State of California
DEPARTMENT OF TRANSPORTATION

Business, Transportation and Housing Agency

Memorandum

To: CHAIR AND COMMISSIONERS

Meeting Date: September 15, 2004

PASSED BY CTC SEP 15 2004 CALIFORNIA TRANSPORTATION COMMISSION

Reference No.: 2.5e.(1)
Action Item

From: CINDY MCKIM
Chief Financial Officer, Acting

Prepared by: Ross Chittenden
Division Chief
Transportation Programming

Ref: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECTS RESOLUTION FA-04-01**

NOTE: This item was tabled at the August 5, 2004 Commission meeting.

RECOMMENDATION:

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

FINANCIAL RESOLUTION:

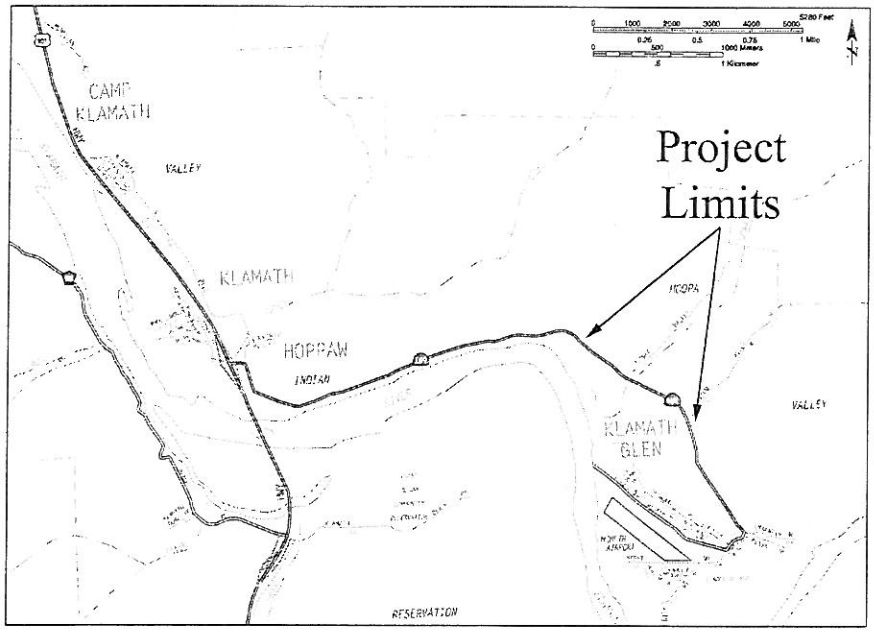
Resolved that $4,860,000 be allocated from the Budget Act of 2002 and from the Budget Act of 2003, from Budget Act Items 2660-302-0042 and 2660-302-0890, to provide additional funds for the projects listed below.

SUMMARY AND CONCLUSIONS:

This resolution allocates $4,860,000 of additional State and Federal funds for the six (6) previously approved projects listed below:

Project	Dist-Co-Rte	Original Vote/G11 Amount	Award Amount	Current Budget Amount	Current Allocation Revision	Revised Budget Amount	Total Increase Vote/Award
1	1-DN-169	$3,300,000	$3,300,000	$3,300,000	$625,000	$3,925,000	19% V
2	1-Hum-101	$2,540,000	$2,540,000	$2,540,000	$840,000	$3,380,000	33% V
3	4-Son-101	$7,039,000	$7,039,000	$7,039,000	$2,638,000	$9,677,000	37% V
4	7-LA-5	$855,000	$855,000	$855,000	$280,000	$1,135,000	33% V
5	7-LA-101	$700,000	$700,000	$700,000	$357,000	$1,057,000	51% V
6	8-Riv-71	$219,000	$219,000	$399,000	$120,000	$519,000	11% V

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.(1) Supplemental Funds for Previously Voted Projects					**Resolution FA-04-01**
1 $625,000 Department of Transportation Del Norte 01N-DN-169 2.3/2.9	Near Klamath Glen, from 2.2 miles east of 101/169 separation to 0.3 miles east of Tewer Creek Bridge (Br. # 01-0045). Replace bridge. Supplemental funds are needed to award the construction contract.	311711 0001K 2003-04 302-0042 302-0890 20.20.201.110 SHOPP	$378,000 $2,922,000 $3,300,000	$407,000 $218,000 $625,000	$785,000 $3,140,000 $3,925,000



PROJECT DESCRIPTION

This project is located in Del Norte County near Klamath Glen, from 3.7 km east of Route 101/169 Separation to 0.5 km east of Terwer Creek Bridge. The existing Terwer Creek Bridge (Br. No. 01-0045) was constructed in 1949 and has non-standard roadway width, rails, and approach guard railing. The structure requires deck and superstructure replacement, and has scour problems at Bent 2 and Abutment 3 where the foundation piles are exposed. The age of the structure also contributes to the inability to accommodate full permit-truck loads. Due to these deficiencies, this project proposes to replace Terwer Creek Bridge to address current design standards, strengthening, scour, and permit load issues.

FUNDING STATUS

The project was programmed in the 2002 SHOPP for $3,326,000 for construction in FY 2003-04. In April 2004, funds were allocated for $3,300,000. Bid results were opened in June 2004. An additional $625,000 is needed to award this contract to the low bidder. This request for supplemental funds results in an overall increase of 19% over the voted amount for this project.

REASON FOR INCREASE

The contract bids were opened on June 2, 2004. Sixteen bid packages were issued to prospective bidders, and three bids were received for this project. The low bid is 20% above the Engineer's Estimate. The next second and third-ranked bids are 8% and 20% above the low bid, respectively. The Department considered rejecting all bids and re-advertising the project; however, this would result in delaying this project into the next construction season and does not guaranteed that lower bids would be received.

The Department reviewed all three bids and felt that competition was adequate. The apparent low bidder has been contacted and is comfortable with extending his bid, pending approval from the Commission for the supplemental funds. In comparing the bid items of the low bidder against the Engineer's Estimate, most of the cost increases are associated with structural items. According to the contractor, the recent spike in fuel prices along with the lack of supply and the high demand for steel and concrete have resulted in the high bid. Higher cost items include such things as, structure excavation, furnish and drive piles, structure concrete, bar reinforcing steel, and mobilization. Although allowances were included in the Engineer's Estimate for consideration of some of these factors, the contractor's bid contained costs significantly higher than anticipated. Supplemental funds are needed in order to award this project.

FUNDING OPTIONS

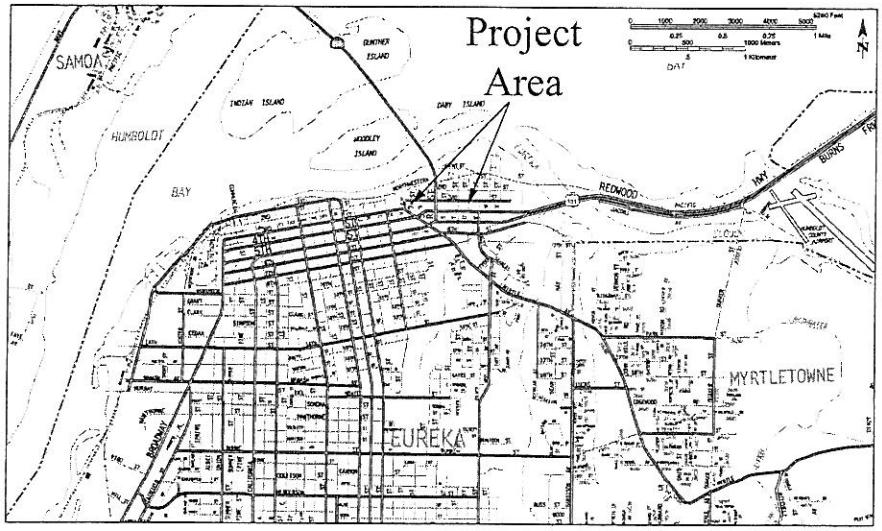
OPTION A: Approve this request as presented above for $625,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to deliver the project within the current allocation. The Department considered this option and determined that there is no feasible alternative for reducing the scope of work on this project. Since this bridge is the only means for crossing the Terwer Creek to enter or exit Klamath Glen, closure of the bridge will result in a 7 hour long detour to access the town.

RECOMMENDED OPTION

The Department recommends that this request for $625,000, as presented in Option A above, be approved to allow this project to be awarded.

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.(1) Supplemental Funds for Previously Voted Projects					**Resolution FA-04-01**
2 $840,000 Department of Transportation Humboldt 01N-Hum-101 78.9/79.4	In Eureka, from 5th Street (North 101) from "O" Street to "U" Street, and "R" Street (Route 255) between North and South 101 (4th Street). Realignment and signalization. Supplemental funds are needed to award the construction contract.	330451 0070 2003-04 302-0042 302-0890 20.20.201.310 SHOPP	$291,000 $2,249,000 $2,540,000	$96,000 $744,000 $840,000	$387,000 $2,993,000 $3,380,000



PROJECT DESCRIPTION

In analyzing the collision history for this freeway segment, it was determined that improvements at the intersection of 5th and "R" streets, in the City of Eureka, would enhance safety by improving the sight distance and by providing signalized traffic control for motorists and pedestrians. The collision rate at 5th and "R" Street intersection currently exceeds the statewide average by 89%. This project proposes to realign and install traffic signals at the intersection of Route 101 (5th Street) and Route 255 ("R" Street) in Eureka. These improvements, including some drainage work, will enhance safety and will improve traffic operation on Route 101 through the city.

FUNDING STATUS

The project was programmed in the 2000 SHOPP for $2,263,000 for construction in FY 2003-04. In May 2004, funds were allocated for $2,540,000. Bid results were opened in June 2004. An additional $840,000 is needed to award this contract to the low bidder. This request for supplemental funds results in an overall increase of 33% over the voted amount for this project.

REASON FOR INCREASE

The contract bids were opened on June 2, 2004. Four bid packages were issued to prospective bidders, and three bids were received for this project. The low bid is 33% above the Engineer's Estimate. The next second and third-ranked bids are 9% and 16% above the low bid, respectively. The Department considered rejecting all bids and re-advertising the project; however, this would result in delaying this project into the next construction season and does not guaranteed that lower bids would be received.

The Department has reviewed all three bids and has contacted both the apparent low bidder and second ranked bidder. According to the contractors, the recent price increase in materials and petroleum costs are affecting the bid prices. Additionally, since this is a two-season project, the contractors felt that there are some risks with material price fluctuations over the longer period. The higher bids are also due to a number of factors such as the required staging of the project within the business district, traffic control restrictions, night work, and limited available working hours.

FUNDING OPTIONS

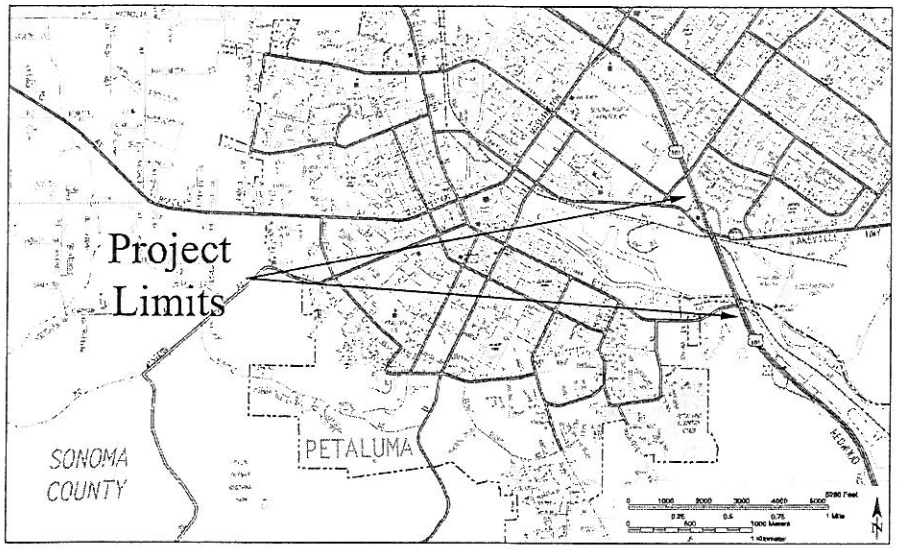
OPTION A: Approve this request as presented above for $840,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to deliver the project within the current allocation. The Department considered this option and determined there is no feasible alternative for reducing the scope of work on this project. 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 $840,000, as presented in Option A above, be approved to allow this project to be awarded.

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.(1) Supplemental Funds for Previously Voted Projects					**Resolution FA-04-01**
3 $2,638,000 Department of Transportation Sonoma 04N-Son-101 3.4/3.8	In Petaluma, from the Petaluma River Bridge to north of Route 116. Replace bridge (Br. # 20-0155L). Supplemental funds are needed to award the construction contract.	276001 0770A 2003-04 302-0042 302-0890 20.20.201.110 SHOPP	$1,408,000 $5,631,000 $7,039,000	$528,000 $2,110,000 $2,638,000	$1,936,000 $7,741,000 $9,677,000



PROJECT DESCRIPTION

This project is located in Sonoma County in Petaluma from the Petaluma River Bridge to 0.2 km North of Routes 101 and 116 Separation and Overhead. Due to the high volume of freeway traffic, the freeway grade, and merging truck traffic from the on-ramp, this section of the highway on Route 101 needs to be widened, along with the on-ramp, to standard lane and shoulder widths, and to provide for a truck-climbing lane. These improvements are needed to improve the flow of traffic and to reduce the number of accidents occurring on the mainline freeway. The project proposes to replace the 48-year old southbound Route 101/116 Separation and Overhead structure, realign and widen the on-ramp from Route 116 to southbound Route 101, and construct two retaining walls.

FUNDING STATUS

The project was programmed in the 2002 SHOPP for $7,039,000 for construction in FY 2003-04. In January 2004, funds were allocated for the programmed amount. Bid results were opened in May 2004. An additional $2,638,000 is needed to award this contract to the low bidder. This request for supplemental funds results in an overall increase of 37% over the voted amount for this project.

REASON FOR INCREASE

The contract bids were opened on May 19, 2004. Twenty-five bid packages were issued to prospective bidders, and five bids were received for this project. The low bid is 38% above the Engineer's Estimate. The Department considered rejecting all bids and re-advertising the project. This would result in delaying this project into the next construction season and does not guaranteed that lower bids would be received. The second and third-ranked bids are 3.5% and 8.8% above the low bid, respectively. The highest bid is 19.7% above the low bid.

The Department has reviewed all five bids and feels that competition was adequate. The apparent low bidder has been contacted and is comfortable with extending his bid, pending approval from the Commission for the supplemental funds. In comparing the bid items of the bidder with the Engineer's Estimate, most of the cost increases are associated with structural items. According to the contractor, the recent spike in fuel prices along with the lack of supply and the high demand for steel and concrete have resulted in the high bid. Higher cost items included such things as, structure concrete, bar reinforcing steel, and asphalt concrete. Although allowances were included in the Engineer's Estimate for consideration of some of these factors, the contractor's bid contained costs significantly higher than anticipated. Additional supplemental funds are needed in order to award this project.

FUNDING OPTIONS

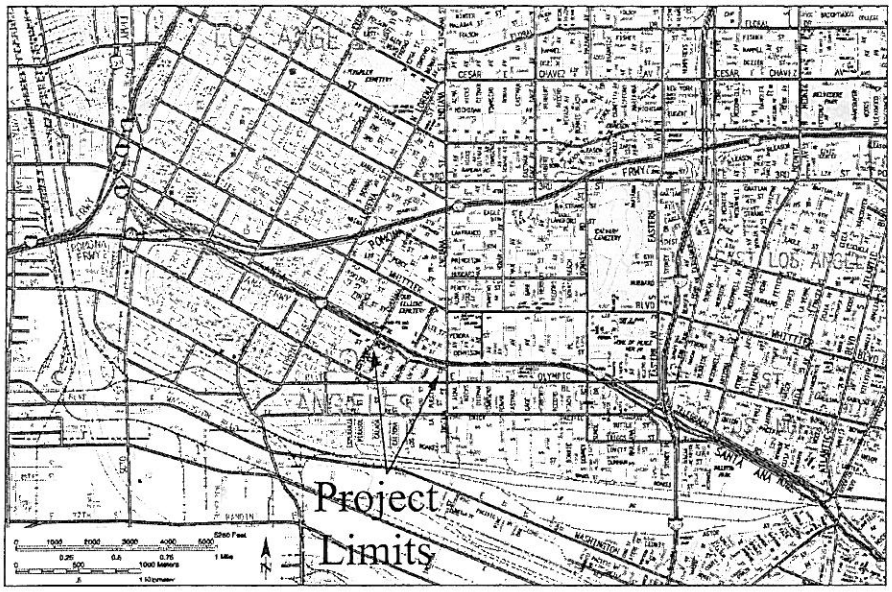
OPTION A: Approve this request as presented above for $2,638,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to deliver the project within the current allocation. The Department considered this option. However, there are no feasible options for reducing the scope of work on this project. While the project was still in design phase, the project was already down scoped to stay within the programmed amount. Further reduction to the scope of work to this project will result in not meeting the purpose and need of the programmed project.

RECOMMENDED OPTION

The Department recommends that this request for $2,638,000, as presented in Option A above, be approved to allow this project to be awarded.

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.(1) Supplemental Funds for Previously Voted Projects					**Resolution FA-04-01**
4 $280,000 Department of Transportation Los Angeles 07S-LA-5 15.2/15.3	In Los Angeles, north of Indiana Street to Esperanza Street; also at various locations on Routes 10, 60, and 101. Urban freeway off pavement access. Supplemental funds are needed to award the construction contract.	187501 2211 2003-04 302-0042 302-0890 20.20.201.230 SHOPP	$73,000 $782,000 $855,000	$32,000 $248,000 $280,000	$105,000 $1,030,000 $1,135,000



PROJECT DESCRIPTION

This project is located in Los Angeles County in the City of Los Angeles on Route 5 at Calzona Street and Route 101 at 4th Street Overcrossing. This project proposes to construct two Urban Freeway Off-Pavement Access. These off-pavement accesses will provide safe access for maintenance, construction, and survey personnel, and also will minimize the exposure of highway workers to traffic in urban areas.

FUNDING STATUS

The project was programmed in the 2002 SHOPP for $855,000 for construction in FY 2003-04. In April 2004, funds were allocated for the programmed amount. Bid results were opened in June 2004. An additional $280,000 is needed to award this contract to the low bidder. This request for supplemental funds results in an overall increase of 33% over the voted amount for this project.

REASON FOR INCREASE

The contract bids were opened on June 10, 2004. Fourteen bid packages were issued to prospective bidders, and three bids were received for this project. The low bid is 52% above the Engineer's Estimate. The Department considered rejecting all bids and re-advertising the project. This would result in delaying this project into the next construction season and does not guaranteed that lower bids would be received. The second and third-ranked bids are 3.8% and 22% above the low bid, respectively.

The Department has reviewed all three bids and feels that competition was adequate. The apparent low bidder has been contacted and is comfortable with extending his bid, pending approval from the Commission for the supplemental fund. According to the contractor, the recent spike in fuel prices along with the lack of supply and the high demand for steel and concrete have resulted in the high bid. Higher cost items included such things as, structure concrete, bar reinforcing steel, temporary railing, and traffic control. Although allowances were included in the Engineer's Estimate for consideration of some of these factors, the contractor's bid contained costs significantly higher than anticipated. Additional supplemental funds are needed in order to award this project.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for $280,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to deliver the project within the current allocation. The Department considered this option. Due to the relative small size of the project, there are no feasible options for 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 for $280,000, as presented in Option A above, be approved to allow this project to be awarded.

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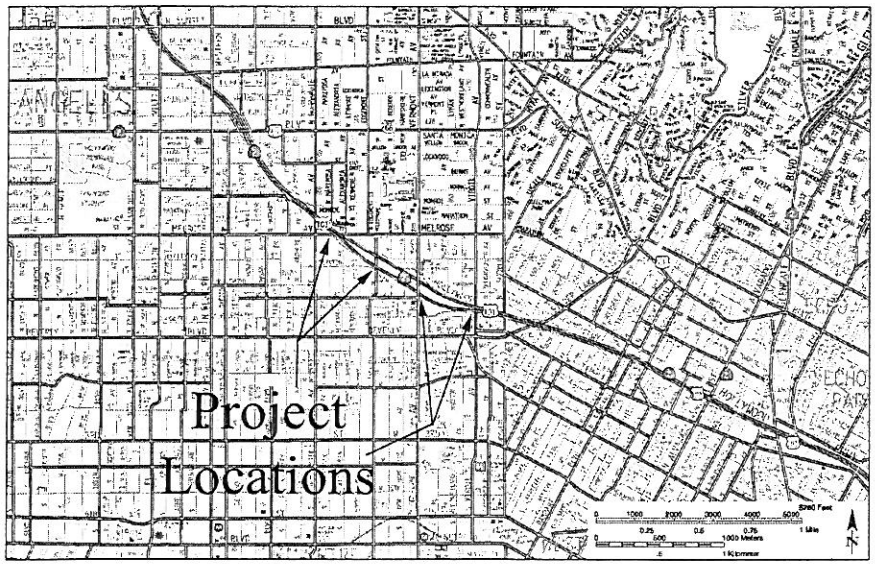
2.5e.(1) Supplemental Funds for Previously Voted Projects					**Resolution FA-04-01**
5 $357,000 Department of Transportation Los Angeles 07S-LA-101 4.0/4.4	In Los Angeles, from Virgil Avenue undercrossing to Vermont Avenue overcrossing and from Heliotrope Avenue undercrossing to Melrose Avenue undercrossing. Install median barrier.	4J9801 2003-04 302-0042 302-0890 20.20.201.010 SHOPP/Minor A	- $700,000	- $357,000	- $1,057,000
	Supplemental funds are needed to award the construction contract.		$700,000	$357,000	$1,057,000



PROJECT DESCRIPTION

This safety project is located in Los Angeles County in the City of Los Angeles on Route 101. This project proposes to install concrete median barriers at two different sections of Hollywood Freeway. A total of 10 collisions have occurred at these locations for a three-year period from July 1, 1999 through June 30, 2002. In order to prevent cross median accidents, the open gaps within the project limits on northbound Route 101 will be closed off by the installation of a permanent concrete median barrier.

FUNDING STATUS

This project is funded under the 2002 SHOPP for construction in FY 2003-04. The project was allocated in April 2004 for $700,000. Bid results were opened in June 2004. An additional $357,000 is needed to award this contract to the low bidder. This request for supplemental funds results in an overall increase of 51% over the voted amount for this project.

REASON FOR INCREASE

The contract bids were opened on June 17, 2004. Six bid packages were issued to prospective bidders, and three bids were received for this project. The low bid is 64% above the Engineer's Estimate. The Department considered rejecting all bids and re-advertising the project. This would result in delaying this project into the next construction season and does not guaranteed that lower bids would be received. The second and third-ranked bids are 1% and 48% above the low bid, respectively.

The Department has reviewed all three bids and feels that competition was adequate. The apparent low bidder has been contacted and is comfortable with extending his bid, pending approval from the Commission for the supplemental funds. According to the contractor, the recent spike in fuel prices along with the lack of supply and the high demand for steel and concrete have resulted in the high bid. Additionally, since this project is located in a busy section of the Hollywood Freeway (Route 101) (with an Average Daily Traffic (ADT) of approximately 250,000 vehicles), the contractor felt that the project's limited work windows, the confined space between the new median barrier and the edge of traveled way, poses some inherent risks to the production rate, thus increased his bid on the contract. Although allowances were included in the Engineer's Estimate for consideration of some of these factors, the contractor's bid contained costs significantly higher than anticipated. Additional supplemental fund are needed in order to award this project.

FUNDING OPTIONS

OPTION A: Approve this request as presented above for $357,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to deliver the project within the current allocation. The Department considered this option and determined there is no feasible alternative for 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 for $357,000, as presented in Option A above, be approved to allow this project to be awarded.

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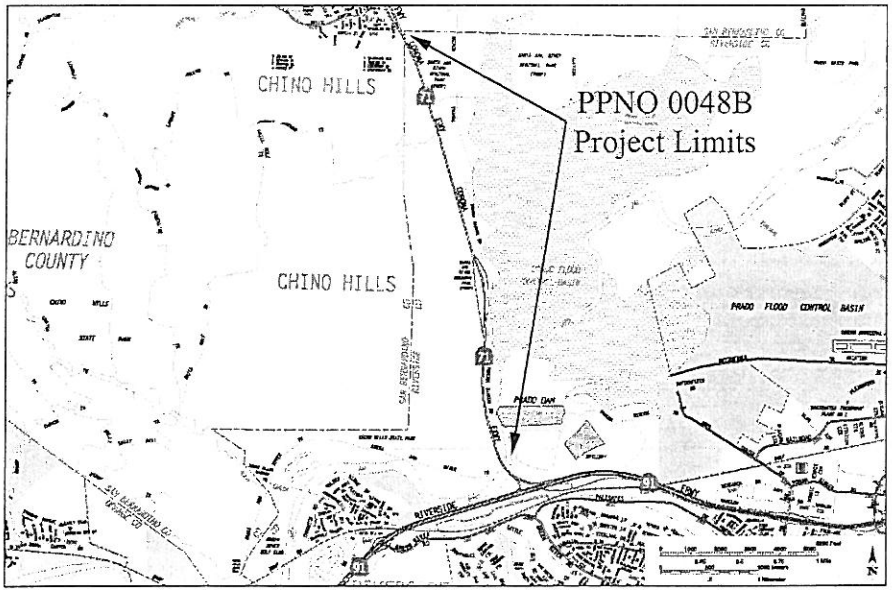
2.5e.(1) Supplemental Funds for Previously Voted Projects					**Resolution FA-04-01**
6 $120,000 Department of Transportation Riverside 08S-Riv-71 0.0/2.7	Near Chino, from San Bernardino County line to Santa Ana River Bridge. Widen 4-lane expressway. Supplemental funds are needed to complete the construction contract. (Funding contribution from other sources totaling $9,755,000.)	446511 0048B 2001-02 301-0042 301-0890 20.20.025.713 STIP 2002-03 302-0042 302-0890 20.20.025.713 STIP	$399,000 - - - $399,000	- - $120,000 - $120,000	$399,000 - $120,000 - $519,000



PROJECT DESCRIPTION

This project is located in Riverside County near Corona and Chino Hills from the San Bernardino and Riverside County line to Santa Ana River Bridge. The project consisted of constructing new lanes, animal crossings, new bridges and retaining walls.

BACKGROUND

In June 2002, the project was allocated $8,769,000 in Interregional Improvement Program (IIP) funds to widen Route 71 to a four-lane expressway. To utilize more federal than state money, in May 2003, the Department requested a financial allocation adjustment to replace $8,550,000 of the allocated IIP funds with the Federal Transportation Equity Act (TEA-21) Demonstration funds from

BACKGROUND (con't)
the Route 71/91 Connector Project (PPNO 0048W). The adjustment also included moving the $8,550,000 of allocated IIP funds to the Route 91 Green River Interchange Project (PPNO 0076B) in the FY 2004-05. The allocation adjustment was approved at the June 2003 Commission meeting. The remaining $219,000 of the IIP funds needed a six-month time extension to complete the funding swap and to allow time for awarding the contract. The Commission approved the Award of Contract Time Extension request at the June 2003 Meeting.

FUNDING STATUS
This STIP (State Transportation Improvement Program) project was allocated $219,000 for construction in FY 2002/2003. The project was awarded in January 2004 to Sema Construction Incorporated for $9,674,000. An additional Resolution #G-12 allocation totaling $180,000 and the local contribution of $275,000 were used in the award of the project. This request for $120,000 in additional IIP funds results in an overall cost increase of 11% over the programmed amount of the project.

REASON FOR INCREASE
During the construction of this project, it was discovered that the soil nails provided in the contract plan details were inconsistent with field conditions. Since the soil nails were already purchased by the contractor, to avoid further construction delays, the contractor was asked to place a new order for longer soil nails that would adequately secure the slopes. Additional funding will also be needed for Paleontology monitoring and curation during roadway excavation into the hillside in accordance with Statute 23 United States Code 305 (Archaeological and Paleontological Salvage).

Other project cost increases are due to compliance with the U.S. Fish and Wildlife Permit. The landscape and fencing modifications were completed in order to comply with the requirements. This permit also restricts any pile driving operation between March 15 and August 15. In order to complete the project in a timely manner and satisfy said permit requirements, the Department had to utilize temporary sound barriers at the pile driving locations.

FUNDING OPTIONS
OPTION A: Approve this request as presented above for $120,000 to allow the completion of the construction contract.

OPTION B: Deny this request and direct the Department to deliver the project within the allocated funds. The Department has considered this option. Omitting the required work may result in the withdrawal of the permits by the resource agencies and would result in the suspension of the construction work.

RECOMMENDED OPTION
The Department recommends that this request for $120,000, as presented in Option A above, be approved to complete the construction contract.