

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: December 8-9, 2004

Reference No.: 2.5g.
Action Item

From: CINDY MCKIM
Acting Chief Financial Officer

Prepared by: Bimla Rhinehart
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Budgets

Ref: **BUDGET REVISION TO TRANSFER FUNDING WITHIN THE CAPITAL OUTLAY
BUDGET AUTHORITY TO AUGMENT THE FY 2001-02 EUREKA OFFICE BUILDING
SEISMIC RETROFIT PROJECT
RESOLUTION FM-04-02**

ISSUE:

The Resolution below proposes to transfer \$200,000 of State Highway Account budget authority in the 2002 Budget Act from the State Transportation Improvement Program (STIP) to the State Highway Operations and Protection Program (SHOPP). The proposed transfer is necessary to enable completion of the construction phase of the Eureka District Office Building Seismic Retrofit Project. The transfer of funds is subject to approval by the California Transportation Commission (Commission) and the Department of Finance (DOF) of a FY 2002-03 Budget Revision.

RECOMMENDATION:

The Department of Transportation (Department) recommends the Commission approve the Resolution below.

BACKGROUND:

Chapter 106, Statutes of 2001 appropriated \$5,137,000 (re-appropriated Chapter 379, Statutes of 2002, Item 2660-494) to fund the Construction Phase of the Eureka District Office Building Seismic Retrofit Project. The District office building was rated a Seismic Risk Level VI. Based on the recommendations of the report, the Department pursued a "structural only" seismic retrofit. The scope of work includes the installation of concrete shear walls at the exterior moment frames and additional structural tubes to reinforce the perimeter concrete columns. Upon completion of the construction phase, the building will be rated Seismic Risk Level III, which meets the performance standards of the state seismic program.

A project augmentation in the amount of \$200,000 is needed to address unforeseen roof repairs, additional materials testing, inspection costs, and associated project management fees. Additional workdays will be necessary in order to address the unforeseen conditions, thereby extending the project completion date from September 2004 to December 2004. As of October 2004, the project was approximately 92% complete. This transfer is required to fund the augmentation of \$200,000 (3 percent construction phase project budget) to ensure project completion. There have been no previous requests for augmentation of this project.

The transfer will simply shift funding from the State Transportation Improvement Program (STIP) to the State Highway Operations and Protection Program (SHOPP) for the re-appropriated Item.

FINANCIAL RESOLUTION:

Resolved that Pursuant to Provision 1, Item 2660-311-0042, Budget Act of 2001, \$200,000 shall be transferred from Capital Outlay appropriation item 2660-301-0042(1) to 2660-311-0042(re-appropriated Chapter 379, Statutes of 2002, Item 2660-494).