

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

July 9, 2002 Board Meeting

10-1

Subject

Status report for the Inland Feeder Program for activities through May 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

The contractor is forwarding pre-construction submittals to Metropolitan for review and approval. This process is expected to be complete at the end of July. Upon approval of the submittals a notice-to-proceed with construction will be issued.

Arrowhead East & West Tunnels – Reaches 1&2

The contractor completed all work at City Creek and has demobilized. 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 notice-to-proceed was issued to L. H. Woods & Sons, Inc., in early May. The contractor has begun mobilization activities.

Riverside Badlands Tunnel – Reaches 5 & 6

Grouting activities to fill the void between the primary concrete segmented liner and the steel pipe is approximately 84 percent complete. Mortar lining of the pipe is approximately 27 percent complete and will continue through October 2002. All work is expected to be complete 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.

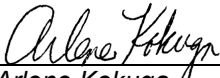
Total expenditures through May 2002 are \$576.4 million (see [Attachment 1](#) for a financial summary/program cash flow and [Attachment 2](#) for a budget comparison and schedule summary/remaining budget). The board-approved budget remains unchanged at \$1.186 billion. The projected completion date for the program remains at early 2007.

Policy

Board Request


Fiscal Impact

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



Arlene Kokuga
for Roy L. Wolfe
Manager, Corporate Resources

6/19/2002
Date



Ronald R. Gastelum
Chief Executive Officer

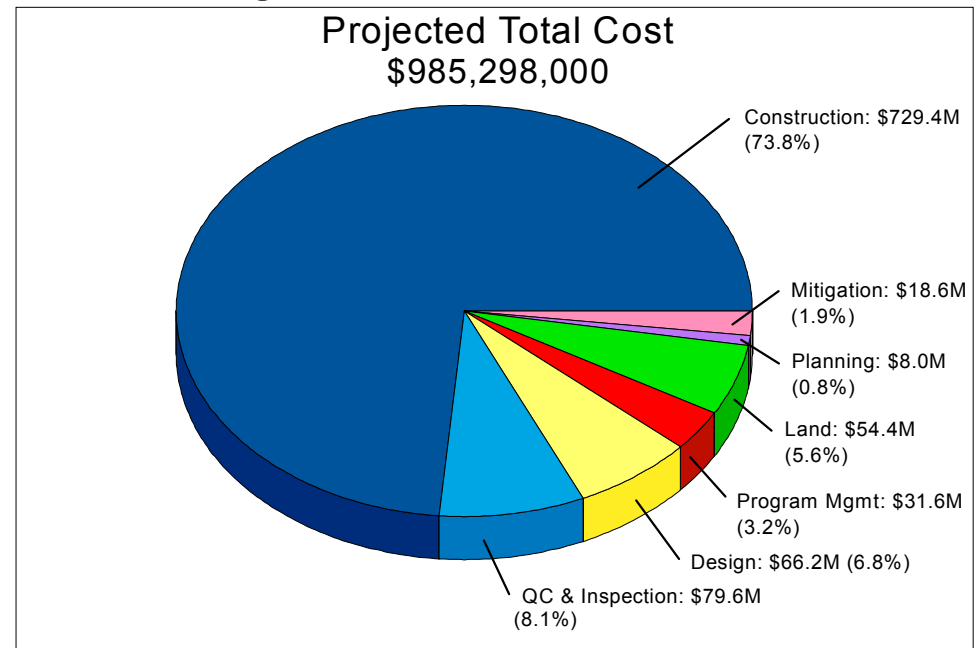
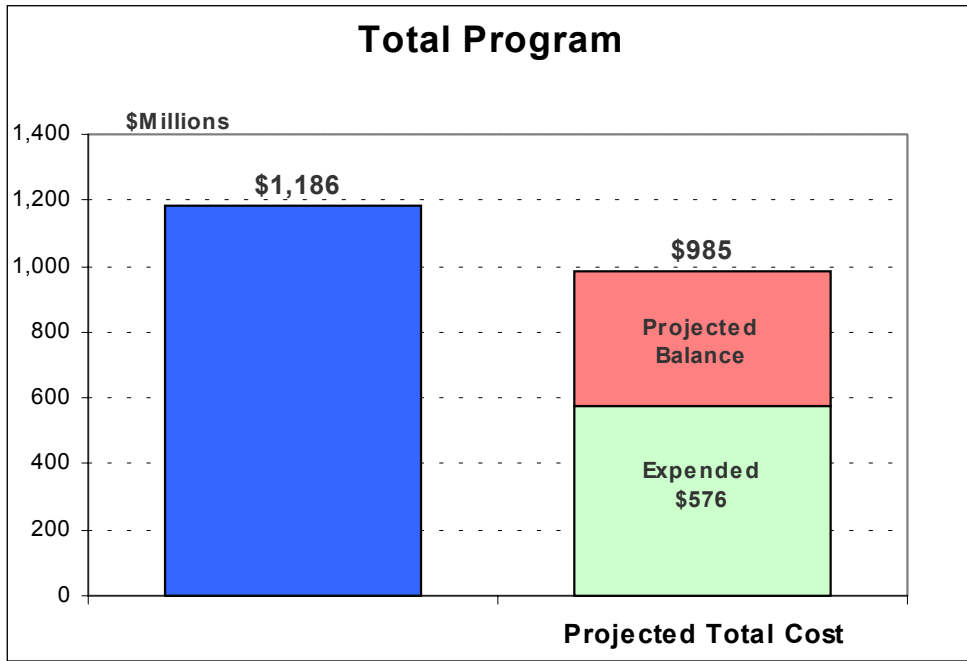
6/19/2002
Date

Attachment 1 – Financial Summary/Program Cash Flow

Attachment 2 – Budget Comparison and Schedule Summary/Remaining Budget

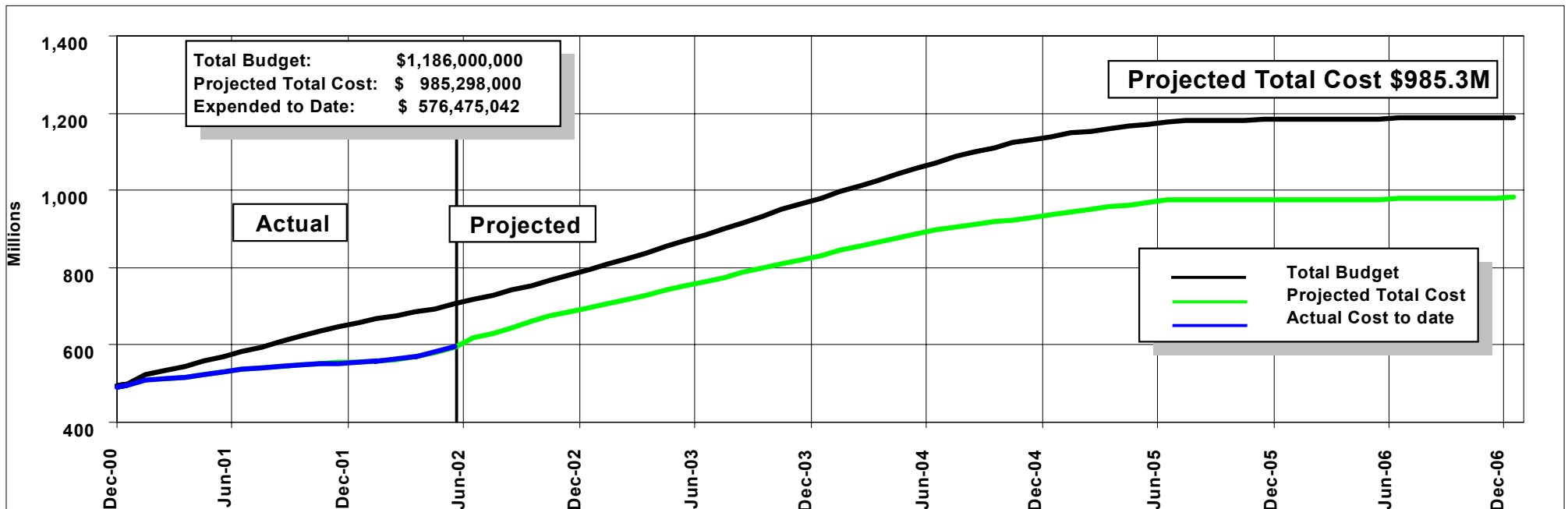
BLA #1445

Financial Summary



1. Based on knowledge of current field conditions.

Program Cash Flow



Budget Comparison and Schedule Summary

	BUDGET (MAY-02) ⁽¹⁾	FORECAST (MAY-02)	ACTUALS THRU (MAY-02) ⁽²⁾	PROGRESS		COMPLETION DATE		COMMENTS
				PLANNED % COMPLETE	ACTUAL % COMPLETE (MAY-02) ⁽⁴⁾	CONTRACT (5)	FORECAST (MAY-02)	
Construction Reaches								
Arrowhead West Tunnel	\$ 62,243,000	\$ 56,343,000	\$ 56,343,000	100%	91%	Completed	Completed	Mining Deleted From Contract
Arrowhead East Tunnel	\$ 141,703,000	\$ 134,529,000	\$ 133,124,000	100%	100%	-----	Completed	Mining halted after 8,000 ft
Arrowhead Tunnels	\$ 287,549,000	\$ 306,675,000	\$ 4,863,000	2%	2%	-----	T.B.D.	In Pre-Construction Submittal phase
Highland Pipeline ⁽³⁾	\$ 59,586,000	\$ 61,542,000	\$ 9,001,000	15%	15%	-----	T.B.D.	N.T.P. issued in May - Contractor Mobilizing
Mentone Pipeline	\$ 40,571,000	\$ 39,119,000	\$ 38,978,000	100%	96%	Completed	Completed	Completed Oct. 01
Riverside Badlands Tunnel	\$ 148,473,000	\$ 144,309,000	\$ 128,949,000	92%	91%	Aug-03	Nov-02	Under construction.
Riverside North Pipeline	\$ 55,710,000	\$ 55,712,000	\$ 55,712,000	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	\$ 47,181,000	-----	87%	-----	-----	-----
Environmental Planning/Mitigation	\$ 18,598,000	\$ 18,598,000	\$ 12,207,000	-----	66%	-----	-----	-----
Owner Controlled Insurance Prog.	\$ 32,889,000	\$ 27,578,000	\$ 18,120,000	-----	55%	-----	-----	-----
Study/Initial Planning	\$ 8,024,000	\$ 8,024,000	\$ 8,024,000	-----	100%	-----	-----	-----
Program Management	\$ 33,086,000	\$ 31,650,000	\$ 21,555,000	-----	65%	-----	-----	-----
Projected Total Cost	\$ 985,298,000	\$ 981,456,000	\$ 576,475,000					
Remaining Budget	\$ 201,162,000	\$ 205,004,000						
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.

