

**CALIFORNIA TRANSPORTATION COMMISSION
Delegation of Authority to Adjust Project Allocations
And Modify Project Descriptions**

**RESOLUTION G-19-12
Replacing Resolution G-16-12**

- 1.1 WHEREAS, the California Transportation Commission (Commission) adopted Resolution #G-12, delegation of authority to adjust project allocations and modify project descriptions to the Director of the California Department of Transportation (Director) on July 28, 1978; and
- 1.2 WHEREAS, over the years Resolution #G-12 was revised by Resolutions #G-83-6, #G-85-10, #G-88-18, #G-89-23, #G-90-24, #G-95-08, #G-98-12, #G-02-12, #G-09-12, and #G-16-12; and
- 1.3 WHEREAS, the delegation greatly reduces the volume of financial transactions submitted to the Commission and increased the efficiency of the Department of Transportation (Department) in processing changes; and
- 1.4 WHEREAS, passage of Senate Bill 486 (DeSaulnier, Chapter 917, Statutes of 2014) increased Commission responsibility for the State Highway Operation and Protection Program (SHOPP).
- 2.1 NOW THEREFORE, BE IT RESOLVED, that the following policies shall be in effect for capital allocations and project support allocations by the Commission for State Transportation Improvement Program (STIP), SHOPP, and SHOPP Minor projects:
 - A. The Director is authorized to increase individual project construction capital allocations of STIP and/or SHOPP projects to allow the advertisement, award, and completion of contracts within the following limits:
 1. For programmed STIP and SHOPP projects receiving a Commission allocation of less than \$1,000,000, the Director may adjust the funds allocated for construction capital provided the adjustment does not increase the Commission's allocation by more than \$200,000.
 2. For programmed STIP and SHOPP projects receiving a Commission allocation of \$1,000,000 or more, the Director may adjust the funds allocated for construction capital provided the adjustment does not increase the Commission's allocation by more than \$200,000 plus 10 percent of the initial Commission allocation.

3. When a programmed STIP or SHOPP project is awarded for less than the Commission construction capital allocation amount, the above authorized allocation increase is to be based upon the contract allotment including such items as contingencies, supplemental work, and state furnished materials, if any, rather than on the initial Commission allocation amount.
 4. For projects enumerated on the Commission reviewed and accepted Minor A project list, the Director may adjust the funds sub-allocated for construction capital provided that the adjustment does not exceed the estimated construction capital expenditure by more than \$200,000.
 5. For SHOPP Minor B projects, the Director may adjust the funds sub-allocated for construction capital provided that the adjustment does not exceed 110 percent of the Minor B project limit defined as an amount equal to the lower limit of projects subject to the State Contract Act as revised by the Department of Finance.
 6. Any adjustment that exceeds the authorized limits described above must be allocated by the Commission. In addition, all subsequent increases to the allocation must be presented to the Commission for approval.
 7. Any allocation adjustment for programmed STIP, SHOPP, and Minor SHOPP projects is assumed to be proportionate to any non-state funding on the project, unless the project was programmed for non-proportional funding per STIP Guidelines.
 8. The Director will review all allocation adjustment requests for appropriateness and need prior to approval.
- B. The Director is authorized to modify Commission adopted project descriptions to meet unforeseen conditions and to correct project description errors in order to proceed with the advertisement of projects provided that:
1. Such revisions do not change the Commission's intent with regard to an individual project's program component, principal purpose, primary characteristics, project output and general location.
 2. Any cost increase resulting from the proposed change in project description is within the limits authorized to the Director under item A above.

3. Any needed project scope change, which exceeds the authorized limits described above, must be approved by the Commission.
- C. The Director is authorized to split or combine allocated projects in close geographical proximity for ease and economy of contract administration provided that:
1. The amount of a combined project does not exceed the sum of the individual approved projects, and the amount of split projects does not exceed the allocation for the original project.
 2. When two or more STIP and/or SHOPP programmed projects are combined, the cost increase limits authorized under item A above are based on the total cost of the combined project as though it was a single project. When a STIP and/or SHOPP programmed project is split, the cost increase authorized under item A above shall be based on the contract allotment of each portion.
 3. When two or more SHOPP Minor A projects are combined, the combined project will be considered a single Minor A capital outlay project for accounting purposes. The cost increase limits authorized under Item A above shall be individually determined for each of the Minor A projects involved.
 4. When a SHOPP Minor A project is combined with a SHOPP project, the combined project will be considered a single SHOPP programmed capital outlay project for cost increase limits authorized under item A above and accounting purposes.
 5. When an independently designed and allocated SHOPP programmed project is combined with a STIP programmed project for construction purposes, the cost increase limits authorized under item A above shall be individually determined and accounted for the SHOPP portion and the STIP portion of the combined project.
 6. When an independently designed and allocated SHOPP Minor A project is combined with a STIP programmed project for construction purposes, the cost increase limits authorized under Item A above shall be individually determined and accounted, for the SHOPP Minor A portion and the STIP portion of the combined project.
- D. The Director shall report all capital outlay allocation changes made under this delegation (both increases and decreases) to the Commission Executive Director on a monthly basis. At a minimum, the

report will contain the following information:

1. A listing of projects which received increases or decreases during the prior month, including allocations revised downward to match lower contract allotment amounts. The project listing shall include the following information for each project: project identifiers (Planning Programming Number, Expenditure Authorization number, and Enterprise Resource Planning Financial Infra-Structure number), project type (STIP, SHOPP or SHOPP Minor), description of work, initial Commission allocation data and amount, current allocation amount, and the Director revised allocation amount.
 2. A cumulative total of Director approved increases and decreases to funds allocated by the Commission during the fiscal year. It is intended that over time the Director approved decreases will be offset by the Director approved increases.
 3. The Director shall provide a summary of the capital outlay allocation changes on a quarterly basis with the Department's Quarterly Delivery Report.
- E. The delegation of authority to adjust project allocations under this resolution does not apply to project allocations that the Commission previously adjusted in accordance with Streets and Highways Code section 188.8(d)(3), as first authorized by AB 608 (Chapter 815, Statutes of 2001). The Commission must approve any further adjustments.
- F. The Director is authorized to increase Commission approved STIP and SHOPP project support component values; environmental studies and permits, preparation of plans, specifications, and estimates, right of way support, and construction support to facilitate project delivery and construction completion within the following limits:
1. For projects with total support component value of less than \$1,000,000, the Director may adjust individual support components, provided the adjustment is undertaken prior to over expenditure of funds and does not increase the total Commission approved support value by more than \$200,000.
 2. For projects with total support component value of \$1,000,000 or more, the Director may adjust individual components, provided the adjustment is undertaken prior to over expenditure of funds and

does not increase the total Commission approved support value by more than \$200,000 plus 10 percent of the Commission approved value.

3. The basis for calculating the adjustment authority limits is the cost in the most recent Commission adopted programming document as amended by Commission action.
 4. Any adjustments that exceed the authorized limits described above must be approved by the Commission. In addition, all subsequent increases to the cost shall be presented to the Commission for approval.
 5. The Director will review all allocation adjustment requests for appropriateness and need prior to approval.
 6. The Director shall report a summary of project support component increases on a quarterly basis with the Department's Quarterly Delivery Report. Additionally, all project support component changes (both increases and decreases) shall be reported to the Commission Executive Director on a monthly basis using reporting consistent with sections D.1 and D.2 above.
- G. The Director is authorized to increase Commission approved STIP and/or SHOPP right of way capital allocations for projects programmed with right of way capital for Fiscal Year 2019-20 or later with right of way capital of \$10 million or more that received an individual allocation within the following limits:
1. The Director may adjust individual allocations, provided the adjustment is undertaken prior to over expenditure of funds and does not increase the total Commission approved right of way capital value by more than \$200,000 plus 10 percent of the Commission approved value.
 2. The basis for calculating the adjustment authority limits is the cost in the most recent Commission adopted programming document as amended by Commission action.
 3. Any adjustments that exceed the authorized limits described above must be approved by the Commission. In addition, all subsequent increases to the cost shall be presented to the Commission for approval.

4. The Director will review all allocation adjustment requests for appropriateness and need prior to approval.
5. The Director shall report a summary of project right of way capital increases on a quarterly basis with the Department's Quarterly Delivery Report. Additionally, all changes (both increases and decreases) shall be reported to the Commission Executive Director on a monthly basis using reporting consistent with sections D.1 and D.2 above.

2.2 THEREFORE BE IT FURTHER RESOLVED, that this resolution superseded and replaces Resolution #G-16-12 and serves as a complete restatement of Resolution #G-12.