

<b>Subject</b>	<b>I-680 Auxiliary Lanes Project (Segments 1 &amp; 3) – Certification to Fund the Balance of Capital Construction Costs (Project 1106)</b>
<b>Summary</b>	<p>Cooperative Agreement No. 90.11.07 between the Authority and Caltrans was executed in 2005. The agreement detailed a combination of state, federal, and local funds for the construction phase. Any additional costs beyond those anticipated in the cooperative agreement were agreed to be the responsibility of the Authority. Construction bids were higher than the engineers estimate, and following award of the construction contract, Caltrans advised the Authority that an additional \$925,800 was estimated to be needed for the construction phase.</p> <p>Staff transmitted a letter to Caltrans acknowledging the Authority's funding responsibility. The Cooperative Agreement stipulates that certification is required for the Authority's commitment to fund any increase in the funding obligation for the construction project. Due to an oversight, formal Authority certification was not obtained. Resolution 08-16-P provides that certification.</p>
<b>Recommendations</b>	Staff recommends approval of Resolution #08-16-P to certify the Authority's commitment to fund the capital construction costs beyond the state and federal funds already allocated to the project.
<b>Financial Implications</b>	Sufficient funding is available in the Strategic Plan.
<b>Options</b>	The Authority could elect to modify this certification. However, the Cooperative Agreement between Caltrans and the Authority requires certification of the Authority's commitment to provide any additional funding should the need arise.
<b>Attachments (See APC Packet dated 9/4/08)</b>	<p>A. Letter to Caltrans dated March 14, 2006.</p> <p>B. Resolution #08-16-P.</p>
<b>Changes from Committee</b>	<i>None</i>

### Background

Cooperative Agreement No. 90.11.07 (Dist. No. 4-2005) between the Authority and Caltrans for the construction phase of the I-680 Auxiliary Lanes Project (Segments 1 & 3) was executed on May 18, 2005 and amended on October 28, 2005. The capital construction cost was to be funded with State Transportation Improvement Program (STIP), Surface Transportation Program (STP), and local/Measure C funds. Any capital costs beyond those anticipated in the cost estimate included in the cooperative agreement were to be the responsibility of the Authority. Following award of the construction contract, Caltrans indicated that an additional \$925,800 in local/Measure C funds would be necessary to complete the construction. As requested by Caltrans, Authority staff acknowledged by letter dated March 14, 2006, our responsibility to fund the additional amount. However, a formal certification from the Board was not obtained at the time. In order to complete the financial record, staff now recommends approval of Resolution #08-16-P to certify the Authority's commitment to fund the additional \$925.800, so that the project can be closed out in the next few months.