

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

September 10, 2002 Board Meeting

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**10-1**

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**Subject**

Status report for the Inland Feeder Program for activities through July 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)]

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**Description**

**Arrowhead Tunnels (new contract)**

Metropolitan has reviewed and approved the contractor's pre-construction submittals. A notice-to-proceed for construction will be issued August 1, 2002.

**Arrowhead East & West Tunnels – Reaches 1 & 2 (completed contract)**

Metropolitan has received the contractor's submittal of claimed costs regarding delay and deletion of mining. Staff is seeking verification of the contractor's claim.

**Highland Pipeline – Reach 3**

The contractor has completed mobilization. Excavation is under way for the pipeline connection between the Inland Feeder to San Bernardino Valley Municipal Water District's (SBVMWD) Foothill Pipeline. This connection is scheduled for completion in December 2002 and will allow Metropolitan to receive delivery of State project water. In early 2003, water will flow south from the SBVMWD connection through the Inland Feeder and the Eastside Pipeline (constructed as part of the Diamond Valley Lake Project) into Diamond Valley Lake. Clearing and grubbing is being performed along the alignment.

**Riverside Badlands Tunnel – Reaches 5 & 6**

Mortar lining of the pipe is approximately 50 percent complete and will continue through October 2002. Construction continues on the tunnel access structures at Opal Avenue and Gilman Springs. All work is expected to be complete in late 2002.

**Budget and Schedule**

The projected total cost for the Inland Feeder Program is \$980.9 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 July 2002 are \$581 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.

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**Policy**


Board request

**Fiscal Impact**

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

 Roy L. Wolfe Manager, Corporate Resources	8/6/2002 Date
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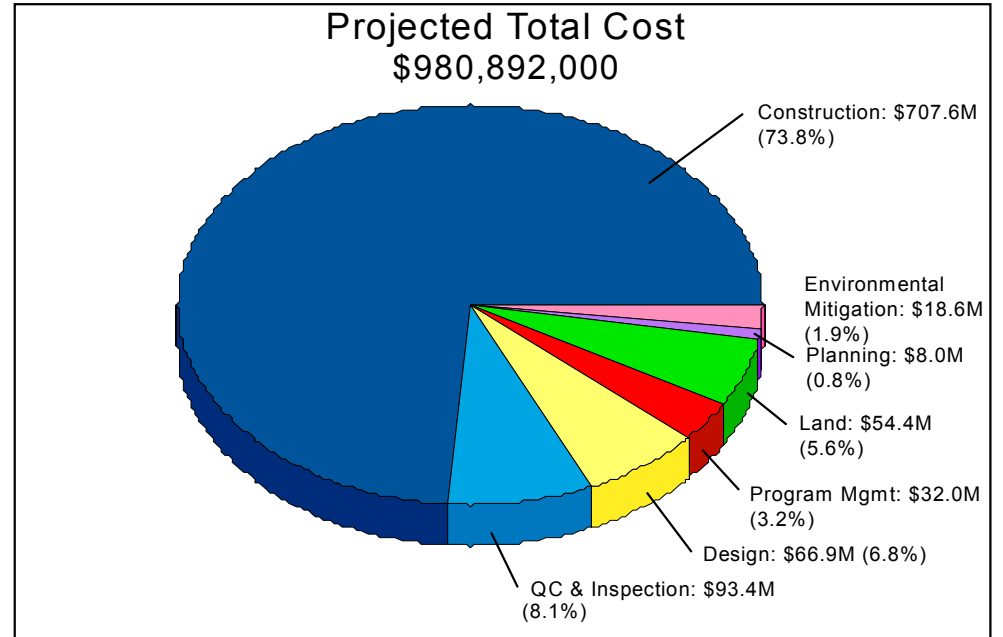
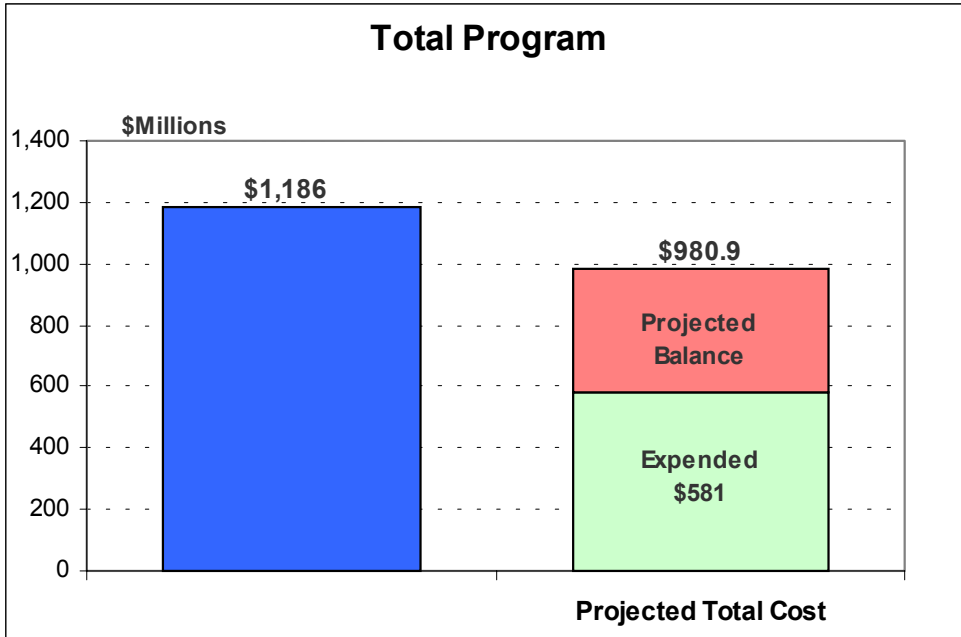
 Ronald R. Gastelum Chief Executive Officer	8/17/2002 Date
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**Attachment 1 – Financial Summary/Program Cash Flow**

**Attachment 2 – Budget Comparison and Schedule Summary/Remaining Budget**

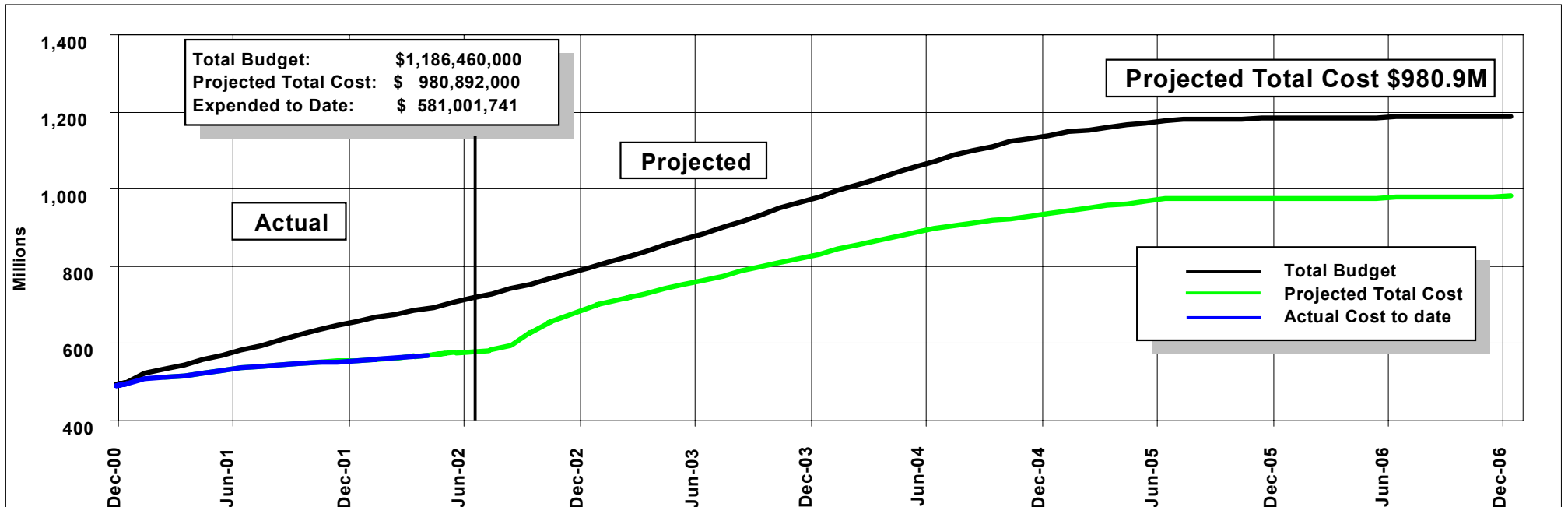
BLA #1489

# Financial Summary



1. Based on knowledge of current field conditions.

# Program Cash Flow



### Budget Comparison and Schedule Summary

	BUDGET (JUL-02) <sup>(1)</sup>	FORECAST (JUL-02)	ACTUALS THRU (JUL-02) <sup>(2)</sup>	PROGRESS		COMPLETION DATE		COMMENTS
				PLANNED % COMPLETE	ACTUAL % COMPLETE (JUL-02) <sup>(3)</sup>	CONTRACT (4)	FORECAST (JUL-02)	
<b>Construction Reaches</b>								
Arrowhead West Tunnel	\$ 56,355,000	\$ 56,355,000	\$ 56,345,000	100%	100%	Completed	Completed	Mining Deleted From Contract
Arrowhead East Tunnel	\$ 134,559,000	\$ 134,559,000	\$ 133,449,000	100%	100%	Completed	Completed	Mining halted after 8,000 ft
Arrowhead Tunnels	\$ 307,209,000	\$ 288,393,000	\$ 5,635,000	2%	2%	Jan-07	Jan-07	In Pre-Constr. Submittal phase
Highland Pipeline	\$ 62,061,000	\$ 60,718,000	\$ 10,326,000	17%	17%	Sep-04	Sep-04	Under construction.
Mentone Pipeline	\$ 39,034,000	\$ 39,034,000	\$ 38,980,000	100%	100%	Completed	Completed	Completed Oct. 01
Riverside Badlands Tunnel	\$ 148,473,000	\$ 144,696,000	\$ 130,361,000	94%	94%	Aug-03	Nov-02	Under construction.
Riverside North Pipeline	\$ 55,713,000	\$ 55,713,000	\$ 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
<b>Construction Support</b>								
Right-of-Way and Land	\$ 54,448,000	\$ 54,448,000	\$ 47,258,000	-----	87%	-----	-----	-----
Environmental Planning/Mitigation	\$ 18,598,000	\$ 18,598,000	\$ 12,362,000	-----	66%	-----	-----	-----
Owner Controlled Insurance Prog.	\$ 22,000,000	\$ 22,000,000	\$ 18,122,000	-----	82%	-----	-----	-----
Study/Initial Planning	\$ 8,024,000	\$ 8,024,000	\$ 8,024,000	-----	100%	-----	-----	-----
Program Management	\$ 32,000,000	\$ 32,000,000	\$ 22,010,000	-----	69%	-----	-----	-----
<b>Projected Total Cost</b>	<b>\$ 980,892,000</b>	<b>\$ 956,956,000</b>	<b>\$ 581,002,000</b>					
<b>Remaining Budget</b>	<b>\$ 205,568,000</b>	<b>\$ 229,504,000</b>						
<b>Total Approved Budget</b>	<b>\$ 1,186,460,000</b>	<b>\$ 1,186,460,000</b>						

- (1) Does not include potential costs for pending claims on Arrowhead West & East Tunnels
- (2) Actuals for construction reaches include design costs
- (3) Based on work completed for construction reaches and \$ expended for construction support
- (4) Based on original contract duration and approved extensions

### Remaining Budget

1. Project budget minus projected total cost.

