State of California
DEPARTMENT OF TRANSPORTATION

Business, Transportation and Housing Agency

Memorandum

TAB 58

To: CHAIR AND COMMISSIONERS

PASSED BY
CTC
FEB 19 2009
CALIFORNIA
TRANSPORTATION COMMISSION

CTC Meeting: February 19, 2009

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

From: CINDY McKIM
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECTS RESOLUTION FA-08-12**

RECOMMENDATION:

The Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional $3,932,000 for one State Transportation Improvement Program (STIP) project identified below.

ISSUE:

Additional funds are needed for one previously voted project in order to close out the contract.

RESOLUTION:

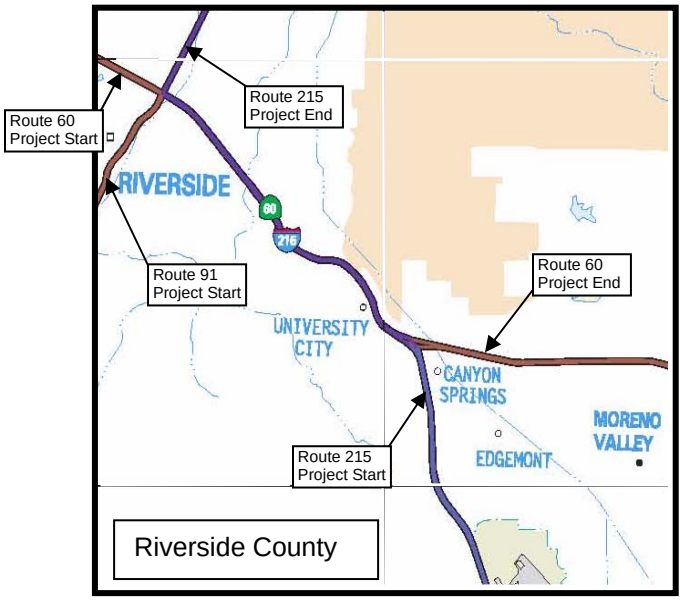
Resolved, that $3,932,000 be allocated from the Non Budget Act Item 2660-801-3008 to provide additional funds for the project identified below.

Project	Dist-Co-Rte	Current Budget (All Funds)	Budget Adjustment	Revised Budget	% Increase Above Current Budget
1	08-Riv-60/91/215	$299,578,000	$3,932,000	$303,510,000	1.3%

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Fund Type Program	Current Amount by Fund Type	Additional Amount by Fund Type	Revised Amount by Fund Type
2.5e.(3) Supplemental Funds for Previously Voted Projects					**Resolution FA-08-12**
1 $3,932,000 Department of Transportation RCTC Riverside 08S-Riv-Var various	In Riverside County, on Route 215 from Eucalyptus Avenue interchange to Columbia Avenue interchange, and on Route 60 from Main Street interchange to 60/91/215 junction and from 60/215 junction to Day Street interchange and on Route 91 from University Avenue interchange to 60/91/215 junction. Widen Interstate 215 from six lanes to eight lanes. Construct auxiliary lane, truck bypass and climbing lane and improve mainlines and interchanges. Final Project Development Adjustment: N/A Final Right-of-Way Share Adjustment: N/A Other contributions for construction: GARVEE: $163,850,000* TCRP: $ 35,274,000 AB 3090: $ 31,324,000 Local Contribution: $ 60,960,000 STIP: $ 8,170,000 $299,578,000 * GARVEE summary: $240,000,000 voted January 22, 2004 - $ 68,330,000 R/W component - $ 7,820,000 Landscape follow-up proj. $163,850,000	334844 08-0121N IIP / 08-09 801-3008 TIF	-	$3,932,000	$3,932,000

RECOMMENDATION:

The Department recommends that this request for $3,932,000 be approved to allow the Department to close out the contract.



PROJECT DESCRIPTION:

The project is located in the cities of Riverside and Moreno Valley on Route 215 from near Eucalyptus Avenue to Columbia Avenue; on Route 60 from near Main Street to the 60/91/215 interchange and from the 60/215 interchange to near Day Street; and, on Route 91 from near University Avenue to the 60/91/215 interchange. The project improved the 60/91/215 interchange with new fly-over connectors, widened Route 215 from the existing six lanes to eight lanes for high occupancy vehicle (HOV) lanes, constructed a Route 215 truck climbing lane, constructed a new truck bypass connector at the Route 60/215 interchange, widened Route 91 for future HOV lanes, constructed auxiliary lanes, upgraded several local interchanges, and rehabilitated all route mainline roadways. This project was a corridor improvement project to reduce congestion and enhance freeway operations and safety. The project was delivered to the construction phase as one of the first Phase I Design Sequencing pilot program projects.

FUNDING STATUS:

The Grant Anticipation Revenue Vehicle (GARVEE) funding for this STIP project was voted in January 2004. The project was awarded in February 2004 with combined GARVEE, Traffic Congestion Relief Program (TCRP), local, and federal funds. In December 2007, supplemental funds in the amount of $8,170,000 were approved to complete construction. The project has been authorized to the maximum budgeted amount of $299,578,000 in combined GARVEE, TCRP, AB 3090 reimbursement, local sales tax measure, and federal funds. An additional $3,932,000 in supplemental funds is needed to resolve all remaining claims and close out the construction contract. This request for supplemental funds results in an overall increase of 1.3 percent over the current budget amount.

REASONS FOR COST INCREASE:

As a design sequencing pilot project, the final project design was completed during the construction phase of the contract. The final design changed significantly from information originally given to the contractor at the time of bid. This resulted in changes in the character of work, increasing item quantities and project schedules, all of which have added significantly to the cost of the project.

Construction for this project was completed in December 2008 with unsettled claims. There is a settlement agreement between the Department, the contractor, and the Riverside County Transportation Commission (RCTC). This agreement settles all outstanding disputed issues and claims, potential claims, notices or protests, including those of the contractor, sub-contractors and suppliers, whether known or unknown, arising out of or resulting from this contract. This supplemental request in the amount of $3,932,000 will be used to pay for this settlement and close out the construction contract.

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for $3,932,000 to close out the contract.

OPTION B: Deny this request and require the contractor to pursue legal action.

RECOMMENDED OPTION:

The Department recommends that this request of $3,932,000, as presented in Option A above, be approved to allow the contract to be closed out.