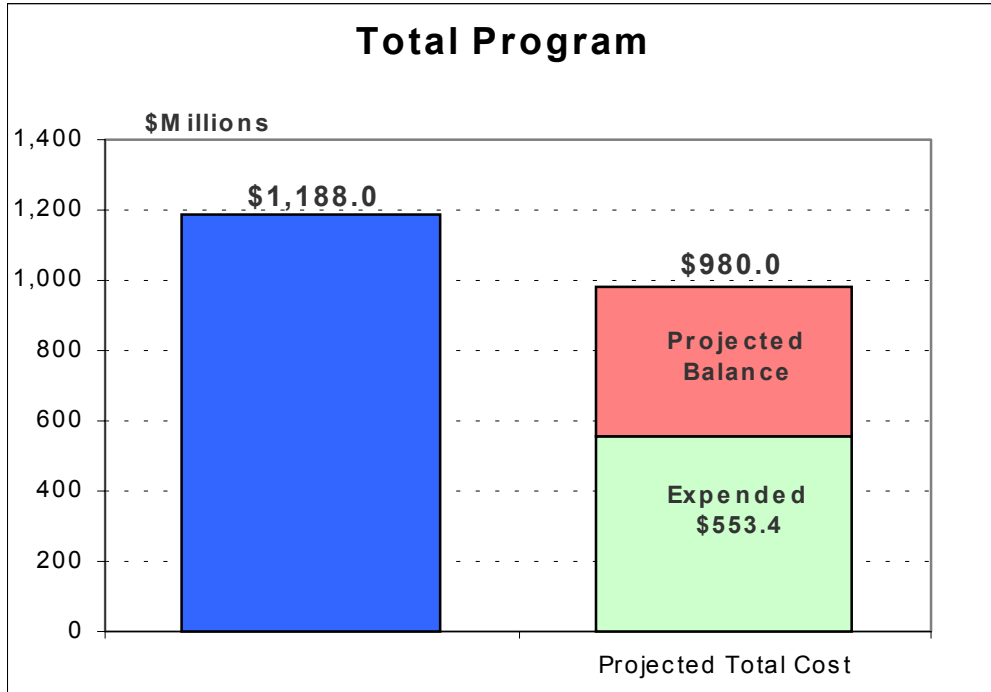
 Ronald R. Gastelum Chief Executive Officer	12/17/2001 Date
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Attachment 1 – Financial Summary/Program Cash Flow

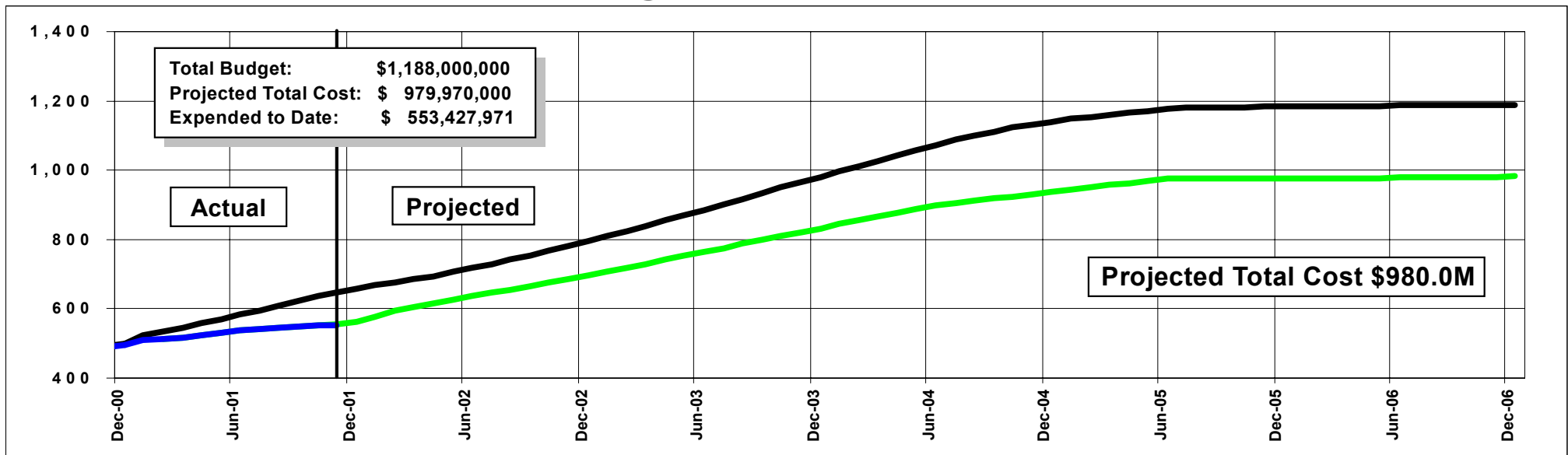
Attachment 2 – Budget Comparison and Schedule Summary/Remaining Budget

BLA #1292

Financial Summary



Program Cash Flow



Budget Comparison and Schedule Summary

	BUDGET (NOV-01) ⁽¹⁾	FORECAST (NOV-01)	ACTUALS THRU (NOV-01) ⁽²⁾	PROGRESS		COMPLETION DATE		COMMENTS
				PLANNED % COMPLETE	ACTUAL % COMPLETE (NOV-01) ⁽⁴⁾	CONTRACT (5)	FORECAST (NOV-01)	
Construction Reaches								
Arrowhead West Tunnel	\$ 62,243,000	\$ 56,217,000	\$ 56,157,000	100%	90%	Completed	Nov-00	Mining Deleted From Contract
Arrowhead East Tunnel	\$ 141,703,000	\$ 134,496,000	\$ 130,558,000	84%	92%	Jan-03	Nov-01	Mining halted after 8,000 ft
Arrowhead Tunnels	\$ 287,549,000	\$ 306,591,000	\$ 3,904,000	1%	1%	-----	T.B.D.	Out for bid
Highland Pipeline ⁽³⁾	\$ 51,686,000	\$ 53,311,000	\$ 8,287,000	15%	16%	-----	Nov-01	In Design.
Mentone Pipeline	\$ 40,571,000	\$ 39,499,000	\$ 38,880,000	63%	96%	Mar-02	Oct-01	Under construction.
Riverside Badlands Tunnel	\$ 148,473,000	\$ 144,141,000	\$ 115,409,000	75%	78%	Aug-03	Nov-02	Under construction.
Riverside North Pipeline	\$ 58,134,000	\$ 56,315,000	\$ 55,309,000	100%	95%	Completed	Nov-99	Completed Nov. 99
Riverside South Pipeline	\$ 42,508,000	\$ 42,496,000	\$ 42,418,000	100%	100%	Completed	Aug-99	Completed Aug. 99
Construction Support								
Right-of-Way and Land	\$ 54,448,000	\$ 54,747,000	\$ 44,813,000	-----	82%	-----	-----	-----
Environmental Planning/Mitigation	\$ 18,598,000	\$ 18,598,000	\$ 11,683,000	-----	63%	-----	-----	-----
Owner Controlled Insurance Prog.	\$ 32,889,000	\$ 27,578,000	\$ 17,580,000	-----	53%	-----	-----	-----
Study/Initial Planning	\$ 8,024,000	\$ 8,024,000	\$ 8,024,000	-----	100%	-----	-----	-----
Program Management	\$ 33,086,000	\$ 31,650,000	\$ 20,405,000	-----	62%	-----	-----	-----
Projected Total Cost	\$ 979,912,000	\$ 973,663,000	\$ 553,427,000					
Remaining Budget	\$ 206,548,000	\$ 212,798,000						
Total Approved Budget	\$ 1,186,460,000	\$ 1,186,461,000						

- (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

