

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 11, 2013

Reference No.: 4.10
Action Item

From: NORMA ORTEGA
Chief Financial Officer

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Transportation Programming

Subject: **STATE ROUTE 99 CORRIDOR BOND PROGRAM PRUDENT RESERVE POLICY**
RESOLUTION R99-P-1213-09

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) keep the State Route (SR) 99 Corridor Program Reserve at \$25,000,000 to address unforeseen expenses for the ongoing SR 99 Corridor Construction Program.

BACKGROUND:

At the March 2013 Commission meeting, following a detailed project-specific analysis of risks, the Department recommended an SR 99 Corridor reserve of \$25,000,000. This action allowed the allocation of the Atwater-Merced Expressway project from the remaining SR 99 Corridor savings.

To date, three SR 99 Corridor contracts valued at about \$24 million have completed construction, while an additional 19 contracts valued at about \$641 million are under construction, and three contracts valued at about \$59 million have yet to be awarded. After de-allocations due to project savings, about \$61 million dollars remains for a combination of program reserve and additional programming. Of this, approximately \$8 million is in the north part of the state and \$53 million is in the south part of the state.

The project-specific risks have not changed significantly since the last report in March 2013. Therefore, the Department recommends of the total \$61 million of SR 99 Corridor savings remaining, \$25 million should remain as a program reserve.

RESOLUTION:

Be it Resolved, that the California Transportation Commission does hereby keep the State Route 99 Corridor Program Reserve at \$25,000,000.