

# Memorandum

To: CHAIR AND COMMISSIONERS

Meeting Date: June 7-8, 2006

Reference No.: 2.5d.(2)  
Action Item

From: CINDY McKIM  
Chief Financial Officer

Prepared by: Ross A. Chittenden  
Division Chief  
Transportation Programming

Ref: **FINANCIAL ALLOCATION FOR PROJECTS THAT EXCEED 20 PERCENT OF  
THE PROGRAMMED AMOUNT  
RESOLUTION FP-05-90**

## **RECOMMENDATION:**

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Resolution FP-05-90, allocating \$47,949,000 for the projects described on the following pages.

## **ISSUE:**

An allocation for the following five State Highway Operations and Protection Program (SHOPP) projects that exceeds the 2004 SHOPP programmed amount (\$31,037,000) by more than 20 percent is needed to allow these projects to be advertised.

## **RESOLUTION:**

Resolved, that \$47,949,000 be allocated from the Budget Acts of 2004 and 2005, from Budget Act Items 2660-302-0042 and 2660-302-0890, to provide funds for the projects described on the following pages.

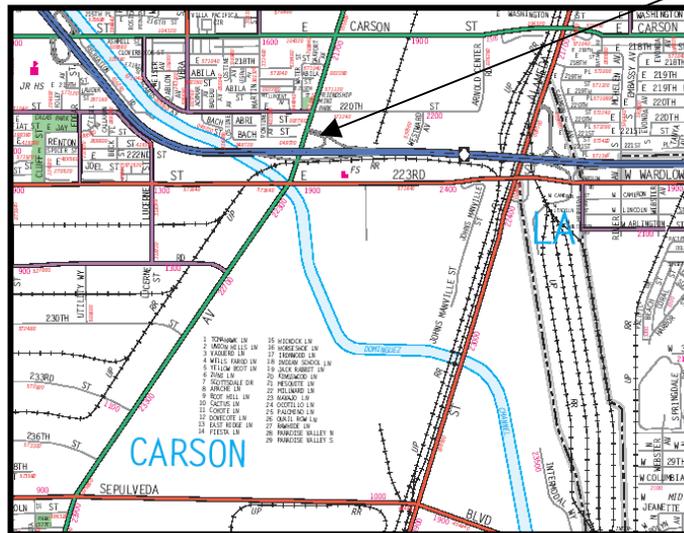
**BACKGROUND:**

Project # Allocation Amount Recipient	County Dist-Co-Rte Postmile	Location Project Description Project Support Expenditures	EA PPNO Program/Year Prog Amount	Budget Year Item # Program Codes	Allocation Amount  State Federal  Total Amount
<b>2.5d.(2) Allocations for Projects with Cost Increases Greater than 120 Percent</b>			<b>Resolution FP-05- 90</b>		
1 \$1,940,000 Department of Transportation	Los Angeles 07S-LA-405 9.1/9.4	In Carson from east of Wilmington Avenue Undercrossing to Wilmington Avenue. Off-ramp widening.	188801 07-2226 SHOPP/05-06 \$1,220,000	2004-05 302-0042 302-0890 20.20.201.010	\$1,940,000 - \$1,940,000

**RECOMMENDATION:**

The Department recommends that this request for \$1,940,000 be approved to allow this project to be advertised.

**Project Location**



**PROJECT DESCRIPTION:**

This project is located on Route 405, in Los Angeles County, in the city of Carson, from 0.31 miles east of Wilmington Avenue Undercrossing to Wilmington Avenue. This safety project will widen the northbound Route 405 off-ramp to Wilmington Avenue from a single lane to a two-lane off-ramp.

**FUNDING STATUS:**

The project is currently programmed in the 2004 SHOPP for \$1,220,000. This request for \$1,940,000 will result in an increase of \$720,000 (59%) above the programmed amount.

**REASON FOR INCREASE:**

The Department revisited the estimate that was used to program the project in the 2004 SHOPP using unit prices based upon the latest contract cost data. The following five items account for 100% of the cost increase: Earthwork related items account for \$178,000, pavement related items account for \$273,000, specialty items account for \$47,500, electrical related items account for \$119,000, and traffic related items account for \$110,500.

**FUNDING OPTIONS**

**OPTION A:** Approve this request, as presented above, for \$1,940,000 to allow this project to be advertised.

**OPTION B:** Deny this request and direct the Department to adjust the project to remain within the programmed amount. This is a safety project and 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 and executing another project will result in overall higher costs, more disruption to traveling public and will not effectively improve safety.

**OPTION C:** Deny this request and cancel the project. Denying this request will greatly impact the commitment of the Department of enhancing the safety of the freeways to the traveling public.

**RECOMMENDED OPTION**

The Department recommends that this request for \$1,940,000, as presented in Option A above, be approved to allow this project to be advertised.

**BACKGROUND:**

Project # Allocation Amount Recipient	County Dist-Co-Rte Postmile	Location Project Description Project Support Expenditures	EA PPNO Program/Year Prog Amount	Budget Year Item # Program Codes	Allocation Amount  State Federal  Total Amount
<b>2.5d.(2) Allocations for Projects with Cost Increases Greater than 120 Percent</b>					<b>Resolution FP-05- 90</b>
2 \$1,323,000 Department of Transportation		In San Bernardino and Highland from Highland Avenue to Fifth Street. Install thrie beam barrier.	0F1401 08-0197C SHOPP/05-06	2004-05 302-0042 302-0890 20.20.201.010	\$1,323,000 - \$1,323,000
San Bernardino 08S-SBd-30 R26.7/R30.2			\$1,043,000		\$1,323,000

**RECOMMENDATION:**

The Department recommends that this request for \$1,323,000 be approved to allow this project to be advertised.



**PROJECT DESCRIPTION:**

This project is located on Route 30, in San Bernardino County, in the city of Highland, from Highland Avenue Undercrossing to Fifth Street Undercrossing. This safety project will install thrie beam median barrier.

**FUNDING STATUS:**

The project is currently programmed in the 2004 SHOPP for \$1,043,000. This request for \$1,323,000 will result in an increase of \$280,000 (27%) above the programmed amount.

**REASON FOR INCREASE:**

The increase in cost is due to a change in the median barrier type and updated costs for traffic control.

**FUNDING OPTIONS**

**OPTION A:** Approve this request, as presented above, for \$1,323,000 to allow this project to be advertised.

**OPTION B:** Deny this request and direct the Department to adjust the project to remain within the programmed amount. This is a safety project and 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 and executing another project will result in overall higher costs, more disruption to traveling public and will not effectively improve safety.

**OPTION C:** Deny this request and cancel the project. Denying this request will greatly impact the commitment of the Department of enhancing the safety of the freeways to the traveling public.

**RECOMMENDED OPTION**

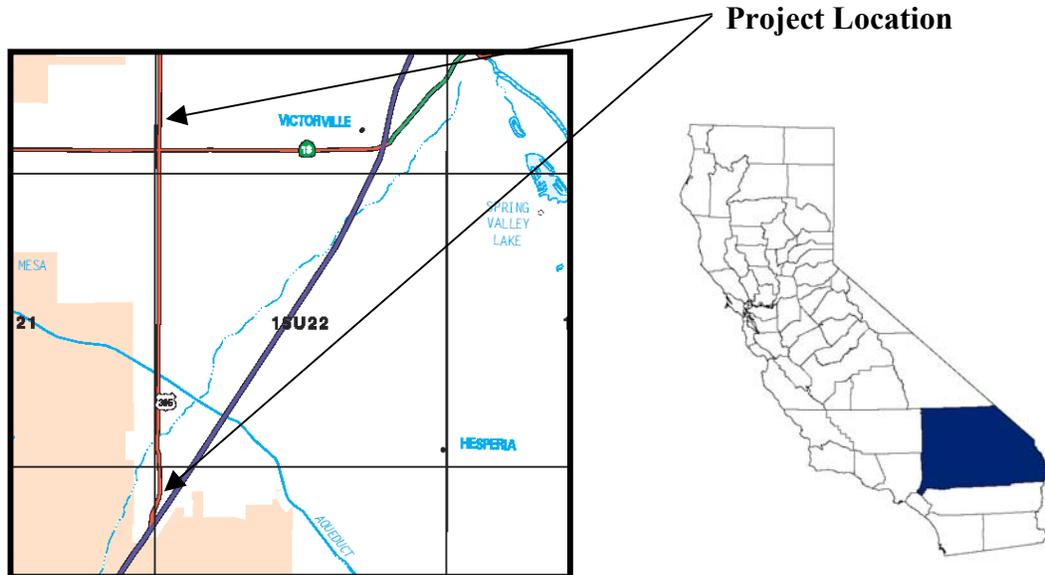
The Department recommends that this request for \$1,323,000, as presented in Option A above, be approved to allow this project to be advertised.

**BACKGROUND:**

Project # Allocation Amount Recipient	County Dist-Co-Rte Postmile	Location Project Description Project Support Expenditures	EA PPNO Program/Year Prog Amount	Budget Year Item # Program Codes	Allocation Amount State Federal Total Amount
<b>2.5d.(2) Allocations for Projects with Cost Increases Greater than 120 Percent</b>			<b>Resolution FP-05- 90</b>		
\$1,736,000 Department of Transportation	San Bernardino 08S-SBd-395 R4.3/R11.7	In Hesperia and Victorville from south of Joshua Street to south of Sycamore Street and from north of Bear Valley Road to Seneca Road. Replace asphalt concrete surfacing.	0G6801 08-0259G SHOPP/05-06	2004-05 302-0042 302-0890 20.20.201.122	\$1,736,000 - \$1,736,000
			\$1,122,000		\$1,736,000

**RECOMMENDATION:**

The Department recommends that this request for \$1,736,000 be approved to allow this project to be advertised.



**PROJECT DESCRIPTION:**

This project is located on Route 395, in San Bernardino County, in the cities of Hesperia and Victorville, from 0.25 miles south of Joshua Street to 1.06 miles south of Sycamore Street, and from 0.12 miles north of Bear Valley Road to Seneca Road. This project will overlay 19 mm Rubberized Asphalt Concrete (RAC) and replace Asphalt Concrete surface.

**FUNDING STATUS:**

The project is currently programmed in the 2004 SHOPP for \$1,122,000. This request for \$1,736,000 will result in an increase of \$614,000 (55%) above the programmed amount.

**REASON FOR INCREASE:**

The original estimate accounted for paving two lanes (one lane per direction). Pavement areas including median left turn lanes, right turn lanes, number two lanes at intersections,

and shoulders were not included in the original quantity. The revised quantity increased RAC (Type O) from 4,000 tonne to 6,000 tonne. Additionally, due to recent trends in oil prices, the Engineer's Estimate was updated in March 2006. These two factors combined increased the RAC (Type O) cost by \$640,000, which accounts for 100% of the increase in the current cost estimate.

### **FUNDING OPTIONS**

**OPTION A:** Approve this request, as presented above, for \$1,736,000 to allow this project to be advertised.

**OPTION B:** Deny this request and direct the Department to adjust the project to remain within the programmed amount. This 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 \$1,736,000, as presented in Option A above, be approved to allow this project to be advertised.

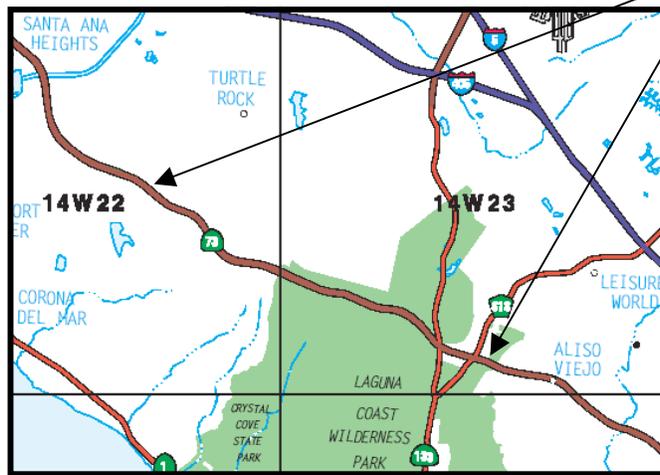
**BACKGROUND:**

Project # Allocation Amount Recipient	County Dist-Co-Rte Postmile	Location Project Description Project Support Expenditures	EA PPNO Program/Year Prog Amount	Budget Year Item # Program Codes	Allocation Amount State Federal Total Amount
<b>2.5d.(2) Allocations for Projects with Cost Increases Greater than 120 Percent</b>					<b>Resolution FP-05- 90</b>
4 \$2,510,000 Department of Transportation	Orange 12S-Ora-73 Various	in Orange County, at various locations from 0.06 miles south of El Toro Road Undercrossing to 0.01 miles south of Bonita Canyon Drive. Reconstruct compost filters on toll road.	0C9831 12-3958C SHOPP/04-05 \$1,000,000	2004-05 302-0042 302-0890 20.20.201.335	\$2,510,000 - \$2,510,000

**RECOMMENDATION:**

The Department recommends that this request for \$2,510,000 be approved to allow this project to be advertised.

**Project Location**



**PROJECT DESCRIPTION:**

This project is located on Route 73, in Orange County, at various locations from 0.06 miles south of El Toro Road Undercrossing to 0.01 miles south of Bonita Canyon Drive. This project will retrofit and reconstruct existing compost storm water filters.

**FUNDING STATUS:**

The project is currently programmed in the 2004 SHOPP for \$1,000,000. This request for \$2,510,000 will result in an increase of \$1,510,000 (51%) above the programmed amount.

**REASON FOR INCREASE:**

The discovery of expansive soil and high water table, which were unknown at the Project Approval and Environmental Document (PA&ED) stage, contributed to a major increase in bid item quantities. Additionally, unit prices were updated based upon the latest contract costs data. These two factors combined affected the following five items, which account for

87% of the increase in the current cost estimate. The items related to excavation account for \$484,000, items related to drainage account for \$160,000, items related to steel account for \$177,000, items related to concrete account for \$257,000, and formulary items account for \$232,000 of the cost increase.

The remaining 13% of the cost increase is spread throughout the remaining bid items.

**FUNDING OPTIONS**

**OPTION A:** Approve this request, as presented above, for \$2,510,000 to allow this project to be advertised.

**OPTION B:** Deny this request and direct the Department to adjust the project to remain within the programmed amount. 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 \$2,510,000, as presented in Option A above, be approved to allow this project to be advertised.

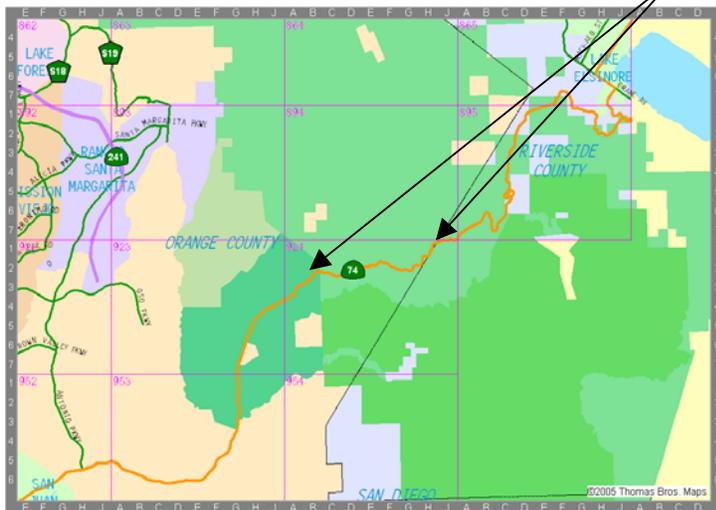
**BACKGROUND:**

Project # Allocation Amount Recipient	County Dist-Co-Rte Postmile	Location Project Description Project Support Expenditures	EA PPNO Program/Year Prog Amount	Budget Year Item # Program Codes	Allocation Amount  State Federal  Total Amount
<b>2.5d.(2) Allocations for Projects with Cost Increases Greater than 120 Percent</b>			<b>Resolution FP-05- 90</b>		
5 \$40,440,000 Department of Transportation	Orange 12S-Ora-74 13.3/16.6	In Orange County from east of San Juan Hot Springs to Riverside County Line. Widen lanes and add shoulders.  The future follow-up landscape mitigation project (EA 043221 PPNO-4228A) for \$923,000 was split out prior to vote in Amendment 04H-339 and will be programmed in the 2006 SHOPP.	043211 12-4228 SHOPP/05-06 \$26,652,000	2005-06 302-0042 302-0890 20.20.201.010	\$4,638,000 \$35,802,000 \$40,440,000

**RECOMMENDATION:**

The Department recommends that this request for \$40,440,000 be approved to allow this project to be advertised.

**Project Location**



**PROJECT DESCRIPTION:**

This project is located on Route 74, in Orange County, from east of San Juan Hot Springs to Riverside County line. This project proposes to widen shoulder width, widen lanes to standard width, add a soft median barrier, and improve drainage.

**FUNDING STATUS:**

The project was programmed in the 2004 SHOPP for \$27,575,000. A follow-up landscape mitigation project for \$923,000 was split out prior to vote in Amendment 04H-339. This request for \$40,440,000, for the roadway capital project, will result in an increase of \$13,788,000 (52%) above the current programmed amount of \$26,652,000.

**REASON FOR INCREASE:**

The increase in cost is attributed to the following reasons which account for 94% of the increase in the current cost estimate:

- Asphalt related items have increased in order to keep up with the current cost index. This accounts for \$673,870 of the cost increase.
- Weather damage to the existing slopes required revisions to the survey data. These revisions required a change to the structure types which resulted in cost increases. Structures related changes account for \$7,601,000 of the cost increase.
- Traffic management requirements and associated costs resulting from public's input during community meetings account for \$4,115,000 of the cost increase. This includes an increase of \$940,000 for changes related to the blasting and excavation.
- Changes in drainage design account for \$521,000 of the cost increase.

The remaining 6% of the cost increase is spread throughout the remaining bid items.

**FUNDING OPTIONS**

**OPTION A:** Approve this request, as presented above, for \$40,440,000 to allow this project to be advertised.

**OPTION B:** Construct 2.0 miles out of 3.3 miles with the programmed amount. However, since this is a safety project, the scope reduction will not yield the intended accident reductions. Also, the remaining 1.3 miles would have to be reprogrammed immediately to address the safety needs. This will cause delay and require additional costs that would increase the overall project costs further.

**OPTION C:** Deny this request and cancel the project. Denying this request will greatly impact the commitment of the Department of enhancing the safety of the freeways to the traveling public.

**RECOMMENDED OPTION**

The Department recommends that this request for \$40,440,000, as presented in Option A above, be approved to allow this project to be advertised.