

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 5, 2013

Reference No.: 2.5e.(8)
Action Item

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-12-23**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$150,000 for the State Highway Operation and Protection Program (SHOPP) project identified below.

ISSUE:

Additional funds are needed for this previously delegated project in order to close-out the construction contract.

RESOLUTION:

Resolved, that \$150,000 be allocated from the Budget Act of 2011, Budget Act Item 2660-302-0042 to provide additional funds for the project identified below.

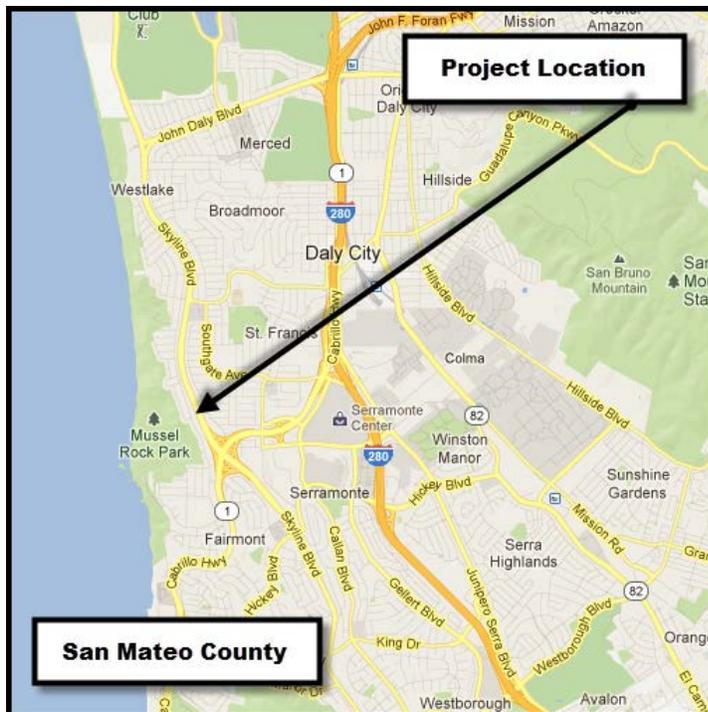
<u>Project</u>	<u>Dist-Co-Rte</u>	<u>Original allocated Amount</u>	<u>Original Award Amount</u>	<u>Current Allocation</u>	<u>Allocation Adjustment</u>	<u>Revised Allocation</u>	<u>% Increase Above Current Allocation</u>
1	04-SM-35	\$500,000	\$500,000	\$500,000	\$150,000	\$650,000	30%

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.(8) Supplemental Funds for Previously Voted Projects					Resolution FA-12-23
1 \$150,000 Department of Transportation San Mateo 04-SM-35 28.9	In Daly City, at 0.3 mile north of Route 1. A drainage pipe failure due to last winter heavy rainstorms caused the slope to fail along Higate Drive below the highway. The slope damage was recently discovered by Maintenance crews. This project is to reconstruct the slope with rock slope protection and repair the damaged 18-inch drainage pipe. Supplemental Funds needed to close-out contract. Total Revised Amount: \$650,000	04-06361 SHOPP 2011-12 302-0042 SHA 20.20.201.130 0412000110 4 3G5604	\$500,000	\$150,000	\$650,000

PROJECT DESCRIPTION:

This project is located in Daly City, San Mateo County, at 0.3 mile north of Route 1. The project consisted of reconstructing slope with Rock Slope Protection (RSP) and repairing the damaged 18-inch drainage pipe to prevent both further slope wash out and flow of additional slide mass onto adjacent private property.

PROJECT LOCATION:



FUNDING STATUS:

Funding for this SHOPP project of \$500,000 was allocated by the Department in October 2011, and reported to the Commission as required by Commission Resolution G-00-11, Authorization for Funding Emergency Condition Response Projects. The project is now complete, but there are insufficient funds to pay for the overrun of the contract. An additional \$150,000 in supplemental funds is needed to close-out the contract and results in an overall increase of 30 percent over the current allocation.

REASONS FOR COST INCREASE:

This project is a result of the 2010-11 winter storms. Steep slopes, limited access, low hanging PG&E power line, utility pole, and private properties below the work site all combined to slow construction progress. All equipment and materials had to be lowered into place by a crane which increased project cost. Due to concerns for safety, such as equipment or rocks rolling down the slope and into homes, each boulder had to be maneuvered into place by time-consuming hand work. The result of these conditions is the duration of construction work, which was initially estimated at 40 working days, took an extra 28 working days to complete.

In addition to the slow progress, during retaining wall excavation it was discovered that the existing drainage pipe had severe cracking and separation at every joint and the entire pipe needed to be replaced. This additional work was beyond the original scope and is typically captured as a supplemental G-00-11 prior to contract completion.

The Department is requesting an additional \$150,000 in supplemental funds in order to close-out this construction contract.

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for \$150,000 to allow the close-out of this project.

OPTION B: Deny this request and require the contractor pursue payment from the Department through further legal action. The Department has considered this option and determined that the future costs to resolve these issues would most likely be greater than the current request.

RECOMMENDED OPTION:

The Department recommends that this request for \$150,000, as presented in Option A above, be approved to allow the close-out of this project.