

Memorandum

TAB 91

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 22, 2012

Reference No.: 2.5e.(6)
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-12-08**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$19,100,000 for one State Highway Operation and Protection Program (SHOPP) project identified below.

ISSUE:

Additional funds are needed for one previously voted project in order to complete the construction contract.

RESOLUTION:

Resolved, that \$19,100,000 be allocated from the Budget Act of 2012, Budget Act Item 2660-302-0890 to provide additional funds for the project identified below.

<u>Project</u>	<u>Dist-Co-Rte</u>	<u>Original allocated Amount</u>	<u>Original Award Amount</u>	<u>Current Allocation</u>	<u>Allocation Adjustment</u>	<u>Revised Allocation</u>	<u>% Increase Above Current Allocation</u>
1	04-SF-101	\$123,900,000	\$72,419,000	\$105,319,000	\$19,100,000	\$124,419,000	18%

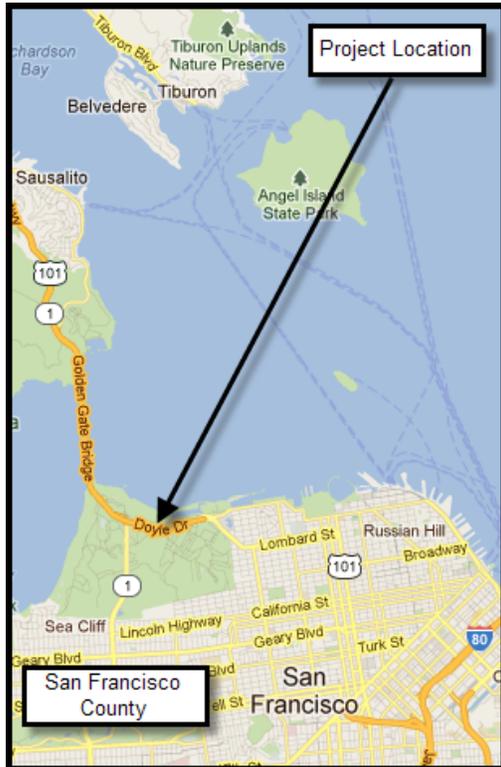
CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

Reference No: 2.5e.(6)
August 22, 2012
Page 2 of 4

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	PPNO Program Funding Year Item # Fund Type Program Codes Project ID Adv Phase EA	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
2.5e.(6) Supplemental Funds for Previously Voted Projects			Resolution FA-12-08		
1 \$19,100,000	In San Francisco, from Marina Boulevard to south of Golden Gate Bridge.	04-0619G SHOPP			
Department of Transportation San Francisco	<u>Outcome/Outputs:</u> Provide secondary power source at the new tunnels of the Doyle Drive Replacement project to comply with the requirements of the State Fire Marshall	2008-09 302-0890 FTF 20.20.201.110 0400000438	\$7,400,000		\$7,400,000
04N-SF-101 8.0/9.8	Supplemental Funds needed to close out the construction contract.	4 163744			
	Total Revised Amount: \$124,419,000	ARRA 2008-09 803-0890 RA-CAP 20.20.201.110	\$72,419,000		\$72,419,000
		SHOPP 2011-12 302-0890 FTF 20.20.201.110	\$25,500,000		\$25,500,000
		SHOPP 2012-13 302-0890 FTF 20.20.201.110		\$19,100,000	\$19,100,000

RECOMMENDATION:

The Department recommends that this request for \$19,100,000 be approved to allow the Department to complete the construction contract.



PROJECT DESCRIPTION:

This project is located in San Francisco County, in the city of San Francisco on Doyle Drive (Route 101) and Richardson Avenue from Lombard Street to the Golden Gate Bridge Toll Plaza. The major components of this project included the construction of the new Southbound (SB) Battery Tunnel, substation and retaining walls. The objectives of this project are to improve the seismic structural and traffic safety on Doyle Drive; maintain the functions that the Doyle Drive Corridor serves as part of the regional and city transportation network; improve the functionality of Doyle Drive as an approach to the Golden Gate Bridge; and preserve the natural, cultural scenic and recreational values of the affected portions of the Presidio.

FUNDING STATUS:

The Doyle Drive project has been funded through Federal, State, and Local contributions, in a high level agreement between State, Federal and Local governments. The State, through the Commission, has committed to \$405 million from the SHOPP program, and later through the Federal Stimulus package an additional \$50 million of American Recovery and Reinvestment Act of 2009 (Recovery Act) funds (via the SHOPP program) were added for a total of \$455 million out of \$1,045 million in Federal/State/Local commitment.

The Doyle Drive project is divided into eight major contracts and segregated into 2 phases (Phase 1: Contracts 1 through 4 and Phase 2: Contracts 5 through 8). Contract 4 was awarded on March 23, 2010 and is approximately 90 percent complete. The schedule completion date of the contract is February 2013. Contract 4 is a major contract that includes the construction of the Battery Tunnel.

REASONS FOR COST INCREASE:

During the design of the Doyle Drive construction contracts, the State Fire Marshall required that the tunnel systems have a secondary power source as a safety precaution in the event the primary power source goes out. As a result of the analyses on how this secondary power will be provided, it was determined that the best option is for Pacific Gas and Electricity (PG&E) provide the secondary power source from another substation. The funding for the secondary power source was estimated as part of the project but not allocated as part of the contract pending the negotiation with PG&E.

The original funding set aside for this item was \$12,000,000. The cost negotiated for this work exceeded the original estimate by \$7,100,000, resulting in a total allocation request of \$19,100,000.

Now that the negotiation with PG&E is complete, this supplemental funds request is to obtain the additional funding to construct the secondary power source.

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for \$19,100,000 to allow the completion of this contract.

OPTION B: Deny this request and direct the Department to renegotiate with PG&E.

RECOMMENDED OPTION:

The Department recommends that this request for \$19,100,000, as presented in Option A above, be approved to allow the completion of this contract.