

# Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 5-6, 2018

Reference No.: 2.5e.(8)  
Action Item

From: STEVEN KECK  
Chief Financial Officer

Prepared by: Tim Gubbins  
District 05 - Director

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR PREVIOUSLY VOTED PROJECT (PPNO 05-1501/EA 0A050 – SANTA BARBARA COUNTY – STATE ROUTE 1) RESOLUTION FA-18-31**

## ISSUE

Should the California Transportation Commission (Commission) approve the California Department of Transportation’s (Department) request for an additional \$985,000 for the State Highway Operation Protection Program (SHOPP) Bridge Scour Mitigation project (PPNO 1501) on State Route (SR) 1, in Santa Barbara County, to award the construction contract?

## RECOMMENDATION

The Department recommends that the Commission allocate an additional \$985,000 for the previously approved SHOPP Bridge Scour Mitigation project (PPNO 1501) on SR 1, in Santa Barbara County, to award the construction contract.

Construction Component	Project Funding		Revised Allocation		% Allocation Increase
	Programmed	Allocated	Supplemental Funds Requested	Total Funds to Award	
Capital	\$6,500,000	\$5,146,000	\$985,000	\$6,131,000	19%
Support	\$2,000,000	\$2,360,000	\$ 0	\$2,360,000	0%
<b>Total</b>			<b>\$985,000</b>		

**PROJECT LOCATION, DESCRIPTION, AND CONTRACT STATUS:**

The project is located on SR 1 near the city of Lompoc, in Santa Barbara County. The project will construct a new bridge to replace the existing Salsipuedes Creek Bridge; which has been listed as scour critical since June 1995. The project also includes improving the creek bed by constructing a separate fish passage and removing a check-dam and other obstructions that cause erosion and bridge scour. The performance measure is to replace one bridge, which conforms to the Commission approved Transportation Asset Management Plan.

The contract award status is pending approval of this request for supplemental funds by the Commission. If the Commission approves this request, construction would begin in January 2019, and would take 310 working days to be completed in two construction seasons, by October 2020.

**FUNDING STATUS:**

The project was programmed in the 2016 SHOPP for \$6,500,000 for Construction Capital and \$2,000,000 for Construction Support. The Engineer's Estimate (EE) was completed in April 2018, using historical and current market trend data available at that time, which produced a lower project construction cost. In June 2018, the Commission approved the project funds based on the lower EE and allocated \$5,146,000 for Construction Capital and \$2,360,000 for Construction Support. The project was advertised on July 17, 2018 and bids were opened on September 13, 2018. Two contractors submitted bids for this contract, and both bids were higher than the funding approved by the Commission. The amount needed to award the contract, based on the lowest responsible bidder, is \$6,131,000 for Construction Capital.

**REASON(S) FOR COST INCREASE:**

The EE for this project was originally completed on November 2017 and used the most current pricing data and the construction market environment in the region at the time, and therefore it was significantly lower than the programmed Construction Capital. In preparation to advertise the contract, the Department noted a history of an abundance of contractor availability for this type of project and a trend of slightly higher material prices. As such, the Department was anticipating many contractors to participate. The EE was updated and certified on April 14, 2018 to reflect this competitive bidding trend, and the higher unit prices of some contract items. However, the updated EE was still lower than the programmed funds, and was allocated for less than the originally programmed funds, at the June 2018 Commission meeting.

Although 14 contractors, sub-contractors and material suppliers obtained contract plans for the project, only two contractors submitted bids for this project. The Department contacted several contractors, including those who did not submit bids, to discuss the bid results. The contractors stated that this project is located at a site with challenging topography, and includes many difficult, specialty contract items. Some of the difficult items on this contract include the off-site assembly of 100 foot long reinforcement cages for the bridge pile foundation, the transporting these cages to the site and then the lowering of them into place below the existing bridge. Other difficult tasks include the removal of large boulders from an environmentally sensitive site to build a 365 foot-long fish ladder. The difficulty to perform this bridge work in a restricted work area presented added challenges and higher risks to contractors. These factors influenced the bidding process by limiting the number of bidders, which resulted in higher contract bids. The EE was developed appropriate for the project, including the challenging work location of the existing bridge. And although the Department did not anticipate the limited number of bidders, as it observed that contract plans packages were requested by 14 contractors, the EE was still undervalued as the current trends were below expectations.

The Department has reviewed the bid results for possible mathematical or material unbalancing in accordance with 23 CFR 635.102, and 23 CFR 635.114. The bids appear to be mathematically unbalanced, however, there is no evidence of material unbalancing of the low bid.

**CONSEQUENCES:**

The Department has determined that additional funds are needed to award the construction contract and the additional funds requested are in the best interest of the state. If this request for an additional \$985,000 in Construction Capital is not approved, the Department cannot award this construction contract. The consequences of not completing this project include continuing deterioration of the scour in the creek and the inability for passage for spawning fish. Soil erosion may cause to extensive damage and lead to roadway embankment failure.

**RESOLUTION:**

Resolved, that an additional \$985,000 be allocated from the Budget Act of 2018, Budget Act Items 2660-302-0890 and 2660-302-3290 to provide funds to award the construction contract for the SHOPP Bridge Scour Mitigation project on Route 1 in Santa Barbara County.

Attachment

2.5 Highway Financial Matters

Project #	Project Title	PPNO Program	State	State	State
Allocation Amount	Location	Funding Year	Federal	Federal	Federal
Recipient	Project Description	Item #	Additional	Revised	Revised
<u>RTPA/CTC</u>	Project Support Expenditures	Fund Type	Amount by	Amount by	Amount by
County		Program Codes	Fund Type	Fund Type	Fund Type
Dist-Co-Rte		Project ID	Current Amount	Amount by	Amount by
Postmile		Adv Phase	by Fund Type	Fund Type	Fund Type
		EA			
<b>2.5e.(8) Supplemental Funds For Previously Voted Projects</b>		<b>Resolution FA-18-31</b>			
\$985,000	Near Lompoc, at the Salsipuedes Creek Bridge No. <u>Outcome/Output</u> : 51-0095. Replace Bridge (Scour Mitigation)	05-1501 SHOPP/2017-18 802-3290 RMRA	\$2,573,000		\$2,573,000
Department of Transportation <u>SBCAG</u>	Supplemental funds are needed to Award.	20.20.010.825			
Santa Barbara 05-SB-1 15.6	Total revised amount \$6,131,000	SHOPP/2018-19 302-0890 FTF 20.20.201.111	\$2,573,000		\$2,573,000
		SHOPP/2018-19 302-3290 RMRA 302-0890 FTF 20.20.201.111 0500000007 4 0A050		\$493,000	\$493,000
				\$492,000	\$492,000