

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

October 8, 2002 Board Meeting

10-1

Subject

Status report for the Inland Feeder Program for activities through August 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 (new contract)

Metropolitan has reviewed and approved the contractor's pre-construction submittals. A notice-to-proceed for construction was issued on 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. Clearing and grubbing is being performed along the alignment. Excavation is underway 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.

Riverside Badlands Tunnel – Reaches 5 & 6

Mortar lining of the pipe is approximately 70 percent complete and will continue through October 2002. Construction continues on the tunnel access structure at Opal Avenue. The tunnel access structure at Gilman Springs is complete. All work is expected to be complete in late 2002.

Budget and Schedule

The projected total cost for the Inland Feeder Program is \$981.5 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 August 2002 are \$589.9 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](#).



Roy L. Wolfe
Manager, Corporate Resources

9/6/2002

Date



Ronald R. Gastelum
Chief Executive Officer

9/20/2002

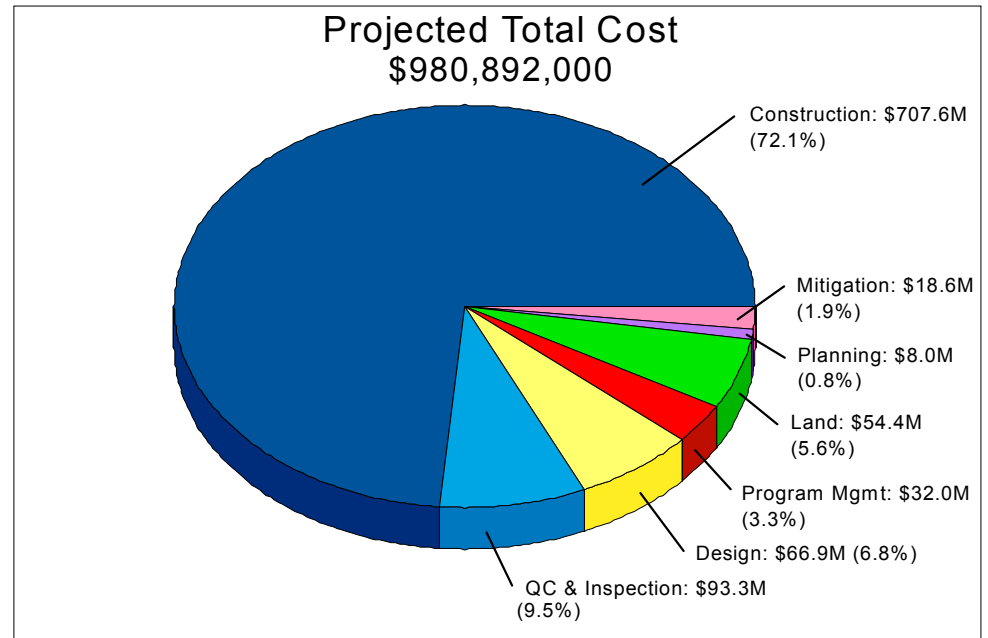
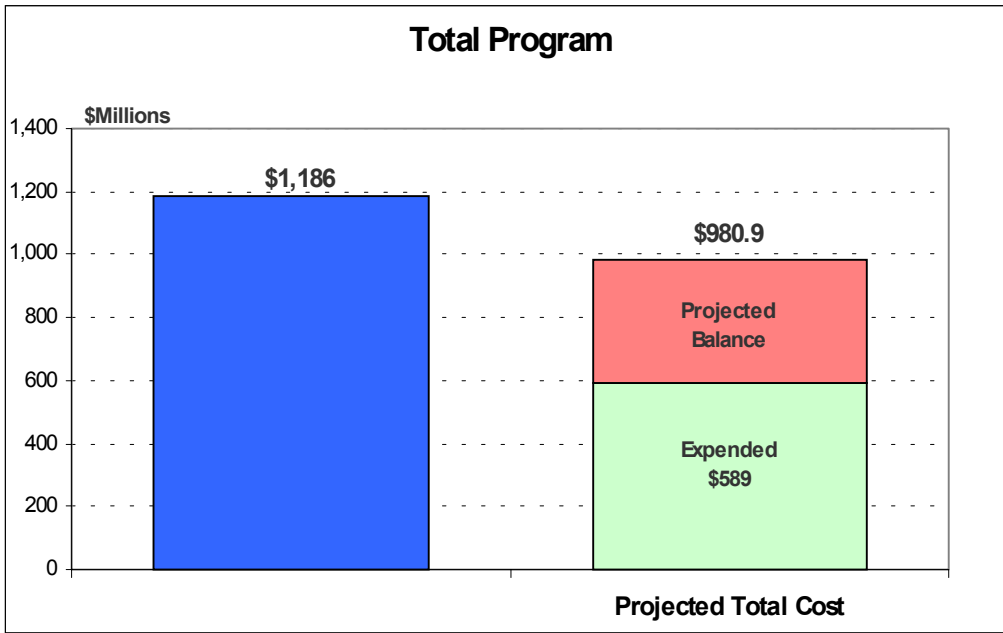
Date

Attachment 1 – Financial Summary/Program Cash Flow

Attachment 2 – Budget Comparison and Schedule Summary/Remaining Budget

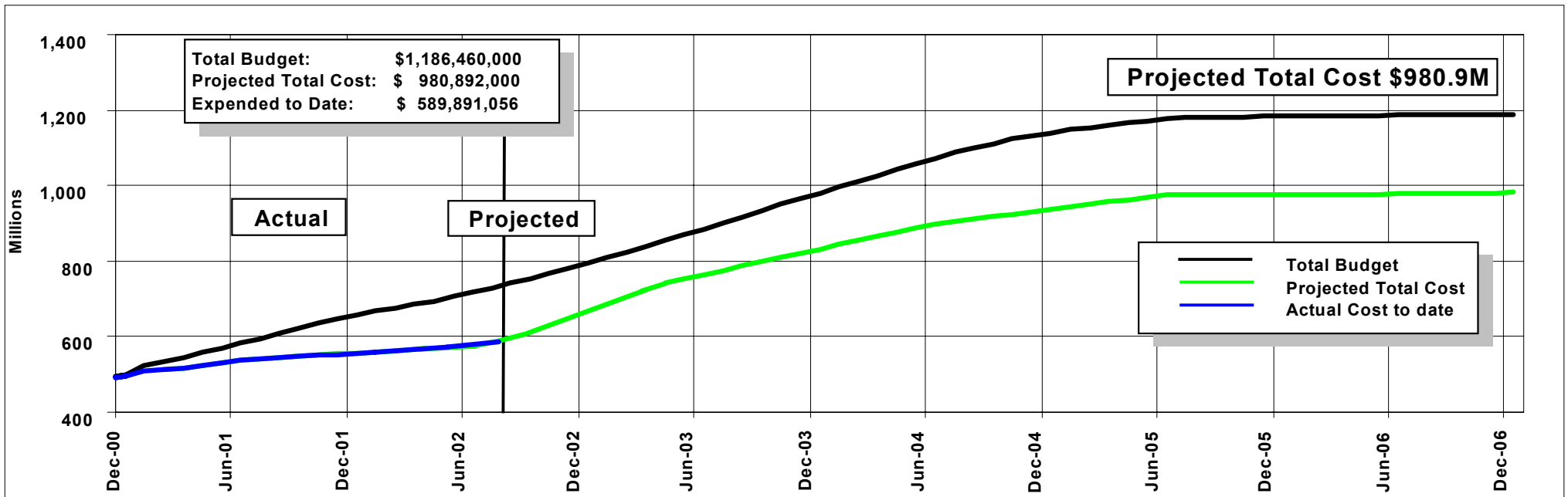
BLA #1753

Financial Summary



1. Based on knowledge of current field conditions.

Program Cash Flow



Budget Comparison and Schedule Summary

	BUDGET (AUG-02) ⁽¹⁾	FORECAST (AUG-02)	ACTUALS THRU (AUG-02) ⁽²⁾	PROGRESS		COMPLETION DATE		COMMENTS
				PLANNED % COMPLETE	ACTUAL % COMPLETE (AUG-02) ⁽⁴⁾	CONTRACT (5)	FORECAST (AUG-02)	
Construction Reaches								
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	\$ 133,464,000	100%	100%	- - - -	Completed	Mining halted after 8,000 ft
Arrowhead Tunnels	\$ 307,209,000	\$ 287,394,000	\$ 9,288,000	2%	3%	- - - -	T.B.D.	In Pre-Construction Submittal phase
Highland Pipeline ⁽³⁾	\$ 61,856,000	\$ 59,513,000	\$ 10,917,000	15%	18%	Sep-04	Sep-04	Under construction.
Mentone Pipeline	\$ 39,239,000	\$ 39,239,000	\$ 38,980,000	100%	100%	Completed	Completed	Completed Oct. 01
Riverside Badlands Tunnel	\$ 148,473,000	\$ 144,695,000	\$ 134,396,000	92%	92%	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
Construction Support								
Right-of-Way and Land	\$ 54,448,000	\$ 54,448,000	\$ 47,364,000	- - - -	87%	- - - -	- - - -	- - - -
Environmental Planning/Mitigation	\$ 18,598,000	\$ 18,598,000	\$ 12,429,000	- - - -	67%	- - - -	- - - -	- - - -
Owner Controlled Insurance Prog.	\$ 22,000,000	\$ 22,000,000	\$ 18,417,000	- - - -	84%	- - - -	- - - -	- - - -
Study/Initial Planning	\$ 8,024,000	\$ 8,024,000	\$ 8,024,000	- - - -	100%	- - - -	- - - -	- - - -
Program Management	\$ 32,000,000	\$ 32,000,000	\$ 22,137,000	- - - -	69%	- - - -	- - - -	- - - -
Projected Total Cost	\$ 980,892,000	\$ 954,956,000	\$ 589,891,000					
Remaining Budget	\$ 205,568,000	\$ 231,504,000						
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.

