

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 8, 2013

Reference No.: 2.5d.(3)
Action Item

From: STEVEN KECK
Acting Chief Financial Officer

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Division Chief
Transportation Programming

Subject: **ALLOCATION FOR PROJECT THAT EXCEEDS THE PROGRAMMED AMOUNT BY MORE THAN 20 PERCENT**
RESOLUTION FP-13-24

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission allocate \$923,000 for one State Highway Operation and Protection Program (SHOPP) project identified below.

ISSUE:

Funds are needed for one programmed project in order to advertise the construction contract.

RESOLUTION:

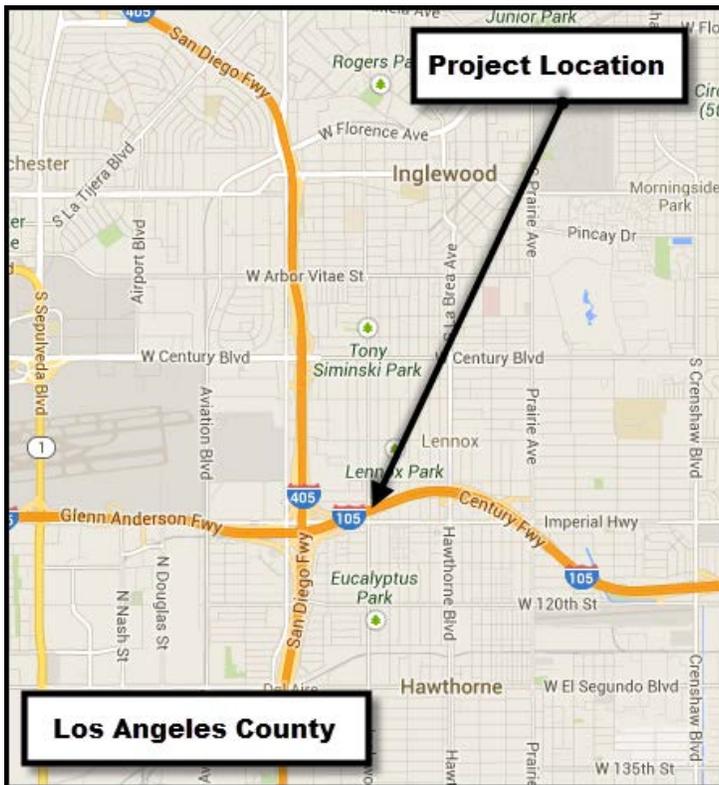
Resolved, that \$923,000 be allocated from the Budget Act of 2013, Budget Act Item 2660-302-0042 and 2660-302-0890, to provide funds for the project identified below.

Project	Dist-Co-Rte	Original Programmed <u>Amount</u>	Current Programmed <u>Amount</u>	Program <u>Adjustment</u>	Revised Programmed <u>Amount</u>	% Increase Above Current Programmed <u>Amount</u>
1	07-LA-105	\$500,000	\$500,000	\$423,000	\$923,000	84.6%

Project # Allocation Amount County Dist-Co-Rte Postmile	Location Project Description	PPNO Program/Year Prgm'd Amount Project ID Adv Phase EA	Budget Year Item # Fund Type Program Code	Amount by Fund Type
2.5d.(3) Allocation for Project the Exceeds 20 Percent of the Programmed Amount				Resolution FP-13-24
1 \$923,000 Los Angeles 07-LA-105 R2.6	In Hawthorne, at Inglewood Avenue. Outcomes/Outputs: Repair slope and hydroseed to permanently restore area damaged in storm event.	07-4433 SHOPP/12-13 \$500,000 0712000166 4 3X350	2012-13 302-0042 SHA 302-0890 FTF 20.20.201.131	\$78,000 \$845,000

RECOMMENDATION:

The Department recommends that this request for \$923,000 be approved to allow this project to be advertised.



PROJECT DESCRIPTION:

This project located in Los Angeles County on Route 105, in the city of Hawthorne, at Inglewood Avenue will repair damage at one location caused by heavy winter storm events that occurred on December 18, 2010.

FUNDING STATUS:

The project was amended into the SHOPP on November 14, 2011, and is currently programmed in Fiscal Year 2012-13 in the 2012 SHOPP for \$500,000. At the August 2013 Commission meeting, a four-month allocation extension was approved to allow sufficient time to include updated specifications into the contract. This request for \$923,000 is an increase of 84.6 percent above the programmed amount.

The change is a direct result of the inadequate investigations and cost estimate made during the development of the project initiation document and subsequent failure to update programmed costs.

REASON FOR INCREASE:

A detailed estimate was not properly prepared during the development of the project initiation document. The preliminary estimate contained only three items: roadway excavation, geosynthetic reinforcement, and erosion control. This estimate did not account for 13 additional items associate with the project, thereby adding an additional \$423,000 to the cost of this project.

ITEM DESCRIPTION	COST
State Furnished Materials and Expenses	\$ 66,000
Electrical Lighting	\$ 56,750
Drainage Inlet and Pipe	\$ 52,000
Contingencies	\$ 43,580
Traffic Control System	\$ 40,000
Mobilization	\$ 40,000
Concrete Pavement	\$ 32,260
Remove Concrete Pavement	\$ 23,000
Water Pollution Control Program	\$ 21,938
Imported Borrow	\$ 21,000
Temporary Railing (Type K)	\$ 10,500
Supplemental Work	\$ 9,300
Remove Pipe	\$ 9,000
Miscellaneous Adjustments	(\$ 2,328)
TOTAL ADDITIONAL COST	\$ 423,000

Permanent Restoration (PR) are projects where the final work done is to restore a damaged site to pre-emergency condition. Damage Assessment Form (DAF) is used as the project initiation document for programming purposes. However, the DAF is an abbreviated project initiation document, which for many restoration projects, does not establish reliable project costs or accurate delivery schedules. To eliminate the possibility of this occurring in the future, and with existing planning resource constraints, the Department is evaluating changes to the initiation document for permanent restoration projects to a more robust, comprehensive, and reliable planning study to improve the likelihood of successful project delivery.

In addition, the Department's responsible regional District will implement procedures to track project estimate dates for all projects to ensure estimates are accurate, receive timely updates, and that appropriate programming actions take place to address any variances from the programmed estimates.

FUNDING OPTIONS:

OPTION A: Approve this request, as represented above, for \$923,000 to allow this project to be advertised.

OPTION B: Deny this request and direct the Department to adjust the project to remain within the programmed amount. The Department has considered this option and determined that reducing the scope of work on this project, and executing another project to complete the deleted work later, would result in greater costs and more disruption to the traveling public.

RECOMMENDED OPTION

The Department recommends that this request for \$923,000 as presented in Option A above, be approved to allow this project to be advertised.