

Memorandum

To: CHAIR AND COMMISSIONERS

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Information Item

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Ref: **REPORT ON SUPPORT COSTS EXCEEDING CAPITAL COSTS/DISTRICT
CONSISTENCY**

In July 2005, the California Transportation Commission (Commission) adopted Resolution G-05-05, which among other actions, increased the upper limit for individual Minor A projects to \$1 million for construction. To effectively and more efficiently plan, manage, and deliver these larger Minor A projects, the Department of Transportation (Department) is revising its business practices and will be managing project delivery and Capital Outlay Support (COS) for Minor A projects in the same manner as programmed SHOPP projects.

Each Minor A project will be planned, managed, and delivered with the use of a project specific workplan, similar to the methods used to plan and manage programmed SHOPP projects. The workplan will contain all the tasks, effort required, and major milestone targets required for successful project delivery.

The goal of this change is to enhance efficient delivery of Minor projects to achieve a 60% average support to total capital cost for the Minor Program. This 60% target is consistent with the COS levels projected for Minor projects in the development of the 2006 Fund Estimate.