

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 11-12, 2006

Reference No.: 2.5d.
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Ross A. Chittenden
Division Chief
Transportation Programming

Subject: **FINANCIAL ALLOCATION FOR PROJECTS THAT EXCEED 20 PERCENT OF THE PROGRAMMED AMOUNT RESOLUTION FP-06-33**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Resolution FP-06-33, allocating \$64,111,000 for the projects described on the following pages.

ISSUE:

The three projects described on the following pages are programmed in the 2006 State Highway Operations and Protection Program (SHOPP) for a total of \$49,716,000. The current total estimate for the projects is \$64,111,000. The current estimate for each project exceeds the programmed amount by more than 20 percent. The Department is ready to proceed with the projects and is requesting an allocation at this time.

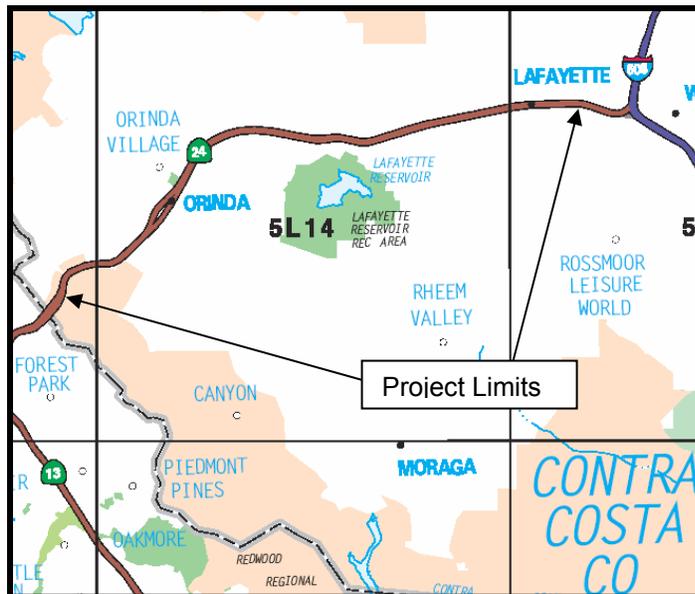
RESOLUTION:

Resolved, that \$64,111,000 be allocated from the Budget Act of 2006, from Budget Act Items 2660-302-0042 and 2660-302-0890, to provide funds for the projects described on the following pages.

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
2.5d. Allocations for Projects with Cost Increases Greater than 120 Percent					Resolution FP-06-33
1 \$57,304,000 Department of Transportation		In Orinda and Lafayette from the Caldecott Tunnel to El Curtola Road. Roadway rehabilitation.	269601 04-0228B SHOPP/06-07	2006-07 302-0042 302-0890 20.20.201.120	\$6,573,000 \$50,731,000 \$57,304,000
Contra Costa 04N-CC-24 R0.1/R8.3			\$44,625,000		\$57,304,000

RECOMMENDATION:

The Department recommends that this request for \$57,304,000 be approved to allow this project to be advertised.



PROJECT DESCRIPTION:

This project is located on Route 24 in Contra Costa County, from the Caldecott Tunnel to the El Curtola Road Overcrossing. This project is to replace failed pavement areas, and distressed bridge approach slabs, overlay roadway and ramps with Rubberized Asphalt Concrete, and construct maintenance vehicle pullouts at various ramps.

FUNDING STATUS:

The project is currently programmed in the 2006 SHOPP for \$44,625,000. This request for \$57,304,000 results in an increase of \$12,679,000 (28%) above the programmed amount.

REASONS FOR COST INCREASE:

The cost for this project was escalated during re-programming of the 2006 SHOPP from \$36,484,000 to \$44,625,000 to reflect forecasted trends in construction costs. However, the cost increases experienced over the Spring and Summer for items related to asphalt concrete were much more than forecasted at the time the project cost was updated in January 2006. The cost of asphalt concrete and rubberized asphalt concrete in the Fall 2005 were \$57-\$90/tonn and \$60-\$82/tonn, respectively. The programmed cost estimate was based on a \$90/tonne for asphalt concrete and \$95/tonnes for rubberized asphalt concrete. This estimate assumed an increase of about 20% in the average cost. The current cost range based on bids received in the last six months is \$96-\$134/tonne for asphalt concrete and \$108 to \$155/tonnes for rubberized asphalt concrete, which is much more that forecasted.

FUNDING OPTIONS:

OPTION A: Approve this request, as presented above, for \$57,304,000 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.

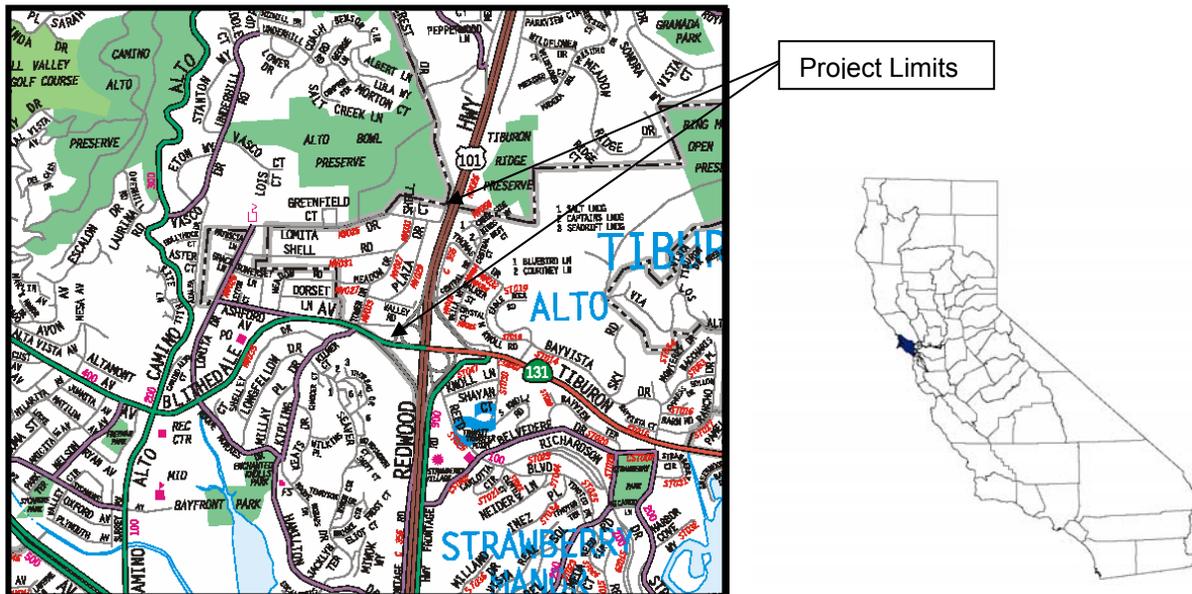
RECOMMENDED OPTION:

The Department recommends that this request for \$57,304,000, as presented in Option A above, be approved to allow this project to be advertised.

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
2.5d. Allocations for Projects with Cost Increases Greater than 120 Percent					Resolution FP-06-33
2 \$5,441,000 Department of Transportation	Marin 04N-Mrn-101 5.7/6.3	In Mill Valley at East Blithedale Avenue. Widen off ramp and construct soundwall.	2937U1 04-0338E SHOPP/06-07 \$3,974,000	2006-07 302-0042 302-0890 20.20.201.010	\$625,000 \$4,816,000 \$5,441,000

RECOMMENDATION:

The Department recommends that this request for \$5,441,000 be approved to allow this project to be advertised.



PROJECT DESCRIPTION:

This project is located on Route 101 in Marin County near the city of Mill Valley, at the southbound off-ramp to East Blithedale Avenue. This safety project is to widen the off-ramp to reduce collisions. The project also includes construction of a noise barrier.

FUNDING STATUS:

The project is currently programmed in the 2006 SHOPP for \$3,974,000. This request for \$5,441,000 results in an increase of \$1,467,000 (37%) above the programmed amount.

REASONS FOR COST INCREASE:

The cost for this project was not escalated during re-programming of the 2006 SHOPP to reflect forecasted trends in construction costs. The increases are related to the following bid items: Structure Excavation, Structure Backfill, Structure Concrete, Reinforcing Steel, Aggregate Base, Asphalt Concrete and Traffic Handling.

FUNDING OPTIONS:

OPTION A: Approve this request, as presented above, for \$5,441,000 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 and executing another project will result in overall higher costs, more disruption to the traveling public and will not effectively improve safety. This is a safety project and includes only the minimum scope of work to accomplish the purpose and need of the project.

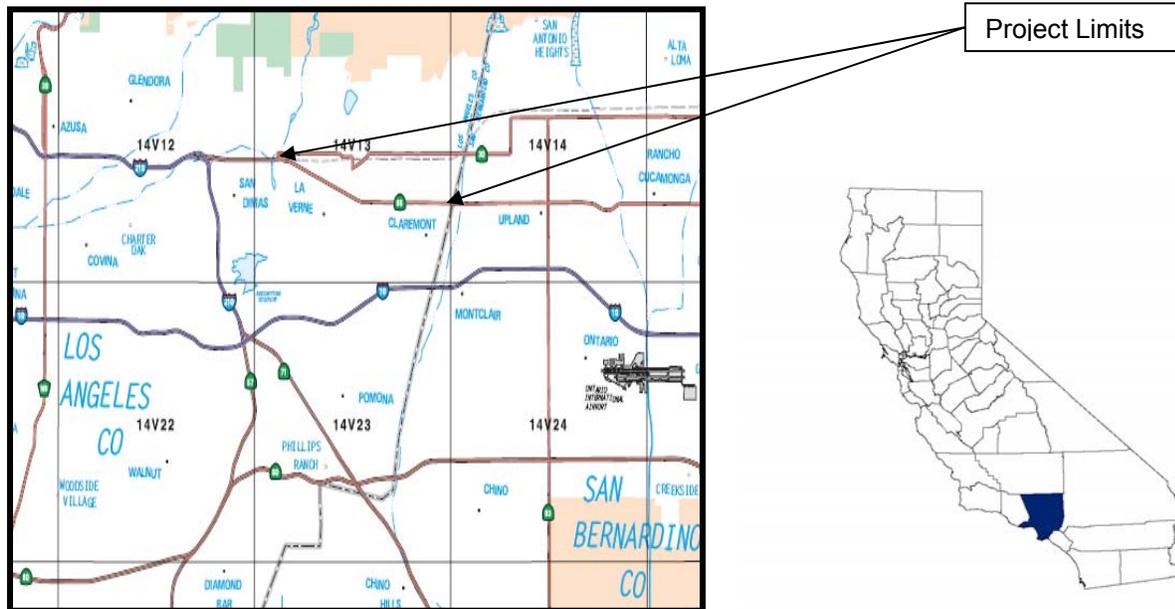
RECOMMENDED OPTION:

The Department recommends that this request for \$5,441,000, as presented in Option A above, be approved to allow this project to be advertised.

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
2.5d. Allocations for Projects with Cost Increases Greater than 120 Percent			Resolution FP-06-33		
3 \$1,366,000 Department of Transportation	Los Angeles 07S-LA-66 0.4/5.2	In La Berne from Route 30 to San Bernardino County line. Implement adaptive signal control system development.	257601 07-3839 SHOPP/06-07 \$1,117,000	2006-07 302-0042 302-0890 20.20.201.315	\$1,366,000 - \$1,366,000

RECOMMENDATION:

The Department recommends that this request for \$1,366,000 be approved to allow this project to be advertised.



PROJECT DESCRIPTION:

The project is located on Route 66 in the city of La Verne, in Los Angeles County from Route 30 to San Bernardino County Line. The project is to implement an adaptive signal control system (ASCS) and install closed circuit televisions.

FUNDING STATUS:

The project is currently programmed in the 2006 SHOPP for \$1,117,000. This request for \$1,366,000 results in an increase of \$249,000 (22%) above the programmed amount.

REASONS FOR COST INCREASE:

The project report for this “Go California” project was approved in January 2006. At that time, it was anticipated that the existing interconnecting cable for linking between the data hub and the ASCS would be used. However, during the design phase, it was determined that a new fiber optic cable would be required due to age of the existing cable. The cost for the fiber optic cable results in the project cost increase.

FUNDING OPTIONS:

OPTION A: Approve this request, as presented above, for \$1,366,000 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 \$1,366,000, as presented in Option A above, be approved to allow this project to be advertised.