State of California
DEPARTMENT OF TRANSPORTATION

Business, Transportation and Housing Agency

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 31-February 1, 2007

Reference No.: 2.5e.(1)
Action Item

From: CINDY McKIM
Chief Financial Officer

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Division Chief
Transportation Programming

PASSED BY
CTC
FEB 0 1 2007
CALIFORNIA
TRANSPORTATION COMMISSION

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECTS RESOLUTION FA-06-11**

RECOMMENDATION:

The Department of Transportation (Department) recommends that the California Transportation Commission (Commission) approve Resolution FA-06-11, allocating an additional $3,550,000 for two State Highway Operation and Protection Program (SHOPP) projects listed below.

ISSUE:

Additional funds are needed for two previously approved projects in order to complete construction.

RESOLUTION:

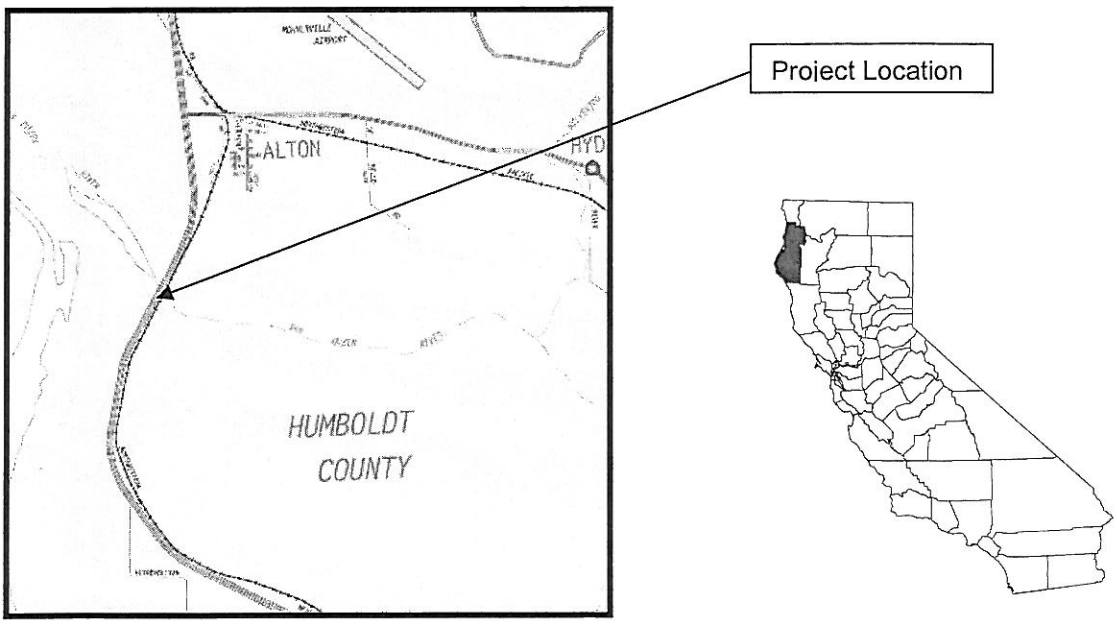
Resolved, that $2,900,000 be allocated from the Budget Act of 2004, Budget Act Item 2660-302-0042, and $650,000 be allocated from the Budget Act of 2006, Budget Act Items 2660-302-0042 and 2660-302-0890, to provide additional funds for the projects identified below.

Project	Dist-Co-Rte	Original Vote/G11 Amount	Original Award Amount	Current Allocation	Allocation Adjustment	Revised Allocation	% Increase Above Current Allocation
1	01-Hum-101	$14,500,000	$13,490,000	$15,039,000	$2,900,000	$17,939,000	19.3%
2	07-Ven-150	$ 3,200,000	$ 3,200,000	$ 3,720,000	$ 650,000	$ 4,370,000	17.5%

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.(1) Supplemental Funds for Previously Voted Projects					**Resolution FA-06-11**
1 $2,900,000 Department of Transportation Humboldt 01N-Hum-101 56.2/57.5	Near Alton, south of Van Duzen River Overflow Bridge. Replace bridge. Supplemental funds are needed to complete construction.	314401 01-0054A 2004-05 302-0042 302-0890 20.20.201.111 SHOPP	$15,039,000 -	- -	$15,039,000 -
		314401 01-0054A 2004-05 302-0042 302-0890 20.20.201.111 SHOPP	- -	$2,900,000 -	$2,900,000 -
			$15,039,000	$2,900,000	$17,939,000

RECOMMENDATION:

The Department recommends that this request for $2,900,000 be approved to allow the project to be completed.



PROJECT DESCRIPTION:

The project is located on Route 101 in Humboldt County near Alton, from 0.6 miles south of Van Duzen River Bridge to 0.1 miles north of Van Duzen River Overflow Bridge. The project is to replace the Van Duzen River Bridge due to scour problems.

FUNDING STATUS:

At the January 2005 Commission meeting, $14,500,000 was allocated for this SHOPP project. The project was awarded on June 30, 2005 for $13,490,000. During construction, G-12 authority in the

amount of $1,549,000 was used to pay for additional contaminated soils testing, installation of water bladders, storm water sampling and other unforeseen work. The project is approximately 70 percent complete, and with G-12 balance exhausted, an additional $2,900,000 in supplemental funds is needed to complete the remaining contract work.

REASONS FOR COST INCREASE:
Some of the areas with the most significant impact on the cost increase are summarized below.

- Notice of Potential Claims ($1,375,000)
The contractor has filed a total of 15 Notices of Potential Claims (NOPCs) to date on this contract. Five have been dropped and four have been resolved. Six NOPCs have either been agreed to by the Department and the contractor, or the Dispute Review Board has recommended that the NOPC's have contractual merit. Additional funds are needed to cover the six NOPCs. The items include cost escalations due to State responsible delays, Coastal Commission Storm Water Prevention Pollution Plan Amendment review delays, and differing site conditions.

- Contract work items requiring supplemental ($515,000)
Several items of work were greater than initially estimated at bid. The work includes additional biological monitoring, additional storm water maintenance, and additional time related overhead for increased working days, as a result of additional work and delays to the contract due to environmental commitments.

- Unforeseen Work ($935,000)
Several portions of the contract had work that was unforeseen or unplanned prior to bid. The significant items included removal of man-made objects buried under the surface, unsuitability of soil material, and a requirement for additional storm water remediation.

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for $2,900,000 to allow this project to be completed.

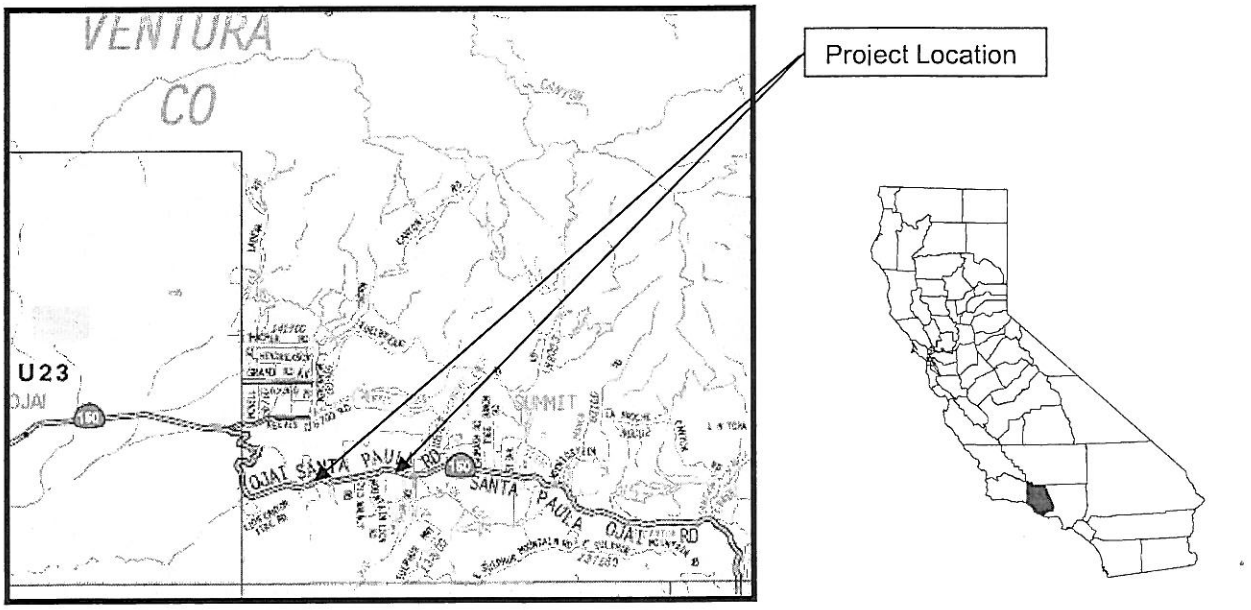
OPTION B: Deny this request, leaving the project incomplete. Completion of remaining contract item work would have to be performed under a new contract. The Department has considered this option and determined that this will result in a significant delay to the completion of the project. This option would also result in an increase in support and capital cost, a longer traffic detour for the public, significant re-stocking fees of materials already purchased, and liability for fixed cost on unfinished work.

RECOMMENDED OPTION:
The Department recommends that this request of $2,900,000, as presented in Option A above, be approved to allow this project to be completed.

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.(1) Supplemental Funds for Previously Voted Projects					**Resolution FA-06-11**
2 $650,000 Department of Transportation Ventura 07U-Ven-150 22.5/23.5	On Route 150, between Santa Paula and Ojai. Repair six failed slopes. Supplemental funds are needed to complete construction.	4L2401 07-3769 2005-06 302-0042 302-0890 20.20.201.130 SHOPP	$367,000 $2,833,000	- -	$367,000 $2,833,000
		4L2401 07-3769 2006-07 302-0042 302-0890 20.20.201.130 SHOPP	$60,000 $460,000 $3,720,000	$75,000 $575,000 $650,000	$135,000 $1,035,000 $4,370,000

RECOMMENDATION:

The Department recommends that this request for $650,000 be approved to allow the project to be completed.



PROJECT DESCRIPTION:

The project is located on Route 150 in Ventura County, between Santa Paula and Ojai. The project was an emergency repair project to reconstruct six failed roadbed support slopes and roadway sections at 21 sites along Route 150.

FUNDING STATUS:

At the September 2005 Commission meeting, $3,200,000 was allocated for this SHOPP project. The project was awarded on October 8, 2005 for $3,200,000. During construction, G-12 authority in the

amount of $520,000 was used for additional work required for collapsed slopes. An additional $650,000 in supplemental funds is further needed to complete this project.

The project is currently suspended, pending approval of this supplemental funds request. If the funds are approved, the project could be completed by the end of April 2007.

REASONS FOR COST INCREASE:

Due to the environmentally sensitive nature of the work area around the creek, the access to the site was severely limited. This limitation reduced the contractors' productivity, requiring a much more labor intensive time and materials project than originally anticipated. Supplemental funding is needed to complete these repairs, restore the full highway section, and allow the roadway to be restored to full two-lane operation.

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for $650,000 to allow this project to be completed.

OPTION B: Deny this request, leaving the project incomplete. As such, the remaining work would have to be performed under a new contract. This is not a viable option. The Department could incur additional storm damage and repair costs that could occur during the 2006-07 winter storm season. Furthermore, additional costs would be incurred to maintain and operate the present one-lane reversible traffic control that is temporarily in place.

RECOMMENDED OPTION:

The Department recommends that this request of $650,000, as presented in Option A above, be approved to allow this project to be completed.