

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 25-26, 2008

Reference No.: 2.5d.
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **FINANCIAL ALLOCATION FOR PROJECTS WITH COSTS THAT EXCEED 20 PERCENT OF THE PROGRAMMED AMOUNT RESOLUTION FP-07-87**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Resolution FP-07-87, allocating \$989,000 for one project described on the following pages.

ISSUE:

The project described on the following pages is programmed in the 2006 State Highway Operation and Protection Program (SHOPP) for \$290,000. The current estimate for the project is \$989,000, exceeding the programmed amount by 241 percent. The Department is ready to proceed with this project and is requesting an allocation at this time.

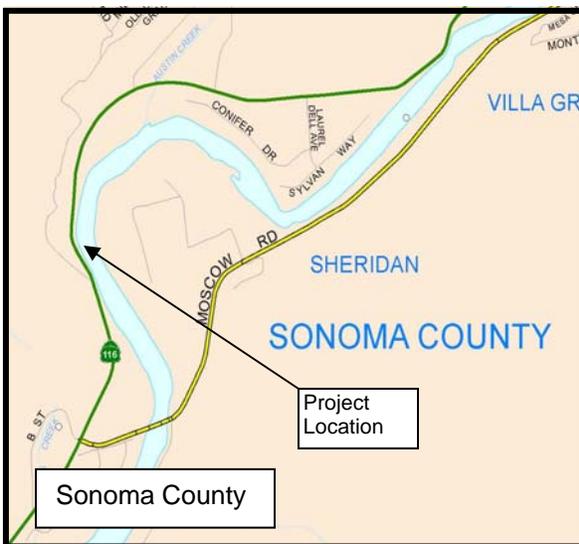
RESOLUTION:

Resolved, that \$989,000 be allocated from the Budget Act of 2007, Budget Act Items 2660-302-0042 and 2660-302-0890, to provide funds for the project described on the following pages.

Project #	EA	Allocation Amount	Allocation Amount
Allocation Amount	PPNO	Recipient	Program/Year
RTPA/CTC	PA&ED	County	Budget Year
County	PS&E	Dist-Co-Rte	Item #
Postmile	CON ENG	Project Description	Program Codes
	CONST	Project Support Expenditures	Total Amount
2.5d. Allocations for Projects with Cost Increases Greater than 120 Percent			
			Resolution FP-07-87
1			
\$989,000		Near Jenner, east of Route 1. Outcomes/Outputs: Remove slide material and stabilize the hillside by constructing soil nail wall at 1 location damaged by heavy rainfall.	
Sonoma	3S7701		2007-08
04N-Son-116	04-0809S		302-0042
4.5	SHOPP/07-08		302-0890
			20.20.201.131
	\$290,000		\$989,000

RECOMMENDATION:

The Department recommends that this request for \$989,000 be approved to allow this project to be advertised.



PROJECT DESCRIPTION:

This project is located in Sonoma County on Route 116 near Duncans Mills, 0.6 miles east of Moscow Road. The project is to remove slide and construct a soil nail wall to stabilize the slope at this location. The damage to this hillside is a result of a storm in 2006. The wall will be 100 feet in length and approximately 75 feet in height at its highest point.

FUNDING STATUS:

The project is currently programmed in the 2006 SHOPP for \$290,000. This request for \$989,000 results in an increase of \$699,000 (241 percent) above the current programmed amount. The design plans for this project were completed in April 2008. The project construction capital cost estimate is \$989,000. The initial Damage Assessment Form (DAF) was approved on May 2, 2007. A revised DAF in the amount of \$950,000 (with 15 percent cost variance allowance) was signed and approved by the Federal Highway Administration (FHWA) on May 1, 2008.

REASONS FOR COST INCREASE:

The original cost estimate was developed in the DAF on the project site just after the storm event. As the project developed, more information was available about the difficult site conditions. The most significant increase in cost was a result of the constructability of the project. The steep slopes precluded the use of conventional benching method of drilling soil nails with a tractor based rig. Instead, the situation requires a very tall specialty crane with a suspended drill rig operated by a hanging basket. As a result, the cost of the wall increased significantly. Also, the narrow roadway and the larger footprint of the specialty crane for construction of the wall mandated a signalized one-way reversible Traffic Management Plan (TMP), increasing the cost of the project. In addition, the original DAF estimate did not include adequate resources for water pollution control, excavation and hauling, state furnished materials, and contingencies.

FUNDING OPTIONS:

OPTION A: Approve this request, as presented above, for \$989,000 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 might result in further damage to the slope with future storms in the area.

RECOMMENDED OPTION:

The Department recommends that this request for \$989,000, as presented in Option A above, be approved to allow this project to be advertised.