

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 29-30, 2008

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

From: CINDY McKIM
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **FINANCIAL ALLOCATION ADJUSTMENTS FOR AWARD
RESOLUTION STIP1B-AA-0809-002, AMENDING RESOLUTION STIP1B-A-0708-011**

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve an adjustment to the allocation amount for the Route 99 Widening project (Segment 4, PPNO 8362A) near Yuba City in Sutter County from \$33,000,000 to \$25,900,000.

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 and Sutter County are requesting a downward adjustment of \$7,100,000 from \$33,000,000 to \$25,900,000, for the Route 99 Widening project (Segment 4) programmed in the STIP.

BACKGROUND:

On April 10, 2008, the Commission approved Resolution STIP1B-A-0708-011, allocating \$33,000,000 for the Route 99 Widening project to add four lanes and a median (Segment 4). The project is programmed with Interregional Improvement Program (IIP) shares for \$23,350,000 and Sutter County Regional Improvement Program (RIP) shares for \$9,650,000. The project was awarded on July 24, 2008, for \$25,900,000 (\$18,330,000 IIP and \$7,570,000 RIP) including supplemental work, state furnished materials, and contingencies.

The following table summarizes the project award information for PPNO 8362A:

Item	IIP Amount	RIP Amount	Total
Contractor's Bid Amount	\$16,401,703	\$6,778,430	\$23,180,133
Supplemental Work	\$817,250	\$337,750	\$1,155,000
State Furnished Materials	\$249,845	\$103,255	\$353,100
Contingencies	\$857,417	\$354,350	\$1,211,767
*Total Project Award Allotment	\$18,330,000	\$7,570,000	\$25,900,000
CTC Allocation	\$23,350,000	\$9,650,000	\$33,000,000
*Requested Adjustment	(\$5,020,000)	(\$2,080,000)	(\$7,100,000)

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

FINANCIAL RESOLUTION:

Resolved, pursuant to Section 188.8 of the Streets and Highways Code, that the amount allocated on April 10, 2008, under Resolution STIP1B-A-0708-011 for the Route 99 Widening project (Segment 4, PPNO 8362A) near Yuba City in Sutter County be adjusted by \$7,100,000, from \$33,000,000 to \$25,900,000 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 Dist-PPNO Program/Year PA&ED PS&E CON ENG CONST	Budget Year Item # Program Code	Allocation Amount State Federal Total Amount
2.5g.(3c) Proposition 1B – Final Allocation Adjustment for STIP Projects (AB 608)		Resolution STIP1B-AA-0809-002, Amending Resolution STIP1B-A-0708-011		
2 \$33,000,000 \$25,900,000	Near Yuba City, from Central Avenue to O'Bannion Road. Widen to 4 lanes with a median.	1A4611 03-8362A	2007-08 304-6058	\$9,650,000 \$7,570,000
Department of Transportation <u>SACOG</u> Sutter 03N-Sut-99 16.8/22.7	Final Project Development (RIP) Support Estimate: \$ 3,174,000 Programmed Amount: <u>\$ 2,215,000</u> Adjustment: \$ 959,000 (Debit RIP)	RIP / 07-08 \$0 \$0 \$3,159,000 \$9,650,000 \$7,570,000	20.20.075.600 2007-08 304-6058 20.20.025.700	\$23,350,000 \$18,330,000
	Final Project Development (IIP) Support Estimate: \$ 1,321,000 Programmed Amount: <u>\$ 922,000</u> Adjustment: \$ 399,000 (Debit IIP)	IIP / 07-08 \$0 \$0 \$2,841,000		\$33,000,000 \$25,900,000
	(Final Right of Way to be reported upon attainment of final Right of Way Certification 2 or 1. Target date for upgrade of Right of Way Certification is 12/01/08.)	\$23,350,000 \$18,330,000		
	(Reduce RIP CONST from \$10,376,000 to \$9,650,000, with a savings of \$726,000 RIP to return to Sutter County shares. Reduce IIP CONST from \$31,706,000 to \$23,350,000, with a savings of \$8,356,000 IIP to return to Interregional shares.			
	(Construction savings of \$2,080,000 to be credited to Sutter County regional share balance, and \$5,020,000 to be returned to interregional share balance.)			
	<u>Outcome/Outputs:</u> This project will add 5.8 miles of new lanes and improves travel time by 4.9 minutes.			