

# Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 27, 2015

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

From: NORMA ORTEGA  
Chief Financial Officer

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Division of  
Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT  
RESOLUTION FA-15-02**

## **RECOMMENDATION:**

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$1,000,000 for the 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:**

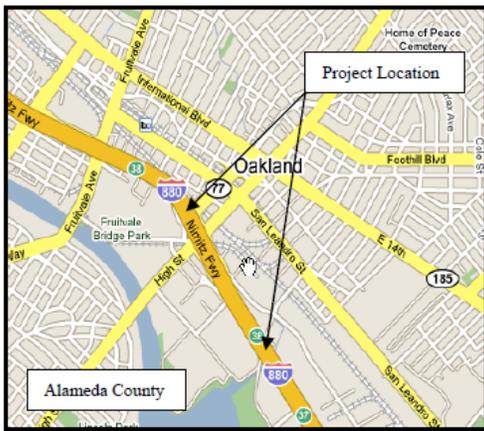
Resolved, that \$1,000,000 be allocated from the Budget Act of 2014, Budget Act Items 2660-302-0042 and 2660-302-0890 to provide funds to close out the following project.

|                                  | Original<br>Allocated<br><u>Amount</u> | Award<br><u>Amount</u> | Current<br><u>Allotment</u> | Allocation<br><u>Adjustment</u> | Revised<br><u>Allocation</u> | % Increase<br>Above Award<br><u>Amount</u> |
|----------------------------------|--|------------------------|-----------------------------|---------------------------------|------------------------------|--|
| <u>Dist-Co-Rte</u><br>04-ALA-880 | \$100,200,000                          | \$58,630,000           | \$64,693,000                | \$1,000,000                     | \$65,693,000                 | 1.5%                                       |

**PROJECT DESCRIPTION:**

The project is located on Route 880 in Oakland, Alameda County. As part of the Phase II Seismic Retrofit Program, this project replaces the seismically deficient High Street overhead structures. The overhead consists of two parallel structures, one for each direction of travel. The project also reconfigures the Route 77/880 (42nd Avenue) Interchange to a partial diamond interchange with at-grade intersections. The structures are vulnerable to damage in the event of a major earthquake and seismic studies determined that it is best to replace the structures rather than to retrofit them. Furthermore, the structures have reached the useful design life and are in need of frequent repairs.

**PROJECT LOCATION**



**FUNDING STATUS:**

The project was programmed in the 2008 SHOPP and in December 2008, the Commission allocated \$100,200,000 for the project. In August 2009, the contract was awarded for \$58,630,000 and construction work commenced in September 2009. In September 2009, an additional \$6,063,000 was allotted by the Department through a G-12 adjustment, bringing the cost of the project to \$64,693,000.

This request of \$1,000,000 brings the total cost to \$65,693,000, an increase of 12 percent above the contract award amount.

**REASONS FOR COST INCREASE:**

Upon completion of construction, the contractor submitted 25 exceptions to the proposed final estimate, totaling \$10,475,184 plus interest. These included claims for the escalated cost of reinforcing steel, numerous item adjustments, and the disposal of contaminated. The Department completed the entitlement analysis and concluded an additional \$1,000,000 is warranted.

**DETERMINATION:**

The Department has determined that this request of \$1,000,000 is warranted and the contractor has agreed this payment will close-out the construction contract.

Attachment

2.5 Highway Financial Matters

| Project #  | Allocation Amount | Recipient                    | County  | Dist-Co-Rte | Postmile  | Project Title   | Location | Project Description  | Project Support Expenditures | PPNO<br>Program<br>Funding Year<br>Item #<br>Fund Type<br>Program Codes<br>Project ID<br>Adv Phase<br>EA | State<br>Federal<br>Current Amount<br>by Fund Type | State<br>Federal<br>Additional<br>Amount by<br>Fund Type | State<br>Federal<br>Revised<br>Amount by<br>Fund Type |
|--|-------------------|------------------------------|---------|-------------|-----------|---|----------|--|------------------------------|--|--|--|---|
| <b>2.5e.(3) Supplemental Funds for Previously Voted Projects</b> |                   |                              |         |             |           |   |          |  |                              | <b>Resolution FA-15-02</b>   |  |  |   |
| 1  | \$1,000,000       | Department of Transportation | Alameda | 04-ALA-880  | 27.4/28.0 | In Oakland, from 0.6 mile south of High Street to 0.1 mile south of Fruitvale Avenue, at High Street Separation and Overhead (Bridge No. 33-0732L/R). |          | <u>Outcome/Output:</u> Replace structurally deficient bridges to maintain structural integrity in the event of a major earthquake and reduce the risk to lives and properties. |                              | 04-0040E<br>SHOPP/2008-09<br>302-0042<br>SHA<br>302-0890<br>FTF<br>20.20.201.113                         | \$5,451,100  |  | \$5,451,100   |
|  |                   |                              |         |             |           | Supplemental funds are needed to Close-out Contract.  |          |  |                              | SHOPP/2014-15<br>302-0042<br>SHA<br>302-0890<br>FTF<br>20.20.201.113<br>0100000447<br>4<br>16542         |  | \$92,000   | \$92,000  |
|  |                   |                              |         |             |           | Total revised amount \$65,693,000   |          |  |                              |  |  | \$908,000  | \$908,000   |