

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 29-30, 2008

Reference No.: 2.5g.(3b)
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **FINANCIAL ALLOCATION ADJUSTMENT FOR AWARD
RESOLUTION STIP1B-AA-0809-001, AMENDING RESOLUTION STIP1B-A-0708-008**

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve an adjustment to the allocation amount for the Route 99/Whitmore Avenue Interchange project (PPNO 9401) in Ceres, in Stanislaus County, from \$23,404,000 to \$18,055,000.

ISSUE:

On February 14, 2008, the Commission approved Resolution STIP1B-A-0708-008, allocating \$23,404,000 for the Route 99/Whitmore Avenue Interchange project programmed in the State Transportation Improvement Program (STIP) with Stanislaus County Regional Improvement Program (RIP) shares. The Route 99/Whitmore Avenue Interchange project was awarded on June 11, 2008, for \$18,100,000 (\$14,870,000 RIP, \$3,230,000 local), including supplemental work, state furnished materials, and contingencies.

As the design was nearing completion, \$6,974,000 of programming was added (\$3,230,000 City of Ceres funds and \$3,744,000 RIP funds) to address anticipated funding shortfalls. However, based upon the award amount, this additional programming is not necessary at this time. The Department and the City of Ceres are in the process of amending the cooperative agreement to increase the RIP share from \$14,870,000 to \$18,055,000, and decrease the local share from \$3,230,000 to \$45,000. The amended cooperative agreement will specify that if additional funds are needed to complete construction of this project, the first \$1,560,000 will be paid for with RIP funds, and the next \$6,974,000 will be paid for with 45.67 percent City of Ceres funds and 54.33 percent RIP funds.

BACKGROUND:

Section 188.8 of the Streets and Highways Code allows the Commission to adjust an allocation amount for a capital outlay project in the 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 Stanislaus Council of Government is requesting a downward adjustment of \$5,349,000 to Stanislaus County's share balance for the Route 99/Whitmore Avenue Interchange project (PPNO 9401).

The following table summarizes the project award information for PPNO 9401:

Item	RIP Amount	Total
Contractor's Bid Amount	\$16,443,000	\$16,443,000
Supplemental Work	\$255,000	\$255,000
State Furnished Materials	\$561,000	\$561,000
Contingencies	\$841,000	\$841,000
*Total Project Award Allotment	\$18,100,000	\$18,100,000
RIP Award Amount	\$18,055,000	\$18,055,000
Local Funds Award Amount	\$45,000	\$45,000
CTC Allocation	\$23,404,000	\$23,404,000
*Requested Adjustment	(\$5,349,000)	(\$5,349,000)

(*Total Project Award Allotment is rounded to the nearest thousands for projects of this size.)

FINANCIAL RESOLUTION:

Resolved, pursuant to Section 188.8 of the Streets and Highways Code, that the amount allocated on February 14, 2008, under Resolution STIP1B-A-0708-008 for the Route 99/Whitmore Avenue Interchange project (PPNO 9401) in the city of Ceres be adjusted by \$5,349,000, from \$23,404,000 to \$18,055,000, in accordance with the attached revised vote box.

Attachment

