

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

June 11, 2002 Board Meeting

10-1

Subject

Status report for the Inland Feeder Program for activities through April 2002 [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

A notice-to-proceed for pre-construction submittals was issued to J.F. Shea Construction Inc. and Kenny Construction Company, A Joint Venture, in late April. The pre-construction submittal process is expected to be completed in 90 days. If the submittals are approved, a construction notice-to-proceed will be given.

Arrowhead West Tunnel – Reach 1

Metropolitan has received the contractor's submittal of claimed costs regarding delay and deletion of mining. Staff has begun negotiations with the contractor. The Board will be updated as information becomes available.

Arrowhead East Tunnel – City Creek Heading – Reach 2

The contractor is nearly finished with all work and is scheduled to demobilize in early May. Metropolitan has received the contractor's submittal of claimed costs regarding delay and deletion of mining. Staff has begun negotiations with the contractor. The Board will be updated as information becomes available.

Highland Pipeline – Reach 3

A \$46.9 million contract was awarded to low bidder L. H. Woods & Sons, Inc., for construction of the Highland Pipeline. A notice-to-proceed is scheduled to be issued in early May. The contractor will begin mobilizing after receipt of notice-to-proceed.

Riverside Badlands Tunnel – Reaches 5 & 6

Grouting activities to fill the void between the primary concrete segmented liner and the steel pipe is approximately 68 percent complete. Mortar lining of the pipe is approximately 18 percent complete and will continue through October 2002. All work is expected to be completed in late 2002.

Budget and Schedule

The projected total cost for the Inland Feeder Program is \$985.3 million. Claims associated with the deletion of work for the original Arrowhead East and West Tunnel contracts are pending and excluded from the estimated total project cost. Claims pending for the Arrowhead East and Arrowhead West Tunnels are \$5.3 and \$15.8 million, respectively.

Total expenditures through April 2002 are \$571.1 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 \$1.186 billion. The projected completion date for the program remains at early 2007.

Recent Developments

A notice-to-proceed was issued to L. H. Woods & Sons, Inc., in mid-May and mobilization activities were initiated. The contractor has completed all work at the Arrowhead East City Creek Portal and has demobilized.


Policy

Board Request

Fiscal Impact

Refer to [Attachment 1](#) and [Attachment 2](#).

 Roy L. Wolfe Manager, Corporate Resources	<hr/> 5/10/2002 Date
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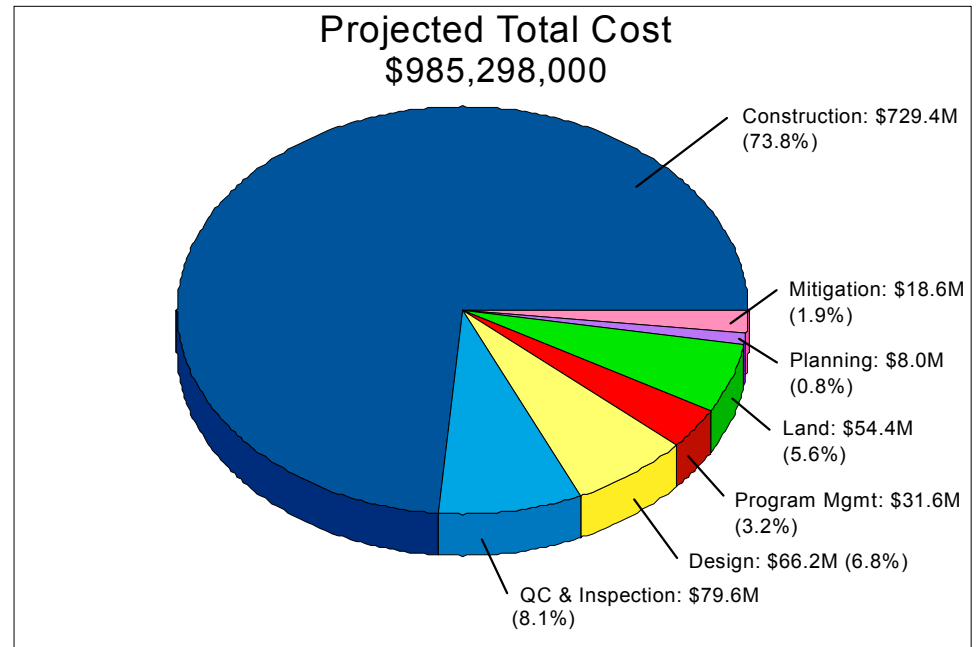
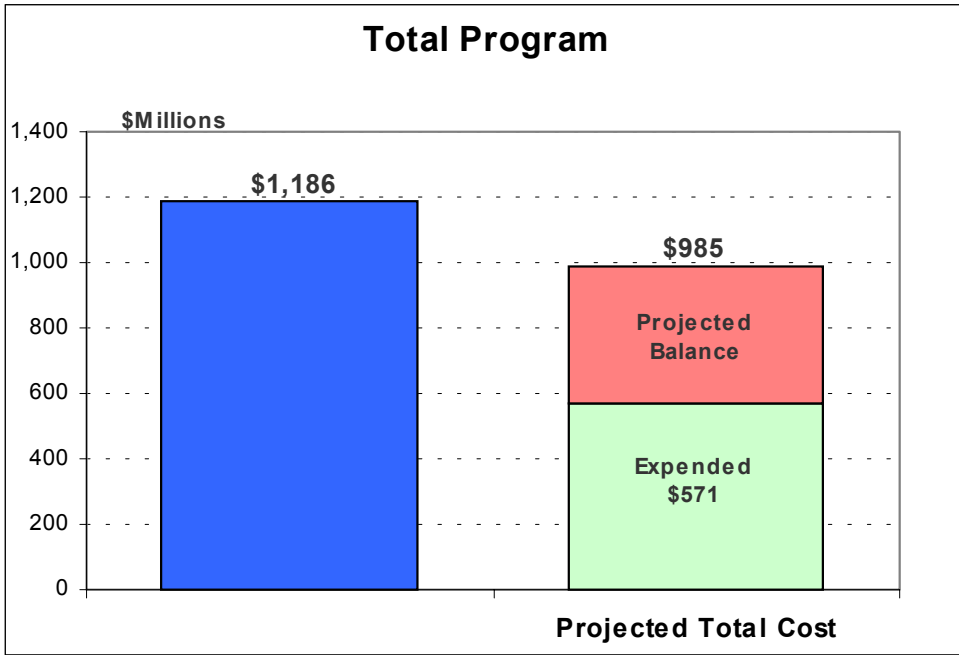
 Ronald R. Gastelum Chief Executive Officer	<hr/> 5/20/2002 Date
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[Attachment 1 – Financial Summary/Program Cash Flow](#)

[Attachment 2 – Budget Comparison and Schedule Summary/Remaining Budget](#)

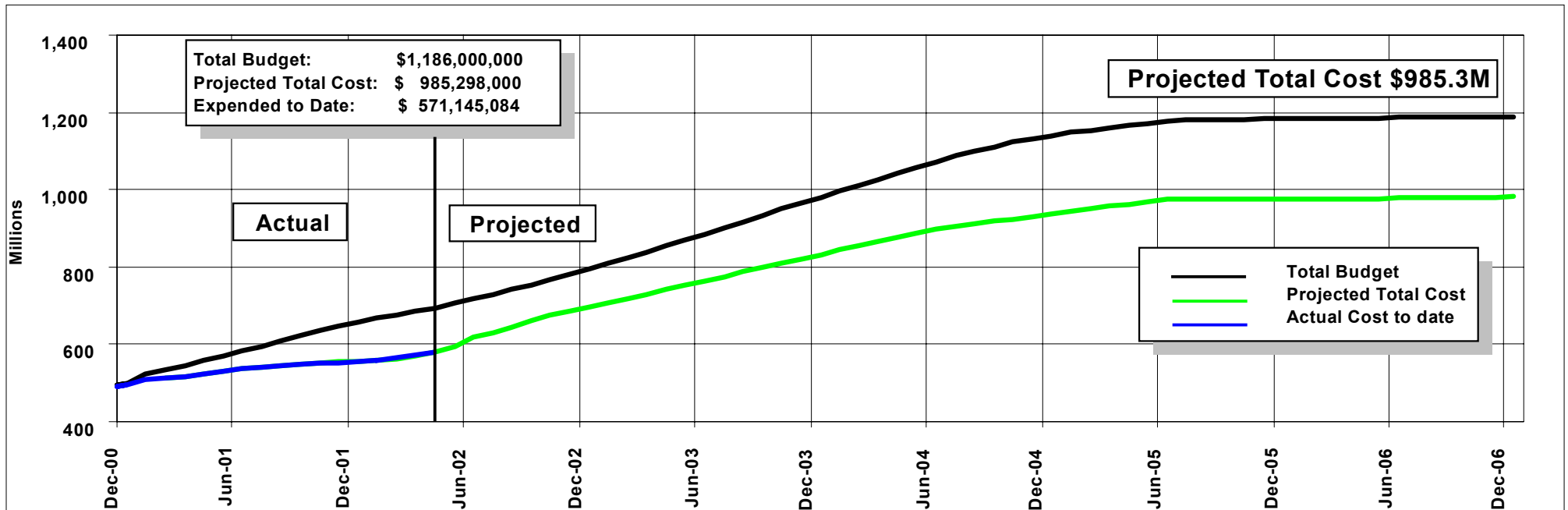
BLA #1444

Financial Summary



1. Based on knowledge of current field conditions.

Program Cash Flow



Budget Comparison and Schedule Summary

	BUDGET (APR-02) ⁽¹⁾	FORECAST (APR-02)	ACTUALS THRU (APR-02) ⁽²⁾	PROGRESS		COMPLETION DATE		COMMENTS
				PLANNED % COMPLETE	ACTUAL % COMPLETE (APR-02) ⁽⁴⁾	CONTRACT (5)	FORECAST (APR-02)	
Construction Reaches								
Arrowhead West Tunnel	\$ 62,243,000	\$ 56,334,000	\$ 56,334,000	100%	100%	Completed	Completed	Mining Deleted From Contract
Arrowhead East Tunnel	\$ 141,703,000	\$ 134,522,000	\$ 132,943,000	100%	99%	-----	May-02	Mining halted after 8,000 ft
Arrowhead Tunnels	\$ 287,549,000	\$ 306,657,000	\$ 4,738,000	2%	2%	-----	T.B.D.	N.T.P. given for Pre-Construction Submittal
Highland Pipeline ⁽³⁾	\$ 59,586,000	\$ 61,504,000	\$ 8,920,000	15%	15%	-----	T.B.D.	Contract awarded - N.T.P. due in early May
Mentone Pipeline	\$ 40,571,000	\$ 39,120,000	\$ 38,978,000	100%	96%	Completed	Completed	Completed Oct. 01
Riverside Badlands Tunnel	\$ 148,473,000	\$ 144,324,000	\$ 124,197,000	87%	88%	Aug-03	Nov-02	Under construction.
Riverside North Pipeline	\$ 55,710,000	\$ 55,711,000	\$ 55,711,000	100%	100%	Completed	Completed	Completed Nov. 99
Riverside South Pipeline	\$ 42,418,000	\$ 42,418,000	\$ 42,418,000	100%	100%	Completed	Completed	Completed Aug. 99
Construction Support								
Right-of-Way and Land	\$ 54,448,000	\$ 54,959,000	\$ 47,113,000	-----	87%	-----	-----	-----
Environmental Planning/Mitigation	\$ 18,598,000	\$ 18,598,000	\$ 12,203,000	-----	66%	-----	-----	-----
Owner Controlled Insurance Prog.	\$ 32,889,000	\$ 27,578,000	\$ 18,234,000	-----	55%	-----	-----	-----
Study/Initial Planning	\$ 8,024,000	\$ 8,024,000	\$ 8,024,000	-----	100%	-----	-----	-----
Program Management	\$ 33,086,000	\$ 31,650,000	\$ 21,332,000	-----	64%	-----	-----	-----
Projected Total Cost	\$ 985,298,000	\$ 981,399,000	\$ 571,145,000					
Remaining Budget	\$ 201,162,000	\$ 205,061,000						
Total Approved Budget	\$ 1,186,460,000	\$ 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 complete
- (4) Based on work completed for construction reaches and \$ expended for construction support
- (5) Based on original contract duration and approved extensions

Remaining Budget

1. Project budget minus projected total cost.

