

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 20-21, 2016

Reference No.: 2.5e.(5)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

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Programming

Subject: ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT
RESOLUTION FA-15-18

RECOMMENDATION

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$1,800,000 for the East Sonora Bypass Stage II project (PPNO 0021B) in Tuolumne County.

ISSUE

Additional funds are needed for one previously voted multi-funded project in order to pay for an administrative civil liability order by the California Regional Water Quality Control Board, and a settlement agreement with the contractor and to close-out the construction contract.

RESOLUTION

Resolved, that \$1,800,000 be allocated from the Budget Act of 2006, Budget Act Item 2660-801-3093, to provide additional funds for the project identified below.

Dist-Co-Rte	Funds	Original Allocated Amount	Current Allocation	Allocation Adjustment	Revised Allocation	% Increase Above Current Allocation
10-Tuo-108	CMIA	\$11,155,000	\$11,155,000	\$0	\$11,155,000	0.0%
	IIP	\$11,047,000	\$11,047,000	\$1,290,000	\$12,337,000	11.4%
	RIP	<u>\$4,358,000</u>	<u>\$4,772,000</u>	<u>\$510,000</u>	<u>\$5,282,000</u>	<u>11.7%</u>
	Total	\$26,560,000	\$26,974,000	\$1,800,000	\$28,774,000	6.7%

PROJECT DESCRIPTION

The project is located near Sonora, on Route 108 from Peaceful Oak Road to Via Este Road. The project constructed a two-lane expressway on new alignment.

PROJECT LOCATION



FUNDING STATUS

In June 2007, the Commission programmed \$13,858,000 of Proposition 1B Corridor Mobility Improvement Account (CMIA) funds, \$14,300,000 of Interregional Improvement Program (IIP) funds, and \$5,642,000 of Regional Improvement Program (RIP) funds for construction.

In January 2011, the Commission allocated \$11,155,000 of CMIA funds, \$11,047,000 of IIP funds, and \$4,358,000 of RIP funds for construction; savings were returned to their respective programs. The construction contract was awarded in December 2011, with an authorized budget that matched the allocations. A supplemental allocation for \$414,000 STIP RIP funds was allocated by the Commission in October 2013, for structure modification to align for a future phase and final configuration.

Construction is complete as of January 2014. However, an additional \$1,800,000 is needed to close out the construction contract.

REASONS FOR COST INCREASE

On November 15, 2013, the Executive Officer of the Central Valley Water Board (Water Board) issued Administrative Civil Liability Complaint No. R5-2013-0589 (Complaint) to the Department pursuant to Water Code Sections 13323 and 13385. The complaint alleged that the Department violated provisions of the National Pollutant Discharge Elimination System (NPDES) General Permit for Storm Water Discharge Associated with Construction and Land Disturbance Activities. The violations are associated with the construction of the State Route 108 East Sonora Bypass Project Stage II.

There were five rain events between November 16, 2012 and December 21, 2012 that resulted in over 14 inches of rain at the project site. The Water Board was on site after the first weekend storm event and noted an out of compliance discharge. The contractor addressed some of the issues but at that time the slopes were saturated and unsafe to work on. The contractor implemented intermediate progressive efforts between the storms but the unacceptable discharge continued. The Water Board did numerous site visits citing improvement as well as continued issues. The project was not brought into compliance until January 7, 2013.

The Department and the Water Board have settled on the amount of \$2,700,000 in payment for these violations. The Department has paid all except \$38,000 of the Administrative Civil Liability fine out of the construction allocation and has depleted the construction funds. The contractor was responsible for \$715,974 of the fines and has submitted claims for additional Storm Water Pollution Prevention Plan (SWPPP) work in the amount of \$5,200,000. The Department came to a settlement with the contractor through arbitration on October 28, 2015, and is requesting \$1,800,000 to pay the contractor and the remainder of the Water Board fine.

DETERMINATION

The Department has determined that it is in the best interest of the State to pay the remainder of the Administrative Civil Liability fine and the amount settled with the contractor and close out the construction contract for this project.

Attachment

