

State of California
Business, Transportation and Housing Agency
Department of Transportation

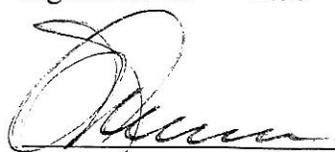
HIGHWAY FINANCIAL MATTERS
Allocations for Supplemental Funds
Resolution: FA-00-07

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CTC Meeting: February 21-22, 2001

Agenda Item: 2.5e




W. J. EVANS, Deputy Director
Finance
February 1, 2001

**ALLOCATION FOR ADDITIONAL FUNDS
FOR PREVIOUSLY APPROVED PROJECT**

RESOLUTION FA-00-07

RECOMMENDATION

The Department recommends that the California Transportation Commission approve the following Resolution.

FINANCIAL RESOLUTION

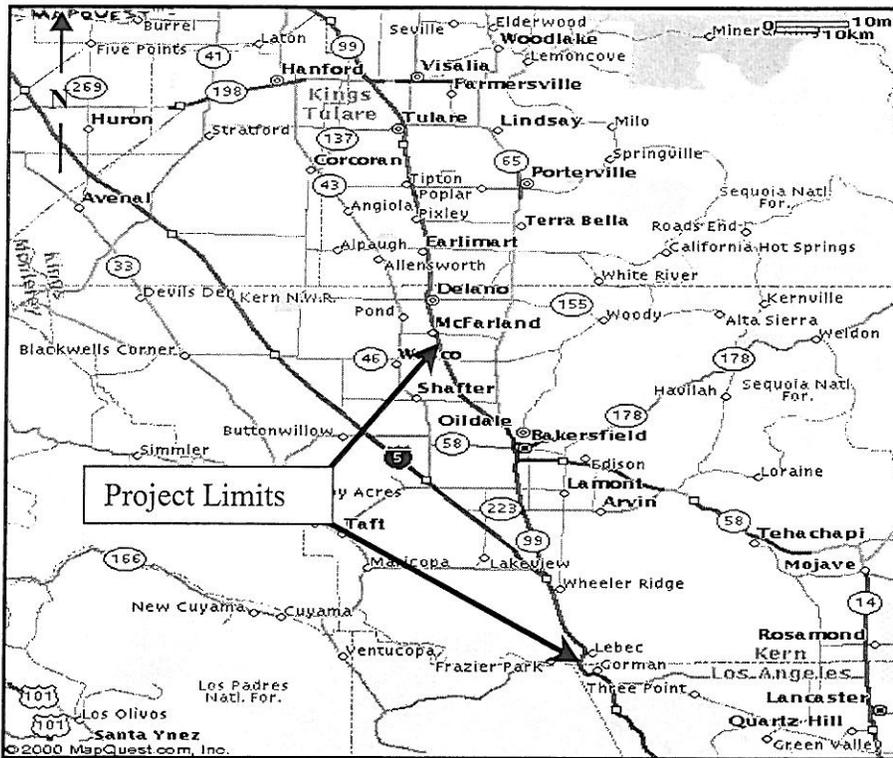
Resolved, that \$2,696,000 be allocated from Budget Act Item 2660-301-0042, Budget Acts of 1995, 1998, 1999, and 2000 to provide additional funds for the projects on the attached sheet.

SUMMARY AND CONCLUSIONS

This resolution allocates \$2,696,000 of additional State and Federal funds for two (2) previously approved projects listed below:

| <u>Project</u> | <u>Dist-Co-Rte</u> | <u>Original Vote/G11 Amount</u> | <u>Award Amount</u> | <u>Current Budget Amount</u> | <u>Current Allocation Revision</u> | <u>Revised Budget Amount</u> | <u>Total Increase Vote/Award</u> |
|----------------|--------------------|---|-------------------------|--------------------------------------|--|--------------------------------------|--|
| 1 | 06-KER-5,99 | \$6,800,000 | ----- | \$6,800,000 | \$1,729,000 | \$8,529,000 | 25%V |
| 2 | 09-INY-L5716 | \$2,125,000 | ----- | \$2,125,000 | \$967,000 | \$3,092,000 | 46%V |

| Project # Allocation Amount Recipient County Dist-Co-Rte Postmile | Location Project Description Reason for Supplemental Funds | EA PPNO Program Year Item # Prgm Codes Program | State Federal Current Budget Amount | State Federal Additional Allocation | State Federal Revised Total Amount |
|--|--|---|---|--|---|
| 1 \$1,729,000 Department of Transportation 06S-Ker-5,99 R0.0/R15.0,0.0/43.7 | Near Lebec from the Los Angeles County Line to 1.9 miles north of Poso Creek. Rehabilitate ramps. Supplemental funds are needed to re- advertise this project. | 421001 (3102) 2000/01 301-0042 301-0890 20.20.201.120 SHOPP | \$573,000 \$6,227,000 \$6,800,000 | \$146,000 \$1,583,000 \$1,729,000 | \$719,000 \$7,810,000 \$8,529,000 |



PROJECT DESCRIPTION AND LOCATION

The project is in Kern County, on Route 5, near Lebec, from the Los Angeles County Line to the Route 5/99 separation, and on Route 99, near Bakersfield, from the Route 5/99 separation to 1.9 miles north of Poso Creek. The project will remove and replace existing ramp pavement with new asphalt concrete pavement.

FUNDING STATUS

The project was programmed in the 2000 SHOPP for \$6,652,000 for construction in the 2002/03 Fiscal Year. The project was voted in July 2000 for \$6,800,000. The project was advertised and three bids were opened in September 2000 with a low bid of \$8,373,000. The Department rejected all the bids and plans to re-advertise the project. This request of \$1,729,000 to award represents an increase of 25% over the voted amount for this contract.

BACKGROUND

The project will repair ramps from the base of "the Grapevine" to north of Bakersfield. The existing pavement on the ramps is in poor condition with continuous alligator cracks and numerous potholes. Numerous maintenance efforts to prevent further pavement deterioration have been disruptive to traffic and have required multiple ramp closures.

Initially, the pavement strategy called for removing and replacing existing asphalt concrete pavement to a depth of 135 millimeters, but a newer deflection study revealed that the pavement condition was much worse than anticipated and recommended removal and replacement of the existing pavement to a depth of 300 millimeters.

REASON FOR INCREASE

Analysis of the bids from the initial advertisement of the project indicated that the Asphalt Concrete item and Roadway Excavation item were well above the Engineer's estimate. The Asphalt Concrete item was estimated at \$39 per metric tonne while the low bid was \$50 per metric tonne; the Roadway Excavation item was estimated at \$18 per cubic meter while the low bid was \$28 per cubic meter. The bids from the initial advertisement of the project were rejected so that the Department could re-evaluate the project.

The Department reviewed the bids and evaluated the merits of downscoping the project. The re-evaluation included a field review of each ramp to assess the condition of the pavement and reconsider the priority for the work. The review confirmed that the ramp work is a high priority due to the poor condition of the pavement. The review findings also concluded that increasing traffic volumes are causing accelerated deterioration of the pavement and that segmenting the project would result in a cost increase to accomplish the work as well as increase future traffic delays and disruption. A new Engineer's estimate has been prepared and an additional \$1,729,000 is needed to re-advertise the project.

FUNDING OPTIONS

OPTION A: Approve the Department's request for \$1,729,000 in supplemental funds needed to re-advertise the project.

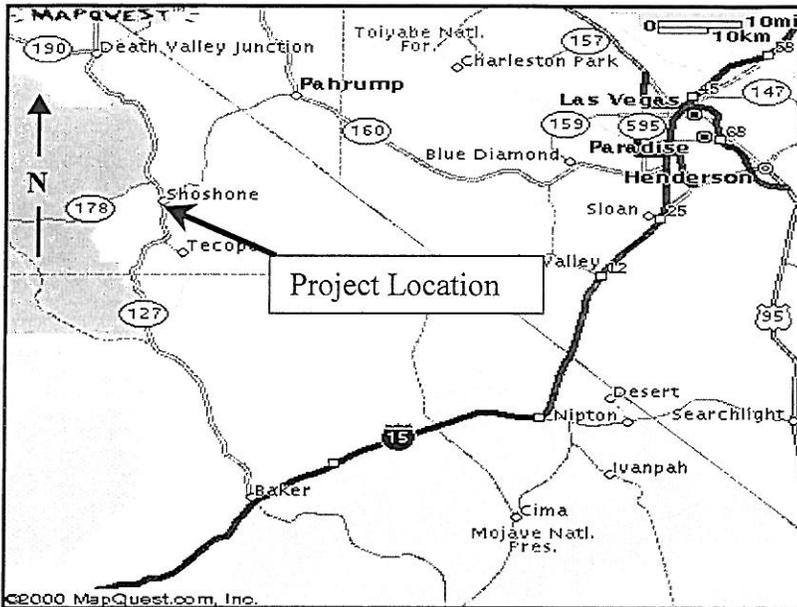
OPTION B: Deny this request and direct the Department to deliver the project within the current allocation.

The Department considered this option. At least 16 ramps would have to be eliminated to deliver the project within the current allocation. Not rehabilitating these ramps would require continual maintenance work to prevent further deterioration of the existing pavement as well as additional ramp closures to do the work.

RECOMMENDED OPTION

The Department of Transportation recommends OPTION A, as presented above for \$1,729,000, to allow this project to be re-advertised.

| Project # Allocation Amount Recipient County Dist-Co-Rte Postmile | Location Project Description Reason for Supplemental Funds | EA PPNO Program Year Item # Prgr Codes Program | State Federal Current Budget Amount | State Federal Additional Allocation | State Federal Revised Total Amount |
|--|--|---|---|--|---|
| 2 \$967,000 Department of Transportation 09S-Iny-5716 | In Shoshone at the Shoshone Maintenance Station. Reconstruct existing maintenance station. Supplemental funds are needed to award this project | 265201 (0323) 1999/00 301-0042 301-0890 20.20.201.352 SHOPP | \$2,125,000 - | \$967,000 - | \$3,092,000 - |
| | | | \$2,125,000 | \$967,000 | \$3,092,000 |



PROJECT LOCATION & DESCRIPTION

This project is in Inyo County, at the Shoshone Maintenance Station. This project will reconstruct the existing maintenance station in Shoshone, which was built in 1940.

FUNDING STATUS

This project was programmed in the 1998 SHOPP Midcycle Revision for \$1,318,000 in the 1999/00 Fiscal Year. The programmed amount was based on the Facility Project Study Report (FPSR) approved in June 1998. In March 2000 the project was voted for \$2,125,000. The cost increase of \$807,000 between the programmed amount and the vote amount was primarily due to changes in code and underestimation of cost for structure items. This request of \$967,000 to award represents an increase of 46% over the voted amount for this contract.

BACKGROUND

Motorgraders and dump trucks do not fit in the truck shed, and the lack of insulation in the truck shed makes it difficult to maintain a reasonable temperature inside the shed at this desert location. While the smaller existing building at the maintenance station can still be used for materials storage, new facilities are being constructed for equipment maintenance and service, general operations and office space. The proposed upgrade will also replace the existing septic tank/leach field, replace storage facilities for flammable liquids, and bring the facilities into compliance with the American Disabilities Act and current building, health and safety codes.

The two nearest maintenance stations to this facility are 75 and 90 miles away. The station is located along Route 127, which is the southern gateway to Death Valley National Monument.

REASON FOR INCREASE

Initially the project was advertised in the spring of 2000. The bids were opened in June 2000 with only one bid received for \$3,207,500. Due to the lack of bids, the project was re-advertised and approximately 50 Contractors were contacted to promote interest in the project. Five bids were opened in November 2000 with the lowest bid for \$3,092,000.

After reviewing the bids the primary increase can be attributed to the Building Work item with a cost increase of \$871,380. This item constitutes \$2,467,380 of the total project. After discussing the low bid with the Contractor, the reasons for the high cost of the Building Work item can be attributed to the remoteness of the project and the high demand for building work throughout California and in the Las Vegas, Nevada area. None of the bids received were from Contractors in the Las Vegas area as anticipated. The Las Vegas area has experienced great recent growth and potential bidders from there already have enough work in the Las Vegas area and were not interested in bidding the project.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for \$967,000 to allow the project to be awarded.

OPTION B: Deny this request and direct the Department to reject all the bids and re-advertise the project.

The Department considered this option. Analysis of the current bids indicate that re-advertising the project will not produce bids lower than the current amount. The Department reviewed the scope of the project and looked into redesigning or eliminating items from the project but no practical cost saving opportunities were identified.

RECOMMENDATION

The Department recommends that this request for \$967,000, as presented in Option A above, be approved to allow this contract to be awarded.

2.5 Highway Financial Matters

| Project # Allocation Amount Recipient County Dist-Co-Rte Postmile | Location Project Description Reason for Supplemental Funds | EA PPNO Budget Year Item # Prgm Codes Program | State Federal Current Budget Amount | State Federal Additional Allocation | State Federal Revised Total Amount |
|--|--|---|---|--|---|
| 2.5e Supplemental Funds for Previously Voted Projects | | | Resolution: FA-00-07 | | |
| 1 \$1,729,000 Department of Transportation 06S-Ker-5,99 R0.0/R15.0,0.0/43.7 | Near Lebec from the Los Angeles County Line to 1.9 miles north of Poso Creek. Rehabilitate ramps. Supplemental funds are needed to re- advertise this project. | 421001 (3102) 2000/01 301-0042 301-0890 20.20.201.120 SHOPP | \$573,000 \$6,227,000 \$6,800,000 | \$146,000 \$1,583,000 \$1,729,000 | \$719,000 \$7,810,000 \$8,529,000 |
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