

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 14, 2009

Reference No.: 2.1c.(1c)  
Action Item

From: CINDY McKIM  
Chief Financial Officer

Prepared by: Ross Chittenden  
Program Manager  
Proposition 1B

Subject: **PROJECT AMENDMENT**  
**RESOLUTION CMIA-PA-0809-008**  
**STIP AMENDMENT 08S-008**  
**RESOLUTION TAA-08-09, AMENDING RESOLUTION TA-01-07**

## **RECOMMENDATION:**

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) amend the Corridor Mobility Improvement Account program the State Transportation Improvement Program (STIP) and the Traffic Congestion Relief Program for the Route 198 Expressway project. This item was noticed at the Commission's January 14, 2009 meeting.

## **ISSUE:**

The Department, in conjunction with the Kings County Association of Governments (KCAG) and the Tulare County Association of Governments (TCAG), proposes to amend the State Transportation Improvement Program (STIP), the Traffic Congestion Relief Program (TCRP), and the Corridor Mobility Improvement Account (CMIA) Program project baseline agreement for the Route 198 Expressway project (PPNO A4360B) near Hanford.

## **BACKGROUND:**

The proposed amendment, in conjunction with proposed concurrent allocations, will accomplish the following goals:

1. Fully utilize all TCRP funding legislatively available for this project.
2. Avoid the use of CMIA funding for Right of Way.
3. Fully fund each component.
4. Create a \$7,009,000 CMIA reserve for unforeseen cost increases during construction.
5. Split off a follow-up landscaping project.

## **Prior STIP Changes Approved in June 2008**

The following STIP programming changes were approved in June 2008 under Resolution G-08-11:

- Increased plans, specifications, and estimate (PS&E) programmed in the interregional improvement program (IIP) from \$2,600,000 to \$3,393,000. Prior to the project being programmed in the Proposition 1B CMIA program, the Department was in the process of splitting the project into three separate fundable segments due to the funding constraints. Additional PS&E work was then needed to combine the project back into a single project. Additionally, the project plans needed to be converted to English units in order to conform to the latest standard. These factors caused an increase to the cost of the PS&E.
- Increased IIP right of way support from \$0 to \$1,000,000, increased IIP right of way from \$0 to \$1,000,000, and decreased IIP construction from \$7,900,000 to \$5,107,000. Originally, funding for environmental mitigation was included in the construction estimate because it was assumed the mitigation would be accomplished in the construction phase of the project. After negotiations with the United States Fish and Wildlife Service, it was agreed that the mitigation would be accomplished through the acquisition of land bank credits to account for the loss of habitat caused by construction of the project. At the time this strategy was developed, construction funds were not programmed. To expedite the completion of the mitigation process, right of way capital funds were used to purchase the land bank credits.

The above changes were not previously addressed in a CMIA baseline amendment.

### **New Cost Increases and Decreases**

The Route 198 Expressway project near Hanford, from 0.5 mile east of Route 43 to 0.4 miles west of Route 99 near Visalia, has experienced the following cost estimate changes:

- Project approval and environmental document (PA&ED) has increased from \$1,549,000 to \$2,039,000. A portion of this increase can be attributed to the extended effort required in dealing with the United States Fish and Wildlife Service in order to obtain approval of the biological opinion and the necessary permit. There were additional studies and mitigation also required for the Migratory Bird Act that were not accounted for in the original resource estimate. Additional effort was also required to update the existing freeway agreements with Kings and Tulare Counties, which was not accounted for in the original resource estimate.
- PS&E has increased from \$5,046,000 to \$5,768,000. The increase is due to converting the plans from metric units to English units, and significant rework of private canal crossings at the request of the canal owners.
- Right of way support has increased from \$2,537,000 to \$3,137,000. The increase is due to changes in appraisal mapping and acquisition delays, which resulted in a large number of re-appraisals and condemnations. The appraisal mapping was revised when utility companies changed easement requirements and when property owners requested changes.
- Construction support has decreased from \$10,000,000 to \$9,514,000. The original construction support estimate was developed during the Environmental phase when design details were not known. This is a revised estimate based on the final design.
- Right of way capital has increased from \$12,981,000 to \$22,300,000. The following issues contributed to a \$4.6 million increase in acquisition costs:
  - 1) This project is in a rural agricultural area. Several dairy facilities are impacted by the project. Recently, additional air restrictions have increased the required acreage for each dairy cow for new facilities, which has caused the value of dairy farmland to increase 100 to 200 percent.

- 2) Over 100 unrecorded utility easements were identified after the initial right of way estimate was developed.
- 3) Late in the design process several proposed public access roads were changed to private vehicle access easements, which required the State to include payment of long term maintenance of these roads in the acquisition cost.
- 4) Fifteen parcels (of the 64 parcels required for the project) are involved in the condemnation process which was not anticipated.

The following issues contributed to a \$4.7 million increase in utility relocation costs:

- 1) The original utility relocation cost estimate was based on preliminary utility information.
  - 2) The District recently received new estimates from the utility companies for the relocation of their facilities. Included in those estimates were 17 additional utility crossings that were not included in the original estimate.
  - 3) The relocation cost per pole is substantially higher than the original estimate.
- Construction capital has decreased from \$92,254,000 to \$77,249,000, which includes a CMIA reserve of \$7,009,000. The decrease results from lower unit prices that are consistent with today's bidding environment, particularly for imported borrow, asphalt concrete, box culverts, and mobilization. In addition, now that design is complete, the bid quantities are known and many are lower than at the inception of the CMIA program. The updated cost is based on a new certified engineers estimate.

### **Follow-up Landscaping Project (PPNO A4360Y)**

Because landscaping projects have long establishment periods, and the landscaping project will be funded solely with IIP funds, it is proposed to remove this landscaping portion from the CMIA regular reporting requirements.

### **Federal Demonstration Funding**

The CMIA baseline agreement showed \$2,400,000 of Federal Demonstration - High Priority Project (Demo [HPP]) programmed for construction. Of the \$2,400,000 federal apportionment, obligational authority is 85 percent or \$2,040,000, which is the amount actually available for project expenditures. In addition, KCAG received a new \$588,000 earmark of Federal Demonstration - Transportation, Community, and System Preservation (Demo [TCSP]) funds. Of the \$588,000 federal apportionment, obligational authority is 85 percent or \$500,000, which is the actual amount available for expenditure.

### **Proposed Changes**

The Department, in conjunction with KCAG and TCAG, proposes to:

- Make the programming changes shown in the following tables.
- Program \$4,500,000 TCRP construction support, \$5,038,000 TCRP right of way, and \$3,609,000 TCRP construction.
- Split off a follow-up landscaping project (PPNO A4360Y) to be funded with \$4,500,000 programmed in the IIP, with PA&ED programmed in FY 2009-10, PS&E and right of way

support programmed in FY 2010-11, and construction support and construction programmed in FY 2011-12.

- Amend the CMIA baseline agreement to be consistent with the above changes and to incorporate the STIP technical adjustments that were approved in June 2008 under Resolution G-08-11.

There is a concurrent allocation request for CMIA construction, and TCRP construction, right of way, and construction support.

This project was approved for future consideration of funding in October 2008 under Resolution E-08-17.

### **Project Delivery Schedule**

The proposed project milestone dates are shown below:

<b>Milestone</b>	<b>A4360B Existing</b>	<b>A4360B Proposed</b>	<b>A4360Y* Proposed</b>
Begin Environmental Phase	7/1/98	7/1/98	1/2/10
Circulate Draft Environmental Document	9/1/01	9/1/01	N/A
Draft Project Report	9/1/01	9/1/01	N/A
End Environmental Phase	6/1/03	6/1/03	7/15/10
Begin Design Phase	6/1/03	6/1/03	7/15/10
End Design Phase	10/1/08	10/1/08	1/20/12
Begin Right of Way Phase	3/1/06	3/1/06	10/1/10
End Right of Way Phase	5/1/09	5/1/09	12/1/11
Begin Construction Phase	8/1/09	10/1/09	6/1/12
End Construction Phase	2/1/12	2/1/12	7/1/16
Begin Closeout Phase	2/1/12	2/1/12	8/1/16
End Closeout Phase	8/1/13	8/1/13	2/1/18

\* PPNO A4360Y – follow up landscaping to be removed from CMIA tracking.

### **RESOLUTION:**

#### **Resolution CMIA-PA-0809-008, STIP Amendment 08S-008, and Resolution TAA-08-09**

Resolved, that the California Transportation Commission hereby amends the 2008 State Transportation Improvement Program (STIP), the Traffic Congestion Relief Program (TCRP #111), and the Corridor Mobility Improvement Account (CMIA) baseline agreement for the Route 198 Expressway project (PPNO A4360B) in Kings and Tulare Counties to redistribute funding between phases and create a landscape project (PPNO A4360Y) in accordance with the information described above and illustrated in the following tables.

**REVISE:**

**Route 198 Expressway project (PPNO A4360B)**

<b>(DOLLARS IN THOUSANDS)</b>													
<b>FUND</b>	<b>TOTAL</b>	<b>Project Totals by Fiscal Year</b>						<b>Project Totals by Component</b>					
		<b>Prior</b>	<b>08/09</b>	<b>09/10</b>	<b>10/11</b>	<b>11/12</b>	<b>12/13</b>	<b>R/W</b>	<b>CON</b>	<b>PA&amp;ED</b>	<b>PS&amp;E</b>	<b>R/W Supp</b>	<b>CON Supp</b>
<b>State Bond (CMIA)</b>													
Existing	71,600		71,600						71,600				
Change	0												
Proposed	71,600		71,600						71,600				
<b>RIP (Kings County)</b>													
Existing	7,477	7,477						5,254		1,549		674	
Change	0												
Proposed	7,477	7,477						5,254		1,549		674	
<b>RIP (Tulare County)</b>													
Existing	8,390	8,390						6,727			800	863	
Change	0												
Proposed	8,390	8,390						6,727			800	863	
<b>IIP</b>													
Existing	20,500	3,393	17,107					1,000	5,107		3,393	1,000	10,000
Change	(4,500)	712	(5,212)					4,281	(5,107)		712	600	(4,986)
Proposed	16,000	4,105	11,895					5,281	0		4,105	1,600	5,014
<b>TCRP (Committed)</b>													
Existing	853	853									853		
Change	13,147			13,147				5,038	3,609				4,500
Proposed	14,000	853		13,147				5,038	3,609		853		4,500
<b>TCRP (Proposed)</b>													
Existing	13,147			13,147					13,147				
Change	(13,147)			(13,147)					(13,147)				
Proposed	0			0					0				
<b>Demo (HPP)</b>													
Existing	2,400		2,400						2,400				
Change	(360)		(360)						(360)				
Proposed	2,040		2,040						2,040				
<b>Demo (TCSP)</b>													
Existing	0												
Change	500		500							490	10		
Proposed	500		500							490	10		
<b>Total</b>													
Existing	124,367	20,113	104,254	0				12,981	92,254	1,549	5,046	2,537	10,000
Change	(4,360)	712	(18,219)	13,147				9,319	(15,005)	490	722	600	(486)
Proposed	120,007	20,825	86,035	13,147				22,300	77,249	2,039	5,768	3,137	9,514

**ADD:**

**Route 198 Expressway Landscaping project (PPNO A4360Y)**

	District	PPNO	EA	Element	Const. Year	PM Back	PM Ahead	Route/Corridor					
Kings/Tulare	6	A4360Y	0L050	CO	2011-12	Kin-R21.5	Tul-R3.3						
<b>Implementing Agency: (by component)</b>	<b>PA&amp;ED</b>	Caltrans					<b>PS&amp;E</b>	Caltrans					
	<b>R/W</b>	Caltrans					<b>CON</b>	Caltrans					
<b>RTPA/CTC:</b>	Kings County Association of Governments/Tulare County Association of Governments												
<b>Project Title:</b>	Route 198 Expressway Landscaping												
<b>Location</b>	Near Hanford, on Route 198 from 0.5 mile east of Route 43 to 0.4 miles west of Route 99												
<b>Description:</b>	Landscaping												
<b>(DOLLARS IN THOUSANDS)</b>													
FUND	TOTAL	Project Totals by Fiscal Year						Project Totals by Component					
		Prior	08/09	09/10	10/11	11/12	12/13	R/W	CON	PA&ED	PS&E	R/W Supp	CON Supp
<b>IIP</b>													
Existing	0												
Change	4,500			100	300	4,100			3,600	100	295	5	500
Proposed	<b>4,500</b>			<b>100</b>	<b>300</b>	<b>4,100</b>			<b>3,600</b>	<b>100</b>	<b>295</b>	<b>5</b>	<b>500</b>
<b>Total</b>													
Existing	0			0	0	0			0	0	0	0	0
Change	4,500			100	300	4,100			3,600	100	295	5	500
Proposed	<b>4,500</b>			<b>100</b>	<b>300</b>	<b>4,100</b>			<b>3,600</b>	<b>100</b>	<b>295</b>	<b>5</b>	<b>500</b>