

Memorandum

To: CHAIR AND COMMISSIONERS

Meeting Date: April 13-14, 2005

Reference No.: 2.5e.
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Ross A. Chittenden
Division Chief
Transportation Programming

Ref: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECTS
RESOLUTION FA-04-05**

RECOMMENDATION:

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

FINANCIAL RESOLUTION:

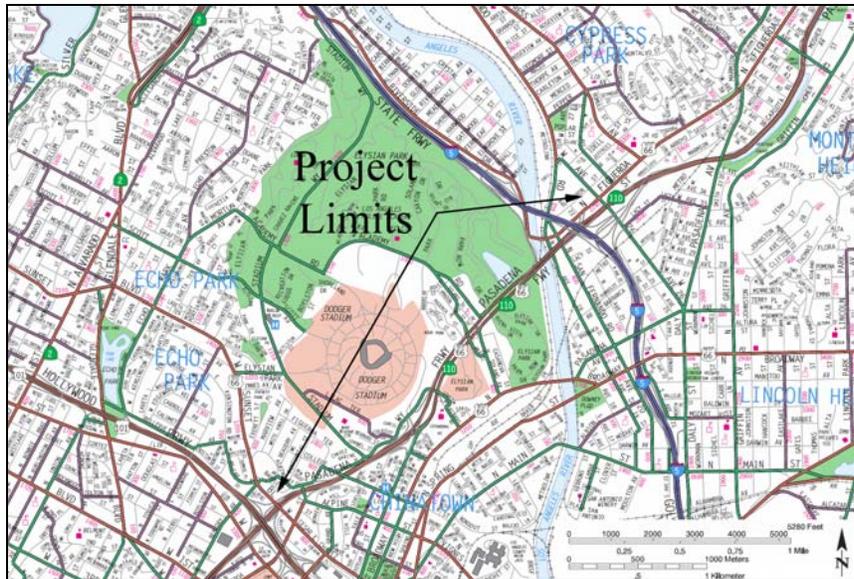
Resolved that \$1,320,000 be allocated from the Budget Acts of 2003 and 2004, Budget Act Items 2660-301-0042 and 2660-301-0890, and Budget Act Items 2660-302-0042 and 2660-302-0890, to provide additional funds for the projects listed below.

SUMMARY AND CONCLUSIONS:

This resolution allocates \$1,320,000 of additional State funds for the 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	7-LA-110	\$12,500,000	\$16,100,000	\$16,100,000	\$1,000,000	\$17,100,000	37% V
2	12-Ora-73	\$910,000	\$1,090,500	\$1,090,500	\$320,000	\$1,410,500	55% V

Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	EA PPNO Budget Year Prgm Codes Program	State Federal Current Budget Amount	State Federal Additional Allocation	State Federal Revised Total Amount
2.5e. Supplemental Funds for Previously Voted Projects			Resolution: FA-04-05		
1 \$1,000,000 Department of Transportation Los Angeles 07S-LA-110 24.6/25.7	In Los Angeles from College Street Overcrossing to Avenue 26 Overcrossing. Widen freeway. Supplemental funds are needed to close out construction contract.	118081 0375P STIP/1997-98 301-0042 301-0890 20.20.101.610 FCR/HB4C STIP 2004-05 301-0042 301-0890 20.20.075.400 STIP	\$1,850,000 \$14,250,000	\$115,000 \$885,000	\$1,850,000 \$14,250,000 \$115,000 \$885,000 \$17,100,000
			\$16,100,000	\$1,000,000	\$17,100,000



PROJECT DESCRIPTION

This project is in the County and City of Los Angeles, on Route 110, from 0.4 mile north of College Street to 0.2 mile south of Avenue 26. The project proposes to widen the southbound roadway in the median from four lanes to five lanes between the Los Angeles River and Hill Street and to widen the northbound roadway to increase the curve radius between Hill Street and Stadium Way. The work involves the widening of existing structures and the construction of several new structures, such as retaining walls of various designs and side hill viaducts. In addition to the widening work, a concrete safety barrier will be constructed on the shoulder of the southbound Interstate 5 (I-5) to southbound Route 110 connector.

FUNDING STATUS

The project was programmed in the State Transportation Improvement Program (STIP) for \$13,535,000 for construction in FY 1997-98. The project was voted in July 1998 for \$12,500,000. In May 1999, the construction contract was awarded to Shimmick Construction Co., Inc. for \$16,100,000 after the Commission approved a supplemental funds request for \$3,600,000 to award in March 1999. This request for \$1,000,000 in supplemental funds, to close out the project, results in an overall cost increase of 37% over the voted amount of the project.

BACKGROUND

This section of freeway is between Route 101 and I-5, through Elysian Park that surrounds Dodger Stadium. The land topography varies drastically through this section so much that the northbound and southbound lanes are on separate alignments at different elevations. The northbound lanes pass through four separate tunnels and the slopes on either side of the traveled way are very steep. There are no shoulders on this section of highway.

Traffic in the southbound lanes is congested throughout the day due to the influx of large traffic volumes from southbound I-5. The connector adds two lanes of traffic to the three lanes of southbound Route 110. The combined five lanes of traveled way are soon reduced to four lanes creating a backlog of traffic on both the connector and Route 110. This project will alleviate the congestion by adding a fifth lane to this section. A concrete safety barrier will keep rock fall from the slope adjacent to the connector from affecting traffic on the connector. This will reduce the number of accidents and the traffic impact caused by clean-up operations.

In the northbound lanes, the curve between Hill Street and Stadium Way has a stopping sight distance for a speed of only 39 mph. Because the prevalent traffic speeds are much higher than that, and the congestion this section often experiences, there is a high accident rate in this section. This project will widen the median and realign the curve to allow a stopping sight distance for 54 mph. This speed will significantly reduce the number of accidents in this section.

REASON FOR COST INCREASE

This supplemental funds request is necessary to pay the contractor for arbitration claims settlement. The construction of this project was completed and the contract was accepted on September 12, 2002. However, upon receiving the Proposed Final Estimate (PFE), the contractor submitted exceptions totaling \$1,986,515 to the PFE seeking reimbursement for the following claims.

- Lengthy delays during the modification work on existing drainage system No. 4 and No. 17 located on the Northbound Route 110 Freeway. The drainage system No. 4 and No. 17 were identified on the contract plans as existing drainage facilities within the non-travel way portion of the freeway. However, it was discovered that those drainage systems were actually extended several feet into the freeway number one lane. Further complicating the drainage systems modification work was the presence of unknown abandoned underground facilities within the vicinity. These unexpected changes of condition resulted in significant additional excavation to locate these drainage systems and to avoid obstruction during construction. They also resulted in additional nightly excavation and backfill operations in order to meet the requirement of opening the freeway to the public during morning and afternoon commute hours.

- ❑ Lengthy delays caused by replacing the standard lighting poles with the decorative historical cast aluminum lighting poles (1936 era style), as an environmental mitigation requirement due to various neighborhood association lawsuits. Because of the uniqueness of the decorative historical cast aluminum lighting poles, redesign and manufacture of the poles was required, and testing requirements had to be established and performed before the State could accept the decorative historical lighting poles for use in this contract.
- ❑ Lengthy delays caused by replacing the existing overhead freeway sign panel. The new sign panels and related hardware required a totally different installation process than what was shown on the plans and required additional time to manufacture and test.

The Department followed the Claims Resolution process as described in Section 9-1.07B, “Final Payment and Claims” of the Standard Specifications. The Board of Review was not able to resolve all of the contractor’s claims and the contractor then filed for arbitration. However, prior to the arbitration hearing, the contractor agreed to resolve all claims, including interests, for a settlement amount. After applying the remaining project funds, the Department is requesting an additional \$1,000,000 in order to close out this construction contract.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$1,000,000 to allow the close-out of this project.

OPTION B: Since all work has been completed and contract is accepted, denial of this request would most likely results in the contractor pursuing legal actions to recuperate the cost. The future costs to resolve these issues would most likely be greater than the current request.

RECOMMENDED OPTION

The Department recommends OPTION A as presented above for \$1,000,000 to allow the close-out of this project.

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2.5e. Supplemental Funds for Previously Voted Projects			Resolution: FA-04-05		
2 \$320,000 Department of Transportation Orange 12S-Ora-73 12.5/21.6	Near Newport Beach at various locations. Retrofit and reconstruct compost filter. Supplemental funds are needed to complete construction contract.	0C9871 3958J SHOPP/2003-04 302-0042 302-0890 20.20.201.335 SHOPP	\$125,000 \$965,500	\$37,000 \$283,000	\$162,000 \$1,248,500
			\$1,090,500	\$320,000	\$1,410,500



PROJECT DESCRIPTION

This project is located in Orange County at various locations on Route 73. The Regional Water Quality Control Board (RWQCB) found that the filter systems in this area do not meet the discharge standards, thus requiring the Department to either repair or replace them. The Department decided to replace the filter systems with detention basins and/or filtration basins along this route, and this project will provide for the stormwater mitigation measure at these four locations.

FUNDING STATUS

The project was programmed in the 2002 State Highway Operation and Protection Program (SHOPP) for \$910,000 for construction in FY 2003-04. In June 2004, funds were allocated for the programmed amount. The project was awarded to D. W. Powell Construction, Inc. on September 30, 2004, for \$1,090,500 after Resolution #G-12 allocation adjustment. This request for \$320,000 in supplemental funds results in an overall increase of 55% over the voted amount of this project.

REASON FOR INCREASE

The cost increases in this construction contract are attributed to a subsurface differing site condition, which required additional compensation for the removal and disposal of the material, and the difference between estimated and final quantity of the excavated material.

The excavated material of the basin is composed of diatomaceous material, which differed materially from that ordinarily encountered in the general area. The diatomaceous material is not a suitable fill material, and the Contractor was unable to dispose of this material due to its composition. Because the Department was unsuccessful in finding suitable disposal areas within the State's right of way for the excavated material, it had to be hauled to a landfill offsite at an additional cost.

Additionally, the Engineer's Estimate of the roadway excavation quantity at the basin is estimated to be 7,300 m³ on the contract documents. However, further investigation and recalculations made during the construction phase revealed that this figure is incorrect and that the final quantity is approximately 17,000 m³, which will require additional compensation to the Contractor.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$320,000 to allow the completion of construction on this project.

OPTION B: Deny this request and direct the Department to deliver the project within the current allocation. The Department has considered this option and determined that there is no feasible alternative to complete the scope of work on this project within the current budget. Executing another project to complete the deleted work later would result in greater costs and more disruption to the traveling public. Furthermore, the Department will be subjected to fines imposed by the RWQCD for non-compliance of stormwater discharge requirements until these mitigation measures have been constructed.

RECOMMENDED OPTION

The Department recommends OPTION A as presented above for \$320,000 to complete the construction of this project.