

State of California
Business, Transportation and Housing Agency
Department of Transportation

HIGHWAY FINANCIAL MATTERS
Allocations for Supplemental Funds
Resolution: FA-00-08

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CTC Meeting: March 28-29, 2001

Agenda Item: 2.5e

Original Signed By _____
W. J. EVANS, Deputy Director
Finance
March 1, 2001

**ALLOCATION FOR ADDITIONAL FUNDS
FOR PREVIOUSLY APPROVED PROJECT**

RESOLUTION FA-00-08

RECOMMENDATION

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

FINANCIAL RESOLUTION

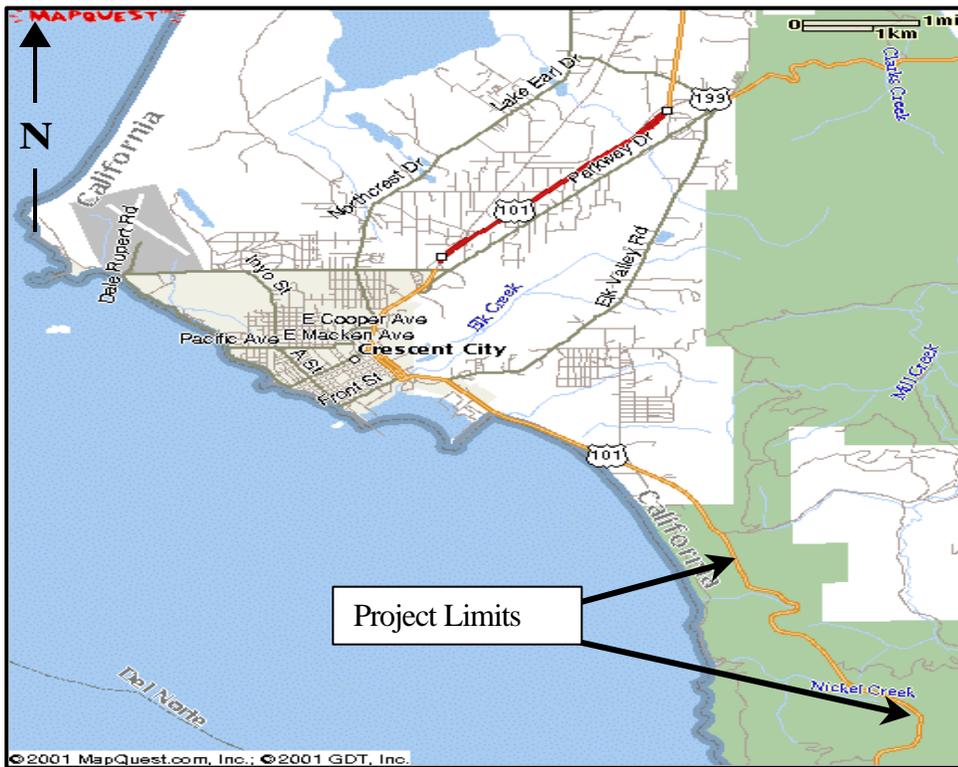
Resolved, that \$5,579,000 be allocated from Budget Act Item 2660-301-0042, Budget Acts of 1995, 1998, 1999, and 2000 to provide additional funds for the projects on the attached sheet.

SUMMARY AND CONCLUSIONS

This resolution allocates \$5,579,000 of additional State and Federal funds for three (3) previously approved projects listed below:

<u>Project</u>	<u>Dist-Co-Rte</u>	<u>Original Vote/G11 Amount</u>	<u>Award Amount</u>	<u>Current Budget Amount</u>	<u>Current Allocation Revision</u>	<u>Revised Budget Amount</u>	<u>Total Increase Vote/Award</u>
1	01-DN-101	\$9,000,000	\$8,572,000	\$9,629,200	\$2,500,000	\$12,129,200	42% A
2	06-FRE-99	\$4,725,000	-----	\$4,725,000	\$1,342,000	\$6,067,000	28% V
3	07-LA-101	\$9,063,000	-----	\$9,063,000	\$1,737,000	\$10,800,000	19% V

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Program Year Item # Prgm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
1 \$2,500,000 Department of Transportation Del Norte 01N-DN-101 20.3/22.3	Near Crescent City south of Hamilton Road. Realign and widen roadway. Supplemental funds are needed for on- going project.	262301 (0002B) 1998/99 301-0042 301-0890 20.20.025.513 STIP	\$1,105,200 \$8,524,000 \$9,629,200	\$287,000 \$2,213,000 \$2,500,000	\$1,392,200 \$10,737,000 \$12,129,200



PROJECT DESCRIPTION AND LOCATION

The project is in Del Norte County, near Crescent City, from Mill Creek Campground to 0.4 miles south of Hamilton Road. The project work includes constructing a viaduct structure and several retaining walls to facilitate minor realignment and widening through the redwood forest, rehabilitating existing culverts, installing a real time information system and constructing a new Asphalt Concrete (AC) pavement riding surface.

FUNDING STATUS

The project was programmed in the 1998 STIP for \$11,675,000 with Interregional Improvement Program (IIP) funds for construction in the 1998/99 Fiscal Year. In January 1999 the project was voted for \$9,000,000 and awarded for \$8,572,000 in March 1999. This request of \$2,500,000 represents an increase of 42% over the award amount for this contract.

BACKGROUND

This section of Route 101 is a two-lane section of roadway located at the edge of Redwood National Park that is used as the main thoroughfare between Crescent City and Eureka. The project will modify the existing alignment by eliminating compound curves, widening the shoulders and widening the median. The project will also install new Permanent Changeable Message Signs (PCMS) with pavement sensors to monitor pavement moisture conditions and place a new AC riding surface to improve traction.

REASON FOR INCREASE

To warn motorists of freeze/thaw and wet conditions, a state-of-the-art real time detection system coupled to the PCMS will be installed to monitor pavement conditions. During the design phase for the detection system, the local power company provided the Department with a preliminary cost estimate for the electrical work that was significantly lower than the actual cost to do the work. Additional trenching and shoring work is required to supply power to the real time information system signs. A hardwire telephone line rather than a radio wave transmission system is required to connect the signs with the District Office in Eureka to monitor the performance of the pavement detection system. The radio wave transmission system was determined to be too unreliable and inconsistent due to the rugged terrain of the project site. Additional sensors will also be placed in the pavement in order to maximize the use of the detection system. The estimated additional cost for providing the power supply to the PCMS, hardwiring a telephone line connection, and adding pavement sensors is approximately \$1,200,000.

Hard rock drilling was necessary at several locations to construct the drilled pile foundations for the structure viaduct. The Contractor has claimed that the unanticipated conditions have caused long delays to pile drilling operations and caused additional wear and tear on the pile drilling equipment. The Department has acknowledged the differing site conditions and an independent evaluation is ongoing to determine the exact amount of the settlement. In the interim, the Department has determined that the Contractor is owed \$1,100,000 in compensation for the change in site conditions.

Due to delays in the project, the construction schedule has been extended an additional season. The hard rock drilling for the pile foundations resulted in a four-month delay to the project and the Contractor will have to maintain traffic controls longer than anticipated. More temporary closures of the traffic lanes were required to facilitate materials delivery and to haul debris off the project site than originally predicted. An additional \$200,000 is needed to maintain traffic controls.

FUNDING OPTIONS

OPTION A: Approve the Department's request for \$2,500,000 to allow this project to be completed.

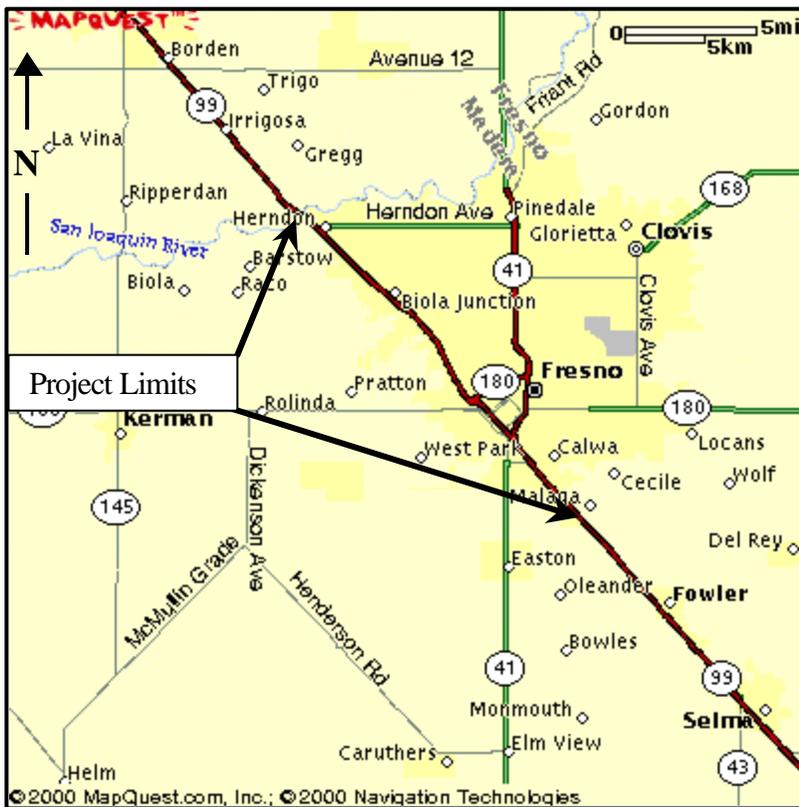
OPTION B: Deny this request and direct the Department to deliver the project within the current allocation.

The Department considered this option. The PCMS needs to have a power source and telephone line connection to the District Office in order for the system to be fully functional. Delaying payment for the claim may cause additional interest to accrue and increase the final cost of the settlement.

RECOMMENDED OPTION

The Department of Transportation recommends OPTION A, as presented above for \$2,500,000, to allow this project to be completed.

Project # Allocation Amount Recipient County	Location Project Description Reason for Supplemental Funds	EA PPNO Program Year Item # Prgm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
2 \$1,342,000 Department of Transportation 06N-Fre-99 14.5/31.5	In Fresno from American Avenue Overcrossing to the San Joaquin River Bridge. Roadside enhancements. Supplemental funds are needed to award the project.	440101 (1605) 2000/01 301-0042 301-0890 20.20.201.245 SHOPP	\$542,000 \$4,183,000 \$4,725,000	\$154,000 \$1,188,000 \$1,342,000	\$696,000 \$5,371,000 \$6,067,000



PROJECT LOCATION & DESCRIPTION

This project is in the County and City of Fresno, from American Avenue Overcrossing to the San Joaquin River Bridge. This project is a “Beautification and Modernization” project. The project will clean, beautify and protect visual resources and overall aesthetics at various locations on Route 99. This project was developed as a demonstration pilot project to be implemented within the urban portion of Fresno County.

FUNDING STATUS

The project is programmed in the 2000 SHOPP for \$4,725,000 for construction in the 2000/01 Fiscal Year. In July 2000, the project was voted for the programmed amount. This request of \$1,342,000 represents an increase of 28% over the vote amount for this contract.

BACKGROUND

Route 99 is functionally classified as a high volume Principal Arterial and an important route for interstate travel and recreational areas. The Route 99 corridor is also of vital importance to local residents and businesses. There is a great deal of community effort to improve aesthetics in the Fresno area, spearheaded by the group called "Association for Beautification of Highway 99." The group started as a grass roots effort by local citizens and has representatives from all of the communities along the Route 99 corridor in the Fresno area. Through the group's efforts, this segment of Route 99 was chosen as the location of a "Showcase Project."

Aesthetics under the bridges and in the gore areas will be improved by installing stamped and colored concrete pavement and by paving bridge slopes throughout the project limits except in the segment between Stanislaus Overcrossing and Olive Overcrossing. Wildflowers will be planted in front of right of way fencing and behind gore areas. Existing bridges, soundwalls and barriers will be cleaned; mural walls, with artwork done by others, and screen walls will be installed; existing soundwalls will be aesthetically enhanced; existing median barriers and existing bridges will be color stained; and signs and luminaries will be upgraded.

REASON FOR INCREASE

The project bids were opened in January 2001 with the lowest bid being \$1,342,000 over the Engineer's Estimate. There were seven bidders and the difference between the high and low bids is approximately \$1.8 million. After conferring with the bidders, it was determined that the cost increase could be attributed to some of the contract items being new and unique. An examination of all the bids indicates that the cost increase can be distributed across a large number items with the three primary items being Minor Concrete (Textured Paving) with an increase of \$165,000; Chain Link Railing (Type 6 Modified) with an increase of \$325,000; and Highway Lighting with an increase of \$255,000. An additional \$1,342,000 is needed to award the project.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$1,342,000 to allow the project to be awarded.

OPTION B: Deny this request and direct the Department to reject all the bids and re-advertise the project.

The Department considered this option. Analysis of the current bids indicate that re-advertising the project will not produce bids lower than the current amount. The Department reviewed the scope of the project and looked into redesigning or eliminating items from the project, but no practical cost saving opportunities were identified.

RECOMMENDATION

The Department recommends that this request for \$1,342,000, as presented in OPTION A above, be approved to allow this contract to be awarded.

Project # Allocation Amount Recipient County	Location Project Description Reason for Supplemental Funds	EA PPNO Program Year Item # Prgm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
3 \$1,737,000 Department of Transportation 07S-LA-101 27.2/32.2	In Los Angeles, Hidden Hills, and Calabasas south of Valley Circle Overcrossing to north of Lost Hills Road. Rehabilitate Roadway. Supplemental funds are needed to award the project	202601 (2657) 2000/01 301-0042 301-0890 20.20.201.120 SHOPP	\$1,040,000 \$8,023,000 \$9,063,000	\$200,000 \$1,537,000 \$1,737,000	\$1,240,000 \$9,560,000 \$10,800,000



PROJECT LOCATION & DESCRIPTION

The project is in Los Angeles County, in Calabasas, Hidden Hills and Los Angeles, from south of Valley Circle Boulevard Overcrossing to north of Lost Hills Road Overcrossing. The project will rehabilitate Portland Cement Concrete (PCC) and Asphalt Concrete (AC) pavements along the mainline and at various ramps.

FUNDING STATUS

The project is programmed in the 2000 SHOPP for \$9,063,000 for construction in the 2000/01 Fiscal Year. The project was voted for the programmed amount in July 2000. This request of \$1,737,000 represents an increase of 19% over the vote amount for this contract.

BACKGROUND

The pavement sections on ramps and the mainline are in an advanced state of deterioration. This project will replace damaged PCC slabs, seal cracks, repair localized failed areas, remove and replace existing AC pavement, and grind the existing PCC pavement to provide for a smoother riding surface. This section of Route 101 links the San Fernando Valley with Ventura County and is heavily used by commuters, trucks and tourists.

REASON FOR INCREASE

There were three bids opened in January 2001 and all bids exceeded the Engineer's Estimate. The cost increase is predominantly concentrated in the concrete pavement item, with the Replace Concrete Pavement (Fast Setting) accounting for the majority of the increase. Since the replacement paving work will be done at night to reduce the impacts and delays on the travelling public, special fast setting concrete is required to replace damaged PCC slabs and still allow traffic to drive over the pavement the next morning. All three bidders indicated that the increase is related to the rapidly increasing price for fast setting concrete, which has nearly doubled in cost since the final estimate for the project was prepared, and to the lack of available suppliers in the West Los Angeles area. The unit price of the fast setting concrete nearly doubled from 1999 to 2000, because the mix is a relatively new product on the market, there is heavy demand, and the cost of producing the mix is high. An additional \$1,737,000 is needed to award the project.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$1,737,000 to allow the project to be awarded.

OPTION B: Deny this request and direct the Department to reject all the bids and re-advertise the project.

The Department considered this option. Analysis of the current bids indicate that re-advertising the project will not produce bids lower than the current amount. The unit prices for fast setting concrete and AC continue to escalate. Delaying the project more will likely result in even higher bids.

RECOMMENDATION

The Department recommends that this request for \$1,737,000, as presented in OPTION A above, be approved to allow this contract to be awarded.