State of California
DEPARTMENT OF TRANSPORTATION

Business, Transportation and Housing Agency

Memorandum

TAB 140

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 7, 2013

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

PASSED BY CTC MAY - 7 2013 CALIFORNIA TRANSPORTATION COMMISSION

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PROJECT PREVIOUSLY VOTED RESOLUTION FA-12-24**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional $55,000 for one State Highway Operation and Protection Program (SHOPP) project identified below.

ISSUE:

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

RESOLUTION:

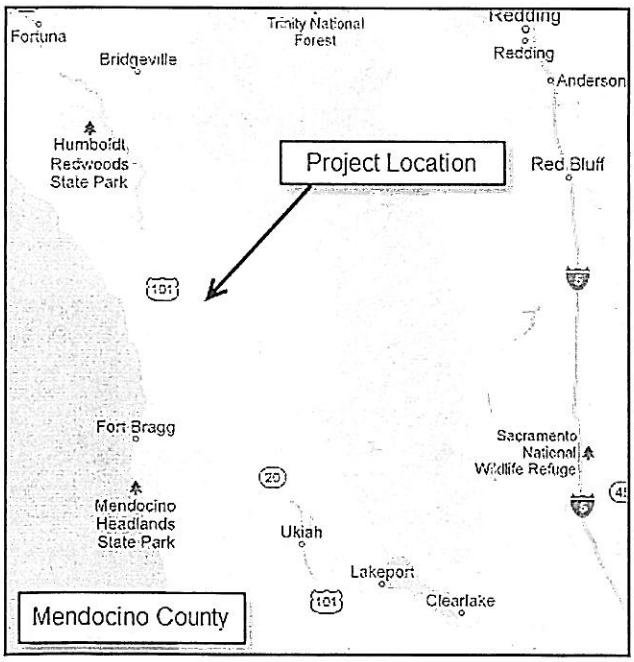
Resolved, that $55,000 be allocated from the Budget Act of 2013, Budget Act Item 2660-302-0042 to provide additional funds for the project identified below.

Project	Dist-Co-Rte	Original allocated Amount	Original Award Amount	Current Allocation	Allocation Adjustment	Revised Allocation	% Increase Above Current Allocation
1	1-Men-101	$2,632,000	$3,029,000	$3,095,200	$55,000	$3,150,200	1.8%

Project # Allocation Amount Recipient RTPA/CTC Dist-Co-Rte Postmile	Project Title Location Project Description	PPNO Program Budget Item # Fund Type Program Codes Project ID Adv Phase EA	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
2.5e.(2) Supplemental Funds for Previously Voted Projects					**Resolution FA-12-24**
1 $55,000 Department of Transportation Mendocino 01N-Men-101 82.0/R84.0	Near Leggett, at various locations 0.5 mile south of Empire Camp Rest Area to Rattlesnake Creek Bridge. Outcome/Output: Rebuild shoulder; remove debris and place rock lined ditch; construct retaining wall at three locations to prevent further deterioration of the roadway. Supplemental Funds needed to close out contract. Total Revised Amount: $3,150,200	01-4469 SHOPP 2009-10 302-0042 SHA 302-0890 FTF 20.20.201.131 0100000358 4 477704	$357,000 $2,672,000		$357,000 $2,672,000
		SHOPP 2010-11 302-0042 SHA 302-0890 FTF 20.20.201.131	$7,600 $58,600		$7,600 $58,600
		SHOPP 2012-13 302-0042 SHA 20.20.201.131		$55,000	$55,000

RECOMMENDATION:

The Department recommends that this request for $55,000 be approved to allow the Department to close out this project.



PROJECT DESCRIPTION:

This project is located on U.S. Route 101 in Mendocino County near Leggett, from 0.5 mile south of Empire Camp Rest Area to Rattlesnake Bridge. Starting on December 19, 2005, and running through the New Year's weekend, a series of heavy storms struck California bringing heavy rain, high winds, mudslides, and flooding. Mendocino County was one of the 34 counties that were covered in the Governor's January 2006 disaster proclamation. The heavy rains saturated roadway slopes and caused damage at three locations. The slope failure at the first location was excavated and rebuilt with light-weight fill, under drains were installed, and metal beam guardrail reconstructed. Slope failures at locations 2 and 3 were repaired with the construction of a rock lined ditch, a retaining wall, and an under drain system.

FUNDING STATUS:

This SHOPP project was originally programmed at $2,481,000 for construction capital and was voted in January 2011, for $2,632,000. Two bids were received and the project was awarded for $3,029,000 in April 2011, using G12 adjustment authority. Construction started in July 2011. The allocation was adjusted by $66,200 during construction using G-12 adjustment authority to fund unanticipated work, bringing the construction allotment to $3,095,200. Construction was completed in September 2012, and the contract was accepted in October 2012. An additional $55,000 in supplemental funds is needed to resolve all remaining claims and close out the construction contract. This request for supplemental funds will result in an overall increase of 1.8 percent over the current allocation.

REASONS FOR COST INCREASE:

During construction, the lightweight fill failed catastrophically and unexpectedly at Location 1. The design of the fill was modified to improve stability and extra work was required to dismantle and reconstruct the lightweight fill.

The Contractor filed a claim in response to the proposed final estimate, requesting an additional $132,000 for dismantling and rebuilding the lightweight fill and for unanticipated additional repair costs. A claim hearing was held on February 20, 2013, with the Department and Contractor. The Contractor and Department have agreed on a payment of $55,000 for the resolution of the claim.

An additional $55,000 in supplemental funds is needed in order to close out this construction contract.

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for $55,000 to close out the contract.

OPTION B: Deny this request and allow the contractor to pursue contract arbitration. Arbitration may take several months or years with additional compensation for extended interest.

RECOMMENDED OPTION:

The Department recommends that this request for $55,000, as presented in Option A, above, be approved to allow the close out of the current construction contract.