

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: November 8-9, 2006

Reference No.: 2.5d.
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Ross A. Chittenden
Division Chief
Transportation Programming

Subject: **FINANCIAL ALLOCATION FOR PROJECTS THAT EXCEED 20 PERCENT OF THE PROGRAMMED AMOUNT RESOLUTION FP-06-44**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Resolution FP-06-44, allocating \$15,876,000 for the project described on the following pages.

ISSUE:

The project described on the following pages is programmed in the 2006 State Highway Operations and Protection Program (SHOPP) for \$10,322,000. The current estimate for the project is \$15,876,000, exceeding the programmed amount by more than 20 percent. The Department is ready to proceed with the project and is requesting an allocation at this time.

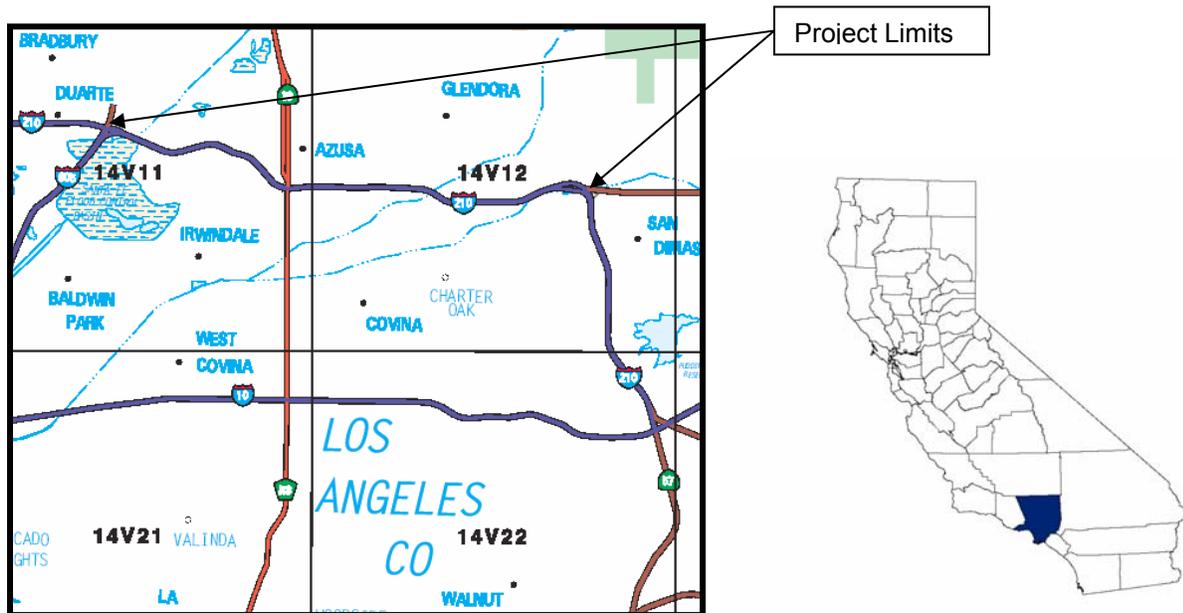
RESOLUTION:

Resolved, that \$15,876,000 be allocated from the Budget Act of 2006, from Budget Act Items 2660-302-0042 and 2660-302-0890, to provide funds for the project described on the following pages.

Project # Allocation Amount Recipient	County Dist-Co-Rte Postmile	Location Project Description Project Support Expenditures	EA PPNO Program/Year Prog Amount	Budget Year Item # Program Codes	Allocation Amount State Federal Total Amount
2.5d. Allocations for Projects with Cost Increases Greater than 120 Percent					Resolution FP-06-44
1 \$15,876,000 Department of Transportation	Los Angeles 07S-LA-210 33.3/46.8	In Los Angeles County from Route 605 to Route 57. Install closed circuit television communication systems; fiber optic communication lines and Traffic Monitoring Stations.	129931 07-0760A SHOPP/06-07 \$10,322,000	2006-07 302-0042 302-0890 20.20.201.315	\$1,339,000 \$14,537,000 \$15,876,000

RECOMMENDATION:

The Department recommends that this request for \$15,876,000 be approved to allow this project to be advertised.



PROJECT DESCRIPTION:

This project is located on Route 210 in Los Angeles County, from Route 605 to Route 57. This project will complete the traffic operation system for Route 210. The project includes installation of closed circuit televisions, traffic monitoring stations and fiber optic communication lines.

FUNDING STATUS:

The project is currently programmed in the 2006 SHOPP for \$10,322,000. This request for \$15,876,000 results in an increase of \$5,554,000 (54%) above the programmed amount.

REASONS FOR COST INCREASE:

The Department prepared an updated estimate of \$15,876,000 in December 2005 to reflect the forecasted cost of construction. The costs were not included in the 2006 SHOPP due to procedural errors within the Department.

FUNDING OPTIONS:

OPTION A: Approve this request, as presented above, for \$15,876,000 to allow this project to be advertised.

OPTION B: Deny this request and direct the Department to adjust the project to remain within the programmed amount. The Department has considered this option and determined that reducing the scope of work on this project and executing another project to complete the deleted work later, would result in greater costs and more disruption to the traveling public.

RECOMMENDED OPTION:

The Department recommends that this request for \$15,876,000, as presented in Option A above, be approved to allow this project to be advertised.