

# Memorandum

To: CHAIR AND COMMISSIONERS

Meeting Date: September 28-29, 2005

Reference No.: 2.5e.  
Action Item

From: CINDY McKIM  
Chief Financial Officer

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Transportation Programming

Ref: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECTS  
RESOLUTION FA-05-03**

## **RECOMMENDATION:**

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

## **FINANCIAL RESOLUTION:**

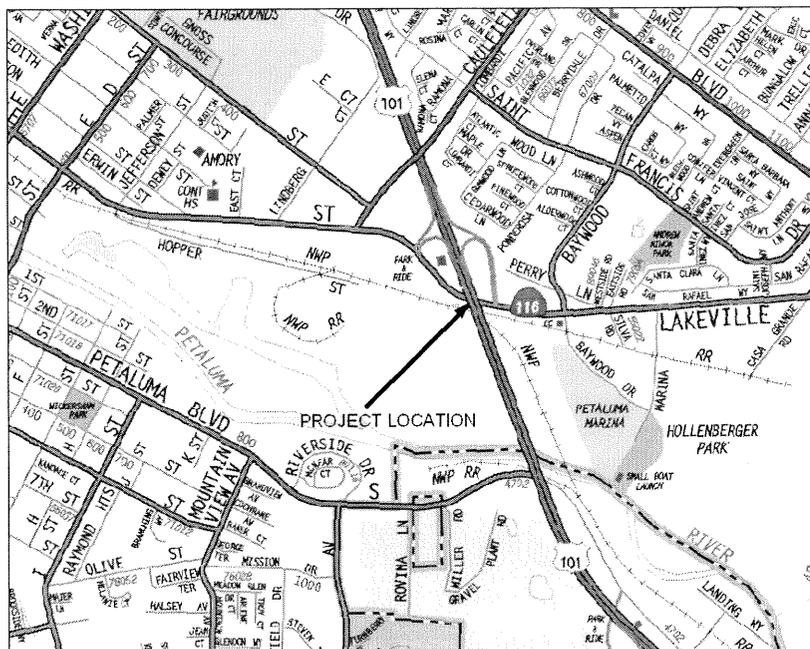
Resolved that \$5,374,000 be allocated from the Budget Act of 2005, Budget Act Items 2660-302-0042 and 2660-302-0890, to provide additional funds for the projects listed below.

## **SUMMARY AND CONCLUSIONS:**

This resolution allocates \$5,374,000 of additional State funds for the previously approved projects listed below:

Project	Dist-Co-Rte	Original Vote/G11 Amount	Award Amount	Current Budget Amount	Current Allocation Revision	Revised Budget Amount	Total Increase Vote/Award
1	4-Son-101	\$7,039,000	\$9,677,000	\$9,677,000	\$1,280,000	\$10,957,000	54% V
2	4-Sol-680	\$8,251,000	-	\$8,251,000	\$2,844,000	\$11,095,000	34% V
3	11-Imp-86	\$5,190,000	\$5,039,000	\$5,689,000	\$1,250,000	\$6,939,000	38% A

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
<b>2.5e. Supplemental Funds for Previously Voted Projects</b>			<b>Resolution: FA-05-03</b>		
1 \$1,280,000 Sonoma 04N-Son-101 3.4/3.8	In Petaluma from Petaluma River Bridge to 0.2 kilometer north of 101 and 116 Separation and Overhead. Replace southbound 101/116 Separation and Overhead, realignment and widening of the on-ramp from Route 116 to southbound 101 and two retaining walls.	276001 04-0770A 2004-05 302-0042 302-0890  2005-06 302-0042 302-0890 20.20.201.010 SHOPP	   \$1,936,000 \$7,741,000     \$9,677,000	-   - - \$269,000 \$1,011,000  \$1,280,000	   \$1,936,000 \$7,741,000  \$269,000 \$1,011,000  \$10,957,000



**PROJECT DESCRIPTION**

This project is located in Sonoma County in Petaluma from the Petaluma River Bridge to 0.2 km North of 101 and 116 Separation and Overhead. The project proposes to replace the southbound 101/116 Separation and Overhead, realign and widen the on-ramp from Route 116 to southbound 101, and construct two retaining walls. These improvements are being implemented to improve the flow of traffic on the mainline freeway and to provide an uphill acceleration lane for slower moving truck traffic entering the freeway in the southbound direction.

FUNDING STATUS

The project was programmed in the 2002 State Highway Operation and Protection Program (SHOPP) for \$7,039,000 for construction in FY 2003-04. In January 2004, funds were allocated for the programmed amount. Five bids were opened in May 2004, but all of the bids exceeded funding available to award the contract. In August 2004, the Commission approved an additional supplemental funds request for \$2,638,000 to award the construction contract to the low bidder. This request for \$1,280,000 to complete construction results in an overall increase of 54% over the vote amount for this project.

REASON FOR INCREASE

Construction on the project began in October 2004 and is now 31 percent complete. The cost increases in this construction contract are attributed to utility conflicts, design changes and protection of additional wetland areas.

During the construction of the project, it was discovered that some utilities conflict with the structure's foundation ranging from fiber optic lines to a 36-inch main sewer line. One change order was issued to resolve a conflict between the fiber optic duct bank and the footing for the columns at Bent 5 (the duct bank is 3.5 inches away from the existing column). Special precautions were needed for pile driving within 2 feet from the fiber optic duct bank and resulted in the design and construction of special shoring to prevent disturbance of the duct bank. This issue also created changes to the falsework plan and to the demolition procedure of existing bridge. The issue was resolved by redesigning and relocating Bent 5 location to 3 feet upstation. Another change order is also required to revise the footing plan at one location in order to avoid the sewer line.

There were also additional unanticipated works relating to the constructing staging of the project. One change order relocated the electroliers that are in conflict with a retaining wall foundation. The electroliers are adjacent to the park and ride lot and are used for the temporary lighting for the public during the construction of the wall. Another change order was issued to provide adequate foundation piling capacity during loading of the Stage 1 bridge and for other changes to Abutment 1. The changes involve modifying the piles from Class 625C to Class 900C at column 2 footings at Bents 2 through 5, widening the footing at Abutment 1, and adding a third row of piles at each abutment.

Additionally, the project is located within an Environmentally Sensitive Area (ESA) and is protected as a condition of the Army Corps of Engineers (ACOE) permit. The contract plans included an ESA that must be avoided and protected by the contractor. However, additional wetland areas that are needed to provide for staging areas and access to jobsite were not included in the plans. A change order was issued to compensate the Contractor for the protective measures required for these additional wetland areas.

The total cost to perform these works far exceeds the available contingency funding amount and requires additional funding in order to complete the project. The supplemental funds amount being requested also includes replenishing the contingency funds for the remaining portion of project.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$1,280,000 to complete the construction contract of this project.

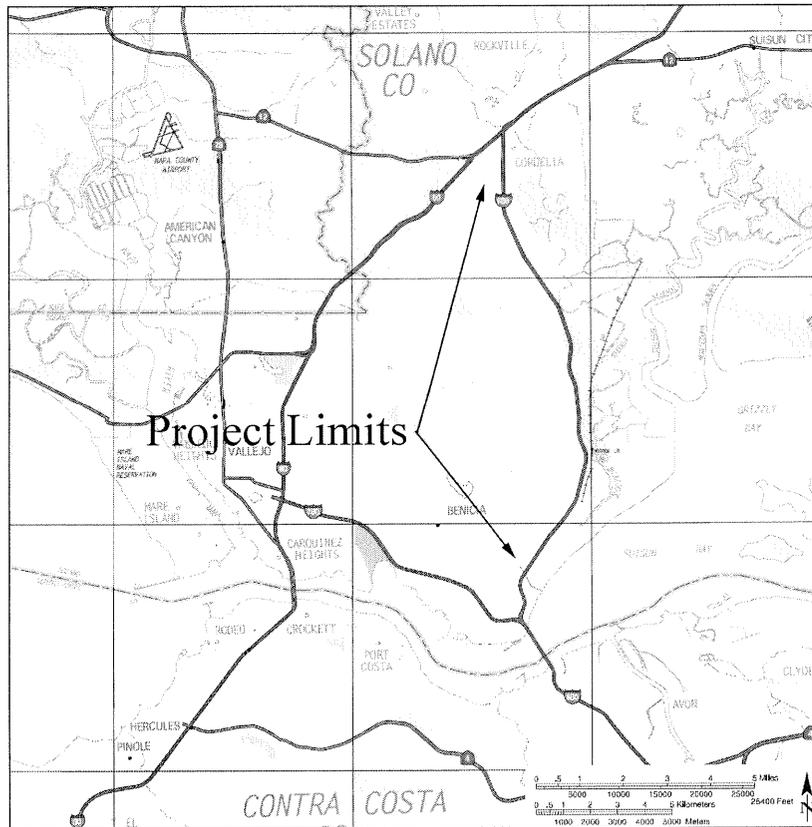
FUNDING OPTIONS: (Con't)

OPTION B: Deny this request and direct the Department to deliver the project within the current allocation. The Department has considered the option of terminating the current contract. This alternative would terminate the contract after Stage 2 and eliminate Stage 3 bridge's work and have the mainline traffic remained on the existing structure. The alternative would fulfill one of the project's goals, which was to improve the safety and operation of the onramp, but would leave mainline traffic on the existing southbound retrofitted bridge with non-standard shoulders. The onramp would be improved to current standards giving truck traffic sufficient uphill acceleration and merging lengths. However, this alternative would have the No. 2 lane and No. 3 lane on separate structures and restrict vehicles from shifting between these lanes within this segment. The deleted work will have to be completed as part of a separate future contract.

RECOMMENDED OPTION

The Department recommends that this request for \$1,280,000, as presented in Option A above, be approved to allow this project to complete construction.

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<b>2.5e. Supplemental Funds for Previously Voted Projects</b>			<b>Resolution: FA-05-03</b>		
2 \$2,844,000 Solano 04N-Sol-680 R1.5/R13.1	In Benicia and Fairfield at Benicia Arsenal viaduct. Rehabilitate roadway.  Supplemental funds are needed to advertise the construction contract.	258711 04-5902 2004-05 302-0042 302-0890  2005-06 302-0042 302-0890 20.20.201.120 SHOPP	   \$696,000 \$7,555,000    \$8,251,000	-   - - \$256,000 \$2,588,000  \$2,844,000	   \$696,000 \$7,555,000  \$256,000 \$2,588,000  \$11,095,000



**PROJECT DESCRIPTION**

This project is in Solano County from Benicia Arsenal Viaduct (Bridge No. 23-143 L/R) to Route 80 and Route 680 Interchange (Bridge No. 23-139). The project proposes to rehabilitate mainline travel lanes and to replace and widen shoulders to current design standards.

FUNDING STATUS

The project was programmed in the 2004 State Highway Operation and Protection Program (SHOPP) for \$19,111,000 for construction in FY 2004-05. In January 2005, funds were allocated for \$8,251,000, with the cost decrease coming from the revision of the retaining wall design to a smaller foundation to reduce environmental impacts. This request for \$2,844,000 to advertise construction results in an overall increase of 34% over the vote amount for this project.

REASON FOR INCREASE

The project was Ready-to-List (RTL) in July 2004 with a San Francisco Bay Conservation and Development Commission (BCDC) permit requiring construction on the project to begin by January 1, 2005. However, due to the lack of state transportation funding, the project was not allocated until January 2005. The BCDC was unwilling to grant a time extension on its permit until the funds were actually voted. The request for time extension on the permit reopened discussion about a related off-site mitigation project (Lake Herman Vista point Improvement - EA 258721) and continued until July 2005 when the extension was granted. The current extension on the BCDC permit requires construction to begin by the end of December 2005.

During the delay from the BCDC permit extension request, the Department recognized that cost escalation has occurred as the result of a general cost increase in materials and fuel-related items. The project was evaluated for sufficiency of funding to award. The scope of the project remained unchanged and the revised cost estimate, including state furnished material, supplemental work and five percent contingency, is \$11,095,000. Supplemental funds of \$2,844,000 are needed in order to allow the project to be advertised.

FUNDING OPTIONS

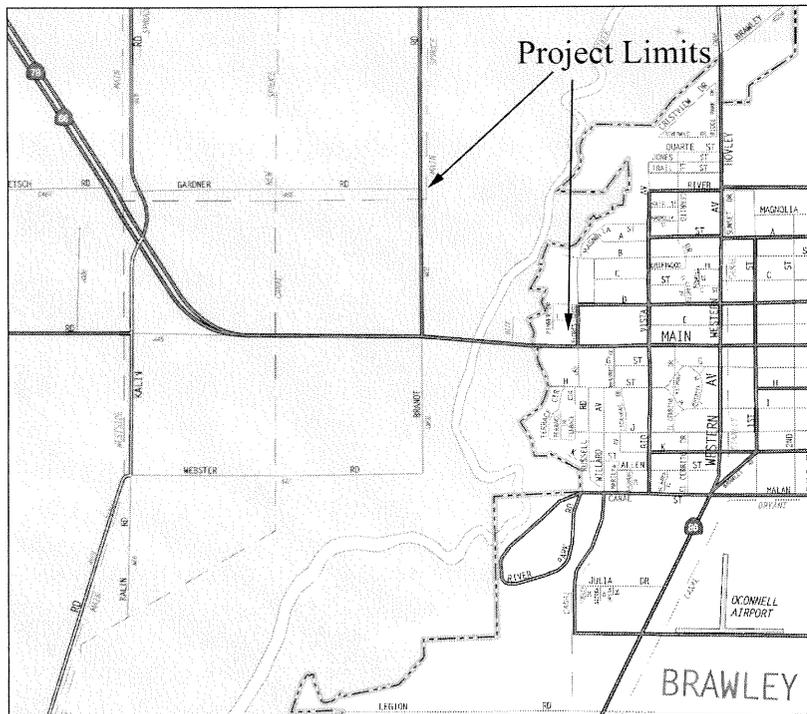
OPTION A: Approve this request, as presented above, for \$2,844,000 to allow this project to be advertised.

OPTION B: Deny this request and direct the Department to downscope the project to remain within the allocated amount. The project includes only the minimum scope of work to accomplish the purpose and need of this project. The Department has considered this option and determined that reducing the scope of work on this project and executing another project to complete the deleted work later, would result in greater costs and more disruption to the traveling public.

RECOMMENDED OPTION

The Department recommends that this request for \$2,844,000, as presented in Option A above, be approved to allow this project to be advertised.

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3					
\$1,250,000	In and near the City of Brawley from Las Flores Drive to 0.5 mile north of Brandt Road.	052311 11-0027F 1997-98			
Imperial	Construct two bridges that convey traffic in opposite directions over the New River.	302-0042 302-0890	\$1,082,500 \$4,606,500	- -	\$1,082,500 \$4,606,500
11S-Imp-86					
21.3/22.3					
	Supplemental funds are needed to close out the construction contract.	2005-06 302-0042 302-0890 20.20.201.121 SHOPP	- - -	\$250,000 \$1,000,000	\$250,000 \$1,000,000
			\$5,689,000	\$1,250,000	\$6,939,000



**PROJECT DESCRIPTION**

This project is in the Imperial County, on Route 86 in and near the city of Brawley from Las Flores Drive to 0.5 mile north of Brandt Road. This project constructed two bridges that convey traffic in opposite directions over the New River.

FUNDING STATUS

The project was programmed in the SHOPP (State Highway Operations and Protection Program) for construction in FY 1997-98. The project was allocated in December 1997 for \$5,190,000, and was awarded in March 1998 to Banshee Construction Company, Inc. for \$5,039,000 after Resolution #G-12 allocation adjustment. During the construction of the project, additional funds totaling for \$650,000 were approved to pay for additional maintenance resulting from unstable foundations and soil conditions caused by seismic activity, and health and safety plan cost overrun. This request for \$1,250,000 in supplemental funds, to close out the project, results in an overall cost increase of 38% over the awarded amount of the project.

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 April 2, 2001. However, upon receiving the Proposed Final Estimate (PFE), the contractor submitted exceptions to the PFE totaling \$5,226,431, and seeking reimbursement for work performed, delay costs, and lost profits.

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 \$1,250,000 in order to close out this construction contract.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for the \$1,250,000 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 result 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 \$1,250,000 to allow the close-out of this project.