

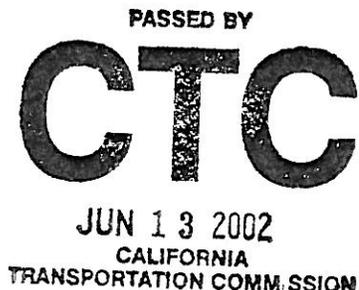
State of California
Business, Transportation and Housing Agency
Department of Transportation

HIGHWAY FINANCIAL MATTERS
Allocations for Supplemental Funds
Resolution: FA-01-12

Prepared By:
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CTC Meeting: June 13, 2002

Reference No.: 2.5e



A handwritten signature in cursive script, appearing to read "Robert L. Garcia".

ROBERT L. GARCIA
Chief Financial Officer
June 3, 2002

**ALLOCATION FOR ADDITIONAL FUNDS
FOR PREVIOUSLY APPROVED PROJECTS**

RESOLUTION FA-01-12

RECOMMENDATION

The Department recommends that the California Transportation Commission (Commission) approve the following Resolution.

FINANCIAL RESOLUTION

Resolved that \$2,896,000 be allocated from Budget Act Items 2660-301-0042 and 2660-301-0890 of the Budget Act of 2001 to provide additional funds for the projects on the attached sheet.

SUMMARY AND CONCLUSIONS

This resolution allocates \$2,896,000 of additional State and Federal funds for two (2) previously approved projects listed below:

Project	Dist-Co-Rte	Original Vote/G11 Amount	Award Amount	Current Budget Amount	Current Allocation Revision	Revised Budget Amount	Total Increase Vote/Award
1	04-Sol-113	\$3,104,000	---	\$3,104,000	\$1,396,000	\$4,500,000	45%V
2	08-Riv-60	\$31,577,000	\$29,480,000	\$32,628,000	\$1,500,000	\$34,128,000	16%A

BACKGROUND

The project was originally scheduled for bid opening last January 15, 2002. Bidding was postponed to incorporate a 3-year warranty under a pilot program. The purpose of the warranty is to improve the quality of materials and workmanship of the contractor, and reduce the exposure of maintenance staff to live traffic. In March 2002, a minor project to replace asphalt concrete surfacing to address severely distressed sections in the area was completed. This minor project revealed that portions of the roadway did not exhibit full structural depth section. This condition exists along segments of the outside 6-foot strip of the highway. Previous research of as-built documents and deflection study tests conducted did not reveal this condition.

With this new information, additional funds are not only needed to incorporate the warranty but to reconstruct the pavement base at certain portions of the roadway prior to the overlay.

REASON FOR INCREASE

The cost increase is due to the inclusion of the warranty and the additional work involved in the reconstruction of portions of the roadway, primarily on the outside 6-foot section. The reconstruction is required for proper base preparation prior to overlaying the existing pavement. An additional \$600,000 is needed to incorporate the RAC warranty, and \$796,000 is needed to reconstruct portions of the roadway.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$1,396,000 to allow this project to be advertised.

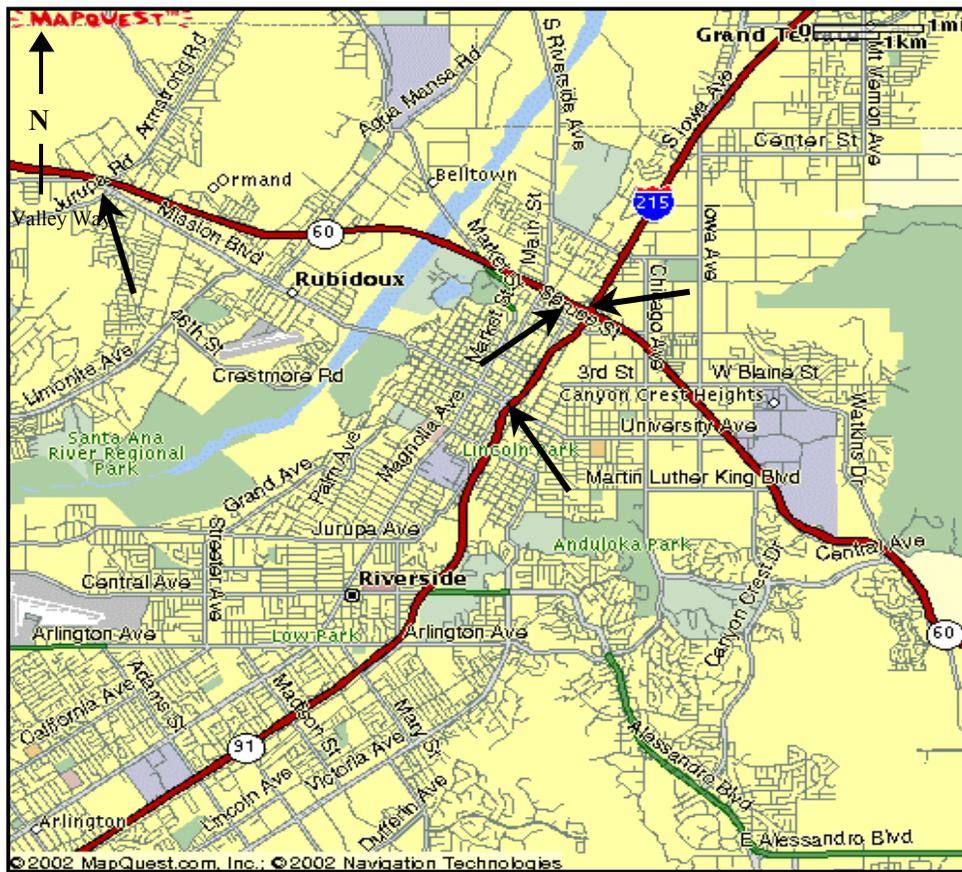
OPTION B: Deny this request and direct the Department to deliver the project within the current allocation.

The Department considered this option. The extent of the roadway overlay would be limited to sections where conventional digouts show the existing base as sufficient for the overlay. Route 113 is a major connector between the Delta Region and Route 80, with heavy truck traffic. Eliminating roadway work at the severely distressed sections may hasten deterioration of the facility.

RECOMMENDED OPTION

The Department recommends that this request for \$1,396,000, as presented in Option A above, be approved to allow completion of this project.

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Item # Prgm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
2 \$1,500,000 Department of Transportation Riverside 08S-Riv-60 6.7/12.2	In and near Riverside on Route 60 from 0.3 mile west of Valley Way Undercrossing to Route 215 Interchange and on Route 215 from Route 60 Interchange to University Avenue Undercrossing. Widen and rehabilitate soundwalls and retaining walls.	4632V1 038A 2001/02 301-0042 301-0890 20.20.075.451 GFRIP	\$3,042,800 \$23,483,200	\$138,000 \$1,062,000	\$3,180,800 \$24,545,200
	Supplemental funds are needed for ongoing project.	2001/02 301-0042 301-0890 20.20.201.120 SHOPP	\$700,600 \$5,401,400 \$32,628,000	\$35,000 \$265,000 \$1,500,000	\$735,600 \$5,666,400 \$34,128,000



PROJECT DESCRIPTION

The project is in and near the City of Riverside on Route 60 approximately 0.3 mile west of Valley Way Undercrossing to Route 215 Interchange, and on Route 215 from Route 60 Interchange to University Avenue Undercrossing. The work involves highway widening, pavement rehabilitation, soundwalls, and retaining walls. The project is about 99% complete with the construction of overhead signs being the remaining item of work.

FUNDING STATUS

The project was programmed in the 1996 SHOPP for \$5,843,000, and in the 1996 STIP for \$25,734,000. The combined total of \$31,577,000 was voted on July 9, 1997. The contract was awarded on December 18, 1997 for \$29,480,000. To fund Contract Change Orders, additional funds of \$2,500,000 were allocated in November 2000, and a second request of \$648,000 was allocated in June 2001 per the Department's authority under Resolution G12. The current contract allocation is \$32,628,000. This supplemental request of \$1,500,000, in addition to the previous allocations, results in an overall increase of 16% over the award amount.

BACKGROUND

The project consists of constructing an high occupancy vehicle (HOV) lane and mixed flow lane in each direction on Route 60 from Valley Way Interchange to the 215/91/60 Interchange, and an HOV lane in each direction on Route 215 from the 215/91/60 Interchange to the University Avenue Interchange, in the City of Riverside.

Construction began in December 1997, and is expected to be complete in June 2002.

REASON FOR INCREASE

Additional funds in the amount of \$1,500,000 are needed to resolve claims submitted by the Contractor. The claims have been justified by the State auditor or have been determined to have entitlement. The most costly claim, estimated at \$1,200,000, resulted from delays with an adjoining contract. Total entitlement is \$2,492,000 with \$992,000 to be paid from the project's contingency balance. The remaining \$1,500,000 is requested to settle claims to which the Contractor is entitled without going to arbitration or paying additional interest. Other potential claims filed by the Contractor may go to arbitration and may result in supplemental funds being required at a later date.

FUNDING OPTIONS

- OPTION A: Approve this request as presented above for \$1,500,000 to allow this project to be closed out.
- OPTION B: Deny this request in which cases the Contractor would need to pursue legal action to recover any costs to which they may be entitled. Delaying payment may cause additional interest to accrue and increase the final costs.

RECOMMENDED OPTION

The Department recommends that this request for \$1,500,000, as presented in Option A above, be approved to allow this contract to be closed out.