State of California
**DEPARTMENT OF TRANSPORTATION**

Business, Transportation and Housing Agency

# M e m o r a n d u m

**To:** CHAIR AND COMMISSIONERS

**CTC Meeting:** June 25-26, 2008

**Reference No.:** 2.5e.(1) - **REVISED**
Action Item

**From:** CINDY McKIM
Chief Financial Officer

**Prepared by:** Rachel Falsetti
Division Chief
Transportation Programming

**Subject:** **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECTS RESOLUTION FA-07-14**

## RECOMMENDATION:

The Department of Transportation (Department) recommends that the California Transportation Commission (Commission) approve Resolution FA-07-14, allocating an additional **$6,000,000** for one State Highway Operation and Protection Program (SHOPP) project identified below.

## ISSUE:

Additional funds are needed for one previously approved project in order to complete the construction contract.

## RESOLUTION:

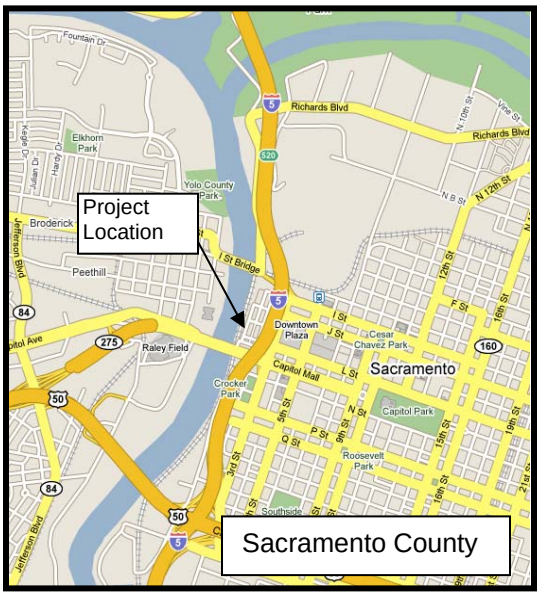
Resolved, that **$6,000,000** be allocated from the Budget Act of 2007, Budget Act Items 2660-302-0042 and 2660-302-0890 to provide additional funds for the project identified below.

| Project | Dist-Co-Rte | Original allocated Amount | Original Award Amount | Current Allocation | Allocation Adjustment | Revised Allocation | % Increase Above Current Allocation |
|---|---|---|---|---|---|---|---|
| 1 | 03-Sac-5 | $55,400,000 | $36,760,000 | $40,636,000 | **$6,000,000** | **$46,636,000** | **14.8%** |

| Project # Allocation Amount Recipient County Dist-Co-Rte Postmile | Location Project Description Reason for Supplemental Funds | EA Dist-PPNO Budget Year Prgm Codes Program | State Federal Current Budget Amount | State Federal Additional Allocation | State Federal Revised Total Amount |
|---|---|---|---|---|---|
| **2.5e.(1) Supplemental Funds for Previously Voted Projects** | | | | | **Resolution FA-07-14** |
| 1<br>$2,000,000<br>Department of Transportation<br>Sacramento<br>03N-Sac-5<br>22.6/23.5 | In Sacramento, from Route 50 to Richards Boulevard.<br><br>Supplemental funds are needed to complete construction. | 0A3601<br>03-5792<br>2007-08<br>302-0042<br>302-0890<br>20.20.201.110<br>SHOPP | $3,427,000<br>$37,209,000<br>$40,636,000 | **$506,000**<br>**$5,494,000**<br>**$6,000,000** | **$3,933,000**<br>**$42,703,000**<br>**$46,636,000** |

## RECOMMENDATION:

The Department recommends that this request for **$6,000,000** be approved to allow the Department to complete construction.



**PROJECT DESCRIPTION:**
The project is located on Interstate 5 in Sacramento, from Route 50 to Richards Boulevard. The project will rehabilitate one bridge by repairing leaking joints and seals, remove failed Portland Cement Concrete (PCC) slabs and drainage system, install instrumentation in the slab to monitor critical pressure, and install de-watering wells to prevent further deterioration of the bridge.

**FUNDING STATUS:**
This SHOPP project was voted in September 2007 for $55,400,000 and awarded on February 8, 2008 for $36,760,000. A portion of the project G-12 authority was used to pay for the additional public outreach and traffic management associated with project acceleration. An additional **$6,000,000** will be used to provide additional funding for unforeseen conditions during the accelerated construction. This request for supplemental funds results in an overall increase of **14.8** percent over the current allocation.

**REASON FOR INCREASE:**
After award of the contract, a proposal was submitted by the Contractor to reduce overall impacts to the traveling public by accelerating the work from 114 days, as initially bid by the Contractor, to 34 days.

After reviewing the Contractor's plan, the Department agreed to accelerate the contract work to improve the safety of the project and reduce the overall road user delay costs. The accelerated plan requires Interstate 5 to be closed in one direction at a time, in a series of four stages. As a result of these closures and impacts to travelers in the Sacramento region and beyond, additional public outreach and traffic management were required. The cost of this additional effort was covered by G-12 funding.

This request for supplemental funds will provide additional funding for unforeseen conditions **which occurred during the first two phases of** construction. This request for **$6,000,000** in supplemental funds will allow the project to proceed on the accelerated schedule without funding-related interruptions and complete construction by July **24**, 2008. **The work associated with this request is identified below.**

**Differing Site Conditions:**

**The project plans indicated depths of the concrete pavement to be removed as varying from 5" to 11". However, shortly after the pavement removal operations began, it was discovered that the depth of the pavement varied up to as much as 60". Also, the contractor has claimed that the concrete pavement was stronger than generally encountered in this region and the concrete pavement and seal slab were not separated by a bond breaker. For these reasons, the contractor claims the removal and replacement of the concrete pavement required additional crews and more specialized equipment. The contractor could not have anticipated these conditions at the time of bid. At this time, the contractor has provided general cost information indicating that the additional costs, including additional contract items resulting from these conditions are estimated at $4,100,000. The Department will continue to work with the contractor to validate claim.**

**Remove and Replace additional Concrete pavement panels:**

**Inspection of the concrete pavement panels within the project limits just south of the Boat Section revealed numerous panels in a severely deteriorated state. These panels were not originally identified as needing replacement. Allowing this work to proceed will address the most significantly deteriorated panels, which will minimize future disruptions to the traveling public. This work is estimated at $1,600,000 which will allow the work to be completed at a competitively bid price.**

**Restore Contingency:**

**Restoring a contingency balance of $300,000 necessary to ensure there is sufficient funding to complete the remaining phases of construction.**

**FUNDING OPTIONS:**

**OPTION A:** Approve this request for supplemental funds, as presented above, for **$6,000,000**, to ensure this critical project is completed in a timely manner.

**OPTION B: Deny this request and direct the Department to eliminate the remaining work in the contract. The ramifications of this would be the structural section will not last as long and the public will be subjected to a very rough ride.**

**RECOMMENDED OPTION:**

The Department recommends that this request of **$6,000,000**, as presented in Option A above, be approved to provide for a contingency to ensure this critical project is completed in a timely manner.