State of California
DEPARTMENT OF TRANSPORTATION

Business, Transportation and Housing Agency

Memorandum

TAB 85

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: September 22-23, 2010

Reference No.: 2.5e.
Action Item

PASSED BY CTC SEP 23 2010 CALIFORNIA TRANSPORTATION COMMISSION

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT RESOLUTION FA-10-03**

RECOMMENDATION:

The Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional $120,000 for one State Highway Operation and Protection Program (SHOPP) project identified below.

ISSUE:

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

RESOLUTION:

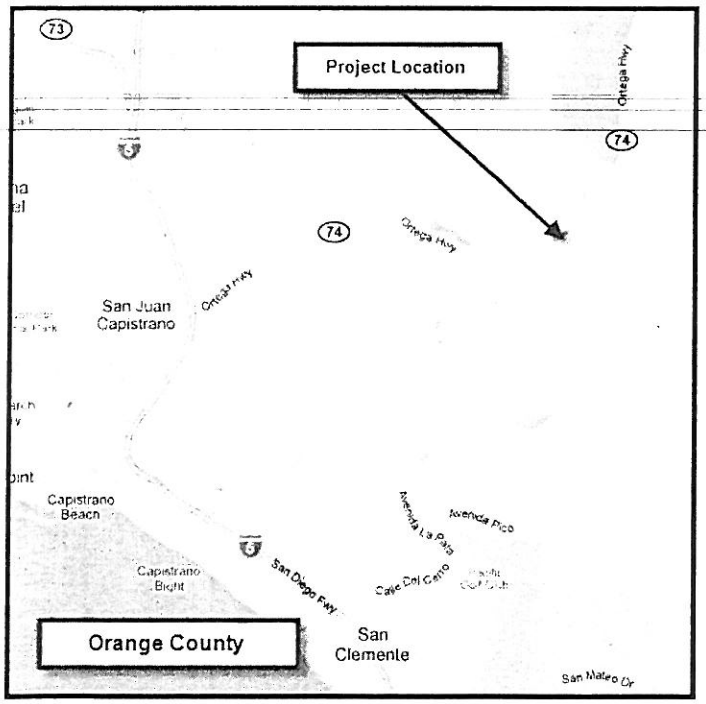
Resolved, that $120,000 be allocated from the Budget Act of 2009, Budget Act Item 2660-302-0042, to provide additional funds for the project identified below.

Project	Dist-Co-Rte	Original allocated Amount	Original Award Amount	Current Allocation	Allocation Adjustment	Revised Allocation	% Increase Above Current Allocation
1	12-Ora-74	$500,000	$500,000	$500,000	$120,000	$620,000	24%

Project # Allocation Amount Recipient County Dist-Co-RtePostmile	Location Project DescriptionReason for Supplemental Funds	PPNO Program/Year Phase Program	Current Amount by Fund Type	Additional Amount by Fund Type	Revised Amount by Fund Type
2.5e. Supplemental Funds for Previously Voted Projects					**Resolution FA-10-03**
1 $120,000 Department of Transportation Orange 12U-Ora-74 6.0/7.0	Near San Juan Capistrano, west of Caspers Park Road. Repair roadway and drainage system Supplemental funds are needed to closeout the contract. Total Revised Amount: $620,000	12-4155 SHOPP/09-10 CONST 302-0042 SHA	$500,000	$120,000	$620,000

RECOMMENDATION:

The Department recommends that this request for $120,000 be approved to allow the Department to close out the contract.



PROJECT DESCRIPTION:
The project is located on Route 74 in Orange County. The project consisted of placing double 36-inch diameter reinforced concrete pipes in two locations and placing double 42-inch diameter reinforced concrete pipes at a third location to channel excess storm runoff to prevent the highway from flooding and eroding the roadway.

FUNDING STATUS:
This SHOPP project initially received a G-11 Emergency allocation using Federal Emergency Relief funding in March 2010 for $500,000. The current contract allotment is $500,000. All contract work was suspended on May 17, 2010 when an overrun of the contract was realized. An additional $120,000 in supplemental funds is needed to close out the construction contract. All of the restoration work was completed except for one headwall which will be constructed with Minor B funds. This request for supplemental funds results in an overall increase of 24 percent over the current allocation.

REASONS FOR COST INCREASE:
This project is a result of the 2010 winter rains. On January 21, 2010, a Governor State of Emergency was proclaimed and issued for this event. The heavy rains eroded the hillsides and brought slide material onto the roadway which caused water to flow across the roadway. Roadway drainage needed to be re-established and rock slope protection was needed to stop further erosion. The project was done as an Emergency Director's Order (G-11) on a time and material basis (Extra Work at Force Account).

The cost increase is attributed to three items: 1) Protection of endangered species required a zinc free pipe at one location resulting in a more expensive pipe, 2) the pipe trenches required more slurry than what was anticipated due to unstable bedding material, and 3) additional earthwork and rock slope protection was necessary at the outlet of one location to facilitate the culvert flow as per the geotechnical and hydraulics recommendation. The additional $120,000 in supplemental funds is needed to close out the construction contract.

FUNDING OPTIONS:
OPTION A: Approve this request for supplemental funds, as presented above, for $120,000 to compensate the Contractor for all work performed and closeout the contract.

OPTION B: Deny this request and allow the contractor to pursue the contract claim through legal action.

RECOMMENDED OPTION:
The Department recommends that this request of $120,000, as presented in Option A above, be approved to allow the Department to close out the project.