State of California
DEPARTMENT OF TRANSPORTATION

Business, Transportation and Housing Agency

Memorandum

TAB 121

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 25-26, 2003

Reference No.: 2.5h
Action Item

PASSED BY
CTC
JUN 26 2003
CALIFORNIA
TRANSPORTATION COMMISSION

From: ROBERT L. GARCIA
Chief Financial Officer

Prepared by: Robert Sertich
Chief
Division of Budgets

Ref: **FINANCIAL ALLOCATION ADJUSTMENTS FOR AWARD (ASSEMBLY BILL 608) RESOLUTION FA-02-11**

ISSUE:

The Metropolitan Transportation Commission (MTC) is requesting a financial adjustment to an allocation pursuant to AB608. The project, constructing HOV lanes (PPNO 0054K) was programmed for construction with $4,895,000 of RIP shares. The project was awarded in February 11, 2003 for thirty one percent lower than the engineer's estimate. The MTC requests an adjustment to the allocation and recommends that the California Transportation Commission (Commission) approve the following Resolution.

BACKGROUND:

Assembly Bill 608 amended Section 188.8 of the Streets and Highways Code and was signed by the Governor on October 12, 2001. One provision of this legislation 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% of the engineer's final estimate. The result would be an adjustment to the county shares. This new legislation is permissive and it is understood that the adjustments to the allocations are at the discretion of the Commission. One project has come forward with such a request for an adjustment. This project had a contract award amount less than 80% of the engineer's final estimate.

DISCUSSION:

Eastbound High Occupancy vehicle Lane Extension in Oakland and Emeryville at San Francisco/Oakland Bay Bridge Toll Plaza to Powell Street. Widen from five to six lanes to extend high occupancy vehicle lane eastbound (PPNO 0054K). Allocation Date: June 13, 2002.

This project will extend the existing HOV lane from the Powell Street Interchange to the Port of Oakland Overcrossing. In addition the project will overlay a portion of the existing pavement, widen the shoulders, construct concrete barriers, install metal beam guardrails, and construct retaining walls. The CTC approved an allocation for this project on June 13, 2002 for $4,895,000 of Regional Improvement Program (RIP) funds. The project award amount was $3,485,000 which is 69% percent of the final engineer's estimate.

A total of nine bids were received for the project ranging from 31% under to 15% over the engineer's estimate of $4,546,000. The unit bid prices have been reviewed and are overall well balanced. The overall unit prices of bid items were less than the engineer's estimate which is based on historical data. The district discussed the bid proposal with the low bidder and the low bidder is comfortable with their bid and ready to complete the project. The State of California also appears to have benefited from strong competition and the prevailing state of the economy.

FINANCIAL RESOLUTION:

Pursuant to Assembly Bill 608, the Interstate Route 80 project, (PPNO 0054K) allocated for construction in June 2002 for $4,895,000 be adjusted to $3,485,000.

Attachment

Project # Allocation Amount Recipient RTPA/CTC County Dist-Co-Rte Postmile (Kilopost)	Location Project Description Project Support Expenditures	EA PPNO Program / Year PA&ED PS&E Const Eng CONST	Budget Year Item # Program Code Expenditures: PA&ED PS&E Const Eng CONST	Allocation Amount State Federal Total Amount
2.5h Financial Allocation Adjustment for STIP Project (AB 608)				**Resolution: FA-02-11**
1 ~~$4,895,000~~ **$3,485,000** MTC Alameda 04-Ala-80 2.5/3.8	Eastbound High Occupancy Vehicle Lane Extension in Oakland and Emeryville at San Francisco/Oakland Bay Bridge Toll Plaza to Powell Street Widen from five to six lanes to extend high occupancy vehicle lane eastbound. (Advanced allocation from FY 02/03) (Adjust original RIP allocation from $4,895,000 to $3,485,000 for CON pursuant to AB 608. Balance of $1,410,000 in RIP to be returned to Regional share balance.)	254801 04-00054K RIP / 02-03 $0 $0 $338,000 $4,895,000	2002-03 301-0042 301-0890 20.20.075.600	~~$413,000~~ **$292,740** ~~$4,482,000~~ **$3,192,260** ~~$4,895,000~~ **$3,485,000**