State of California
DEPARTMENT OF TRANSPORTATION

California State Transportation Agency

Memorandum

TAB 70

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 20, 2014

PASSED BY CTC AUG 20 2014 CALIFORNIA TRANSPORTATION COMMISSION

Reference No.: 2.5d.
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti, Chief
Division of
Transportation Programming

Subject: **FINANCIAL ALLOCATIONS FOR PROJECTS WITH COSTS EXCEEDING THE PROGRAMMED AMOUNT BY 20 PERCENT OR MORE**
RESOLUTION FP-14-~~01~~ 09

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) allocate $2,375,000 for one State Highway Operation and Protection Program (SHOPP) identified below.

ISSUE:

Additional funds are needed for one programmed project in order to advertise the construction contract.

RESOLUTION:

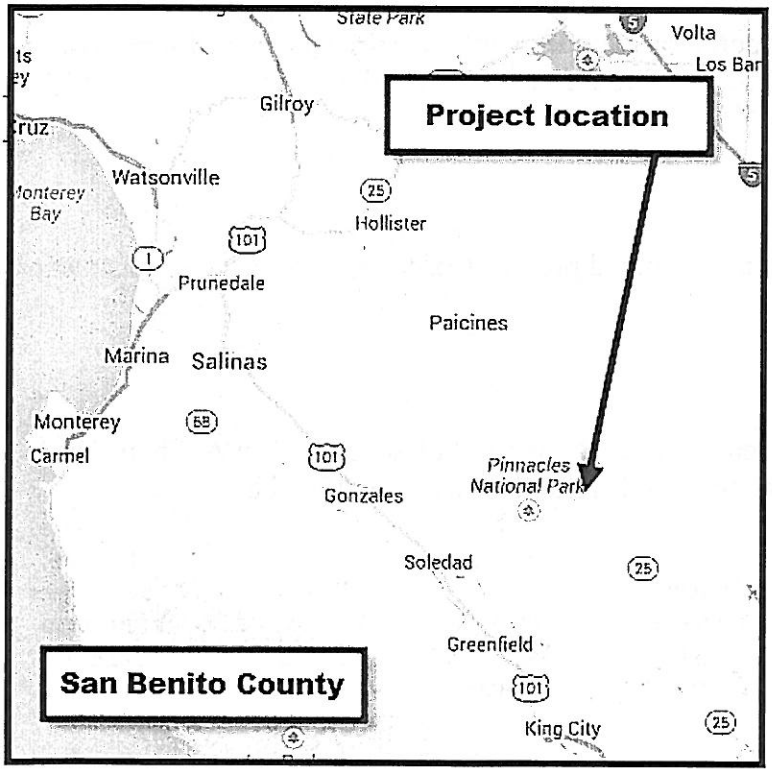
Resolved, that $2,375,000 be allocated from the Budget Act of 2013, Budget Act Items 2660-302-0042 and 2660-302-0890, to provide additional funds for the project identified below.

Project	Dist-Co-Rte	Original Programmed Amount	Current Programmed Amount	Program Adjustment	Revised Programmed Amount	% Increase Above Current Programmed Amount
1	05-SBt-25	$1,020,000	$1,495,000	$880,000	$2,375,000	58.9%

Project # / Allocation Amount / County / Dist-Co-Rte / Postmile	Location / Project Description	PPNO / Program/Year / Prgm'd Amount / Project ID / Adv Phase / EA	Budget Year / Item # / Fund Type / Program Code	Amount by Fund Type
2.5d.	**Allocations for Projects with Costs Exceeding The Programmed Amount by 20 Percent or More**			**Resolution FP-14-01**
1 $2,375,000 San Benito 05-SBt-25 18.8/19.5	Near Hollister, from 0.8 mile north of San Benito Lateral to 2 miles south of Route 146. Outcomes/Outputs: Realign roadway and widen lanes and shoulders in order to increase sight distance and improve traffic safety along 0.7 centerline mile. (Construction Support: $585,000)	05-2293 SHOPP/13-14 $1,495,000 0500020030 0T6404	2013-14 302-0042 SHA 302-0890 FTF 20.20.201.010	$47,000 $2,328,000

RECOMMENDATION:

The Department recommends that this request for $2,375,000 be approved to allow this project to be advertised.



PROJECT DESCRIPTION:

This project is located in San Benito County near Hollister, from 0.8 mile north of San Benito Lateral to 2 miles south of Route 146. This safety project will realign roadway replacing non-standard curves with a 2,000-foot radius curve, widen traffic lanes and shoulders to 12 feet and 4 feet respectively, place drainage systems, and install rumble strip along the length of the project. The improvement is to increase traffic sight distance and reduce traffic collisions.

FUNDING STATUS:

In April 2011, this project was programmed for $1,495,000 in construction capital in the 2010 SHOPP in Fiscal Year 2013-14.

REASONS FOR COST INCREASE:

Delivery of this safety project was placed on an aggressive schedule, achieving environmental approval in late June 2013. During the subsequent design effort, which commenced directly after environmental approval, the need for additional excavation at the transitions between new and old roadway due to steeper slopes was discovered. In addition, the Department initially proposed to place excess excavated material at a neighboring property, but negotiations with adjacent property owners were unsuccessful. The increase in excavation quantities and the need to haul excess material offsite increased the cost of this project by $303,000.

Surface drainage was originally planned for this project at the time it was programmed, but during design it was changed to a combination of surface and subsurface drainage resulting in a cost increase of $125,000.

Staging and traffic control during construction significantly increased due to the differential of pavement elevation between existing and new alignment at the transition points. Traffic control costs were originally based on a previous project in the vicinity, but with the steeper cuts and an increased difference in pavement elevation, the working days and traffic control cost have both increased. Also, areas with steep cuts require the contractor to develop shoring plans. This also required additional traffic handling such as K-rail and channelizers. Traffic control cost increased by $194,000.

Cost for environmental mitigation during construction, based on consultant estimate for biological monitoring, increased by $74,000 over the programmed amount.

As design progressed, some slopes became steeper in order to avoid environmental impacts. This resulted in a higher estimate for erosion control and an increase of $44,000.

Other items, including paving, contingency, and mobilization increased by $140,000 over the original estimated amount.

The increases in project estimates total $880,000 over the currently programmed amount of $1,495,000 resulting in this request to allocate $2,375,000.

LESSONS LEARNED:

For safety projects, delivery is greatly accelerated. The project was initially programmed in the SHOPP in April 2011, in fiscal year 2013-14 and the project report and environmental documentation were completed in late June 2013. During the project design phase and right of way negotiations, additional excavation, and additional haul distances were discovered, but it was already the year of delivery and no changes to capital cost were allowed. The Department, in future projects will have to conduct early studies of detailed staging strategies, verification of material quantities and haul distances to stay within programmed funding. Additionally, a firm commitment to drainage design concept should also be obtained early in the design process.

FUNDING OPTIONS:

OPTION A: Approve this request, as presented above, for $2,375,000 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 safety 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 $2,375,000 as presented in Option A above, be approved to allow this project to be advertised.