State of California
DEPARTMENT OF TRANSPORTATION

Business, Transportation and Housing Agency

Memorandum

TAB 84

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 25, 2012

Reference No.: 2.1c.(2)/2.5e.(4)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

CTC
JAN 25 2012
CALIFORNIA
TRANSPORTATION COMMISSION

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT AND STATE ROUTE 99 PROJECT BASELINE AMENDMENT RESOLUTION R99-PA-1112-002, AMENDING RESOLUTION R99-PA-1011-001 RESOLUTION FA-11-15**

RECOMMENDATION:

The Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional $9,300,000 in Proposition 1B State Route (SR) 99 Corridor Bond Program funds, and update the project funding plan, for the Sutter 99 Segment 2 Project (PPNO 8361B) in Sutter County.

ISSUE:

The county of Sutter proposes to amend the SR 99 Baseline agreement for the Sutter 99 Segment 2 project (PPNO 8361B) to revise the amount for Right of Way (R/W) funded from SR 99 bond funds and adjust the project schedule for Design, R/W and Construction. Additionally, funds are needed to fund increases on this previously voted SR99 project in order to complete construction.

PROJECT DESCRIPTION:

The project is in Sutter County, near the city of Nicolaus, from .2 mile north of Power Line Road to 0.6 mile north of Sacramento Avenue. The project proposes to widen the highway to a four lane expressway with a continuous median left turn lane. The widening will require a new two lane bridge over the Feather River on the east side of the existing structure.

BACKGROUND:

This project was originally programmed in June 2007 with $62,000,000 of SR 99 Bond funds for construction and $7,000,000 for construction support. In January 2012 the project was allocated for $58,140,000 resulting in a forecast savings to the SR 99 Bond program. On July 2010 the project was awarded for $35,931,000 resulting in a real savings of $22,209,000 million (subsequently de-allocated) to the SR 99 Bond program.

The R/W capital for the project also ended up costing less than the $4,250,000 budgeted. The final cost for R/W was $1,230,000. The outcome was a savings that returns $3,020,000 to the SR 99 Bond program. The concurrent de-allocation, reference item 2.5g.(2b), captures these savings.

Taken together, the savings above from the initial budget programmed in 2007 for the same scope of work is $25,229,000 of SR 99 Bond program dollars.

The project, now in construction, needs an additional $9,300,000 construction funding to address problems discovered since construction began. Even with this cost increase the total project budget remains well below the original project baseline approved in 2007. These issues discovered during construction are summarized below.

REASONS FOR COST INCREASE:

Additional Pile Lengths: The construction contract includes building a parallel structure to the existing Feather River Bridge. The new bridge design includes 15 piers which consist of two - 90" diameter Cast-in-Steel-Shell (CISS) piles at each pier. Design of the CISS piling was based on site investigations including borings as well as a geotechnical design analysis. The contract required a pile load test to be performed at one of the piers to verify the capacity of the designed foundation. The pile load test completed in May 2011 indicated that the expected geotechnical capacity of the pile was not met. In order to meet the design requirements, the pile lengths for the piers were increased and now require a total of 1,250' of additional pile. This is an average increase of 42' per pile that had to be procured, fabricated, splice welded, and driven. The cost of the additional work is estimated to be **$3,500,000.**

Trestle: A portion of the bridge work was planned to be done in the river and requires a trestle to be built by the contractor in order to accommodate access for equipment and crews. Because of the increase in pile lengths, the pile work will be more difficult than originally anticipated and additional trestle area is needed. This will allow for more efficient movement of equipment, materials, and personnel while performing work in the river which is essential due to the limited construction window, from June 15th through October 15th. Furthermore, incorporating the additional pile work also impacts the construction schedule because it is now anticipated that the work will take an additional construction season to complete. Because permit requirements do not allow the trestle to be left in place during the winter, there is an additional expense to remove and replace the decking and stringer material from the trestle. This additional work is estimated to be **$1,000,000**.

Water Resources Control Board requirements: The project had a provisional permit from the Regional Water Resources Control Board when the project was awarded. The final permit upgraded the originally designated Risk level 2, to a Risk level 1 which results in more inspection and additional work by the Contractor. This additional work is estimated to be **$360,000**.

Hot Mix Asphalt: As part of the contract Special Provisions, the price of asphalt is tied to the California Oil Price Index (COPI). The COPI has continually risen since the bids opened, and current trends indicate future increases. Existing supplemental funds are insufficient to cover the recent cost increase. This additional cost is estimated to be **$240,000**.

Drainage and Construction Staging: Due to constructability and traffic issues, five drainage systems needed to be completely redesigned and construction staging revised. These changes will eliminate a major water hazard for motorists during winter. This work is estimated to be **$700,000.**

Contingency: With only a portion of the contract work being completed, all of the project contingencies have been exhausted. The amount of contingency to complete the remaining work is estimated to be **$2,000,000**.

Support Costs. The additional work detailed above will require another construction season; this was not anticipated during the original contract. The additional support cost is estimated at **$1,500,000.**

Total of additional Funds required is **$9,300,000**

SCHEDULE REVISIONS:

The additional work detailed above, has extended the contract completion date by approximately a year. The revised project schedule is illustrated below.

Project Milestone	Baseline	Proposed
End Environmental Phase	Mar. 2004	No Change
Begin Design Phase	Nov 2006	Mar. 2004
End Design Phase	Apr. 2009	June 2009
Begin Right of Way Phase	Dec. 2007	Mar. 2004
End Right of Way Phase	June 2009	Feb. 2010
Begin Construction Phase	Aug. 2010	July 2010
End Construction Phase	Apr. 2014	Dec. 2015
Begin Closeout Phase	Apr. 2014	Dec. 2015
End Closeout Phase	Apr. 2016	Dec. 2017

SR 99 BOND FUNDING HISTORY:

S's in 1000's									
Baseline	Mar-07	Allocation	Jan-10	Award Savings	Jun-10	R/W Savings	Jan-11 2.5g.(2b)	Construction Supplemental	Jan-11 2.5e.(4)
PS&E	$500	PS&E	$500	PS&E	$500	PS&E	$500	PS&E	$500
R/W-S	$750	R/W-S	$750	R/W-S	$750	R/W-S	$750	R/W-S	$750
R/W-CAP	$3,250	R/W-CAP	$3,250	R/W-CAP	$3,250	R/W-CAP	$230	R/W-CAP	$230
CON-S	$7,000	CON-S	$7,000	CON-S	$7,000	CON-S	$7,000	CON-S	$8,500
CON-CAP	$62,000	CON-CAP	$58,140	CON-CAP	$35,931	CON-CAP	$35,931	CON-CAP	$43,731
Total	**$73,500**	**Total**	**$69,640**	**Total**	**$47,431**	**Total**	**$44,411**	**Total**	**$53,711**

Design Phase (PS&E), Right of Way (R/W),Construction (CON), Capital (CAP), Support (S)

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for $9,300,000 to complete the construction contract. This action will reduce the project SR 99 Bond program savings from the original baseline programmed budget of $25,299,000 to $15,929,000.

OPTION B: Deny this request, terminate and re-advertise for the remaining work not completed in this contract.

RECOMMENDED OPTION:

The Department recommends that this request of $9,300,000, as presented in Option A above, be approved to allow the construction contract to be completed.

Dist-Co-Rte	Current Budget (All Funds)	Budget Adjustment	Revised Budget	% Increase Above Current Budget
03-Sut-99	$35,931,000	$7,800,000[1]	$43,731,000	22%

[1] $7,800,000 is Construction Capital only, $1,500,000 of Construction Support is also allocated.

Project # Allocation Amount Recipient RTPA/CTC Dist-Co-Rte Postmile	Project Title Location Project Description	PPNO Budget Year Fund Type Program Codes Project ID EA	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
2.5e.(4) Supplemental Funds for Previously Voted Projects					**Resolution FA-11-15**
1 $9,300,000 Department of Transportation SACOG Sutter 03N-Sut-99 11.0/14.3	Sutter 99 Segment 2. In Sutter County, from 0.2 mile north of Power Line Road to 0.6 mile north of Sacramento Avenue. Widen highway to a 4- lane expressway with a continuous 12 foot wide median left turn lane.	03-8361B 2009-10 004-6072 R99 20.20.722.000 SR 99	$7,000,000		$7,000,000
	Final Right of Way: (RIP); reported on 1/13/2010 (Concurrent de-allocation of R/W savings from SR 99 bond funding to be applied towards supplemental allocation for a net project increase of $6,280,000 in SR 99 bond funding (ref. 2.5g.(2b)).)	004-6072 R99 20.20.722.000 SR 99		$1,500,000	$1,500,000
	(Supplemental funds are needed to complete construction.) Total Revised Amount: $43,731,000 capital and $8,500,000 support.	2008-09 804-0890 RA 20.20.722.000 SR 99	$19,061,000		$19,061,000
	Outcome/Output: New miles of mixed flow lanes: 5.5. New structures: 1. Daily Peak Person Minutes saved: 85. (Future Consideration of Funding – Resolution E-04-17, August 2004.)	2009-10 304-6072 SR99 20.20.722.000 SR 99	$16,870,000		$16,870,000
	(January 2012 – Resolution R99-AA-1112-002 and FS-11-02 reflect the use of $19,061,000 of State ARRA Funds for R99 funds per AB 3x 20; amended Resolution R99-AA-1011-005 [September 2010]. Resolution R99-AA-1112-004 approved de-allocation of $3,020,000 in SR 99 R/W funds; amended Resolution R99-A-0708-002.)	2011-12 304-6072 SR99 20.20.722.000 SR 99 0300000206		$7,800,000	$7,800,000

RESOLUTION:

Resolved, that $1,500,000 from Budget Act Item 2660-004-6072 be allocated from the Budget Act of 2011, Budget Act Item 2660-004-6072, and that $7,800,000 be allocated from the Budget Act of 2011, Budget Act Item 2660-304-6072, to provide additional funds for the project as identified above, and that the Project Baseline Agreement be amended as shown in the table below.

REVISE:

Sutter 99 Segment 2 Project (PPNO 8361B)

County	District	PPNO	EA	Element	Const. Year	PM Back	PM Ahead	Route/Corridor
Sutter	3	8361B	1A432	CO	2006-07	11.0	14.3	99

Implementing Agency: (by component)	**PA&ED**		**PS&E**	Caltrans	
	R/W	Caltrans	**CON**	Caltrans	

RTPA/CTC:	Sacramento Area Council of Governments
Project Title:	Sutter 99 Segment 2
Location	In Sutter County, from 0.2 mile north of Power Line Road to 0.6 mile north of Sacramento Avenue.
Description:	Widen highway to a 4 lane expressway with a continuous 12 foot wide median left turn lane.

(DOLLARS IN THOUSANDS)

FUND	TOTAL	Project Totals by Fiscal Year						Project Totals by Component					
		Prior	10/11	11/12	12/13	13/14	14/15	R/W	CON	PA&ED	PS&E	R/W Supp	CON Supp
RIP													
Existing	1,000	1,000						1,000					
Change	0	0						0					
Proposed	1,000	1,000						1,000					
Proposition 1B State Route 99 Bond													
Existing	47,431	47,431		0				3,250	35,931		500	750	7,000
Change	6,280	(3,020)		9,300				(3,020)	7,800		0	0	1,500
Proposed	**53,711**	**44,411**		**9,300**				**230**	**43,731**		500	750	**8,500**
RSTP													
Existing	1,500	1,500									1,500		
Change	0	0									0		
Proposed	1,500	1,500									1,500		
Total													
Existing	49,931	49,931		0				4,250	35,931		2,000	750	7,000
Change	6,280	(3,020)		9,300				(3,020)	7,800		0	0	1,500
Proposed	**56,211**	**46,911**		**9,300**				**1,230**	**43,731**		2,000	750	**8,500**