

*CHAPTER 5 – CONSTRUCTION AUTHORIZATION

5-1 CONSTRUCTION AUTHORIZATION

The ODOT Procurement Office - Construction Contracts Unit (CCU) is responsible for developing a construction authorization for each construction Project. *Please note that many of the activities discussed in this chapter are CCU processes. If the Project is procured using the Design-Build delivery method, refer to the Design-Build Procedures Manual ([Advanced Contracting Unit](#)) for the applicable Award and execution process.*

Construction Authorization is the total gross budget established for the Project, including the value of materials produced for Maintenance or a third party. Each construction Project has an approved Construction Authorization. (See *Exhibit 5A*)

The construction authorization summarizes the commitment of funds to cover all expenses for the construction phase of the Project. It generally includes amounts for the following items:

1. **Contract Amount** - the sum of the bid items included in the Bid.
2. **Anticipated Items** - These are potential items of Work performed on the Project, not included in the contract amount or the engineering amount. Anticipated items are identified only during the pre-Award phase of a Project. The Project Manager (PM) should be involved during the Project development process in identifying these items. (See [Operational Notice PDLT-07](#) and the [PS&E Delivery Manual](#)).
3. **Contingencies** - This amount is currently 3.5% of the Contract Amount (Contractor's original bid) and provides funding to cover normal fluctuation of Project quantities, as well as changes on a Project.
4. **Construction Engineering** - This includes the costs of Project administration, inspection, surveying, design, materials testing, etc., performed by the Agency or its agents charged to the Project during construction or after Award. See [Operational Notice PDLT-08](#) for further discussion on this process.

The CCU will electronically distribute the construction authorization to appropriate parties. The construction authorization is shown and tracked in the Contractor Payment System (CPS). [Refer to [Chapter 25 – Payments to Contractors/Retainage](#)]. (See *Exhibit 5A, at the end of this Chapter for Summary of Bids Received and Construction Authorization.*)

* All Marked Text Updated February 2016

5-2 **OVERRUN OR INCREASE IN THE CONSTRUCTION AUTHORIZATION**

The PM has the responsibility to assure that the construction authorization is not exceeded without proper approval. There are three different processes to obtain an overrun or increase in construction authorization. The process will initially depend on the type of Project, funding source and in some cases, the total amount of the request for Projects contracted through ODOT, as follows:

1. **Increase in Construction Authorization** (Local Program Projects)
 - a. Projects are on or off the State Highway System
 - b. No set maximum amount, uses local funds
 - c. No mechanism to overrun
 - d. For Certified Local Agency Projects, refer to the [LAG Manual](#).

2. **Overrun in Construction Authorization** (Non-Local Program Projects)
 - a. Amount is cumulative, but less than \$500,000
 - b. May also have Local Agency funds
 - c. Requires approval from the Region/Bridge Delivery Unit Manager

3. **Increase in Construction Authorization** (Non-Local Program Projects)
 - a. Amount is greater than \$500,000
 - b. May also have Local Agency funds
 - c. Requires approval by the Highway Division Administrator and, if applicable, review by the Oregon Transportation Commission (OTC)

The PM does not have authority to exceed the construction authorization. PMs for outsourced or local agencies administering ODOT construction contracts need to Work with their ODOT representative (ODOT PM or LAL) on all matters, including assuring that the construction authorization is not exceeded without proper approval. [Refer to [Chapter 3 - Delegation of Authority](#)] and Section 5-3 Authority for Request to Overrun or Increase.

All expenditures on the construction Project are charged against the construction authorization. The construction authorization can only be changed by the formal process of overrunning or increasing the construction authorization. **Funding from outside sources to pay for Work added during the Project does not automatically increase the construction authorization.**

For example, rock production Work added for Maintenance during the Project will increase construction expenditures. The funds Maintenance contributes to pay for the rock does not automatically increase the construction authorization. If the construction authorization is exceeded, the formal overrun or increase of authorization process must be followed to address the rock and associated funding.

The Agency allocates each Region, Program Managers and the Bridge Delivery Unit (BDU) a budget for its construction program, which includes all the Region/BDU Projects. The Region/BDU is responsible for managing its construction program within budget, including any overruns of individual Projects.

The Region/BDU may fund an overrun or increase on a Project from underruns or decreases in scope on other Projects. Additional funds could be acquired by delaying a future Project, or with funding from other programs with agreement of the responsible program manager. Each Region/BDU will maintain a listing of expected Project costs so that they are able to respond to needs for increased funding on a Project. The Region/BDU will identify the source and confirm the availability of the additional funds for each request to overrun or increase a construction authorization.

Increasing expenditures by Change Orders or extending bid item Work does not increase the construction authorization. The construction authorization contains contingency funding to allow for normal Change Orders and fluctuations in pay item quantities. The PM remains responsible for staying within the construction authorization or approved overrun.

If the Change Order causes the Project to exceed the construction authorization amount, then the PM (ODOT, Consultant or Local Agency) will complete a request for increase or overrun prior to the Change Order being processed. [Refer to [Chapter 15 – Change Orders/Force Account/Work by Public Forces](#)].

The PM should use information contained in the Contractor Payment System (CPS) to estimate Project costs and calculate needed funding. For instance, the PM will update the corrected estimate with the estimated final quantities. The CPS will calculate the estimated Project cost (corrected estimate), for use on the [Request for Overrun or Increase in Project Authorization, form 734-3372](#). [Refer to [Chapter 25 Payments to Contractors/Retainage](#)].

5-3 AUTHORITY FOR REQUESTS TO OVERRUN OR INCREASE

The Oregon Transportation Commission (OTC) has delegated to the Agency certain authorities for construction authorizations:

For Local Program Projects, the Program and Funding Services Manager in the Active Transportation Office (ATO) has the authority to approve the funding availability on an increase in the construction authorization.

For Non-Local Program Projects, the Highway Division Administrator has, through sub-delegation orders, provided the following authorities to approve an overrun of a construction authorization:

1. To the Technical Services Manager/Chief Engineer, total overruns up to \$500,000
2. To the Region Managers and the Bridge Delivery Unit Managers, total overruns up to \$500,000

By Letter of Authority, the Technical Services Manager/Chief Engineer has provided the authority:

- To the State Construction & Materials Engineer (SC&ME), total overruns up to \$500,000.
- To the Contract Administration Engineer (CAE), total overruns up to \$500,000 for claim settlements.

By Letter of Authority, the Region Managers/BDU Managers may have provided the authority to specific subordinates to approve overruns. Such authority must be within PDLT guidelines, and cannot exceed \$500,000 above the current construction authorization. Provide Current Letters of Authority to the CAE. [[Refer to Chapter 3 - Delegation of Authority](#)]

If the scope of a Project has been significantly decreased or the cost of Project Work will underrun the construction authorization, the Region/BDU Managers may request that the construction authorization for that Project be decreased. By de-obligating these funds, they will be available for other Projects. The process for such a request is similar to that for an overrun or increase in construction authorization. See *previous Section 5-2, Overrun or Increase in Construction Authorization*.

If more than \$500,000 above the current Construction Authorization is necessary to complete the Project, the PM must follow the increase in construction authorization as described in *Section 5-4, Submitting a Request to Overrun or Increase*.

The PM (ODOT, Consultant or Local Agency) is responsible to manage all assigned Projects and request an overrun or increase in authorization, if necessary. The PM must secure the proper approval for the additional funding prior to having the Contractor perform the Work. The PM may be held personally liable for the costs expended if the

additional funding is not approved by the proper authority. Contact the Region Local Agency Liaison (LAL) or the Contract Administration Unit (CAU) for additional assistance.

5-4 SUBMITTING A REQUEST TO OVERRUN OR INCREASE

The PM must submit a timely request to overrun or increase the construction authorization, as well as needed information relating to the source for the additional funding. The request must be as specific as possible regarding the funding source(s). If Projects will be delayed, postponed, or if funding is available through savings on another Project, the request must identify those Projects. For Projects involving Local Funding, contact the Program and Funding Services Manager for funding availability.

The processes of obtaining consent to overrun or increase the construction authorization are essentially identical. For outsourced or Local Agency Projects, work with the ODOT PM or LAL in completing this process. For Certified Local Agency Projects, refer to the LAG Manual and work with the ODOT LAL on the proper procedure.

1. The PM should first determine which type of request in Construction Authorization is required. See *Section 5.2, Overrun or Increase in the Construction Authorization*
2. The PM must complete a [Request For Overrun or Increase in Construction Authorization, Form 734-3372](#). The Region/BDU will confirm the source and the availability of, the additional funding.
3. The PM must also complete the [Request for Overrun or Increase in Construction Authorization Supporting Data, Form 734-2538](#) and provide information on the funding source for any additional funds needed to complete the Project. Work with Region/BDU Manager as appropriate.
 - a. **Submitting an “Increase” in construction authorization (Local Program Funds):**
 - i. The PM must coordinate the following with the ODOT LAL and attach a memo to form 734-3372 and 734-2538 that explains the principle reasons or events that contributed to the “increase” on the Local Program Funded Project. (See *Exhibit 5B*) The memo, with supporting documentation, must answer the following:
 1. What happened on the Project that caused the need for additional construction authorization?
 2. Why did this event occur?
 3. How can this be prevented on future Projects?
 4. What will happen in the event the request is not approved?

5. How will this increase be funded?
 - ii. The PM should also attach any related email correspondence that would help support the principle reasons or events that contributed to the increase.
 - iii. The PM must coordinate with the ODOT LAL to obtain the appropriate signatures on form 734-3372 from the following:
 1. The Local Agency, if they have provided any Project funding or are responsible for the design and/or maintenance of the finished Work.
 2. The Region/BDU Manager, who will review and approve the request (if appropriate). The Region/BDU will notify the PM and will send the original approved request to the Construction Section.
 - iv. The ODOT LAL, Area Manager or Region Manager, will submit the Increase to the ODOT Construction Section.
 - v. The ODOT Construction Section will review the request for completeness, and submit the request to the ATO for approval of the available funds.
- b. **Submitting an “Overrun” in construction authorization (Non-Local Program Funds, less than \$500,000):**
 - i. The PM must attach a memo to form 734-3372 and 734-2538 that explains the principle reasons or events that contributed to the “overrun”. (See *Exhibit 5C*) The memo, with the supporting documentation, must answer the following:
 1. What happened on the Project that caused the need for additional construction authorization?
 2. Why did this event occur?
 3. How can this be prevented on future Projects?
 4. What will happen in the event the request is not approved?
 5. How will this “overrun” be funded?
 - ii. The PM should also attach any related email correspondence that would help support the principle reasons or events that contributed to the overrun.
 - iii. The PM must obtain the appropriate signatures on form 734-3372 from the following:
 1. Local Agency, (not typical) only if they have provided any Project funding or are responsible for the design and/or maintenance of the finished Work.

2. Region/ BDU Manager who will review and approve the request if appropriate. The Region/BDU will notify the PM and will send the original approved request to the Construction Section.
 - iv. The ODOT Construction Section will review the request for completeness and coordinate with the ATO for approval of the availability of funds.
 - v. For a request of up to \$500,000 to overrun a Project on the State Highway System, the SC&ME will note the request and distribute to the appropriate parties.
- c. Submitting an “Increase” in construction authorization (Non-Local Program Funds, greater than \$500,000):**
- i. Any construction authorization increase that is more than \$500,000 shall be prepared as if it is going to be approved by the OTC (Oregon Transportation Commission).
 - ii. The PM, Region/BDU Manager must submit a draft cover letter (from the ODOT Director to the OTC) in a MS Word document to the Construction Section accompanying form 734-3372 and 734-2538. (See *Exhibit 5D*) The draft cover letter must explain the principle reasons or events that contributed to the “increase”.
 1. The draft cover letter with the supporting documentation must answer the following:
 - a. What happened on the Project that caused the need for additional construction authorization?
 - b. Why did this event occur?
 - c. How can this be prevented on future Projects?
 - d. What will happen in the event the request is not approved?
 - e. How will this “overrun” be funded?
 2. Attach a vicinity and location map of the Project (from ODOT GIS Unit, 503-986-3154)
 - iii. The PM must obtain the appropriate signatures on form 734-3372 from the following:
 1. The Local Agency, (not typical) only if they have provided any Project funding or are responsible for the design and/or maintenance of the finished Work.
 2. The Region/BDU Manager will review the request, sign as “recommended”. Submit the signed request with an electronic copy of the draft letter to the Construction Section.

- iv. The ODOT LAL, Area Manager or Region Manager must coordinate with The Construction Section:
 - 1. To ensure that approval is given prior to performing the Work. ***This coordination will include deadlines and processes established by the Active Transportation Office (ATO) and the OTC.***
 - 2. To allow for ***Seven (7) working days prior to the ATO Deadline, for time to be added to the OTC agenda, if applicable***
- v. The State Construction & Materials Engineer (SC&ME) will:
 - 1. Review the request for increase in Construction Authorization and determine if any additional information from the Region/BDU or the PM is needed.
 - 2. Review the draft letter from the Region/BDU requesting the Highway Division Administrator to approve of the increase.
 - 3. Make a recommendation to the Highway Division Administrator, based on reason or scope of the request. *(In the case of an Emergency or High Priority Repair, contact the SC&ME)*
 - 4. Sign the request (if applicable) and forward it, with the letter, to the ATO for a preliminary review.
- vi. The Highway Division Administrator has delegated authority to approve all increases in construction authorization.
 - 1. If the Highway Division Administrator **approves** the increase in construction authorization, the Highway Division Administrator signs and returns the increase in construction authorization to the State Construction & Materials Engineer.
- vii. The Highway Division Administrator may also determine if the increase in construction authorization will be brought to the OTC for approval. *(Although an increase in construction authorization does not require a STIP amendment., the Highway Division Administrator's may determine that some increases in construction authorization be brought to the OTC.)*
 - 1. If the Highway Division Administrator decides to seek **OTC approval**, the Highway Division Administrator will forward the completed packet to the ATO for review.
- viii. Once reviewed, ATO will forward to the Commission Assistant to add to the OTC agenda.
- ix. Once approved by the OTC, the Commission Assistant will email the Contract Administration Lead.

Note: After approval of the increase, it is required that the PM office obtain concurrence of the CAE on all CCO's that may be generated from the approval of the increase.

- x. When a request is approved and/or noted, the Construction Section will electronically distribute a copy of the request to the Region/BDU, PM, and the Program and Funding Services Manager.
- xi. The Contract Administration Unit will update the information in the CPS and retain the original.

Note: Once an increase in construction authorization has been approved, any subsequent requests under \$500,000 will start over as "overrun" requests in construction authorization.

**OREGON DEPARTMENT OF TRANSPORTATION
CONSTRUCTION MANUAL**

Summary of Bids Received and Construction Authorization

SUMMARY OF BIDS RECEIVED AND CONSTRUCTION AUTHORIZATION			JOB NUMBER 004 CONTRACT 14276 KEY NUMBER 17151
PROJECT TRAFFIC SIGNAL VIDEO DETECTION PHASE 2		FED/STATE ID. X-STP-C067(088)	
HIGHWAY	COUNTY WASHINGTON	DATE BIDS OPENED 09/09/2010	ENGINEER'S ESTIMATE 895,030.00
NAME AND LOCATION OF BIDDER		AMOUNT OF BID(\$)	
1 SIGNAL CONSTRUCTION GROUP, LLC WOODBURN, OR 97071		586,474.00	
2 E C COMPANY PORTLAND, OR 97296		610,109.00	
3 MORROW-MEADOWS CORP DBA CHERRY CITY ELEC SALEM, OR 97302		656,986.00	
-34 % UNDER ENGINEERS ESTIMATE			
CONTRACT AMOUNT	\$ 586,474.00	THE TRANSPORTATION COMMISSION HAS ELECTED TO ACCEPT THE BID OF:	
ADDITIONAL ANTICIPATED ITEMS		SIGNAL CONSTRUCTION GROUP, LLC	
		IN THE SUM OF: 586,474.00	
		THE CHIEF ENGINEER HAS BEEN DIRECTED TO AWARD THE CONTRACT TO SAID BIDDER SUBJECT TO CONCURRENCE OF:	
		<input type="checkbox"/> FEDERAL HIGHWAY ADMINISTRATION <input checked="" type="checkbox"/> PER HIGHWAY FINANCE AN ADVANCE DEPOSIT HAS BEEN RECEIVED OR IS FORTHCOMING <input checked="" type="checkbox"/> AWARD TO LOW REPOSNSIVE BIDDER <input type="checkbox"/> REJECT ALL BIDS <input type="checkbox"/> DBE GOAL REQUIREMENTS HAVE BEEN MET FOR THIS PROJECT	
		Marie Wucht 9-22-10 _____ PROCUREMENT OFFICER / DATE	
		[Signature] 9-22-10 _____ CHIEF ENGINEER / DATE	
		[Signature] 9/27/10 _____ HIGHWAY DIVISION ADMINISTRATOR / DATE	
		_____ OREGON TRANSPORTATION COMMISSION / DATE	
		_____ FHWA DIVISION ADMINISTRATOR / DATE	
SUBTOTAL	586,474.00		
CONTINGENCIES 3.50 %	20,526.59		
ENGINEERING 22.1688 %	134,565.00		
SUBTOTAL	741,565.59		
NET CONSTRUCTION AUTHORIZATION	741,565.59		

Construction
Authorization



REQUEST FOR OVERRUN OR INCREASE IN CONSTRUCTION AUTHORIZATION

TYPE OF REQUEST: <input type="radio"/> Increase <input type="radio"/> Overrun <input checked="" type="radio"/> Increase (Local)			
PROJECT NAME (SECTION) CONSTRUCTION MANUAL FORM EXAMPLE 5(B)		KEY NO. 54321	CONTRACT NO. 12543
HIGHWAY N/A - LOCAL ROAD	KIND OF WORK BRIDGE		F.A. PROJECT NO. X-STP-5900(222)
CONTRACTOR PRIME CONSTRUCTION COMPANY		CONTRACT WORK COMPLETED 47%	ESTIMATED COMPLETION DATE 11/30/2015
	CURRENT AUTHORIZATION		CURRENT ESTIMATE
CONTRACT AMOUNT	\$980,266.53	BID ITEMS	\$985,924.73
ANTICIPATED ITEMS		CONTRACT CHANGE ORDERS, EXTRA WORK ORDERS & ADJUSTMENTS	\$64,309.32
CONTINGENCY	\$34,309.32	CONTINGENCIES FOR COMPLETION	\$15,000.00
		ORDERS FOR FORCE WORK	
ENGINEERING	\$356,927.00	ENGINEERING	\$466,927.00
TOTAL PROJECT COST	\$1,371,502.85	TOTAL PROJECT COST	\$1,532,161.05
ESTIMATED INCREASE		Increase/Overrun Amt. \$160,658.20	Increase/Overrun Percentage 11.71%
LIST MAJOR OVERRUNS AND UNDERRUNS INCLUDE THE BI, CCO, EWO, & FO NUMBERS, DESCRIPTION & WHETHER THE WORK WAS ANTICIPATED (A) OR UNANTICIPATED (U).		CURRENT ESTIMATED AMOUNT	AMOUNT OF CHANGE
CCO NO. 4 (U) - Bridge end panel curb replacement		\$11,982.77	\$11,982.77
EWO NO. 1 (U) - Repair bridge cracks and spalls		\$6,005.60	\$6,008.56
FUTURE CCOs (U) - Sidewalk plank coatings, curb overlay, waterline		\$44,103.20	\$44,103.20
EST. ADDITIONAL ENG. COST (U) - Longer closure than expected		\$466,927.00	\$110,000.00
CONTINGENCIES FOR COMPLETION (U)		\$15,000.00	\$15,000.00
PRINCIPLE REASONS FOR INCREASE OR OVERRUN (CONTINUE ON ATTACHMENTS)			
<p>The primary reason for engineering overruns are due to the Contractor's fabrication delays for the waterline hangers, delays due to the attempted use of foreign steel in waterline hangers, and delays resulting from required waterline fitting replacement.</p> <p>These delays have caused the City's engineering cost to increase due to required additional inspection and construction management. At this time, the project is expected to run at least 2 months longer than originally anticipated. Future change orders are anticipated for waterline fitting replacement and curb overlay work in order to achieve the necessary compatibility with existing alignments and grades.</p>			
SUBMITTED BY PROJECT MANAGER <i>Rhoda Head, Project Manager</i>	DATE 5/15/2015	NOTED BY LOCAL AGENCY <i>Aura Farecity, City Rep.</i>	DATE 5/27/2015
AREA MGR <input type="checkbox"/> NOTED <input checked="" type="checkbox"/> RECOMM. <input type="checkbox"/> APPR <i>Will A. Prove, Area Manager</i>	DATE 5/17/2015	CONSTRUCT. SECT. <input type="checkbox"/> NOTED <input checked="" type="checkbox"/> RECOMM. <input type="checkbox"/> APPR <i>Mark R. Down</i>	DATE 5/31/2015
REGION MGR <input type="checkbox"/> NOTED <input checked="" type="checkbox"/> RECOMM. <input type="checkbox"/> APPR <i>Stan N. Charge, Region Manager</i>	DATE 5/25/2015	SIGNATURE & DATE OF APPROVAL BY OTHERS <i>Sarah Fall 6/1/2015</i>	
		<input checked="" type="checkbox"/> Active Transp. Unit <input checked="" type="checkbox"/> Highway Administrator <input checked="" type="checkbox"/> OTC	

SUBMIT ORIGINAL THROUGH REGION TO CONSTRUCTION, WITH SUPPORTING DATA. CONSTRUCTION WILL DISTRIBUTE APPROVED COPIES.



CONSTRUCTION OVERRUN/INCREASE AUTHORIZATION SUPPORTING DATA

NOTE: All overruns are accumulative and may change approval authority.

PROJECT NAME (SECTION) CONSTRUCTION MANUAL FORM EXAMPLE 5(B)		CONTRACT NO. 12543
HIGHWAY N/A - LOCAL ROAD		F.A. PROJECT NUMBER X-STP-5900(222)
(A) ORIGINAL AUTHORIZATION \$1,371,502.85	(B) PREVIOUSLY APPROVED INCREASE IN AUTHORIZATION DATE _____ AMT. _____ % _____	(C) CURRENT AUTHORIZATION (A+B) \$1,371,502.85
(D) PREVIOUSLY APPROVED OVERRUNS (ABOVE CURRENT AUTHORIZATION) DATE _____ AMT. _____ % _____		(E) TOTAL PROJECT BUDGET (C+D) \$1,371,502.85

REQUESTED OVERRUN/INCREASE AMOUNT	DELEGATED APPROVAL AUTHORITY
ESTIMATE INCREASE FOR THIS REQUEST (F) <input style="width: 100%;" type="text" value="\$160,658.20"/>	<input type="checkbox"/> AREA MANAGER (UP TO \$250,000 OVERRUN) <input type="checkbox"/> REGION MANAGER (UP TO \$500,000 OVERRUN) <input type="checkbox"/> STATEWIDE PROJECT DELIVERY MANAGER (UP TO \$500,000) <input type="checkbox"/> STATE CONSTRUCTION/MATERIALS ENGINEER (UP TO \$500,000 OVERRUN) <input type="checkbox"/> CHIEF ENGINEER (UP TO \$500,000 OVERRUN AND MAJOR CHANGES) <input checked="" type="checkbox"/> PROGRAM FUNDING SERVICES MANAGER (ALL AMOUNTS ON LOCAL PROJECTS) <input type="checkbox"/> OREGON TRANSPORTATION COMMISSION (ABOVE \$500,000 INCREASE)
NEW ESTIMATE PROJ. BUDGET (E+F) <input style="width: 100%;" type="text" value="1,532,161.05"/>	
<small>TOTAL SHOULD EQUAL THE TOTAL PROJECT COST FROM 734-3372 CURRENT ESTIMATE</small>	

PROGRAM FUNDING SOURCE		
PRIOR APPROVAL TO OVERRUN HAS BEEN OBTAINED FROM THE APPROPRIATE PROGRAM MANAGER BELOW:		
	FUNDING MANAGER NAME	BY NAME AND DATE
<input type="checkbox"/> REGION FINANCIAL PLAN REGION MANAGER/AREA MANAGER	_____	_____
<input type="checkbox"/> STATE BRIDGE PROGRAM STATE BRIDGE ENGINEER	_____	_____
<input type="checkbox"/> INTERSTATE MAINT. FINANCIAL PLAN PAVEMENTS ENGINEER	_____	_____
<input checked="" type="checkbox"/> LOCAL PROGRAM FINANCIAL PLAN PROGRAM AND FUNDING MANAGER	Mary Planner	Rhoda Head, PM 5/14/2015
<input type="checkbox"/> OTIA APPROVAL OTIA WORKSHEET ATTACHED	_____	_____
<input type="checkbox"/> OTHER POSITION:	_____	_____

FUNDING STRATEGY FOR OVERRUN OR INCREASE IN AUTHORIZATION: (AS SPECIFIED BY RESPONSIBLE PROGRAM MANAGER)
Additional funding for this increase will be provided by Clackamas County. (See attached email)

CONTINUED ON ADDITIONAL SHEETS

REQUEST FOR OVERRUN OR INCREASE IN CONSTRUCTION AUTHORIZATION

TYPE OF REQUEST: <input type="radio"/> Increase <input checked="" type="radio"/> Overrun <input type="radio"/> Increase (Local)			
PROJECT NAME (SECTION) CONSTRUCTION MANUAL FORM EXAMPLE C		KEY NO. 54321	CONTRACT NO. 12345
HIGHWAY MAIN HIGHWAY	KIND OF WORK GRADING, PAVING, SIGNING, STRUCTURE		F.A. PROJECT NO. X-STP-S001(2)
CONTRACTOR Prime Construction Company		CONTRACT WORK COMPLETED 68%	ESTIMATED COMPLETION DATE 12/11/2012
	CURRENT AUTHORIZATION		CURRENT ESTIMATE
CONTRACT AMOUNT	\$273,000.00	BID ITEMS	\$286,078.00
ANTICIPATED ITEMS	\$13,000.00	CONTRACT CHANGE ORDERS, EXTRA WORK ORDERS & ADJUSTMENTS	\$59,857.00
CONTINGENCY	\$9,565.00	CONTINGENCIES FOR COMPLETION	\$3,188.00
		ORDERS FOR FORCE WORK	\$8,642.00
ENGINEERING	\$49,517.00	ENGINEERING	\$64,517.00
TOTAL PROJECT COST	\$345,082.00	TOTAL PROJECT COST	\$422,282.00
ESTIMATED INCREASE		Increase/Overrun Amt. \$77,200.00	Increase/Overrun Percentage 22.37%
LIST MAJOR OVERRUNS AND UNDERRUNS INCLUDE THE BI, CCO, EWO, & FO NUMBERS, DESCRIPTION & WHETHER THE WORK WAS ANTICIPATED (A) OR UNANTICIPATED (U).		CURRENT ESTIMATED AMOUNT	AMOUNT OF CHANGE
(U) OVERRUN OF BI 0250 - MONOLITHIC CURB AND SIDEWALK		\$26,619.00	\$19,556.00
(U) INSTALLATION OF NEW CROSSWALK AT BAY STREET		\$34,285.00	\$34,285.00
(U) REPLACEMENT OF ADDITIONAL TRAFFIC LOOPS		\$9,750.00	\$9,750.00
(U) RELOCATION OF SIGNAL POLE (CCO #1)		\$3,555.00	\$3,555.00
(A) SIGNAL HEADS (SFO #1)		\$3,500.00	\$2,300.00
(U) INSTALLATION OF INLETS AND PIPE ON N. SIDE OF HWY		\$10,038.00	\$10,038.00
PRINCIPLE REASONS FOR INCREASE OR OVERRUN (CONTINUE ON ATTACHMENTS)			
<p>During construction it was discover that old, cracked sidewalks in the area have extensive voids beneath them requiring the sidewalks to be replaced. Sidewalk rebuilds included relocation of junction boxes, which required new traffic loops because the existing loop feeder wires cannot be spliced.</p> <p>The new crosswalk was added to the exiting sidewalk at bay street to upgrade to current standards and increase pedestrian safety at this location.</p> <p>A signal pole was relocated to a better location where installation of the drilled shaft foundation would not impact the foundation of a historic building.</p>			
SUBMITTED BY PROJECT MANAGER <i>Rhoda Head, Project Manager</i>		DATE 4/21/2015	NOTED BY LOCAL AGENCY
AREA MGR <input type="checkbox"/> NOTED <input type="checkbox"/> RECOMM. <input checked="" type="checkbox"/> APPR <i>Will A. Prove, Area Manager</i>		DATE 4/23/2015	CONSTRUCT. SECT. <input checked="" type="checkbox"/> NOTED <input type="checkbox"/> RECOMM. <input type="checkbox"/> APPR <i>Mark R. Down</i>
REGION MGR <input checked="" type="checkbox"/> NOTED <input type="checkbox"/> RECOMM. <input type="checkbox"/> APPR <i>Stan N. Charge, Region Manager</i>		DATE 4/25/2015	SIGNATURE & DATE OF APPROVAL BY OTHERS <input checked="" type="checkbox"/> Active Transp. Unit <input checked="" type="checkbox"/> Highway Administrator <input checked="" type="checkbox"/> OTC

SUBMIT ORIGINAL THROUGH REGION TO CONSTRUCTION, WITH SUPPORTING DATA. CONSTRUCTION WILL DISTRIBUTE APPROVED COPIES.



CONSTRUCTION OVERRUN/INCREASE AUTHORIZATION SUPPORTING DATA

NOTE: All overruns are accumulative and may change approval authority.

PROJECT NAME (SECTION) CONSTRUCTION MANUAL FORM EXAMPLE C		CONTRACT NO. 12345
HIGHWAY MAIN HIGHWAY		F.A. PROJECT NUMBER X-STP-S001(2)
(A) ORIGINAL AUTHORIZATION \$345,082.00	(B) PREVIOUSLY APPROVED INCREASE IN AUTHORIZATION DATE _____ AMT. _____ % _____	(C) CURRENT AUTHORIZATION (A+B) \$345,082.00
(D) PREVIOUSLY APPROVED OVERRUNS (ABOVE CURRENT AUTHORIZATION) DATE _____ AMT. _____ % _____		(E) TOTAL PROJECT BUDGET (C+D) \$345,082.00

<p>REQUESTED OVERRUN/INCREASE AMOUNT</p> <p>ESTIMATE INCREASE FOR THIS REQUEST (F) \$77,200.00</p> <p>NEW ESTIMATE PROJ. BUDGET (E+F) 422,282.00</p> <p><small>TOTAL SHOULD EQUAL THE TOTAL PROJECT COST FROM 734-3372 CURRENT ESTIMATE</small></p>	<p>DELEGATED APPROVAL AUTHORITY</p> <p><input checked="" type="checkbox"/> AREA MANAGER (UP TO \$250,000 OVERRUN)</p> <p><input type="checkbox"/> REGION MANAGER (UP TO \$500,000 OVERRUN)</p> <p><input type="checkbox"/> STATEWIDE PROJECT DELIVERY MANAGER (UP TO \$500,000)</p> <p><input type="checkbox"/> STATE CONSTRUCTION/MATERIALS ENGINEER (UP TO \$500,000 OVERRUN)</p> <p><input type="checkbox"/> CHIEF ENGINEER (UP TO \$500,000 OVERRUN AND MAJOR CHANGES)</p> <p><input type="checkbox"/> PROGRAM FUNDING SERVICES MANAGER (ALL AMOUNTS ON LOCAL PROJECTS)</p> <p><input type="checkbox"/> OREGON TRANSPORTATION COMMISSION (ABOVE \$500,000 INCREASE)</p>
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PROGRAM FUNDING SOURCE		
PRIOR APPROVAL TO OVERRUN HAS BEEN OBTAINED FROM THE APPROPRIATE PROGRAM MANAGER BELOW:		
	FUNDING MANAGER NAME	BY NAME AND DATE
<input checked="" type="checkbox"/> REGION FINANCIAL PLAN REGION MANAGER/AREA MANAGER	Penny T. Pincher	Penny S. Manager, 4/17/2012
<input type="checkbox"/> STATE BRIDGE PROGRAM STATE BRIDGE ENGINEER	_____	_____
<input type="checkbox"/> INTERSTATE MAINT. FINANCIAL PLAN PAVEMENTS ENGINEER	_____	_____
<input type="checkbox"/> LOCAL PROGRAM FINANCIAL PLAN PROGRAM AND FUNDING MANAGER	_____	_____
<input type="checkbox"/> OTIA APPROVAL OTIA WORKSHEET ATTACHED	_____	_____
<input checked="" type="checkbox"/> OTHER POSITION: Bike/Ped Quick Fix Funds	Phil Dirt	Ken Dothat, 4/19/2015

<p>FUNDING STRATEGY FOR OVERRUN OR INCREASE IN AUTHORIZATION: (AS SPECIFIED BY RESPONSIBLE PROGRAM MANAGER)</p> <p>This overrun will be funded from two sources: \$15,500 will be provided by the Region 2 and \$61,700 will be provided by the ODOT Bicycle/ Pedestrian Program Quick Fix Funds</p>
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■ CONTINUED ON ADDITIONAL SHEETS



Oregon

Department of Transportation
Interoffice Memo

Region 2 - Astoria Construction
1 Portway, 2nd Floor
Astoria, OR 97103
503-325-4732
503-731-8531 (Fax)

MEMORANDUM

DATE: April 14, 2015

TO: Will A. Prove
Region 2 Area Manager

FROM: Rhoda Head
ODOT Project Manager, Astoria

SUBJECT: **Project Overrun Authorization Request**
C12345 – Construction Manual Sample Project

Attached for your approval is a request for a \$77,200 overrun for the subject project. The funding sources for the overrun include the Region 1 Financial Plan (\$15,500) and the Bicycle/Pedestrian Program Quick Fix funds (\$61,700).

This overrun is needed for extra work and unanticipated conditions on the project. The reasons for needing the additional funds generally fall into two categories:

1. Extra work that was added to the project.

The new crosswalk at the Bay Street intersection was not in the original project scope, but was added to increase pedestrian safety at the crosswalk location and to take economic advantage of similar work underway one block east at the Columbia/Bond intersection.

A low spot in the paving on the north side of US30 has caused puddling on the highway for some time. At the request of Maintenance forces, it was decided to correct this problem by installing pipe and inlets as part of this project.

2. Extra work due to undertaking a retrofit project in a historic district.

This project is located in the Uniontown Historic District. Consequently, the buildings and facilities in the area are old and mostly in poor condition. As construction proceeds, we have encountered the need to do more extensive work than was originally anticipated. Examples include:

**OREGON DEPARTMENT OF TRANSPORTATION
CONSTRUCTION MANUAL**

- Sidewalks in the area are thin concrete placed over sand and are cracked. In several areas the sand beneath the walks has washed away, leaving large voids. Because the fragile sidewalks cannot support the weight of construction equipment, we have damaged more sidewalk than was anticipated while installing the pole foundations, junction boxes, and conduit. We will significantly overrun our sidewalk bid item.
- Several signal junction boxes are located in the sidewalks, some at locations of new wheelchair ramps. When sidewalks are replaced, the junction boxes must be moved. Traffic loop feeder wires cannot be spliced, so when the boxes are moved the loops must be replaced. The original project plans called for retaining many of the existing loops.
- The original plans called for a drilled shaft foundation next to the historic Wauna Federal Credit Union building. The equipment required for the drilled shaft installation may have damaged the building, so the drilled shaft was moved to another location that required increased installation costs and engineering design time.

On all ODOT projects there are contingency funds available for extra work. The contingency amount is fixed at 3.5% of the contract amount. In this case, the contract amount was relatively small, so the available contingency was only \$9,565. This is not adequate for the work required to complete this project.

REQUEST FOR OVERRUN OR INCREASE IN CONSTRUCTION AUTHORIZATION

TYPE OF REQUEST: <input checked="" type="radio"/> Increase <input type="radio"/> Overrun <input type="radio"/> Increase (Local)			
PROJECT NAME (SECTION) I-5 Major Paving		KEY NO. 54321	CONTRACT NO. 12345
HIGHWAY Pacific 001	KIND OF WORK Paving		F.A. PROJECT NO. NHPP-S001(123)
CONTRACTOR Excavation and paving Inc.		CONTRACT WORK COMPLETED 50%	ESTIMATED COMPLETION DATE 10/30/2017
	CURRENT AUTHORIZATION		CURRENT ESTIMATE
CONTRACT AMOUNT	\$30,123,630.00	BID ITEMS	\$33,123,630.00
ANTICIPATED ITEMS	\$478,000.00	CONTRACT CHANGE ORDERS, EXTRA WORK ORDERS & ADJUSTMENTS	\$478,000.00
CONTINGENCY	\$1,123,977.00	CONTINGENCIES FOR COMPLETION	\$1,123,977.00
		ORDERS FOR FORCE WORK	
ENGINEERING	\$2,055,123.00	ENGINEERING	\$2,255,123.00
TOTAL PROJECT COST	\$33,780,730.00	TOTAL PROJECT COST	\$36,980,730.00
ESTIMATED INCREASE		Increase/Overrun Amt. \$3,200,000.00	Increase/Overrun Percentage 9.47%
LIST MAJOR OVERRUNS AND UNDERRUNS INCLUDE THE BI, CCO, EWO, & FO NUMBERS, DESCRIPTION & WHETHER THE WORK WAS ANTICIPATED (A) OR UNANTICIPATED (U).		CURRENT ESTIMATED AMOUNT	AMOUNT OF CHANGE
Increase Bid Item 0710 - Level 4, 1/2" ACP (U)		\$670,563.00	\$170,000.00
Increase Bid Item 0730 - PG 70-22, Asphalt in ACP (U)		\$1,014,369.00	\$185,679.00
Increase Bid Item 0070 - Move Temporary Barrier (U)		\$731,500.00	\$283,500.00
Increase Bid Item 0080 - Temporary Concrete Barrier (U)		\$402,249.00	\$69,749.00
Increase Bid Item 0210 - Temporary Striping (U)		\$38,980.00	\$6,480.00
Increase Bid Item 0450 - Subgrade Geotextile (U)		\$47,950.00	\$33,000.00
PRINCIPLE REASONS FOR INCREASE OR OVERRUN (CONTINUE ON ATTACHMENTS)			
See Attachment A			
SUBMITTED BY PROJECT MANAGER <i>Rhoda Head, Project Manager</i>		DATE 4/21/2015	NOTED BY LOCAL AGENCY DATE
AREA MGR <input type="checkbox"/> NOTED <input type="checkbox"/> RECOMM. <input checked="" type="checkbox"/> APPR <i>Will A. Prove, Area Manager</i>	DATE 4/23/2015	CONSTRUCT. SECT. <input checked="" type="checkbox"/> NOTED <input type="checkbox"/> RECOMM. <input type="checkbox"/> APPR <i>Mark R. Down</i>	DATE 4/30/2015
REGION MGR <input checked="" type="checkbox"/> NOTED <input type="checkbox"/> RECOMM. <input type="checkbox"/> APPR <i>Stan N. Charge, Region Manager</i>	DATE 4/25/2015	SIGNATURE & DATE OF APPROVAL BY OTHERS OTC Approval 5/11/2015	

SUBMIT ORIGINAL THROUGH REGION TO CONSTRUCTION, WITH SUPPORTING DATA. CONSTRUCTION WILL DISTRIBUTE APPROVED COPIES.



CONSTRUCTION OVERRUN/INCREASE AUTHORIZATION SUPPORTING DATA

NOTE: All overruns are accumulative and may change approval authority.

PROJECT NAME (SECTION) I-5 Major Paving		CONTRACT NO. 12345
HIGHWAY Pacific 001		F.A. PROJECT NUMBER NHPP-S001(123)
(A) ORIGINAL AUTHORIZATION \$33,780,730.00	(B) PREVIOUSLY APPROVED INCREASE IN AUTHORIZATION DATE _____ AMT. _____ % _____	(C) CURRENT AUTHORIZATION (A+B) \$33,780,730.00
(D) PREVIOUSLY APPROVED OVERRUNS (ABOVE CURRENT AUTHORIZATION) DATE _____ AMT. _____ % _____		(E) TOTAL PROJECT BUDGET (C+D) \$33,780,730.00

<p>REQUESTED OVERRUN/INCREASE AMOUNT</p> <p>ESTIMATE INCREASE FOR THIS REQUEST (F) \$3,200,000.00</p> <p>NEW ESTIMATE PROJ. BUDGET (E+F) 36,980,730.00</p> <p><small>TOTAL SHOULD EQUAL THE TOTAL PROJECT COST FROM 734-3372 CURRENT ESTIMATE</small></p>	<p>DELEGATED APPROVAL AUTHORITY</p> <p><input type="checkbox"/> AREA MANAGER (UP TO \$250,000 OVERRUN)</p> <p><input type="checkbox"/> REGION MANAGER (UP TO \$500,000 OVERRUN)</p> <p><input type="checkbox"/> STATEWIDE PROJECT DELIVERY MANAGER (UP TO \$500,000)</p> <p><input type="checkbox"/> STATE CONSTRUCTION/MATERIALS ENGINEER (UP TO \$500,000 OVERRUN)</p> <p><input type="checkbox"/> CHIEF ENGINEER (UP TO \$500,000 OVERRUN AND MAJOR CHANGES)</p> <p><input type="checkbox"/> PROGRAM FUNDING SERVICES MANAGER (ALL AMOUNTS ON LOCAL PROJECTS)</p> <p><input checked="" type="checkbox"/> OREGON TRANSPORTATION COMMISSION (ABOVE \$500,000 INCREASE)</p>
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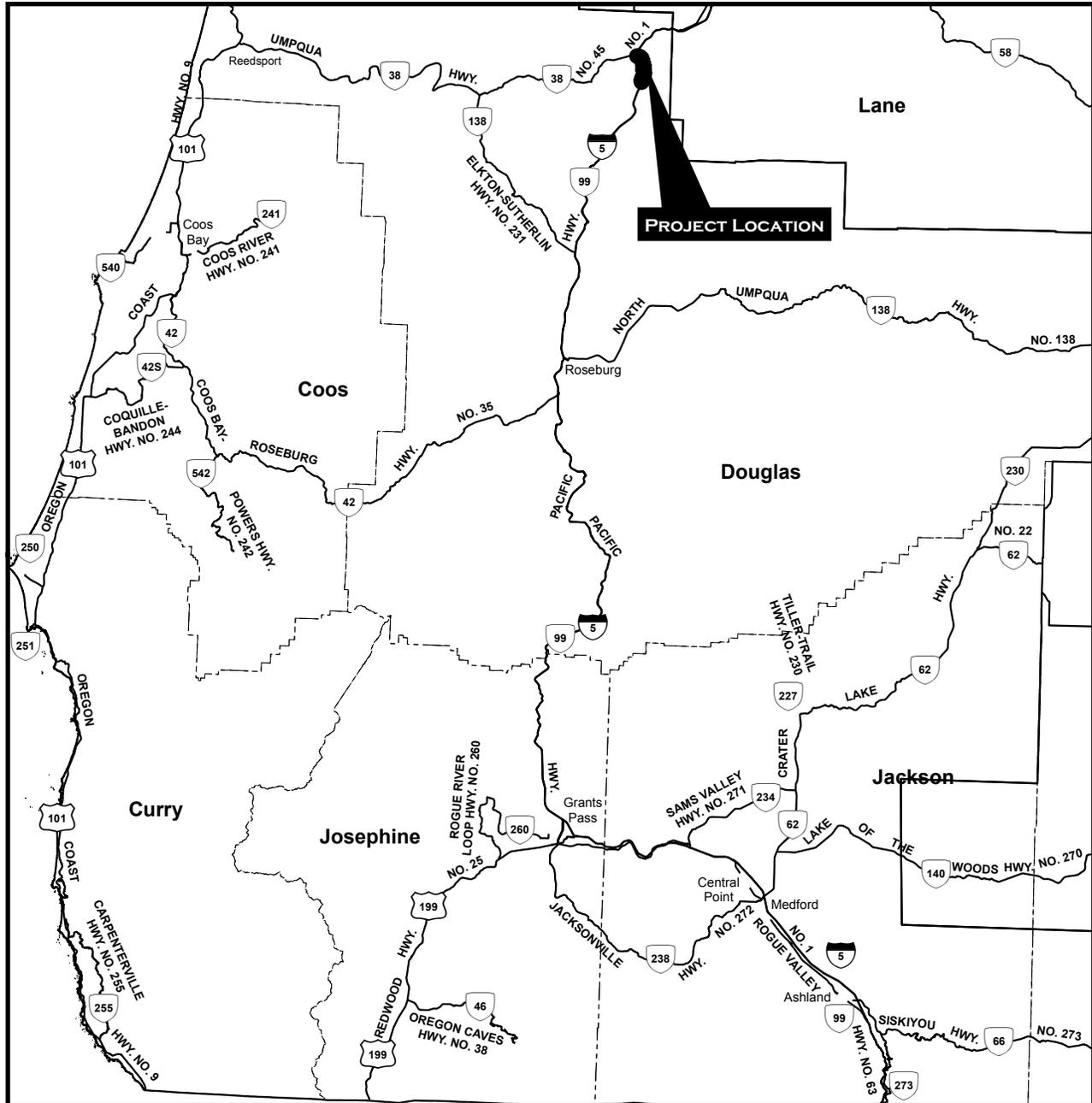
PROGRAM FUNDING SOURCE		
PRIOR APPROVAL TO OVERRUN HAS BEEN OBTAINED FROM THE APPROPRIATE PROGRAM MANAGER BELOW:		
	FUNDING MANAGER NAME	BY NAME AND DATE
<input type="checkbox"/> REGION FINANCIAL PLAN REGION MANAGER/AREA MANAGER	_____	_____
<input type="checkbox"/> STATE BRIDGE PROGRAM STATE BRIDGE ENGINEER	_____	_____
<input checked="" type="checkbox"/> INTERSTATE MAINT. FINANCIAL PLAN PAVEMENTS ENGINEER	Jeff Bloom	Ted Manager 4/15/2015
<input type="checkbox"/> LOCAL PROGRAM FINANCIAL PLAN PROGRAM AND FUNDING MANAGER	_____	_____
<input type="checkbox"/> OTIA APPROVAL OTIA WORKSHEET ATTACHED	_____	_____
<input type="checkbox"/> OTHER POSITION:	_____	_____

FUNDING STRATEGY FOR OVERRUN OR INCREASE IN AUTHORIZATION: (AS SPECIFIED BY RESPONSIBLE PROGRAM MANAGER)
See attached documentation.

CONTINUED ON ADDITIONAL SHEETS

PROJECT VICINITY

ODOT REGION 3



I-5: ANLAUF - ELKHEAD RD PAVING KEY NO.16269

LEGEND

-  PROJECT LOCATION
-  STATE HIGHWAY
-  COUNTY BOUNDARY
-  STATE BOUNDARY

"This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information."



0 9.5 Miles

PRODUCED BY ODOT - GIS UNIT
(503) 986-3154 - JULY 2015
GIS No. 23-52



Oregon

Kate Brown, Governor

Oregon Transportation Commission

Office of the Director, MS 11
355 Capitol St NE
Salem, OR 97301-3871

DATE: August 6, 2015

TO: Oregon Transportation Commission

FROM: Matthew L. Garrett
Director

SUBJECT: **Consent 5** – Project Authorization Increase for Interstate 5: Anlauf to Elkhead, Road Paving Contract No. 14777

Requested Action:

Request approval of an increase in construction authorization by \$3,200,000 or 9.67 percent on the Interstate 5 Anlauf-Elkhead Road Paving project. Funding for this project is provided by the Interstate Maintenance program; funding for the increase comes from savings on other projects. The increase will change the construction project authorization from \$33,102,691.05 to \$36,302,691.05. Construction is anticipated to begin in September 2015 and completed by July 2017.

Comment [OU1]: Include in the requested action the amount and percentage of increase, the original and new construction authorization and the funding source for the increase.

Background:

The Interstate 5 Anlauf-Elkhead Road Paving project is located on Interstate 5 near Cottage Grove between milepost 154 and 162. The work consists of continuous reinforced concrete grinding and paving, asphalt concrete grinding and paving, bridge deck repairs, concrete median barrier replacement, and guardrail replacement—all four travel lanes are being replaced. The contract was awarded to K&E Excavating, Inc. and Notice to Proceed (NTP) for construction was issued on March 6, 2015. The first stage of construction will begin in early September, with the contractor constructing the concrete bridge deck overlays.

Comment [OU2]: The background should include a brief description of the project and an explanation for the need for the increase.

Please also describe how we arrived at the decision—the considerations we made, and consequences of not proceeding with the increase, and any benefits gained.

The background should also describe any impacts to the public.

The concrete work requires construction of crossovers for traffic staging. The project is currently designed to construct four separate crossovers during six stages where traffic will be temporarily reconfigured to allow one lane of traffic in each direction. Additional lane closures will be used elsewhere in the project area to work on bridge deck repairs and concrete barrier replacement.

We learned from a recent adjacent project, the Interstate 5: Martin Creek – Anlauf project, that our standard analysis method for travel delays was not adequate. Traffic within the Interstate 5: Martin Creek – Anlauf project experienced significant delays, requiring that we make adjustments during construction to mitigate.

We expect similar delays could occur on the Interstate 5 Anlauf-Elkhead Road Paving project. We recommend an increase in construction authorization to mitigate those delays prior to construction beginning. We have evaluated the project and recommend the contractor construct a temporary auxiliary lane southbound allowing two lanes of travel in each direction during construction of the continuous reinforced concrete pavement. At the end of the project, the auxiliary lane would become a

Consent_5_1-5 Anlauf Elkhead OTC.docx
8/4/2015

truck climbing lane southbound in the footprint of the temporary lane, meeting a future identified need. The additional work is expected to total \$3.2 million.

Constructing the temporary auxiliary lane and permanent truck climbing lane would provide for relief of likely traffic congestion within the construction zone and provide a much needed truck climbing lane that would benefit mobility in the future. The new staging allowed by the temporary lane could likely result in the project being completed early.

We request approval of an increase in construction authorization of \$3.2 million, bringing the construction authorization from \$33,102,691.05 to \$36,302,691.05. Construction is anticipated to begin in September 2015 and completed by July 2017. The increase will be funded from the statewide program and savings on other projects.

Comment [OU3]: The closing paragraph should reiterate the current and new construction authorization, the project completion date and the funding source for the increase.

Attachments:

- Attachment 1 - Request for increase in construction authorization
- Attachment 2 - Location and vicinity maps

Comment [OU4]: Include the completed Increase in Construction Authorization form, location and vicinity maps in your packet.

Copies (w/attachments) to:

Jerri Bohard	Travis Brouwer	Tom Fuller	Clyde Saiki
Paul Mather	McGregor Lynde	Frank Reading	Mark Usselman
Kelly Jacobsen	Arlene Santana		