

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 7-8, 2010

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

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **FINANCIAL ALLOCATION ADJUSTMENTS FOR AWARD
RESOLUTION FA-09-15, AMENDING RESOLUTION FP-09-13**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve an adjustment to the allocation amount for the Johnstonville School Zone project (PPNO 3123) in Lassen County from \$1,900,000 to \$1,396,000.

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 Lassen County are requesting a downward adjustment of \$504,000 from \$1,900,000 to \$1,396,000, for the Johnstonville School Zone project programmed in the STIP.

BACKGROUND:

On October 13, 2009, the Commission approved Resolution FP-09-13, allocating \$1,900,000 to the Johnstonville School Zone project to install signs, flashing beacons and construct turn lanes. The project was programmed with Lassen County Regional Improvement Program (RIP) shares for \$1,900,000. The project was awarded on January 7, 2010, and based on the award amount, the current amount needed is \$1,396,000.

The following table summarizes the project award information for PPNO 3123:

| Item | RIP Amount | Total Amount |
|--------------------------------|-------------|--------------|
| Contractor's Bid Amount | \$1,179,007 | \$1,179,007 |
| Supplemental Work | \$143,500 | \$143,500 |
| State Furnished Materials | \$7,000 | \$7,000 |
| Contingencies | \$66,125 | \$66,125 |
| *Total Project Award Allowance | \$1,395,632 | \$1,395,632 |
| CTC Allocation | \$1,900,000 | \$1,900,000 |
| *Requested Adjustment | (\$504,000) | (\$504,000) |

(*Adjustment is rounded to the nearest thousand.)

FINANCIAL RESOLUTION:

Resolved, pursuant to Section 188.8 of the Streets and Highways Code, that the California Transportation Commission does hereby adjust the amount allocated on December 11, 2008, under Resolution FA-09-15 for the Johnstonville School Zone project (PPNO 3123) in Lassen County by \$504,000 from \$1,900,000 to \$1,396,000, in accordance with the attached revised vote box.

Attachment

2.5 Highway Financial Matters

| Project # Allocation Amount Recipient RTPA/CTC County Dist-Co-Rte Postmile | Location Project Description Project Support Expenditures | EA PPNO Program/Year PA&ED PS&E CONST ENG CONST | Budget Year Item # Fund Type | Amount Allocated by Fund Type |
|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------------------------------|
| 2.5c.(4) Financial Allocation Adjustment for STIP Projects Per AB 608 | | | | Resolution FA-09-15, Amending Resolution FP-09-13 |
| 1 \$1,900,000 \$1,396,000 | In Johnstonville, from just south of Route 36 to just north of Johnstonville Road on Route 395. Install signs, flashing beacons and construct turn lanes. | 390901 02-3123 RIP / 08-09 \$0 \$0 \$280,000 \$1,900,000 \$1,396,000 | 2009-10 801-3008 TIF | \$1,900,000 \$1,396,000 |
| Department of Transportation <u>Lassen LTC</u> Lassen 02N-Las-395 R61.1/ 61.5 | Final Project Development Support Estimate: \$536,000 Programmed Amount: <u>\$495,000</u> Difference: \$ 41,000 (<20%) Final Right of Way Right of Way Estimate: \$102,000 Programmed Amount: <u>\$106,000</u> Difference: \$ 4,000 (<20%) (Construction savings of \$210,000 to return to Lassen County regional share balance.) <u>Construction savings of \$504,000 to be credited to Lassen County regional share balance.</u> <u>Outcome/Output:</u> Improves traffic operations and safety by installing a solar flashing beacon, adding turn lanes and bike/pedestrian lanes. | | | |