

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 22-23, 2003

Reference No.: 2.5e.  
Action

PASSED BY  
**CTC**

JAN 23 2003

CALIFORNIA  
TRANSPORTATION COMMISSION

From:   
ROBERT L. GARCIA  
Chief Financial Officer

Prepared by: Jim Nicholas  
Division Chief  
Transportation Programming

Ref: FINANCIAL ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECTS, RESOLUTION FA-02-04

## RECOMMENDATION:

The Department recommends that the California Transportation Commission (Commission) approve the following Resolution.

## FINANCIAL RESOLUTION:

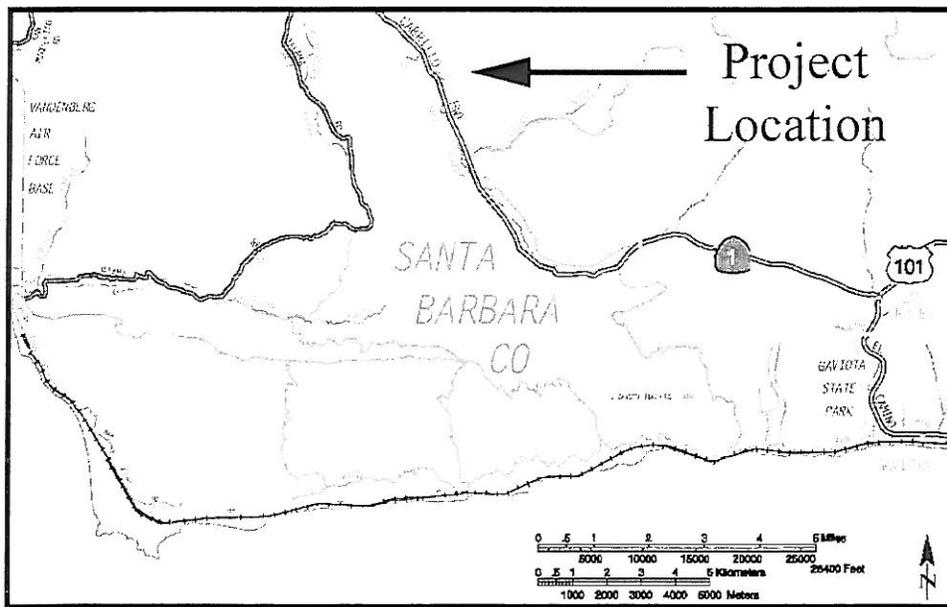
Resolved that \$3,424,000 be allocated from the Budget Act of 2002, from Budget Act Items 2660-301-0042, 2660-301-0890, 2660-302-0042 and 2660-302-0890 to provide additional funds for the two projects listed below.

## SUMMARY AND CONCLUSIONS:

This resolution allocates \$3,424,000 of additional State and Federal funds for two (2) previously approved projects listed below:

Project	Dist-Co-Rte	Original Vote/G11 Amount	Award Amount	Current Budget Amount	Current Allocation Revision	Revised Budget Amount	Total Increase Vote/Award
1	05-SB-1	\$2,420,000	\$1,930,500	\$2,323,500	\$553,000	\$2,876,500	49%A
2	06-Fre,Mad-41	\$26,800,000	\$28,470,000	\$31,586,000	\$2,871,000	\$34,457,000	29%V

Project #	EA	State	State	State
Allocation Amount	PPNO	Federal	Federal	Federal
Recipient	Budget Year	Current	Additional	Revised
County	Item #	Budget	Allocation	Total
Dist-Co-Rte	Prgm Codes	Amount		Amount
Postmile	Program			
Location	Project Description			
Reason for Supplemental Funds				
<b>2.5e Supplemental Funds for Previously Voted Projects</b>				
<b>Resolution: FA-02-04</b>				
1				
\$553,000	423901			
Department of	0423			
Transportation	1996/97			
Santa Barbara	302-0042	\$266,600	-	\$266,600
05S-SB-1	302-0890	\$2,056,900	-	\$2,056,900
12.5/13.2	20.20.201.130			
	SHOPP			
Near Lompoc – from 0.8 mile south to 0.2 mile south of El Jaro Creek Bridge No. 51-94.				
Realign roadway.				
Supplemental funds are needed for arbitration payment to contractor.				
	2002/03			
	302-0042	-	\$63,000	\$63,000
	302-0890	-	\$490,000	\$490,000
	20.20.201.130			
	SHOPP	\$2,323,500	\$553,000	\$2,876,500



**PROJECT DESCRIPTION**

This completed project located in Santa Barbara County near Lompoc on Highway 1, consisted of realigning the two-lane highway due to a slipout caused by storms in 1995.

BACKGROUND

This Contract was accepted on February 10, 1999. The Contractor for this project filed \$637,549.56 in claims. The Contractor was awarded \$53,235.60 at the Board of Review. The Contractor filed for arbitration damages of \$591,000.00 on July 13, 2000.

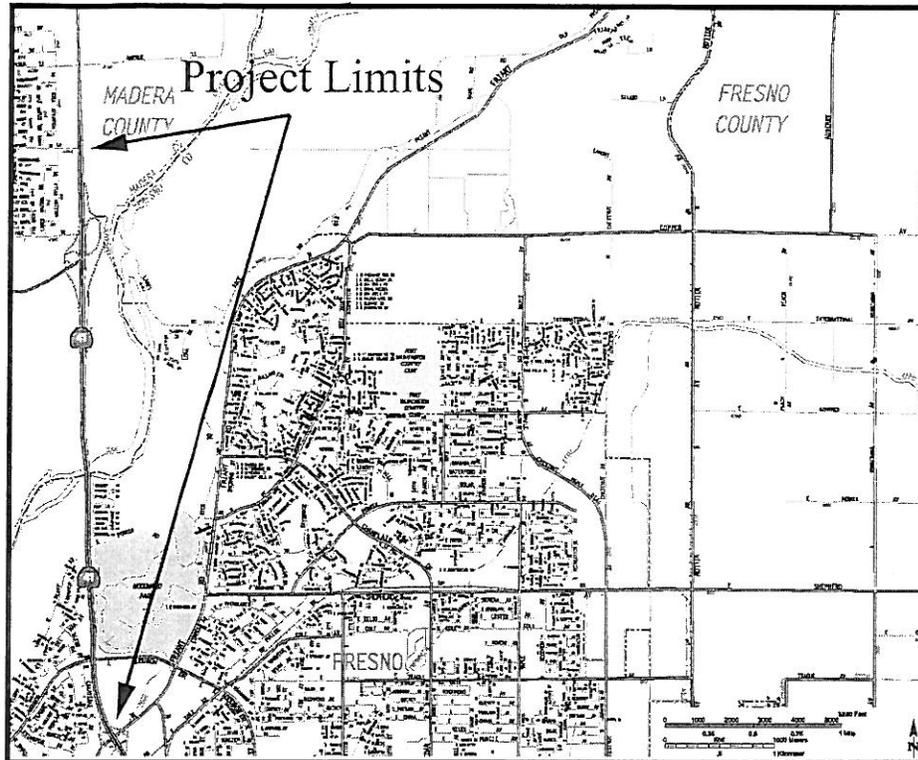
FUNDING STATUS

The programmed amount for this contract was \$2,420,000.00, voted on April 2, 1997. The project was awarded for \$1,930,500 in June 1997. This request of \$553,000 results in an increase of 49% above the award amount.

REASON FOR COST INCREASE

Blasting of hard rock encountered in the excavation was paid for as extra work, which included drilling, placing explosives, and setting the explosives off. The Contractor later claimed that the rock was a change in character of the work. The Contractor pursued this claim through arbitration in court. A judgment was made in favor of the Contractor, on November 14, 2002. The Contractor will be paid \$633,252.88, plus interest until paid. Approval of \$553,000 in supplemental funds is needed, so they can be combined with the remaining contingency funds to pay the arbitration award.

Project #	EA	State	State	State
Allocation Amount	PPNO	Federal	Federal	Federal
Recipient	Budget Year	Current	Additional	Revised
County	Item #	Budget	Allocation	Total Amount
Dist-Co-Rte	Prgm Codes	Amount		
Postmile	Program			
Location				
Project Description				
Reason for Supplemental Funds				
<b>2.5e</b>	<b>Supplemental Funds for Previously Voted Projects</b>			<b>Resolution: FA-02-04</b>
2				
\$2,871,000	In Fresno County and Madera – from	305501		
Department of	Friant Road Undercrossing to Avenue	B0030A		
Transportation	10-1/2.	1994/95		
Fresno	Construct embankments and bridges.	301-0042	\$12,505,000	-
06N-Fre-41		301-0890	\$18,915,000	-
R31.7/R33.5	Supplemental funds are needed for	20.20.075.411		\$18,915,000
	arbitration payment to contractor.	STIP		
		2001/02		
		301-0042	\$67,000	-
		301-0890	\$99,000	-
		20.20.075.611		\$99,000
		STIP		
		2002/03		
		301-0042	-	\$329,000
		301-0890	-	\$2,542,000
		20.20.075.600		\$2,542,000
		STIP	\$31,586,000	\$2,871,000
				\$34,457,000



### PROJECT DESCRIPTION

This completed project in Fresno and Madera Counties, in and near Fresno, on Route 41, provided a new freeway from Friant Road Undercrossing to Avenue 10-1/2.

### BACKGROUND

The contract was accepted on January 3, 2000. The Contractor submitted \$3,558,889.70 in contract claims. The Contractor was awarded \$887,932.67 for those claims found to have merit. The Contractor pursued the remaining claims through arbitration.

### FUNDING STATUS

The programmed amount for this contract was \$26,800,000. A Resolution G-12 allocation was made for \$1,670,000 to award the project in May 1997 for a total award of \$28,470,000. In October 1997 an additional Resolution of G-12 allocation was made for \$1,200,000 to pay for additional Rock Slope Protection work on the bridge abutments. In May 1998 an additional allocation for \$1,750,000 was approved by the Commission to compensate the Contractor for delays associated with 1998 winter storms. In August 2001 an additional allocation for \$166,000 was approved by the Commission to compensate the Contractor for a design change to the bridge piling type and layout. This request of

\$2,871,000, along with previous allocations, represents a total increase of 29% over the voted amount for this completed contract.

REASON FOR COST INCREASE

The Contractor sought arbitration of the claims that the steel required for bridge piles was not available for four months due to a shortage of materials, and that unusual rain and snowfall constituted a differing site condition. The arbitrator found in favor of the Contractor. Approval of \$2,871,000 in supplemental funds is needed to pay the arbitration award.