

Memorandum

To: CHAIR AND COMMISSIONERS

Meeting Date: January 19-20, 2005

Reference No.: 2.5d.
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Ross Chittenden
Division Chief
Transportation Programming

Ref: **FINANCIAL ALLOCATION FOR PROJECTS THAT EXCEED 20 PERCENT OF THE PROGRAMMED AMOUNT RESOLUTION FP-04-30**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve the following resolution, subject to the priorities established at the January 19, 2005 Commission workshop.

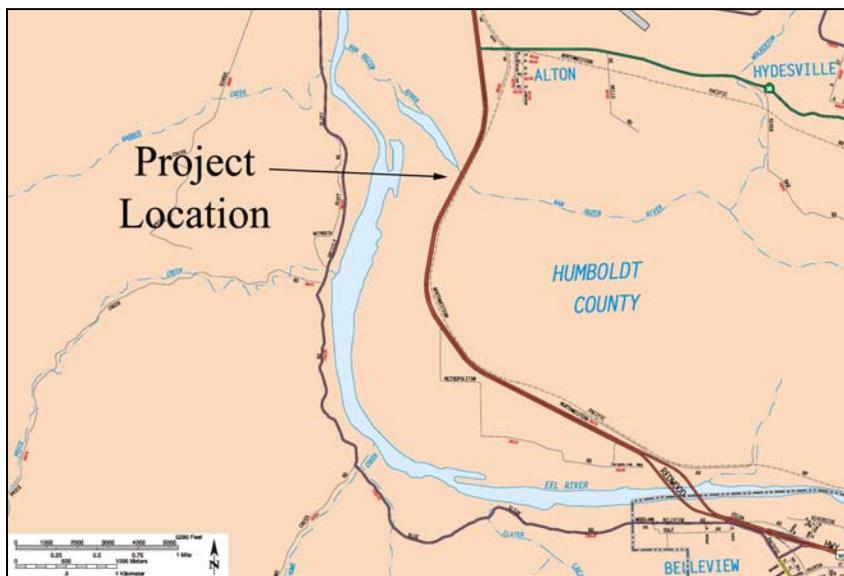
FINANCIAL RESOLUTION:

Resolved that \$14,500,000 be allocated from the Budget Act of 2004, from Budget Act Items 2660-302-0042 and 2660-302-0890 to provide funds for the project listed below. This major construction project proposed for funding is included in the State Highway Operations Protection Program (SHOPP).

SUMMARY AND CONCLUSIONS:

This resolution allocates State and Federal funds of \$14,500,000 for one (1) new major construction project that is programmed in the SHOPP. The project has construction costs that exceed by more than 20 percent the programmed amount of \$10,933,000.

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Project Support Expenditures	EA (PPNO) Program (Prog Year) Prog Amount	Budget Year Item # Program Codes	State Federal Total Amount
2.5d. Allocations for Projects with Cost Increases Greater than 20 Percent of Programmed Amount Resolution: FP- 04-30				
1 \$14,500,000 Department of Transportation Humboldt 01N-Hum-101 56.2/57.5	Near Alton 0.5 mile south of Van Duzen River Bridge (Br. No. 4-17L) to Van Duzen River Overflow Bridge. Replace bridge (scour)	314401 (0054A) SHOPP/ 04-05 \$10,933,000	2004-05 302-0042 302-0890 20.20.201.111	\$1,664,000 \$12,836,000 \$14,500,000



PROJECT DESCRIPTION

This project is located in Humboldt County near the town of Alton on Route 101 from 0.5 mile south of Van Duzen River Bridge to Van Duzen River Overflow Bridge. The project proposes to remove and replace the existing scour critical Van Duzen River Bridge (Br. No. 4-0017L).

BACKGROUND

The Van Duzen River Bridge (Br. No. 4-0017L) structure, constructed in 1952, has required numerous repairs in recent years and is considered near the end of its useful life. Foundation investigations performed in 1992 determined that the Van Duzen River channel had degraded, and scour was occurring at the bridge piers. The bridge structure was also identified as being structurally deficient and has an urgency factor of one in the Structures Replacement and Improvement Needs (STRAIN) Report. An urgency factor of one indicates that the structure is in need of essential work which should not be delayed.

The Van Duzen River Bridge serves as a vital transportation link to the Bay Area for commerce. Any delays to this bridge replacement project would further compromise the integrity of this structure and the safety of the traveling public. In the event of a sudden bridge collapse, the only viable detour in the area is through Route 299 to Interstate 5 south; the detour is approximately 250 miles long.

FUNDING STATUS

The project is currently programmed in the 2004 SHOPP for \$10,933,000 for construction in FY 2004-05. This request for \$14,500,000 will result in an increase of 32.6% above the programmed amount.

REASON FOR INCREASE

The current estimate is \$14,500,000, representing an increase of \$3,567,000 over the programmed amount. The cost increase is primarily due to unit price increases in prestressing steel, bar reinforcing steel, steel pilings, structure concrete, excavation, and asphalt contract items over the last year. Recent item bid prices, received from similar type and size of projects that are within close proximity to the project, were used in determining the project's cost. Although the Department had anticipated a cost increase in some contract items, it was expected that the volatility in contract prices would be diminished by the time the project was ready to list and ready for allocation. The final project cost estimate represents the latest bid item costs as of November 16, 2004.

The project's plans, specifications, and estimate (PS&E) package was submitted to the Department's Office Engineer on November 3, 2004, and the right-of-way (R/W) was certified on January 3, 2005. The project is currently ready for advertisement.

FUNDING OPTIONS

- OPTION A: Approve this request as presented above for \$14,500,000 to allow this project to be advertised. Construction window for work in the streambed is limited from June 15th to October 14th. Since procurement of the foundation piles could take up to several months, it is urgent that this project get awarded as soon as possible to allow for ample time to acquire the materials, thus maximizing the construction efforts for this work window.
- OPTION B: Deny this request and direct the Department to downscope the project to remain within the programmed amount. The Department has reviewed the project scope of work and is unable to identify any option that would reduce the project cost increase to below 20 percent of the programmed dollars. Any reduction of the scope of work will result in not meeting the project's purpose and need.
- OPTION C: Deny this request and direct the Department to reprogram this project in a future funding cycle of the SHOPP. The Department had considered this option, however, delaying the replacement of this scour critical bridge would compromise the integrity of this structure and the safety of the traveling public.

RECOMMENDED OPTION

The Department recommends that this request for \$14,500,000, as presented in Option A above, be approved to allow this project to be advertised.