

Memorandum

TAB 89

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 7-8, 2010

Reference No.: 2.5c.(4)
Action Item

From: NORMA ORTEGA
Chief Financial Officer



Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **FINANCIAL ALLOCATION ADJUSTMENTS FOR AWARD
RESOLUTION FA-09-15, AMENDING RESOLUTION FP-09-13**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve an adjustment to the allocation amount for the Johnstonville School Zone project (PPNO 3123) in Lassen County from \$1,900,000 to \$1,396,000.

ISSUE:

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 Lassen County are requesting a downward adjustment of \$504,000 from \$1,900,000 to \$1,396,000, for the Johnstonville School Zone project programmed in the STIP.

BACKGROUND:

On October 13, 2009, the Commission approved Resolution FP-09-13, allocating \$1,900,000 to the Johnstonville School Zone project to install signs, flashing beacons and construct turn lanes. The project was programmed with Lassen County Regional Improvement Program (RIP) shares for \$1,900,000. The project was awarded on January 7, 2010, and based on the award amount, the current amount needed is \$1,396,000.

The following table summarizes the project award information for PPNO 3123:

Item	RIP Amount	Total Amount
Contractor's Bid Amount	\$1,179,007	\$1,179,007
Supplemental Work	\$143,500	\$143,500
State Furnished Materials	\$7,000	\$7,000
Contingencies	\$66,125	\$66,125
*Total Project Award Allowance	\$1,395,632	\$1,395,632
CTC Allocation	\$1,900,000	\$1,900,000
*Requested Adjustment	(\$504,000)	(\$504,000)

(*Adjustment is rounded to the nearest thousand.)

FINANCIAL RESOLUTION:

Resolved, pursuant to Section 188.8 of the Streets and Highways Code, that the California Transportation Commission does hereby adjust the amount allocated on December 11, 2008, under Resolution FA-09-15 for the Johnstonville School Zone project (PPNO 3123) in Lassen County by \$504,000 from \$1,900,000 to \$1,396,000, in accordance with the attached revised vote box.

Attachment

2.5 Highway Financial Matters

Project #	Allocation Amount	Recipient	Location	EA	Budget Year	Amount
RTPA/CTC	County	Project Description	Program/Year	Item #	Allocated by	Fund Type
Dist-Co-Rte	Postmile	Project Support Expenditures	CONST ENG	Fund Type		
			CONST			
2.5c.(4) Financial Allocation Adjustment for STIP Projects Per AB 608					Resolution FA-09-15, Amending Resolution FP-09-13	
1	\$1,900,000	In Johnstonville, from just south of Route 36 to just north of Johnstonville Road on Route 395. Install signs, flashing beacons and construct turn lanes.	390901	2009-10	\$1,900,000	
	\$1,396,000		02-3123	801-3008	\$1,396,000	
Department of Transportation		Final Project Development	RIP / 08-09	TIF		
Lassen LTC		Support Estimate: \$536,000	\$0			
Lassen		Programmed Amount: \$495,000	\$0			
02N-Las-395		Difference: \$ 41,000 (<20%)	\$1,900,000			
R61.1/ 61.5			\$1,396,000			
		Final Right of Way				
		Right of Way Estimate: \$102,000				
		Programmed Amount: \$106,000				
		Difference: \$ 4,000 (<20%)				
		(Construction savings of \$210,000 to return to Lassen County regional share balance.)				
		<u>Construction savings of \$504,000 to be credited to Lassen County regional share balance.</u>				
		<u>Outcome/Output:</u> Improves traffic operations and safety by installing a solar flashing beacon, adding turn lanes and bike/pedestrian lanes.				