

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 22-23, 2011

Reference No.: 2.5c.(10)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **FINANCIAL ALLOCATION ADJUSTMENT FOR AWARD
RESOLUTION FA-10-21, AMENDING RESOLUTION FP-10-14**

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve an adjustment to the Regional Improvement Program (RIP) allocation amount for the Bradley Overhead project (PPNO 5645) near the city of Merced, in Merced County, from \$15,640,000 to ~~\$10,224,000~~ **\$9,280,000**, in accordance with Assembly Bill 608.

ISSUE:

On January 20, 2011, the Commission approved Resolution FP-10-14 adjusting the Regional Improvement Program (RIP) allocation for the Bradley Overhead project by \$5,416,000, from \$15,640,000 to \$10,224,000. The approved adjustment was based upon incorrect information about the engineer's estimate at the time of allocation. This amendment revises the adjustment based upon the correct engineer's estimate and the actual contract award amount.

BACKGROUND:

Section 188.8 of the Streets and Highways Code 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 percent of the engineer's final estimate. The result would be an adjustment to interregional and/or county shares. The legislation is permissive and it is understood that adjustments to allocations are at the discretion of the Commission.

The Department requests an adjustment of ~~\$5,416,000~~ **\$6,360,000** to Merced County's regional share balance for the Bradley Overhead project (PPNO 5645).

The following table summarizes the project award information:

Item	RIP	SHOPP	Total
Contractor's Bid Amount	\$8,059,531	\$11,811,382	\$19,870,913
Supplemental Work	\$180,684	\$264,796	\$445,480
State Furnished Materials	\$629,361	\$922,339	\$1,551,700
Contingencies	\$410,424	\$601,483	\$1,011,907
Total Project Award Allotment*	\$9,280,000	\$13,600,000	\$22,880,000
CTC Allocation	\$15,640,000	\$18,205,000	\$33,845,000
Engineer's Estimate	\$10,224,000 \$13,808,000	\$14,350,000 \$18,205,000	\$24,574,000 \$32,013,000
Adjustment	(\$5,416,000) (\$6,360,000)	\$(3,855,000) (\$4,605,000)	(\$9,271,000) (\$10,965,000)

(*Total Project Award Allotment is rounded to the nearest thousands for projects of this size.)

FINANCIAL RESOLUTION:

Resolved, pursuant to Section 188.8 of the Streets and Highways Code, that the amount adjusted on January 20, 2011 under Resolution FP-10-14 for the Bradley Overhead project (PPNO 5645) near the city of Merced, be increased by \$944,000, from \$5,416,000 to \$6,360,000, in accordance with the attached revised vote box.

Attachment

2.5 Highway Financial Matters

Project #	Allocation Amount	Recipient	Location	EA PPNO Program/Year	Budget Year Item #	Amount
<u>RTPA/CTC</u>		County	Project Description	Phase	Fund Type	Allocated by
Dist-Co-Rte		Postmile	Project Support Expenditures	Amount	Program Code	Fund Type
2.5c.(10) State Administered STIP Projects on the State Highway System (AB 608)						Resolution FA-10-21
						Amending Resolution FP-10-14
1	\$10,224,000		Near the city of Merced, on Route 140 at Bradley Overhead. Widen structure to 4 lanes with median for left turn channelization.	3A66U 10-5645 RIP/08-09	2009-10 801-3008	
	\$9,280,000			CONST ENG \$2,254,000	TIF 20.20.075.600	\$10,224,000 \$9,280,000
Department of Transportation			Final Project Development	CONST		
MCAG			Support Estimate: \$ 2,126,000			
Merced			Programmed Amount: \$ 2,421,000			
10N-Mer-140			Adjustment: \$ 0 (< 20%)			
36.5/37.6				\$9,280,000		
			Final Right of Way			
			Right of Way Estimate: \$ 4,933,000			
			Programmed Amount: \$ 4,388,000			
			Adjustment: \$ 0 (< 20%)			
			(Approved as \$5,416,000 \$6,360,000 to be returned to Merced County Regional shares.)			
			<u>Outcome/Outputs:</u> Widen the facility from a 2-lane facility along with a 2-way left turn lane at the median and a sidewalk on the bridge.			