

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 21, 2014

Reference No.: 2.5e.(5)
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-13-10

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$475,000 in Interregional Improvement Program (IIP) funds for the Route 198 Expressway project (PPNO A4360B) in Kings and Tulare Counties.

ISSUE:

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

RESOLUTION:

Resolved, that \$475,000 be allocated from the Budget Act of 2013, Budget Act Item 2660-301-0042, to provide additional funds for the project identified below.

Project	Dist-Co-Rte	Funds	Original Allocated Amount	Current Allocation	Allocation Adjustment	Revised Allocation	% Increase Above Current Allocation
1	06-Kin, Tul-198	CMIA ⁽¹⁾	\$64,591,000	\$44,514,000	\$0	\$44,514,000	0.0%
		IIP	\$0	\$1,000,000	\$475,000	\$1,475,000	47.5%
		Demo	\$2,040,000	\$2,159,750	\$0	\$2,159,750	0.0%
		TCRP	\$3,609,000	\$3,609,000	\$0	\$3,609,000	0.0%
		Total	\$70,240,000	\$51,282,750	\$475,000	\$51,757,750	0.9%

Notes:

(1) Current CMIA allocation reflects de-allocation of \$20,077,000 in May 2010.



Kings County



Tulare County

FUNDING STATUS:

The Commission allocated \$64,591,000 of Proposition 1B Corridor Mobility Improvement Account (CMIA) funds and \$3,609,000 of Traffic Congestion Relief Program (TCRP) funds in May 2009. The construction contract was awarded in September 2009 with an authorized budget of \$49,833,222, comprised of \$44,514,000 of CMIA funds, \$3,609,000 of TCRP funds, and \$1,710,222 of federal Demonstration funds. The Commission de-allocated CMIA award savings in May 2010. In September 2012, the Department secured an additional \$449,528 of federal Demonstration funds, and the Commission approved a supplemental allocation of \$1,000,000 of IIP funds.

Construction is now complete and all claims have been resolved. However, an additional \$475,000 is needed to close out the construction contract.

REASONS FOR COST INCREASE:

In April 2012, the Department's biologists identified migratory birds nesting in trees within the project limits. Three 200-foot-long Environmentally Sensitive Area (ESA) buffer zones and four 1,200-foot long ESA buffer zones were established. No heavy work was allowed within the ESAs. Because of these restrictions, installation of Lean Concrete Base and Portland Cement Concrete Paving (PCCP), which were the controlling operations for the project, could not occur within the buffer zones. These restrictions remained in place until the newborn birds left the nests, which resulted in a delay of almost five months.

The buffer zones resulted in delay or idle time costs associated with several pieces of equipment, including multiple PCCP paving machines, a concrete batch plant and grading equipment. In addition, there were increased costs associated with starting and stopping the work at various locations, and remobilizing in the buffer zones later in the year.

The Commission approved a supplemental allocation of \$1,000,000 in September 2012 to address delay costs associated with the nesting birds. However, the final delay costs were over \$1,785,000. The Department anticipated that some of the additional cost would be covered by penalties that were withheld from the contractor on items of work unrelated to the delay claims, in accordance with the contract special provisions. However, after the contractor filed claims to recover the penalties, the Board of Review recommended payment. Therefore, an additional \$475,000 is needed to close out the construction contract.

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for \$475,000 to close out the construction contract.

OPTION B: Deny this request. Under this option, the Department would not be able to pay the contractor and would continue to accrue interest on the balance due.

RECOMMENDED OPTION:

The Department recommends that this request of \$475,000, as presented in Option A above, be approved to close out the construction contract.

REVISE:

Route 198 Expressway project (PPNO A4360B)

County	District	PPNO	EA	Element	Const. Year	PMBack	PMAhead	Route/Corridor					
Kings, Tulare	6	A4360B	3568U	CO	2008-09	R21.5, R0.0	R28.3, R3.3	198					
Implementing Agency: (by component)		PA&ED	Caltrans			PS&E	Caltrans						
		R/W	Caltrans			CON	Caltrans						
RTPA/CTC:	Kings County Association of Governments												
Project Title:	Route 198 Expressway												
Location:	Near Hanford, on Route 198 from 0.5 mile east of Route 43 to 0.4 mile west of Route 99.												
Description:	Convert to four-lane expressway.												
(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
RIP													
Existing	15,867	15,867						11,981		1,549	800	1,537	
Change	0	0						0		0	0	0	
Proposed	15,867	15,867						11,981		1,549	800	1,537	
IIP													
Existing	17,000	16,000	1,000	0				5,281	1,000		4,105	1,600	5,014
Change	475	0	0	475				0	475		0	0	0
Proposed	17,475	16,000	1,000	475				5,281	1,475		4,105	1,600	5,014
State Bond - CMIA													
Existing	44,514	44,514							44,514				
Change	0	0							0				
Proposed	44,514	44,514							44,514				
TCRP (Committed)													
Existing	14,000	14,000						5,038	3,609		853		4,500
Change	0	0						0	0		0		0
Proposed	14,000	14,000						5,038	3,609		853		4,500
Demo													
Existing	2,660	2,660							2,160	490	10		
Change	0	0							0	0	0		
Proposed	2,660	2,660							2,160	490	10		
Total													
Existing	94,041	93,041	1,000	0				22,300	51,283	2,039	5,768	3,137	9,514
Change	475	0	0	475				0	475	0	0	0	0
Proposed	94,516	93,041	1,000	475				22,300	51,758	2,039	5,768	3,137	9,514