

Memorandum

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To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 20, 2014

Reference No.: 2.5g.(5c)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **FINANCIAL ALLOCATION AMENDMENT FOR PROPOSITION 1B STATE
ADMINISTERED TRADE CORRIDOR IMPROVEMENT FUND PROJECT ON THE STATE
HIGHWAY SYSTEM
RESOLUTION TCIF-AA-1314-12, AMENDING RESOLUTION TCIF-A-1213-27**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) amend Resolution TCIF-A-1213-27 to de-allocate \$27,362,000 in Proposition 1B Trade Corridor Improvement Fund (TCIF) bond funds from Project 10 – State Route 4 Crosstown Freeway Extension (PPNO 0284) in San Joaquin County, thereby reducing the original TCIF construction allocation from \$84,588,000 to \$57,226,000, to reflect contract award savings.

BACKGROUND:

The Commission approved an allocation of \$84,588,000 TCIF for construction on June 11, 2013. The construction budget also includes \$37,220,000 of San Joaquin Council of Governments (SJCOG) funds, bringing the total construction budget to \$121,808,000. The construction contract was awarded on December 16, 2013 for a total of \$61,494,000, resulting in award savings of \$60,314,000. However, the Department proposes to de-allocate less than the full award savings as described below.

The Department proposes to decrease the construction cost by \$54,724,000, from \$121,808,000 to \$67,084,000. As discussed above, the contract was awarded with \$60,314,000 of savings. However, the Department proposes to increase construction contingencies to account for possible delay costs associated with the Burlington Northern Santa Fe (BNSF) Construction and Maintenance (C&M) Agreement. Additionally, the contractor will be installing the longest California Wide Flange Girders ever used in the state. The existing contingencies may not be sufficient to account for uncertainties associated with these girders. Therefore, the Department proposes to increase construction contingencies from \$5,590,000, which is 10 percent of the low bid, to \$11,180,000, which is 20 percent of the low bid. This would reduce the contract award savings from \$60,314,000 to \$54,724,000.

The Commission's TCIF guidelines require local agencies to fund at least 50 percent of the total project cost. The table below summarizes the existing and proposed programming, including the changes discussed above, and shows that the TCIF program and local funds both receive savings of

\$27,362,000 after accounting for the follow-up landscaping project that was split from the main project at the time of allocation.

Component	EXISTING PROGRAMMING (\$1,000s)				PROPOSED PROGRAMMING (\$1,000s)				SAVINGS (\$1,000s)	
	Crosstown Fwy Extension PPNO 0284		Landscaping PPNO 0284Y		Crosstown Fwy Extension PPNO 0284		Landscaping PPNO 0284Y		Crosstown Fwy Extension PPNO 0284	
	TCIF	Local Funds	Local Funds	Total	TCIF	Local Funds	Local Funds	Total	TCIF	Local Funds
Environmental	0	4,000	0	4,000	0	4,000	0	4,000	0	0
Design	0	10,400	100	10,500	0	10,400	100	10,500	0	0
RW Support	0	3,000	0	3,000	0	3,000	0	3,000	0	0
Const Support	12,232	0	100	12,332	12,232	0	100	12,332	0	0
RW	0	41,600	0	41,600	0	41,600	0	41,600	0	0
Const	84,588	37,220	400	122,208	57,226	9,858	400	67,484	27,362	27,362
Total	96,820	96,220	600	193,640	69,458	68,858	600	138,916	27,362	27,362
Percentage	50.00%	49.69%	0.31%	100.00%	50.00%	49.57%	0.43%	100.00%		

The necessary changes are reflected in strikethrough and bold on the vote box below.

RESOLUTION TCIF-AA-1314-12:

Be it Resolved, that \$84,588,000 in Proposition 1B Trade Corridor Improvement Fund (TCIF) bond funds (Budget Act Item 2660-304-6056) originally allocated under Resolution TCIF-A-1213-27 for Project 10 - State Route 4 Crosstown Freeway Extension (PPNO 0284) in San Joaquin County is hereby amended by \$27,362,000, reducing the original TCIF construction capital allocation to \$57,226,000 in accordance with the vote box below.

Project #	Allocation Amount	Recipient	Project Title	PPNO Program/Year	Budget Year	Amount by
RTPA/CTC	Dist-Co-Rte	Postmile	Location	Phase	Item #	Fund Type
Project ID	Adv Phase	EA	Project Description	EA	Program Code	Fund Type
2.5g.(5c) Allocation Amendment – Proposition 1B – State Administered			Resolution TCIF-AA-1314-12,			
TCIF Projects on the State Highway System			Amending Resolution TCIF-A-1213-27			
1	\$96,820,000	State Route 4 Crosstown Freeway Extension. In	Stockton, from Fresno Avenue to Navy Drive. Construct	10-0284	004-6056	\$12,232,000
	\$69,458,000		two mixed flow lanes and two auxiliary lanes in each	TCIF/12-13	TCIF	
Department of		(Future Consideration of Funding - Resolution E-11-06;	direction. (TCIF Project 10)	CON ENG	2011-12	
Transportation		January 2011.)		\$12,232,000	304-6056	\$84,588,000
SJCOG				CONST	TCIF	\$57,226,000
10-SJ-4				\$84,588,000	20.20.723.000	
14.4/14.8				\$57,226,000		
T14.6/R15.7		(The TCIF allocation is split as follows: \$12,232,000 for		1000000229		
		construction engineering and \$84,588,000 \$57,226,000 for		4		
		construction capital.)		OS1104		
				4		
		(Contributions from other sources: \$37,220,000				
		\$9,858,000 for CONST; \$96,220,000 \$68,858,000 for				
		entire project and \$600,000 for follow up landscaping				
		project.)				
		<u>Outcome/Output:</u> Extend Route 4 by approximately				
		1.1 miles.				
		<u>Amending Resolution TCIF-A-1213-27 to de-allocate</u>				
		<u>\$27,362,000 TCIF Bond Program CONST to reflect</u>				
		<u>award savings.</u>				

REVISE: State Route 4 Crosstown Freeway Extension project (PPNO 0284)

County	District	PPNO	EA	Element	Const. Year	PMBack	PMAhead	Route/Corridor					
San Joaquin	10	0284	0S110	CO	2012-13	14.4	14.8	4					
Implementing Agency: (by component)		PA&ED	SICOG		PS&E		SICOG						
		R/W	Caltrans		CON		Caltrans						
RTPA/CTC:	San Joaquin Council of Governments												
Project Title:	State Route 4 Crosstown Freeway Extension												
Location	In Stockton, from Fresno Avenue to Navy Drive.												
Description:	Construct 2 mixed flow lanes and two auxiliary lanes in each direction.												
(DOLLARS IN THOUSANDS)													
FUND	TOTAL	Project Totals by Fiscal Year						Project Totals by Component					
		Prior	12/13	13/14	14/15	15/16	16/17	R/W	CON	PA&ED	PS&E	R/W Supp	CON Supp
State Bond													
Existing	96,820		96,820					84,588					12,232
Change	(27,362)		(27,362)					(27,362)					0
Proposed	69,458		69,458					57,226					12,232
Local Funds (Measure K)													
Existing	93,220	59,000	34,220				41,600	34,220	4,000	10,400	3,000		
Change	(27,362)		(27,362)					(27,362)	0			0	
Proposed	65,858	59,000	6,858				41,600	6,858	4,000	10,400	3,000		
Local Funds (RTIF)													
Existing	3,000		3,000					3,000					
Change	0		0					0					
Proposed	3,000		3,000					3,000					
Total													
Existing	193,040	59,000	134,040				41,600	121,808	4,000	10,400	3,000		12,232
Change	(54,724)	0	(54,724)				0	(54,724)	0	0	0		0
Proposed	138,316	59,000	79,316				41,600	67,084	4,000	10,400	3,000		12,232

Note: The above table does not include funding for the follow-up landscaping project (PPNO 0284Y).