

Memorandum

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To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 21, 2014

Reference No.: 2.5e.(3)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT
RESOLUTION FA-13-13**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$180,000 for one State Highway Operation and Protection Program (SHOPP) project identified below.

ISSUE:

Additional funds are needed for one previously approved project in order to close-out the construction contract.

RESOLUTION:

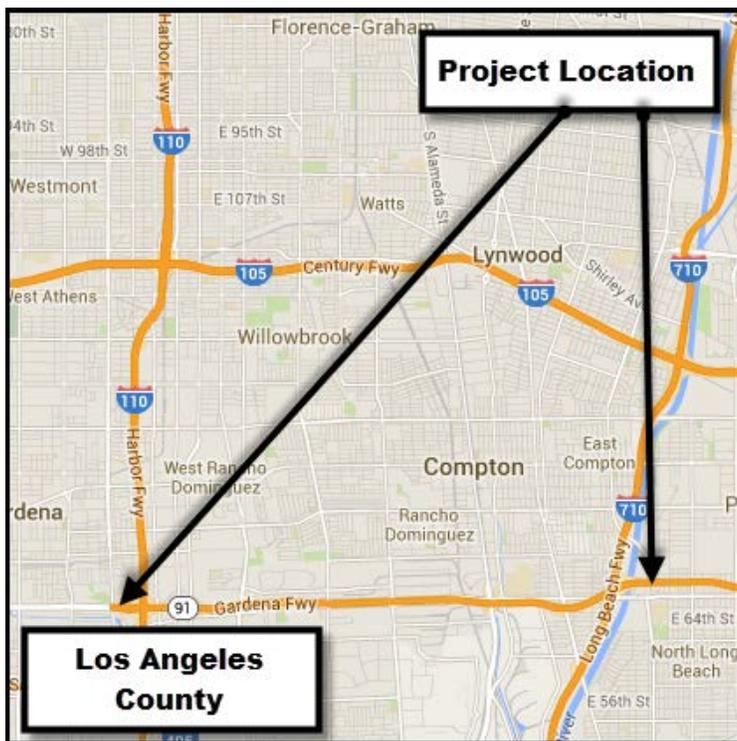
Resolved, that \$180,000 be allocated from the Budget Act of 2013, Budget Act Item 2660-302-0042 to provide additional funds to allow the following project to be closed-out.

<u>Project</u>	<u>Dist-Co-Rte</u>	<u>Original Allocated Amount</u>	<u>Current Allocation</u>	<u>Allocation Adjustment</u>	<u>Revised Allocation</u>	<u>% Increase Above Current Allocation</u>
1	07-LA-91	\$1,800,000	\$2,346,000	\$180,000	\$2,526,000	7.7%

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	PPNO Program Funding Year Item # Fund Type Program Codes Project ID Adv Phase EA	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
2.5e.(3) Supplemental Funds for Previously Voted Projects					Resolution FA-13-13
1 \$180,000 Department of Transportation Los Angeles 07-LA-91 R6.4/12.0	In the city of Los Angeles, at the Route 110 connector Bridge #53-2549H and in Long Beach at Route 710 Bridges # 53-2142K and 53-2144K. <u>Outcome/Output:</u> Rehabilitate three bridges to extend the service life of the structures. Supplemental Funds needed to complete the construction contract. Total Revised Amount: \$2,526,000	07-3922 SHOPP 2011-12 302-0042 SHA 302-0890 FTF 20.20.201.110 SHOPP 2012-13 302-0042 SHA 20.20.201.110 0700001841 4 260504	\$75,000 \$2,271,000	\$75,000 \$180,000	\$75,000 \$2,271,000 \$180,000

RECOMMENDATION:

The Department recommends that this request for \$180,000 be approved to allow this project to be closed-out.



PROJECT DESCRIPTION:

This project is located in the cities of Los Angeles and Long Beach, at the Route 110 Separation No. 53-2549H, and Route 710 Separation/Los Angeles River Bridges No. 53-2142 and No. 53-2144K. This project removes unsound concrete spalls and fills with rapid-set concrete, removes approximately a half inch of the existing concrete deck surface, seals with methacrylate resin coating, places a polyester concrete overlay, and replaces joint seals and assemblies.

FUNDING STATUS:

The project was programmed into the 2010 SHOPP for \$4,849,000 and was voted for \$1,800,000 in August 2011 for construction in Fiscal Year 2011-12. A supplemental allocation of \$546,000 was approved in December 2011 to award the project to the low bidder. The project is now completed, but there are insufficient funds to pay for the settlement of claims. An additional \$180,000 in supplemental funds is needed to close-out the construction contract and results in an overall increase of 7.7 percent over the current allocation.

REASONS FOR COST INCREASE:

In October 2013, after completion of construction, a Board of Review was convened to determine compensation claims submitted by the Contractor. The Contractor requested a total of \$209,343 for three items. These items are full compensation for all quantities of bridge deck polyester concrete placed, compensation for changes to the work item for removing the existing bridge deck surface and patching with rapid setting concrete, and compensation for extra work to grind bridge approach and departure slabs to conform to deck and roadway surfaces.

The Board of Review concluded an additional \$153,767 for these three items plus accrued interest was warranted.

An additional \$180,000 in supplemental funds is needed in order to close-out the construction contract.

FUNDING OPTIONS:

OPTION A: Approve this request as presented above for \$180,000 to allow the close-out of this construction contract.

OPTION B: Deny this request and require the Contractor pursue payment from the Department through further legal action. The Department has considered this option and determined that the future costs to resolve these issues would most likely be greater than the current request and interest will continue to accumulate on the unpaid amount.

RECOMMENDED OPTION:

The Department recommends that this request of \$180,000, as presented in Option A above, be approved to allow the close-out of this construction contract.