

Memorandum

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To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 20, 2014

Reference No.: 2.5e.(5)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti, Chief
Division of
Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT
RESOLUTION FA-14-06**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission allocate an additional \$4,418,000 for one State Highway Operation and Protection Program (SHOPP) project identified below.

ISSUE:

Additional funds are needed for one previously approved project in order to award the construction contract.

RESOLUTION:

Resolved, that \$4,418,000 be allocated from the Budget Act of 2014, Budget Act Items 2660-302-0042 and 2660-302-0890 to provide additional funds to allow the following project to be awarded.

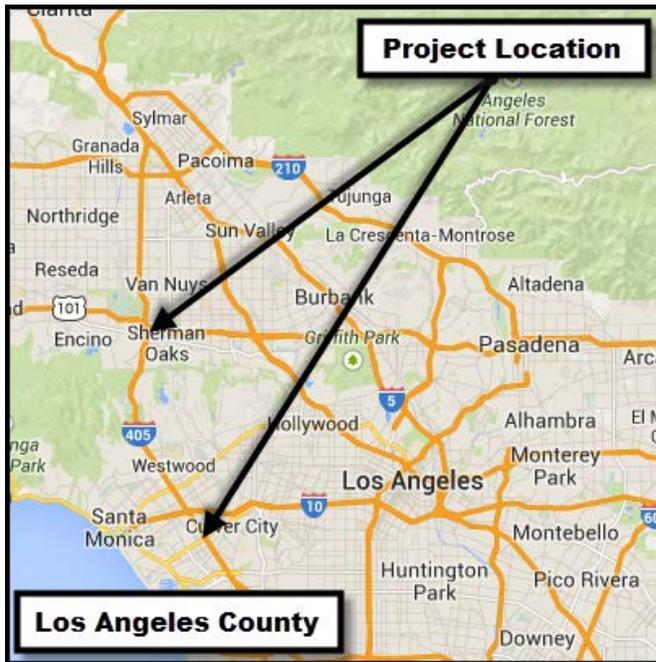
<u>Project</u>	<u>Dist-Co-Rte</u>	<u>Original Allocated Amount</u>	<u>Current Allocation</u>	<u>Allocation Adjustment</u>	<u>Revised Allocation</u>	<u>% Increase Above Current Allocation</u>
1	07-LA-405	\$19,030,000	\$19,030,000	\$4,418,000	\$23,448,000	23.2%

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Project # Allocation Amount Recipient County Dist-Co-Rte Postmile	Location Project Description Reason for Supplemental Funds	PPNO Program Funding Year Item # Fund Type Program Codes Project ID Adv Phase EA	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
2.5e.(5) Supplemental Funds for Previously Voted Projects					Resolution FA-14-06
1 \$4,418,000 Department of <u>Transportation</u> Los Angeles 07-LA-405 28.0/39.0	In the city of Los Angeles, from Venice Boulevard to Route 101. <u>Outcome/Outputs:</u> Extend pavement service life and ride quality by replacing damaged concrete slabs; grind and overlay asphalt pavement; and install guardrail, curbs, and drainage improvements on 88 lane miles of roadway. Supplemental Funds needed to award construction contract. Total Revised Amount: \$23,448,000	07-4602 SHOPP 2012-13 302-0042 SHA 302-0890 FTF 20.20.201.121 SHOPP 2013-14 302-0042 SHA 302-0890 FTF 0713000092 4 296804	\$381,000 \$18,649,000	\$88,000 \$4,330,000	\$381,000 \$18,649,000 \$88,000 \$4,330,000

PROJECT LOCATION:



“Provide a safe, sustainable, integrated and efficient transportation system to enhance California’s economy and livability”

PROJECT DESCRIPTION:

This project is located in the city of Los Angeles on Route 405 from Venice Boulevard through Westwood and Sepulveda Pass to Route 101 in Sherman Oaks. The project proposes to preserve and extend the existing pavement service life and improve ride quality over 88 lane miles by replacing damaged concrete slabs, grinding existing concrete pavement, and cold planing and overlaying asphalt pavement. The project also proposes to install guardrail to meet current standards, to make drainage improvements and to replace traffic loop detectors. Pedestrian curb ramps will be installed or upgraded to Americans with Disabilities Act (ADA) requirements throughout the project limits.

FUNDING STATUS:

This project was programmed in the 2012 SHOPP for \$23,280,000 for construction in Fiscal Year (FY) 2013-14 and was voted for \$19,030,000 in March 2014. Bids for the project were opened on June 12, 2014. Three bids were received for this project. The amount needed to award the contract, based on the lowest bid amount, is \$23,448,000. This request for \$4,418,000 in supplemental funds results in an overall increase of 23.2 percent over the original vote amount. The contract will be awarded upon approval of this supplemental funds request.

REASONS FOR COST INCREASE:

The Department performed a bid analysis to evaluate the differences between the Engineer's Estimate and the contract bid items. The contract has 70 bid items. Ten primary items account for the difference between the low bid and the Engineer's Estimate. Eight of these involve direct work on the travelled way and require traffic control during night shifts, with the second highest item difference being traffic control itself. The last item is for Mobilization.

The largest cost difference is due to eight pavement related items that involve direct work on the traveled way. Nighttime four-hour lane closure windows for the project results in higher item bids than estimated by the Department. Short lane closures slow the contractor's rate of progress. In addition, the project includes both asphalt and concrete pavement related operations, each requiring different equipment and methods. Some bidders and non-bidders were contacted to learn reasons for unit prices offered or reasons why they did not submit a bid. Some expressed difficulty using night work shifts and traffic control restrictions to complete the project's complex pavement operations. Furthermore, a "screenings" item is relatively new to the Department with limited contractor experience and limited historical bid price data. The screenings are used to build a Stress Absorbing Membrane Interlayer (SAMI) between asphalt layers and involves multiple operations and equipment passes. Bidders and non-bidders expressed concern with these newer specification requirements. Unit prices should have been adjusted higher to account for the small work windows, the large varying types of work within the project limits, and the relatively new "Screenings"/SAMI specifications. The project increase for the eight pavement items is \$3,456,000.

The cost for project traffic control was underestimated by the Department. Traffic volumes for this stretch of roadway are among the highest in the nation. As a result, work is restricted to a nighttime four-hour maximum lane closure window. The project increase for the traffic control item is \$659,000.

The last item accounting for the cost difference is Mobilization. Mobilization allows the contractor to move equipment and materials into place at the jobsite and was under-estimated by the Department at less than five percent of the total bid items. The project increase for Mobilization is \$295,000.

Including a \$8,000 miscellaneous adjustment, an additional \$4,418,000 is needed to award this project.

FUNDING OPTIONS:

OPTION A: Approve this request as presented above for \$4,418,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to revise the scope to stay within the allocated budget amount. The Department 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 of \$4,418,000, as presented in Option A above, be approved to award the project to the low bidder.