

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: February 1-2, 2006

Reference No.: 2.5f.(5)  
Information Item

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Ref: **INFORMATIONAL REPORT – DELEGATED SUPPLEMENTAL FUNDS FOR EIGHT PROJECTS FOR AWARD UNDER RESOLUTION G-05-04**

Pursuant to the authority granted by Resolution G-05-04, the Executive Director of the California Transportation Commission (Commission) has approved \$4,272,000 for eight (8) previously voted projects, as described on the attached list, since the last Commission meeting.

As of this report, \$40,034,000 in supplemental funds have been allocated in FY 2005-06 for twenty eight previously voted projects.

## **PROJECT DETAILS:**

Project #1 – In Sonoma County, on Route 1 and Route 116 near Jenner and Duncan Mills. This State Highway Operation and Protection Program (SHOPP) project will repair a slide and construct a buttress wall on Route 1 in the town of Jenner and a soldier pile wall on Route 116 near Duncan Mills (PPNO 0809P). The request for \$378,000 resulted in an overall increase of 29% over the original allocation. Plans, Specifications, and Estimate (PS&E) on this project was originally completed in April 2004 and was placed on the shelf due to lack of right of way funds. The project was then removed from the shelf and ready-to-list (RTL) on June 30, 2005, but the estimate was not updated prior to vote. Funding for the project was voted at the July 2005 Commission meeting in the amount of \$1,313,000. Bids for this project were opened on September 27, 2005; there were four bidders. The apparent low bid was 30% over the Engineer's Estimate. The amount needed to award, based on the lowest responsible bid, was \$1,691,000. A review of all bids indicated a significant cost increase in the items related to steel and concrete. The responsible low bidder also cited transportation complexity of work, limited access, and geotechnical unknowns for installing piles as reasons for higher costs.

Project #2 – In Fresno County, at the Route 198/Interstate 5 Interchange near Harris Ranch. This SHOPP project will construct two loop on-ramps and install signals at the intersections of the Route 5 ramps with Route 198 (PPNO 2105). Funding for the project was originally voted at the March 2005 Commission meeting in the amount of \$3,889,000. Bids for this project were opened on July 6, 2005; there were two bidders. The apparent low bid was 23% over the Engineer's Estimate. The amount needed to award, based on the lowest responsible bid, was \$4,709,000. The request for \$820,000 in supplemental funds resulted in an overall increase of 21% over the original allocation.

A review of the bids indicated a significant cost increase in the items related to imported borrow, roadway excavation, and asphalt concrete.

Project #3 – In Madera County, at the Route 41/ Route 49 Intersection near Oakhurst. This SHOPP project will construct dual left turn channelization, upgrade the intersection to Surface Transportation Assistance Act (STAA) truck turning specifications, and install permanent signals at the intersection (Minor EA 303101). Funding for the project was originally voted at the April 2005 Commission meeting in the amount of \$747,000. Bids were opened in May 2005; there was one bidder. The bid was significantly higher than the Engineer's Estimate, so the Department decided to reject the bid and re-evaluate the Engineer's Estimate. The Engineer's Estimate was updated August 30, 2005, and the project was re-advertised. Bids were opened on November 15, 2005; there were two bidders. The apparent low bid was 65% over the Engineer's Estimate. The amount needed to award, based on the apparent low bidder, was \$1,329,000. The request for \$582,000 in supplemental funds resulted in an overall increase of 78% over the original allocation. A review of the bids indicated a significant cost increase in the items related to roadway excavation, asphalt concrete, concrete, and signal modifications.

Project #4 – In Los Angeles County, on Route 1 in Los Angeles. This SHOPP project will remove the temporary median K-rail and raised median and install a concrete median barrier (Type 60) from the LAX-Sepulveda Tunnel North Portal to 98<sup>th</sup> Street (PPNO 3313). Funding for the project was originally voted at the August 2005 Commission meeting in the amount of \$1,589,000. Bids for this project were opened on November 3, 2005; there were two bidders. The apparent low bid was 30% over the Engineer's Estimate. The amount needed to award, based on the lowest responsible bid, is \$2,019,000. The request for \$430,000 in supplemental funds resulted in an overall increase of 27% over the original allocation. A review of the bids indicated a significant cost increase in the items related to traffic control, concrete, and mobilization.

Project #5 – In Los Angeles County, on Route 91 in Artesia and Cerritos. This SHOPP project will restore a deteriorated planting and irrigation system, and construct maintenance vehicle pullouts, from Norwalk Boulevard to Pioneer Boulevard (PPNO 2134). Funding for the project was originally voted at the August 2005 Commission meeting in the amount of \$1,512,000. Bids for this project were opened on November 17, 2005. There were three bidders, with the apparent low bidder at 60% over the Engineer's Estimate. The amount needed to award, based on the lowest responsible bid, is \$2,387,000. The request for \$876,000 in supplemental funds resulted in an overall increase of 58% over the original allocation. A review of the bids indicated a significant cost increase in the items related to concrete, irrigation equipment, and electrical service.

Project #6 – In Riverside County, on Route 10 near Banning. This SHOPP project will relocate the Desert Hills truck inspection facility away from the truck lanes and will re-stripe the parking area. Funding for the project was originally voted at the August 2005 Commission meeting in the amount of \$1,622,000. Bids for this project were opened on October 13, 2005. There were five bidders, with the lowest responsible bidder 30% over the Engineer's Estimate. Two G-12 adjustments were made to award to the responsible low bidder. The request for \$271,000 in supplemental funds, along with the G-12 adjustments, resulted in an overall increase of 31% over the original allocation. A review of the bids indicated a significant cost increase in the item "Building Work." Building Work is a lump sum item, so this limited the analysis of the bid, but discussions with the contractor cite escalation in the cost of materials and labor as the driving force for their higher bid.

Project #7 – In Merced County, on Route 99 in Merced. This SHOPP project will replace landscape and irrigation facilities from “R” Street to the “V” Street (PPNO 5453Y). This project will replace the landscape and irrigation facilities that have been removed or damaged as a result of the construction involved in a Ramp Modification project (10-482304, Construction Contract Acceptance date 10/20/04). Funding for the project was originally voted at the August 2005 Commission meeting in the amount of \$934,000. Bids for this project were opened on October 26, 2005. The sole bidder was 59% over the Engineer’s Estimate. The amount needed to award, based on the one bid, is \$1,425,000. The request for \$491,000 in supplemental funds resulted in an overall increase of 53% over the original allocation. A review of the bids indicated a significant cost increase in the items related to concrete and PVC pipes. The contractor also indicated in the review that an increase in labor rates, as of June 30, 2005, has increased all labor aspects, especially labor intense activities such as plant establishment.

Project #8 – In Orange County, on Route 91 in Anaheim Hills. This SHOPP project will modify signing and striping between the Imperial Highway and the Yorba Linda Boulevard/Weir Canyon Road. Funding for the project was originally voted at the September 2005 Commission meeting in the amount of \$1,193,000. Bids for the project were opened on November 17, 2005. There were six bidders, with the lowest responsible bidder 38% over the Engineer’s Estimate. The amount needed to award, based on the lowest responsible bidder, is \$1,617,000. The request for \$424,000 in supplemental funds resulted in an overall increase of 36% over the original allocation. A review of the bids indicated a significant cost increase in the item related to lighting and sign illumination. The contractor also indicated in the review that there will be difficulty boring under the freeway, problems with hard ground layers, and the need for night time work windows, as reasons for their high bid.

### **BACKGROUND:**

On July 14, 2005, the Commission approved Resolution G-05-04, delegating to its Executive Director the authority to adjust Department of Transportation (Department) construction contract award allocations in excess of the standard limits imposed by Resolution G-12. Under this delegation, the Commission’s executive director can adjust the allocation to award the construction contract. The executive director would adjust an individual contract award allocation only after consulting with the Commission’s chair and two additional commissioners chosen by the chair. The construction contract award delegation was approved on a trial basis and will sunset on June 30, 2006. This authority accommodates and accelerates the construction effort made possible by the transfer of Proposition 42 funds in FY 2005-06.

Attachment

2.5 Highway Financial Matters

#	Dist	County	Route	Postmiles	Location/Description	EA PPNO	Previous Allocation (x1,000)	Delegated Allocation (x1,000)	Total (x1,000)
<b>2.5f.(5) Informational Report – Delegated Supplemental Funds, per Resolution G-05-04</b>									
1	04	SON	1	4.4/21.3	Near Duncan Mills. Repair slide. (100% Federal ER funds - \$1,535) Savings of six weeks under delegated process. (SHOPP)	1S2811 0809P	\$1,313	\$378	\$1,691
2	06	FRE	5	26.8	Near Harris Ranch at Route 5. Install signals and modify existing ramps. Savings of four weeks under delegated process. (SHOPP)	497401 2105	\$3,889	\$820	\$4,709
3	06	Mad	41	35.4/35.6	At Oakhurst, from Fresno River Bridge to 0.2 km north of Route 41/49 Intersection. Install signals, lighting and left turn lanes. Savings of six weeks under delegated process. (SHOPP)	303101 Minor SHOPP	\$747	\$582	\$1,329
4	07	LA	1	26.5/27.1	In Los Angeles, Sepulveda Boulevard Tunnel North Portal to 98th Street. Install median barrier. Savings of six weeks under delegated process. (SHOPP)	4J2501 3313	\$1,589	\$430	\$2,019
5	07	LA	91	18.1/18.9	In Artesia and Cerritos, from Norwalk Boulevard to Pioneer Boulevard. Restore planting and upgrade irrigation. Savings of six weeks under delegated process. (SHOPP)	180001 2134	\$1,512	\$876	\$2,388
6	08	RIV	10	R15.8/R15.9	Near Banning, at Desert Hill Truck Scales (westbound). Relocate truck inspection building. Savings of six weeks under delegated process. (SHOPP)	0C9501 0009H	\$1,622	\$271	\$2,114
7	10	Mer	99	15.2/16.2	In Merced, R Street to V Street. Highway planting restoration. Savings of six weeks under delegated process. (SHOPP)	482311 5453Y	\$934	\$491	\$1,425
8	12	Ora	91	12.8/15.4	In Anaheim Hills, from Imperial Highway to Weir Canyon Road. Modify signing and striping. Savings of six weeks under delegated process. (SHOPP)	0G0501 4639	\$1,193	\$424	\$1,617
<b>TOTAL</b>							<b>\$12,799</b>	<b>\$4,272</b>	<b>\$17,292</b>