

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 22-23, 2011

Reference No.: 2.5c.(6)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

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Transportation Programming

Subject: **FINANCIAL ALLOCATION ADJUSTMENT FOR AWARD
RESOLUTION FA-10-17, AMENDING RESOLUTION FP-09-53**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve an adjustment to the Regional Improvement Program (RIP) allocation amount for the Route 5 Jamboree Southbound Off-Ramp and Auxiliary Lane project (PPNO 2806B) in Orange County, from \$5,920,000 to \$3,967,000, in accordance with Assembly Bill 608.

ISSUE:

On July 1, 2010, the Commission approved FP-09-53, allocating \$5,920,000 RIP funds for the Route 5 Jamboree Southbound Off-Ramp and Auxiliary Lane project. The contract was awarded on March 8, 2011 with a total allotment of \$3,467,000 RIP, including supplemental work, state furnished materials, and contingencies. An additional reserve amount of \$500,000 is proposed for future cost increases to the project.

BACKGROUND:

Section 188.8 of the Streets and Highways Code allows the Commission to adjust an allocation amount for a capital outlay project in the State Transportation Improvement Program (STIP) if the construction contract award amount for the project is less than 80 percent of the engineer's final estimate. The result would be an adjustment to interregional and/or county shares. The legislation is permissive and it is understood that adjustments to allocations are at the discretion of the Commission.

The Department and the Orange County Transportation Authority are requesting an adjustment of \$1,953,000 to Orange County's regional share balance for the Route 5 Jamboree Southbound Off-Ramp and Auxiliary Lane project (PPNO 2806B) in accordance with Assembly Bill 608. Twenty one bid items account for approximately \$2,000,000 of savings, of which five items (Time Related Overhead, Structural Excavation, Structural Backfill, Class 2 Aggregate Base, and Mobilization) account for 60 percent of the savings.

The following table summarizes the project award information:

Item	Total (RIP)
Contractor's Bid Amount	\$3,103,000
Supplemental Work	\$82,000
State Furnished Materials	\$123,000
Contingencies	\$159,000
Project Reserve*	\$500,000
Total Project Award Allowance	\$3,967,000
CTC Allocation	\$5,920,000
Adjustment	(\$1,953,000)

(Note: Dollar amounts are rounded to the nearest thousand)

*The project reserve is being requested to remain with the project allotment to address potential cost increases due to fluctuations in the asphalt concrete index, potential delay costs due to environmental constraints, and Orange County Flood Control District coordination and permits. Since the award of the project, a new permit is required and environmental limitations may impose additional costs beyond normal contingency limits.

FINANCIAL RESOLUTION:

Resolved, pursuant to Section 188.8 of the Streets and Highways Code, that the State Transportation Improvement Program allocation amount allocated on July 1, 2010, under Resolution FP-09-53, for the Route 5 Jamboree Southbound Off-Ramp and Auxiliary Lane project (PPNO 2806B) in Orange County be adjusted by \$1,953,000 from \$5,920,000 to \$3,967,000, in accordance with the attached revised vote box.

Attachment

2.5 Highway Financial Matters

Project # Allocation Amount Recipient <u>RTPA/CTC</u> County Dist-Co-Rte Postmile	Location Project Description Project Support Expenditures	EA PPNO Program/Year Phase Prgm'd Amount	Budget Year Item # Fund Type Program Code	Amount by Fund Type
2.5c.(6) State Administered STIP Projects on the State Highway System (AB 608)				Resolution FA-10-17 Amending Resolution FP-09-53
4 \$5,920,000 \$3,967,000	In Irvine and Tustin, on Route 5 southbound at Jamboree Road. Construct auxiliary lane and widen off-ramp.	0G9901 12-2806B RIP / 10-11 CONST ENG \$959,000 CONST \$5,920,000 \$3,967,000	2010-11 301-0890 FTF 20.20.025.700	\$5,920,000 \$3,967,000
Department of Transportation <u>OCTA</u> Orange 12S-Ora-5 27.6/28.2	Final Project Development Support Estimate: \$1,574,000 Programmed Amount: <u>\$1,574,000</u> Adjustment: \$ 0 Final Right of Way Right of Way Estimate: \$32,000 Programmed Amount: <u>\$32,000</u> Adjustment: \$ 0 <u>Outcome/Output:</u> Provide additional 0.6 lane mile which will improve the operation of the off-ramp and the mainline during the peak hours. <u>Amend Resolution FP-09-53 to de-allocate \$1,953,000 RIP CONST to reflect contract award savings.</u>			