

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 19-20, 2016

Reference No.: 2.5d.(2)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Bruce De Terra, Chief
Division of
Transportation Programming

Subject: **ALLOCATION FOR PROJECT WITH COSTS THAT EXCEED THE PROGRAMMED
AMOUNT BY MORE THAN 20 PERCENT
RESOLUTION FP-16-14**

RECOMMENDATION

The California Department of Transportation (Department) recommends that the California Transportation Commission allocate \$14,500,000 for one State Highway Operation and Protection Program (SHOPP) project (PPNO 4691) on State Route (SR) 187 in the Los Angeles County.

ISSUE

Additional funds are needed for one programmed project in order to relinquish a portion of SR 187 to the City of Los Angeles.

RESOLUTION

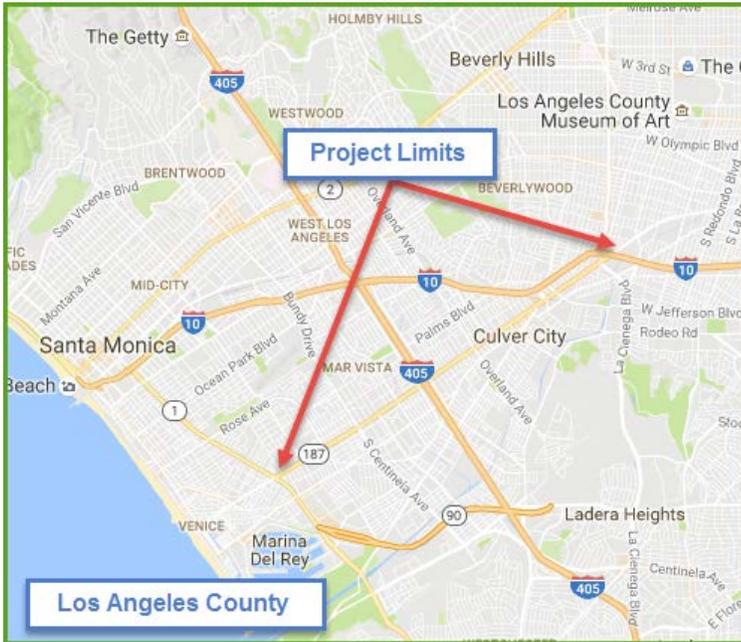
Resolved, that \$14,500,000 be allocated from the Budget Act of 2016, Budget Act Item 2660-302-0042, to provide funds for relinquishment.

<u>Dist-Co-Rte</u>	<u>Programmed Amount*</u>	<u>Program Adjustment</u>	<u>Allocation Request</u>	<u>% Increase Above Programmed Amount</u>
07-LA-187	\$10,500,000	\$4,000,000	\$14,500,000	38.1%

* Construction capital only

PROJECT DESCRIPTION

This project will relinquish Venice Boulevard (SR 187) from Lincoln Boulevard (SR 1) to Cadillac Avenue in the City of Los Angeles, in lieu of rehabilitating the pavement with a Capital Preventative Maintenance pavement project.



FUNDING STATUS

The construction capital for this project is currently programmed in the 2014 SHOPP for \$10,500,000 as a Capital Preventive Maintenance pavement project. This allocation request of \$14,500,000 is an increase of 38.1 percent above the programmed amount.

REASON FOR INCREASE

The Department and the City of Los Angeles have entered into a relinquishment agreement, under Resolution R-3958 to relinquish SR 187 to the City of Los Angeles, in lieu of implementing the programmed Capital Preventive Maintenance pavement project.

The City of Los Angeles estimated the value of relinquishment of the facility as \$21,500,000. The Department in negotiations with the City of Los Angeles mutually agreed upon with the amount of \$14,500,000 for the relinquishment.

The Department has concluded that relinquishing SR 187 to the City of Los Angeles is in the best interest of the State. The City of Los Angeles will assume full maintenance ownership responsibility, control and liability in perpetuity over the relinquished facilities.

DETERMINATION

The Department recommends that this request for \$14,500,000 be approved and consistent with the relinquishment agreement approved by the Department and the City of Los Angeles.

Attachment

