

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

November 19, 2002 Board Meeting

---

10-1

---

**Subject**

---

Status report for the Inland Feeder Program for activities through September 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 continues to review contractor construction submittals. The contractor has begun to mobilize equipment required to construct a bridge across Strawberry Creek to the Arrowhead East Tunnel portal site. 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**

Clearing and grubbing has been completed along the alignment. Pre-excavation is underway along Abbey Way. Excavation for the crossing at 5<sup>th</sup> and Boulder has begun. The contractor has installed and is welding the 79-inch pipe between the Inland Feeder and 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 into Diamond Valley Lake.

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

Mortar lining of the pipe inside the tunnel is approximately 95 percent complete and will be fully installed by mid-October 2002. Electrical and mechanical work continues on the tunnel access structures at Gilman Springs and Opal Avenue. All work for this reach is expected to be complete in late 2002.

**Budget and Schedule**

In Board Letter 8-4 for November, it is requested that the CEO be authorized to enter into an agreement in an amount not to exceed \$600,000 with the National Fish and Wildlife Foundation for additional acquisition of land to offset impacts to endangered species along the Highland Pipeline. The cost of this land purchase is not included within the previous projected total cost of \$981.5 million. However, sufficient funds are available in the program budget to fund the purchase. The revised projected total cost is \$982.1 million.

Claims associated with the deletion of work for the original Arrowhead East and West Tunnel contracts are pending and have been excluded from the projected total project cost. Claims pending for the Arrowhead East and Arrowhead West Tunnels are \$5.3 and \$15.8 million, respectively.

Total expenditures through September 2002 are \$593.9 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

10/25/2002  
Date

  
\_\_\_\_\_  
Ronald R. Gastelum  
Chief Executive Officer

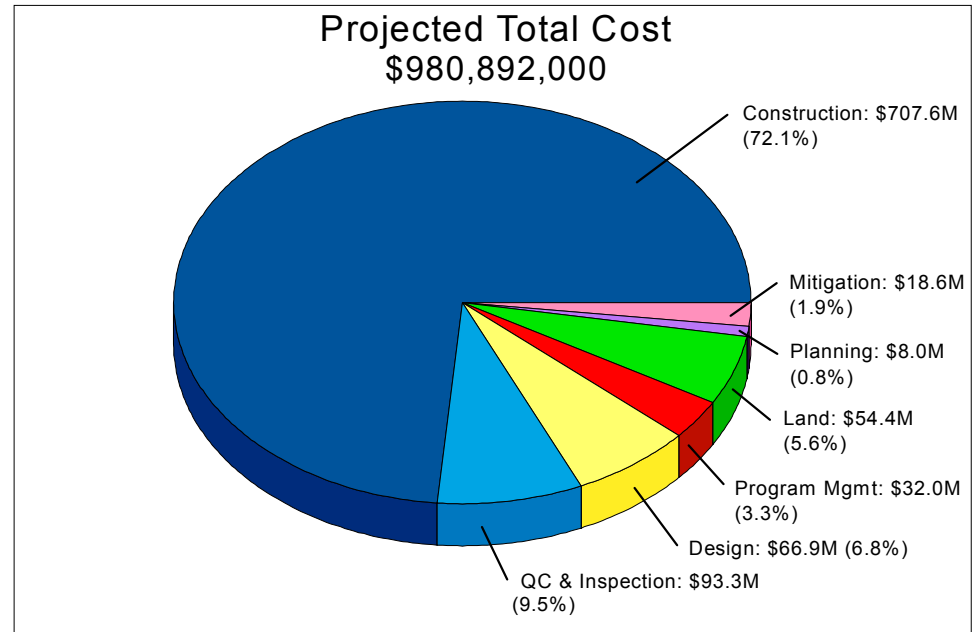
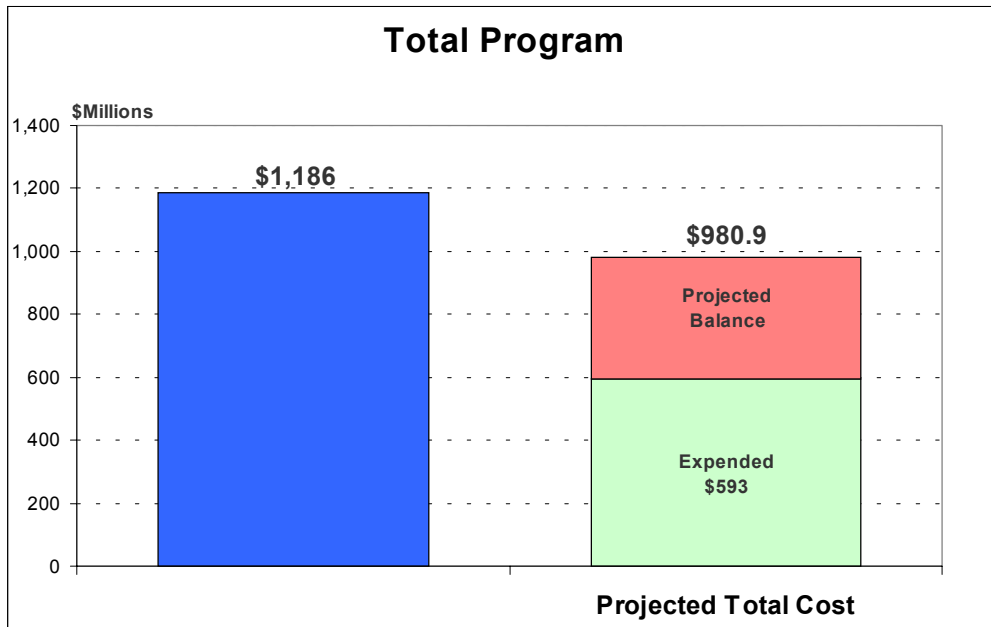
10/28/2002  
Date

**[Attachment 1 – Financial Summary/Program Cash Flow](#)**

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

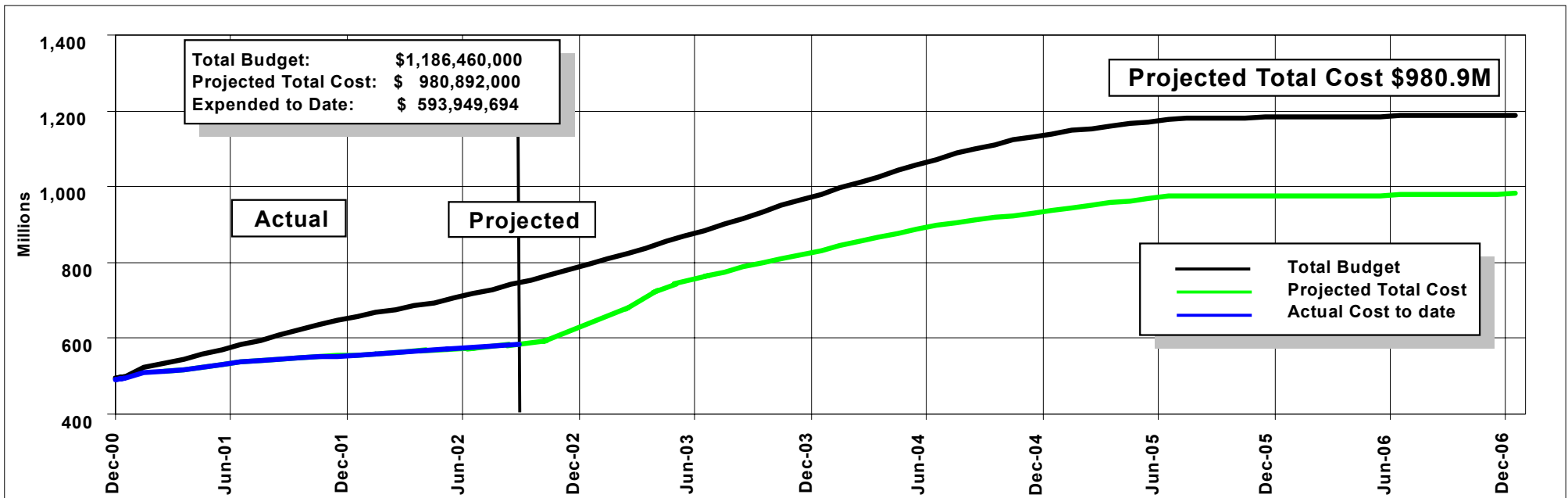
BLA #1930

# Financial Summary



1. Based on knowledge of current field conditions.

# Program Cash Flow



### Budget Comparison and Schedule Summary

	BUDGET (SEP-02)	FORECAST (SEP-02)	ACTUALS THRU (SEP-02) <sup>(1)</sup>	PROGRESS		COMPLETION DATE		COMMENTS
				PLANNED % COMPLETE	ACTUAL % COMPLETE (SEP-02) <sup>(2)</sup>	CONTRACT (3)	FORECAST (SEP-02)	
<b>Construction Reaches</b>								
Arrowhead West Tunnel	\$ 56,355,000	\$ 56,355,000	\$ 56,346,000	100%	100%	Completed	Completed	Mining Deleted From Contract
Arrowhead East Tunnel	\$ 134,559,000	\$ 134,559,000	\$ 133,468,000	100%	99%	- - - -	Completed	Mining halted after 8,000 ft
Arrowhead Tunnels	\$ 307,209,000	\$ 287,394,000	\$ 9,453,000	3%	3%	Dec-06	Dec-06	Contractor Mobilizing
Highland Pipeline	\$ 61,856,000	\$ 59,512,000	\$ 12,323,000	15%	20%	Sep-04	Sep-04	Under construction.
Mentone Pipeline	\$ 39,239,000	\$ 39,239,000	\$ 38,981,000	100%	99%	Completed	Completed	Completed Oct. 01
Riverside Badlands Tunnel	\$ 148,473,000	\$ 144,699,000	\$ 136,731,000	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
<b>Construction Support</b>								
Right-of-Way and Land	\$ 54,448,000	\$ 54,448,000	\$ 47,243,000	- - - -	87%	- - - -	- - - -	- - - -
Environmental Planning/Mitigation	\$ 18,598,000	\$ 18,598,000	\$ 12,516,000	- - - -	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	\$ 22,317,000	- - - -	70%	- - - -	- - - -	- - - -
<b>Projected Total Cost</b>	<b>\$ 980,892,000</b>	<b>\$ 954,959,000</b>	<b>\$ 593,949,000</b>					
<b>Remaining Budget</b>	<b>\$ 205,568,000</b>	<b>\$ 231,501,000</b>						
<b>Total Approved Budget</b>	<b>\$ 1,186,460,000</b>	<b>\$ 1,186,460,000</b>						

(1) Actuals for construction reaches include design costs

(2) Based on work completed for construction reaches and \$ expended for construction support

(3) Based on original contract duration and approved extensions

### Remaining Budget

1. Project budget minus projected total cost.

