

Memorandum

TAB 82

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 26-27, 2011

Reference No.: 2.5e.(2)
Action Item

From: NORMA ORTEGA
Chief Financial Officer



Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT RESOLUTION FA-11-07**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$1,974,000 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:

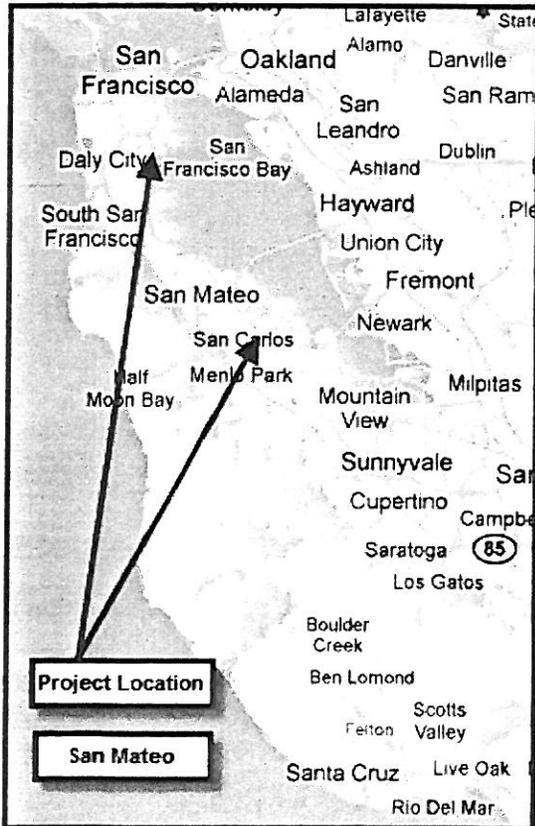
Resolved, that \$1,974,000 be allocated from the Budget Act of 2011, Budget Act Items 2660-302-0890 and 2660-302-0042 to provide additional funds to allow the following project to be awarded.

<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	04-SM-101	\$9,526,000	\$ 9,526,000	\$1,974,000	\$11,500,000	20.7%

Project #	Allocation Amount	Recipient	County	Dist-Co-Rte	Postmile	Location	Project Description	Reason for Supplemental Funds	PPNO Program Funding Year Item #	Fund Type	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
2.5e.(2) Supplemental Funds for Previously Voted Projects													
Resolution FA-11-07													
1	\$1,974,000	Department of Transportation	San Mateo	04-SM-101	7.5/25.9	Near Palo Alto, from Santa Clara County line to San Francisco County line.	Outcome/Output: Install ramp metering systems and CHP/Maintenance pullouts at 29 locations to improve freeway traffic performance.	Supplemental funds needed to award construction contract.	04-0618F SHOPP 2010-11 302-0890 FTF 20.20.201.315 0400000843 4 2A7904		\$9,526,000		\$9,526,000
						Total Revised Amount: \$11,500,000			SHOPP 2011-12 302-0042 SHA 302-0890 FTF 20.20.201.315		\$39,000	\$1,935,000	\$39,000 \$1,935,000

RECOMMENDATION:

The Department recommends that this request for \$1,974,000 be approved to allow this project to be awarded.



PROJECT DESCRIPTION:

This project is located in San Mateo County near Palo Alto, from Santa Clara County line to San Francisco County line. This project was programmed in the SHOPP as a traditional design-bid-build project. The Department proposed this project as a candidate for the Design-Build pilot program, which was approved at the February 2010 CTC meeting. This is the Department's first project to implement Best Value procurement and the Department's small value (less than \$20 million) design-build project in compliance with the Commission's Policy Guidance for the Design-Build Demonstration Program adopted in September 2009 (Resolution G-09-09). This procurement approach allows the Department to select and award the project to a design-build team based on several factors including qualifications of the design-build team, overall project cost, project delivery timing and impact to traveling public, quality of proposal and work, and proposed design alternatives.

This project is to construct, install and upgrade ramp metering equipment at 29 locations, in both the southbound and northbound direction on Route 101. The limits are from cities of South San Francisco to San Carlos. This project also includes onramp widening, High Occupancy Vehicle (HOV) preferential lanes, maintenance and California Highway Patrol enforcement areas, mainline loop installation and asphalt concrete repair within the project limits.

FUNDING STATUS:

The project was programmed in the 2010 SHOPP for \$9,526,000 for construction in Fiscal Year (FY) 2010-11 and was voted for \$9,526,000 in September 2010. Bids for this project were opened on August 1, 2011. Three bids were received. The amount needed to award the contract, based on the lowest bid amount, is \$11,500,000. The project was awarded based on the proposal offering the best value to the Department. 75 percent of the score was based on price and 25 percent was based on technical score which evaluated several factors including the number of closures proposed, the approach to quality management and the approach to safety. For this procurement, the best value was also the low bid.

This request for \$1,974,000 in supplemental funds results in an overall increase of 20.7 percent over the original vote amount. This 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 22 bid items. One item has a significant cost increase, Intelligent Transportation Systems (ITS).

BID ITEM	ENGINEER'S ESTIMATE	LOW BID	INCREASE
Intelligent Transportation Systems	\$3,800,000	\$6,454,000	\$2,654,000
Miscellaneous Adjustments			(680,000)
TOTAL INCREASE			\$ 1,974,000

The cost increase on the ITS item is primarily due to enhancements to the scope of electrical work issued through addendum during the advertisement period. These changes were a result of feedback received by the Department from bidders after their review of the Departments' 35 percent design and are essential to enhance the functionality of the proposed ITS improvements. Enhancements to the scope of work include new loop detectors, new electrical controller cabinets, and changes to message sign mounting.

An additional \$1,974,000 in supplemental funds is needed in order to award this project to the low bidder.

FUNDING OPTIONS:

OPTION A: Approve this request as presented above for \$1,974,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to down scope the project to remain within the allocated 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 \$1,974,000, as presented in Option A above, be approved to award the project to the low bidder.