

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 22-23, 2011

Reference No.: 2.1c.(2)/2.5g.(2c)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

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Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT AND STATE ROUTE 99/STATE TRANSPORTATION IMPROVEMENT PROGRAM PROJECT BASELINE AMENDMENT RESOLUTION R99-AA-1011-010, AMENDING RESOLUTION R99-A-1011-002 RESOLUTION STIP1B-AA-1011-009, AMENDING RESOLUTION STIP1B-A-1011-002 RESOLUTION R99-PA-1011-015, AMENDING RESOLUTION R99-PA-1011-003**

RECOMMENDATION:

The Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$417,000 in State Transportation Improvement Program (STIP) Regional Improvement Program (RIP) funds and \$1,383,000 in Proposition 1B State Route (SR) 99 Corridor Bond Program funds, and update the project funding plan, for the Butte 99 Chico Auxiliary Lanes-Phase II and III Project (PPNO 2410B) in Butte County.

ISSUE:

Additional funds are needed for one previously voted STIP and SR99 project in order to award the construction contract.

PROJECT DESCRIPTION:

The project is in Chico on Route 99, from Route 32 to East 1st Avenue. The project will construct northbound and southbound auxiliary lanes with corresponding ramp improvements and widen East 1st Avenue.

FUNDING STATUS:

A SR99 baseline amendment was approved in August 2010 under Resolution R99-PA-1011-003. Construction was originally programmed with \$7,091,000 of RIP funds, and \$23,520,000 of SR99 Corridor Bond funds, for a total of \$30,611,000.

The Commission allocated this project in January 2011, with a cost savings of \$5,791,000 in RIP funds and \$19,209,000 in SR99 Corridor Bond funds, for a total of \$25,000,000.

Bids were opened in May 2011, with a low bid of \$26,800,000, including State-furnished material, supplemental work, and contingencies. An additional \$1,800,000 is needed to award the construction contract.

The funding status is summarized in the table below:

FUNDING SUMMARY (x \$1,000)

Fund	Programmed in Baseline Agreement at time of vote	Amount voted at Time of Allocation	Savings at Time of Allocation	Amount Needed for Contract Award	Proposed Supplemental Allocation	Total Programming
RIP	7,091	5,791	1,300	6,208	417	6,208
SR99 Bond	23,520	19,209	4,311	20,592	1,383	20,592
Total	30,611	25,000	5,611	26,800	1,800	26,800

REASONS FOR COST INCREASE:

The construction capital increase is a result of the current construction industry bid climate. Bid items such as bar reinforcing steel (bridge), structural concrete (bridge), bridge removal and excavation, were the primary items that caused the discrepancy between the Engineer's estimate and the low bid. The increases can mainly be attributed to the increase in fuel costs from when the project was ready-to-list in June 2010, to when it was actually voted in January of 2011. The rise in fuel costs affected the cost of various bid items. The major differences between the Engineer's estimate and the low bid are summarized in the table below.

Bid Item	Engineer's Estimate	Low Bid	Difference
Bar Reinf Steel (Bridge)	\$832,400	\$1,664,800	\$832,400
Structural Concrete (Bridge Ftg)	\$387,800	\$664,800	\$277,000
Bridge Removal	\$140,000	\$400,000	\$260,000
Structure Excavation	\$127,170	\$329,700	\$202,530
Roadway Excavation	\$490,200	\$670,800	\$180,600

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for \$1,800,000 to award the construction contract

OPTION B: Deny this request, reject the bids, delete project scope, and re-advertise.

RECOMMENDED OPTION:

The Department recommends that this request of \$1,800,000, as presented in Option A above, be approved to allow the construction contract to be awarded.

FINANCIAL RESOLUTION:

Resolved, that \$417,000 from Budget Act Item 2660-304-6058 be allocated from the Budget Act of 2010, Budget Act Item 2660-304-6072, and that \$1,383,000 be allocated from the Budget Act of 2010, Budget Act Item 2660-304-6072, to provide additional funds for the project identified below, and that the Project Baseline Agreement be amended as shown in the tables below.

Dist-Co-Rte	Current Budget (All Funds)	Budget Adjustment	Revised Budget	% Increase Above Current Budget
03-But-99	\$25,000,000	\$1,800,000	\$26,800,000	7.2%

Project # Allocation Amount Recipient <u>RTPA/CTC</u> County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	PPNO Budget Year Item # Fund Type Program Codes Program Project ID	Current Amount by Fund Type	Additional Amount by Fund Type	Revised Amount by Fund Type
2.5g.(2c) Financial Allocation Amendment for a SR99/STIP Project-Supplemental Funds			Resolution R99-AA-1011-010 Amending Resolution R99-A-1011-002 Resolution STIP1B -AA-1011- 009 Amending Resolution STIP1B-A-1011-002		
1 \$1,800,000 Department of Transportation <u>BCAG</u> Butte 03N-But-99 R32.4/R33.3	In Chico, from Route 32 to East 1st Avenue. Construct northbound and southbound auxiliary lanes with corresponding ramp improvements, and widen East 1 st Avenue. Final Project Development: NA Final Right of Way Share Adjustment: N/A (Supplemental Funds are needed to award the contract.) Total Revised Amount: \$26,800,000.	03-2410B 10-11 304-6058 TFA 20.20.075.600 STIP 10-11 304-6072 SR99 20.20.722.000 SR 99 0300000443	\$5,791,000	\$417,000	\$6,208,000
			\$19,209,000	\$1,383,000	\$20,592,000

REVISE:

Butte 99 Chico Auxiliary Lanes-Phase II and III Project (PPNO 2410B)

County	District	PPNO	EA	Element	Const. Year	PM Back	PM Ahead	Route/Corridor				
Butte	3	2410B	3A042	CO	2010-11	R32.4	R33.3	99				
Implementing Agency: (by component)	PA&ED	BCAG					PS&E	BCAG				
	R/W	BCAG					CON	Caltrans				
RTPA/CTC:	Butte County Association of Governments											
Project Title:	Butte SR 99 Chico Auxilliary Lanes -Phase II & III											
Location	In Chico, from Route 32 to East 1st Avenue.											
Description:	Construct north and southbound auxillary lanes, ramp improvements and widen East 1st. Avenue.											
(DOLLARS IN THOUSANDS)												
FUND	TOTAL	Project Totals by Fiscal Year						Project Totals by Component				
		Prior	10/11	11/12	12/13	13/14	14/15	R/W	CON	PA&ED	PS&E	R/W Supp
RIP												
Existing	14,700	4,515	10,185					5,791		4,515		4,394
Change	417	0	417					417		0		0
Proposed	15,117	4,515	10,602					6,208		4,515		4,394
State Bond												
Existing	19,209		19,209					19,209				
Change	1,383		1,383					1,383				
Proposed	20,592		20,592					20,592				
CMAQ												
Existing	2,150	2,150					1,200			950		
Change	0	0					0			0		
Proposed	2,150	2,150					1,200			950		
Total												
Existing	36,059	6,665	29,394				1,200	25,000		5,465		4,394
Change	1,800	0	1,800				0	1,800		0		0
Proposed	37,859	6,665	31,194				1,200	26,800		5,465		4,394