

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: February 22-23, 2012

Reference No.: 2.1c.(5f)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

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Subject: **TRADE CORRIDORS IMPROVEMENT FUND - PROJECT BASELINE AMENDMENT
RESOLUTION TCIF-P-1112-22, AMENDING RESOLUTION TCIF-P-1011-07**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) amend the Trade Corridors Improvement Fund (TCIF) Project Baseline Agreement for TCIF Project 23, Gerald Desmond Bridge (PPNO 3037) in Los Angeles County.

ISSUE:

The Department and the Port of Long Beach (Port) propose to amend the Proposition 1B TCIF Project Baseline Agreement for TCIF Project 23, Gerald Desmond Bridge, to update the project delivery schedule and components.

BACKGROUND:

During TCIF program development, the Commission approved adding approximately \$500 million from the State Highway Account (SHA) to fund state-level priorities that are critical to goods movement, bringing the total funding available to \$2.5 billion. As part of the \$500 million, funding for the Gerald Desmond Bridge Project in the amount of \$250 million from the SHA was programmed in March 2008 when the Commission approved the 2008 State Highway Operations and Protection Program (SHOPP).

Subsequently, the Commission approved an increase of \$49.795 million in Gerald Desmond TCIF SHA funding in February 2010 as part of the 2010 SHOPP, bringing the total Gerald Desmond TCIF SHA funding to \$299.795 million.

In addition, \$200 million of regular SHOPP was also programmed for this project, making the total SHOPP funding for the Gerald Desmond Bridge \$500 million.

The Project Baseline Agreement for TCIF Project 23, Gerald Desmond Bridge (PPNO 3037) was approved by the Commission on October 29, 2008 and amended by the Commission on November 3, 2010. This is a Design-Build project. The project Request for Proposals (RFP) was released to prequalified proposers on September 2, 2011.

Subsequent to the release of the RFP, the Port, in coordination with Department, determined an extension to the schedule is needed:

- To provide the Design-Build Proposers with additional time due to the complexity of the project and to evaluate the potential impacts to utility companies
- To support the requests made by several proposers that indicated an extension of the proposal due date would be beneficial to their bids
- To allow proposers time to react to recent Owner responses
- To allow time for additional site visits
- To allow time for substitution requests from three of the proposers

The revised baseline schedules for End Right of Way and Begin Construction are revised as shown in the table with no change to the anticipated End Construction date.

PROJECT SCHEDULE

Project Milestone	Baseline	Revised
Begin Environmental Phase	03/29/03	No change
End Environmental Phase	08/09/10	No change
Begin Design Phase	01/01/12	No change
End Design Phase	09/01/10	N/A
Begin Right of Way Phase	08/01/10	No change
End Right of Way Phase	12/01/11	03/30/12
Begin Construction Phase	01/01/12	12/31/12
End Construction Phase	12/30/16	No change
Begin Closeout Phase	01/30/17	No change
End Closeout Phase	06/30/17	No change

On June 20, 2011, a cooperative agreement between the Port and Department outlined the responsibilities of each partner and agreed that the Department will retain an amount up to \$30 million to perform project construction support activities required by the agreement. On June 22-23, 2011, the Commission approved a construction capital allocation of \$470 million of the \$500 million programmed in the SHOPP for the Gerald Desmond Bridge project. The realignment of the remaining \$30 million into construction support is consistent with the cooperative agreement negotiated between the Port and Department and results in no net change to the total estimated cost of the project.

PROJECT COMPONENTS

Component	Current Baseline Agreement Cost (\$1000)	Revised Cost (\$1000)	Change (\$1000)
Environmental	\$ 9,782	No Change	\$ -
Design	\$ 28,880	No Change	\$ -
Right of Way Support	\$ -	No Change	\$ -
Construction Support	\$ -	\$ 30,000	\$ 30,000
Right of Way Capital	\$ 100,589	No Change	\$ -
Construction Capital	\$ 811,589	\$ 781,589	\$ (30,000)
TOTAL	\$ 950,840	\$ 950,840	\$ -

RESOLUTION TCIF-P-1112-22

Be it Resolved, that the California Transportation Commission does hereby amend the Trade Corridors Improvement Fund baseline agreement for the Gerald Desmond Bridge (PPNO 3037) project in accordance with the information described above.