

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: March 12-13, 2008

Reference No.: 2.5c.(4)
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Rachel Falsetti
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Transportation Programming

Subject: **FINANCIAL ALLOCATION ADJUSTMENT FOR AWARD
RESOLUTION FA-07-08, AMENDING RESOLUTION FP-06-115**

RECOMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve the resolution below, adjusting the allocation amount for a Sutter/Yuba 70 corridor project near East Nicolaus (PPNO 0289P) from \$126,000,000 to \$82,360,000.

ISSUE:

Section 188.8 of the Streets and Highways Code allows the Commission to adjust an allocation amount for a capital outlay project in the State Transportation Improvement Program (STIP) if the construction contract award amount for the project is less than 80 percent of the engineer's final estimate. The result would be an adjustment to interregional and/or county shares. The legislation is permissive and it is understood that adjustments to allocations are at the discretion of the Commission.

The Department, Sutter County, and Yuba County are requesting a downward adjustment of \$43,640,000 for the Sutter/Yuba 70 corridor project (PPNO 0289P). Savings of \$3,766,000 for Sutter County and \$7,930,000 for Yuba County to be return to the respective County regional share. The Sacramento Area Council of Governments agrees to reprogram Sutter County's savings on Segment 2 of the Route 99 Widening Feather River Bridge project and Yuba County's savings on the Feather River Boulevard Interchange/70 project. Both projects are within the Route 70/99 corridor in close proximity to the project generating the savings and will have direct benefits to that project.

The remaining savings of \$31,944,000 is requested to be returned to the Interregional Improvement Program share. This savings will be used to program projects in the 2008 STIP.

BACKGROUND:

On June 7, 2007, the Commission approved Resolution FP-06-115 allocating \$126,000,000 for the Sutter/Yuba 70 corridor project programmed in the STIP. The project was awarded on December 6, 2007, for \$82,360,000, including supplemental work, state furnished materials, and contingencies.

The following table summarizes the project award information for PPNO 0289P:

Item	IIP Amount	RIP Amount	Total
Contractor's Bid Amount	\$74,595,452	\$1,252,467	\$75,847,919
Supplemental Work	\$1,685,697	\$28,303	\$1,714,000
State Furnished Materials	\$907,287	\$15,233	\$922,520
Contingencies	\$3,811,564	\$63,997	\$3,875,561
Total Project Award Allotment	\$81,000,000	\$1,360,000	\$82,360,000
CTC Allocation	\$112,944,000	\$13,056,000	\$126,000,000
Requested Adjustment	(\$31,944,000)	(\$11,696,000)	(\$43,640,000)

FINANCIAL RESOLUTION:

Resolved, pursuant to Section 188.8 of the Streets and Highways Code, that the amount allocated under Resolution FP-06-115 for Sutter/Yuba 70 corridor project near East Nicolaus (PPNO 0289P) be adjusted by \$43,640,000 (\$31,944,000 to Interregional share balance; \$3,766,000 to Sutter County share balance; \$7,930,000 to Yuba County share balance), from \$126,000,000 to \$82,360,000 in accordance with the attached revised vote box.

Attachment

2.5 Highway Financial Matters

Project # Allocation Amount Recipient RTPA/CTC Dist-Co-Rte Postmile	Location Project Description Project Funding	EA PPNO Program/Year PA&ED PS&E CON ENG CONST	Budget Year Item # Program Code	Allocation Amount State Federal Total Amount
2.5c.(4) Final Allocation Adjustment for STIP Projects (AB 608)				Resolution FA-07-08, Amending Resolution FP-06-115
1 \$126,000,000 \$82,360,000	Near East Nicolaus, from Route 99 to Bear River Bridge (Yuba County). Construct 4-lane expressway.	3864U1 03-0289P RIP / 07-08	2006-07 801-3008 20.20.075.600	\$13,056,000 \$1,360,000
Department of Transportation SACOG Sutter 03N-Sut-70 03N-Yub-70 0.2/8.3	Final Project Development Support Estimate: \$12,032,000 Programmed Amount: \$12,000,000 Adjustment: \$ 0 (<20%)	\$0 \$0 \$0 \$13,056,000 \$1,360,000	2006-07 801-3008 20.20.025.700	\$112,944,000 \$81,000,000
	Final Right-of-Way Right-of-Way Estimate: \$25,433,000 Programmed Amount: \$25,400,000 Adjustment: \$ 0 (<20%)	IIP / 07-08 \$0 \$0 \$13,000,000 \$112,944,000 \$81,000,000		\$126,000,000 \$82,360,000
	Project EA 38641 (PPNO 0289B) and project EA 38642 (PPNO 0289) are being combined into EA 3864U1 PPNO 0289P, per 2006 STIP augmentation.			
	Construction completion to be 66 months after award of the contract to accommodate the proposed expenditure plan.			
	<u>Adjust RIP allocation from \$13,056,000 to \$1,360,000 for CONST pursuant to AB 608.</u>			
	(\$13,056,000 \$1,360,000 RIP includes \$4,200,000 \$438,000 from Sutter County and \$8,856,000 \$922,000 from Yuba County.)			
	<u>Savings of \$3,766,000 for Sutter County and \$7,930,000 for Yuba County to be return to the respective county regional shares.</u>			
	<u>(Adjust IIP allocation from \$112,944,000 to \$81,000,000 for CONST pursuant to AB608. Savings of \$31,944,000 to be returned to Interregional shares.)</u>			