

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

HIGHWAY FINANCIAL MATTERS
Allocations for Supplemental Funds
Resolution: FA-01-03

Prepared By:
Jim Nicholas
Chief
Division of Programming
(916) 654-4013

CTC Meeting: October 3-4, 2001
Agenda Item: 2.5e

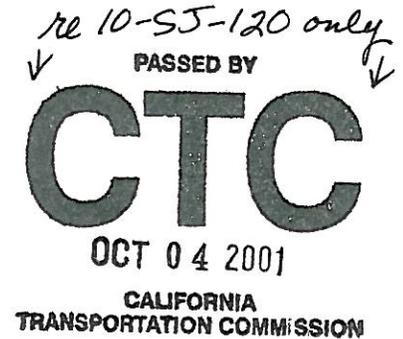


Mark Leja

MARK LEJA
Chief Financial Officer (Acting)
October 1, 2001

ALLOCATION FOR ADDITIONAL FUNDS
FOR PREVIOUSLY APPROVED PROJECTS

RESOLUTION FA-01-03



RECOMMENDATION

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

FINANCIAL RESOLUTION

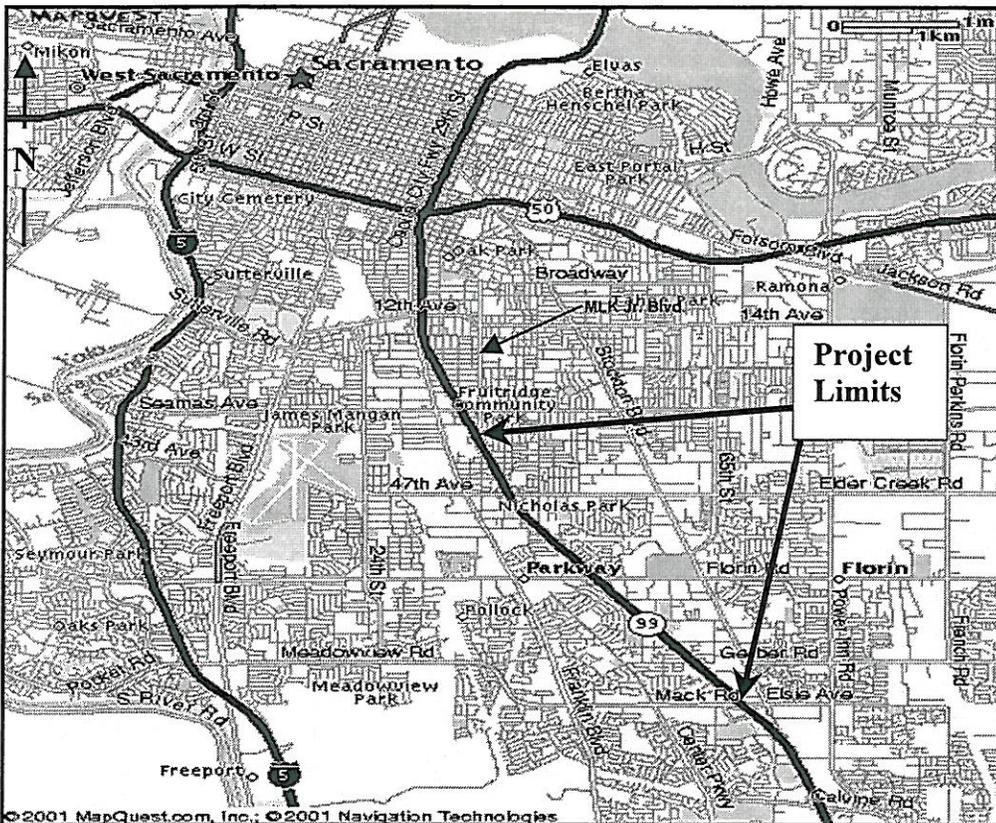
Resolved, that \$6,533,213 be allocated from Budget Act Item 2660-301-0042, Budget Acts of 1997, 2000 and 2001 to provide additional funds for the projects on the attached sheet.

SUMMARY AND CONCLUSIONS

This resolution allocates \$6,533,213 of additional State and Federal funds for 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 | 03-SAC-99 | \$10,800,000 | \$10,620,000 | \$10,620,000 | \$2,900,000 | \$13,520,000 | 27%A |
| 2 | 03-SAC-51 | \$888,000 | ----- | \$888,000 | \$358,000 | \$1,246,000 | 40%V |
| 3 | 04-ALA-13,580 | \$293,000 | ----- | \$293,000 | \$253,000 | \$546,000 | 86%V |
| 4 | 10-SJ-120 | \$1,500,000 | \$1,500,000 | \$1,850,000 | \$1,900,000 | \$3,750,000 | 150%V |
| 5 | 12-ORA-5,91 | \$3,300,000 | \$3,197,000 | \$3,716,700 | \$426,683 | \$4,143,383 | 30%A |
| 6 | 12-ORA-57 | \$3,460,000 | \$3,598,000 | \$4,006,000 | \$695,530 | \$4,701,530 | 36%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 |
|--|---|--|---|--|---|
| 1 \$2,900,000 Department of Transportation Sacramento 03N-Sac-99 17.7/21.7 | In Sacramento County on Route 99, in Sacramento, from just south of Mack Road to Martin Luther King Junior Boulevard Overcrossing. Roadway rehabilitation. Supplemental funds are needed for ongoing project. | 0A7811 6889A 2000/01 301-0042 301-0890 20.20.201.120 SHOPP | \$1,220,000 \$9,400,000 \$10,620,000 | \$333,000 \$2,567,000 \$2,900,000 | \$1,553,000 \$11,967,000 \$13,520,000 |



PROJECT DESCRIPTION AND LOCATION

The project is in Sacramento County on Route 99, in Sacramento, from just south of Mack Road to Martin Luther King Junior Boulevard Overcrossing. The project rehabilitates the mainline and various ramps.

FUNDING STATUS

This project was programmed in the 2000 SHOPP for \$10,800,000 for construction in the 2000/01 Fiscal Year. The project was voted in July 2000 for the vote amount and awarded for \$10,620,000 in October 2000. This request of \$2,900,000 represents a total increase of 27% over the award amount for this contract.

BACKGROUND

The project was initiated in response to advanced deterioration of freeway and ramp pavement sections. The project cracks, seals and overlays existing Portland Cement Concrete (PCC) pavement sections on the mainline with asphalt concrete (AC) pavement and overlays various ramps with AC pavement. Operational and safety upgrades for ramps at the Mack Road, Florin Road, 47th Avenue, and Martin Luther King Junior Boulevard interchanges are also included in the project. This section of Route 99 links the Elk Grove area and southern Sacramento County with the City of Sacramento and is a heavily traveled commuter and truck route.

REASON FOR INCREASE

Traffic volumes along this section of Route 99 have increased dramatically in recent years due to rapid growth along the corridor, especially in the communities in and near Elk Grove. As a result of the increased number of vehicles utilizing this route and the traffic delays associated with construction, revisions to the contract have been made to mitigate traffic delays. These revisions have impacted critical operations by shortening the hours that the work can be performed at night from nine hours to seven hours and have delayed the completion of the project from October 2001 to August 2002 because the final rubberized AC riding surface cannot be placed at temperatures below 60 degrees. An additional \$1,620,000 is needed to modify the traffic plan for the project.

The original strategy was to overlay the existing PCC pavement at seven locations on the mainline with gaps in the overlay at structure overcrossings to maintain vertical clearance for trucks and other high loads. To provide smoother transitions between the AC overlay sections, the existing PCC pavement under the overcrossings will be removed and replaced with AC pavement. An additional \$1,280,000 is needed to replace the sections.

FUNDING OPTIONS

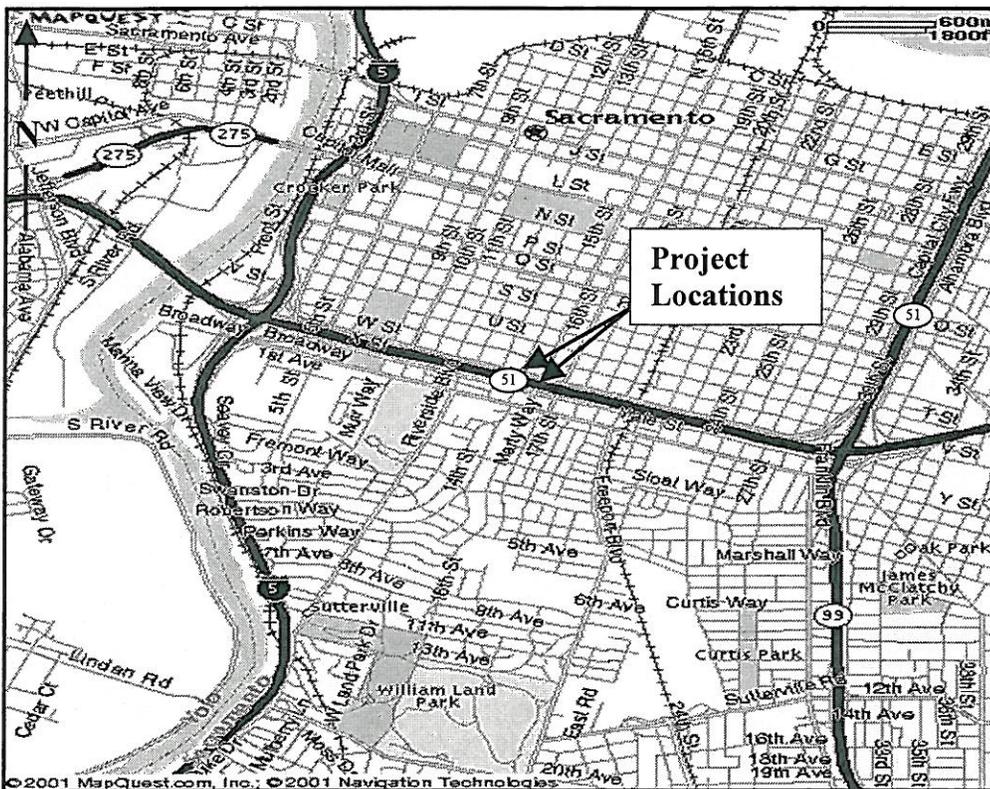
OPTION A: Approve the Department's request for \$2,900,000 to allow the project to be completed.

OPTION B: Deny this request and direct the Department to deliver the project within the current allocation. The Department considered this option. The pavement is already in an advanced state of deterioration and requires rehabilitation. Not allowing this request would force the Department to eliminate a portion of the pavement rehabilitation work that is needed or force continued traffic delays along the mainline during construction of the work.

RECOMMENDED OPTION

The Department recommends OPTION A, as presented above for \$2,900,000, to allow this project to be completed.

| 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 \$358,000 Department of Transportation Sacramento 03N-Sac-51 0.6/1.6 | In Sacramento County on Route 51, in Sacramento, at 15 th Street and 16 th Street between W Street and X Street. Slope and pedestrian paving, fencing, and landscaping Supplemental funds are needed to award project. | 0C2201 6203 2000/01 301-0042 301-0890 20.20.204.735 SHOPP (TEA) | \$103,000 \$785,000 \$888,000 | \$41,000 \$317,000 \$358,000 | \$144,000 \$1,102,000 \$1,246,000 |



PROJECT DESCRIPTION AND LOCATION

The project is in Sacramento County on Route 51, in Sacramento, at 15th Street and 16th Street between W Street and X Street. The project installs historic-type streetlights and various landscape features and ornaments.

FUNDING STATUS

The project was programmed in the 2000 SHOPP with Transportation Enhancement Act (TEA) funds for \$888,000 for construction in the 2000/01 Fiscal Year. The project was voted in June 2001 for the programmed amount. This request of \$358,000 represents a total increase of 40% over the vote amount for this contract. The cost increase will be funded from SHOPP TEA savings.

BACKGROUND

To promote pedestrian traffic in the Broadway area of Sacramento, a neighborhood coalition requested upgrades to two streets that are spanned by Route 51. The two streets, 15th Street and 16th Street, connect the north side of the neighborhood that is primarily a residential district, with the south side that is primarily a business district. The Broadway Partnership Group asked that aesthetic features such as plants, monuments, tiling and painting of concrete surfaces as well as the installation of historic streetlights per City of Sacramento standards be included in the project.

REASON FOR INCREASE

The project bids were opened in July 2001 with the lowest bid being \$358,000 over the Engineer's Estimate. There were three bidders and the difference between the two lowest bids is approximately \$28,000. After conferring with the bidders, it was determined that the cost increase could be attributed to some of the contract items being custom built and labor intensive (e.g. tiling, historic lighting, monuments). An additional \$358,000 is needed to award the project.

FUNDING OPTIONS

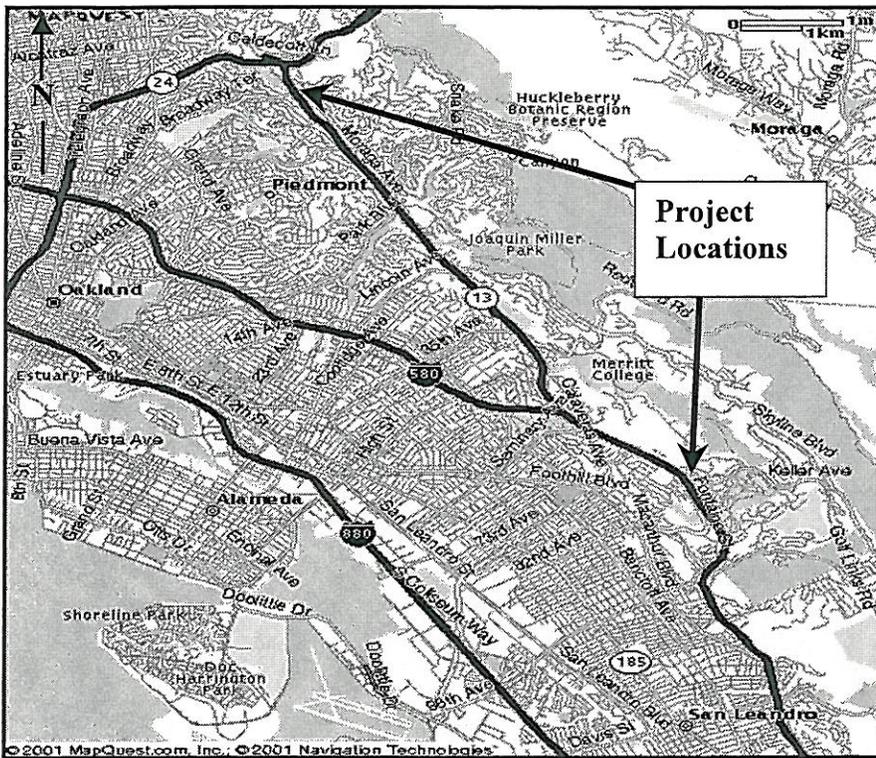
OPTION A: Approve the Department's request for \$358,000 to award the project.

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 bids indicate that re-advertising the project will not produce bids lower than the current amount.

RECOMMENDED OPTION

The Department of Transportation recommends OPTION A, as presented above for \$358,000, 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 # Prgr Codes Program | State Federal Current Budget Amount | State Federal Additional Allocation | State Federal Revised Total Amount |
|---|--|--|---|--|---|
| 3 \$253,000 Department of Transportation Alameda 04N-Ala-13,580 8.7/R9.6,37.8 | In Oakland, on Route 13 at Broadway Terrace Boulevard southbound on-ramp, and on Route 580 at Keller Avenue eastbound off-ramp. Construct retaining wall, drainage and slope improvement. Supplemental funds are needed to award project. | 0S8701 Minor 2001/02 301-0042 301-0890 20.20.201.130 SHOPP | \$24,700 \$268,300 \$293,000 | \$29,000 \$224,000 \$253,000 | \$53,700 \$492,300 \$546,000 |



PROJECT DESCRIPTION AND LOCATION

The project is on Route 13 and Route 580 in Alameda County, in Oakland, at Broadway Terrace Boulevard Undercrossing and Keller Avenue Overcrossing. The project repairs existing slopes.

FUNDING STATUS

The project was programmed in the 2000 SHOPP Minor Program for \$293,000 for construction in the 2001/02 Fiscal Year. The project was voted in May 2001 for the programmed amount. This request of \$253,000 represents a total increase of 86% over the vote amount for this contract.

BACKGROUND

The project will stabilize an embankment above Broadway Terrace Boulevard southbound on-ramp on Route 13 and stabilize an embankment adjacent to the Keller Avenue eastbound off-ramp on Route 580. The stabilization includes construction of a retaining wall and installation of drainage facilities for each embankment. Each repair is necessary to avoid potential slide failures during the winter rainy season.

REASON FOR INCREASE

The contract bids were opened in August 2001 and the lowest bid was significantly higher than the Engineer's Estimate. There were three bidders with the lowest bid being approximately \$253,000 over the Engineer's Estimate. After reviewing the contract bids, most of the increase can be attributed to the Roadway Excavation item. Interviews with the bidders indicate that the cost of excavation reflects the high cost of storing the material off site for eventual reuse at the site. In addition, the bidders indicated that they will have higher costs because the work will be performed in a limited access area with a small workplace and that some of the work will be performed at night. An additional \$253,000 is needed to award the project.

FUNDING OPTIONS

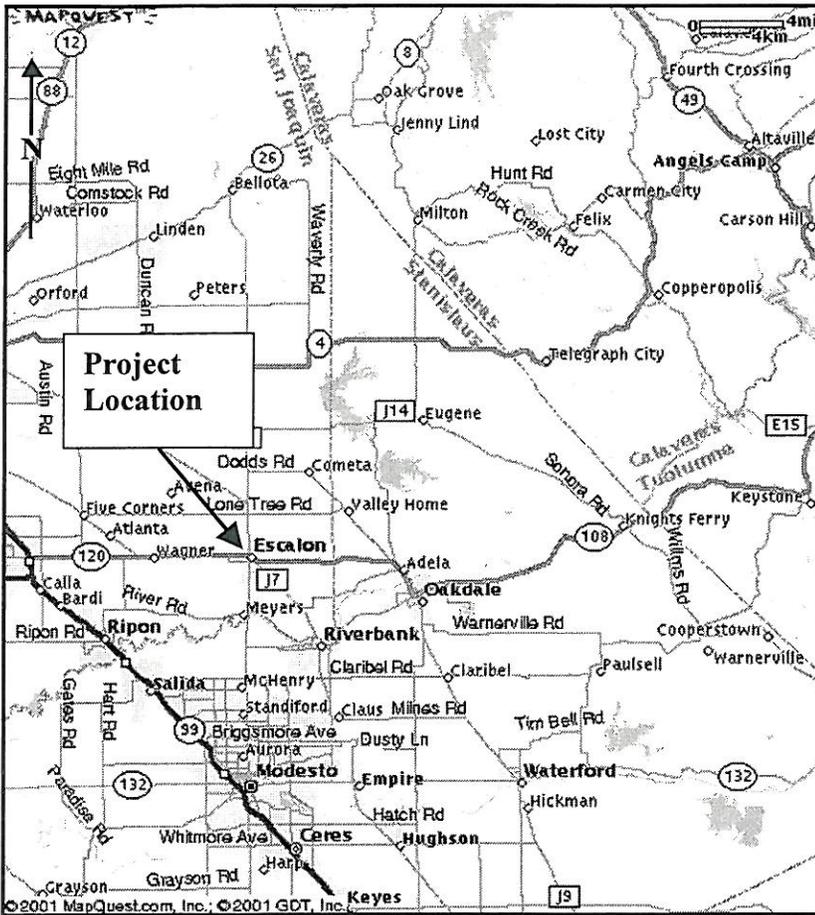
OPTION A: Approve the Department's request for \$253,000 to award the project.

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 bids indicate that re-advertising the project will not produce bids lower than the current amount.

RECOMMENDED OPTION

The Department of Transportation recommends OPTION A, as presented above for \$253,000, 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 |
|---|---|---|---|--|--|
| 4 \$1,900,000 Department of Transportation San Joaquin 10N-SJ-120 16.7/17.2 | In San Joaquin County, in Escalon, on Route 120 from the Santa Fe Railroad crossing to San Joaquin Street. Widen roadway and install signals at two intersections. Supplemental funds are needed for on- going project. | 455901 7819 1997/98 301-0042 301-0890 20.20.201.310 SHOPP | \$1,850,000 \$1,850,000 | \$1,900,000 \$1,900,000 | \$3,750,000 \$3,750,000 |



PROJECT DESCRIPTION AND LOCATION

The project is in San Joaquin County, in Escalon, on Route 120 from the Santa Fe Railroad crossing to San Joaquin Street. The project realigned and reconstructed Route 120, widened McHenry Avenue and Escalon-Belota Road, and installed signals at two intersections.

FUNDING STATUS

The project was programmed in the 1996 SHOPP Midcycle Revision for \$1,520,000 for construction in the 1999/00 Fiscal Year. The project also had a contribution of \$6,063,362 from the City of Escalon. The Department's share of the project was voted for \$1,500,000 in May 1998. In June 1998, a Resolution G-12 allocation of \$350,000 was made to award the project for \$1,850,000. This request of

\$1,900,000, along with the previous Resolution G-12 request, represents a total increase of 150% over the vote amount for this contract.

BACKGROUND

The project realigned and widened Route 120, McHenry Avenue and Escalon-Belota Road, installed new traffic signals, constructed new drainage systems, signalized railroad crossings, landscaped existing facilities, and constructed a new stormwater pump station. As part of a cooperative agreement with the City of Escalon, the Department provided personnel for construction contract administration, materials testing, and surveying for the project.

REASON FOR INCREASE

In April 2001 the Department compiled a claim report identifying 27 different claims submitted by the Contractor. The City of Escalon, the Department, and the Contractor agreed to resolve the outstanding claims through the use of a mediator in August 2001. In September 2001 a global settlement agreement, with concessions and/or contributions by all parties, was reached to avoid potentially extensive litigation. The Department has agreed to a lump sum payment of \$1.9 million as its contribution to the global settlement that settles all outstanding claims and limits the Department's future liability. The claims included, but were not limited to, extra work billing disputes, utility conflicts, survey delays and plan quantity adjustments. As part of the agreement, the Contractor will make disputed repairs to installed drainage systems that had pipe, backfill, and settlement problems.

FUNDING OPTIONS

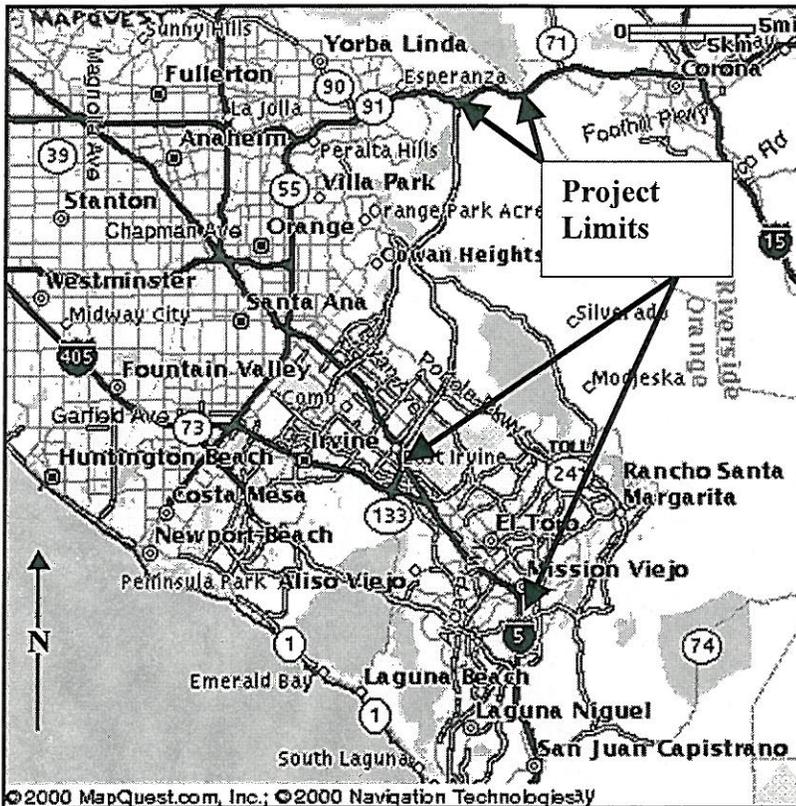
OPTION A: Approve the Department's request for \$1,900,000 to allow the Department to comply with the mediation agreement.

OPTION B: Deny this request in which case the parties would need to pursue legal actions to recover any costs for which they may be entitled. Delaying payment may cause additional interest to accrue and increase the final costs.

RECOMMENDED OPTION

The Department recommends OPTION A, as presented above for \$1,900,000, to allow the Department to comply with the settlement agreement.

| 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 |
|---|---|---|---|--|---|
| 5 \$426,683 Department of Transportation Orange 12S-Ora-5 12.9/23.1 | In Orange County at various locations along Route 5 and Route 91. Contractor filed bankruptcy. Supplemental funds are needed for on- going project. (\$2,109,383 in CON expended under EA 068504; remaining project balance of \$1,607,317 transferred to this project.) | OC7101 3407 2001/02 301-0042 301-0890 20.20.201.310 SHOPP | \$3,716,700 | \$426,683 | \$4,143,383 |
| | | | \$3,716,700 | \$426,683 | \$4,143,383 |



PROJECT DESCRIPTION AND LOCATION

The project is in Orange County at various locations along Route 5, from just north of the Route 5/73 interchange to the Route 5/133 interchange, and on Route 91 from the Route 55/91 interchange to the Riverside County Line. The project installs closed circuit television (CCTV) cameras and a fiber optics communication system (FOCS).

FUNDING STATUS

The project work was originally programmed with Traffic System Management (TSM) funds for \$3,300,000 for construction in the 1996/97 Fiscal Year. The project was voted for the programmed amount in June 1997 and awarded for \$3,197,000 in October 1997. In August 2000 the Contractor went bankrupt and the project was terminated. A remaining balance of \$1,607,317, including \$519,700 allocated with Resolution G-12 authority, was transferred from the terminated project to this project. The Department estimates that an additional \$426,683 will be needed to complete the project using a

new contractor. This request of \$426,683, in addition to the previous Resolution G-12 allocation on the terminated project, represents a total increase of 30% over the award amount of the terminated project.

BACKGROUND

The original project was awarded under another project expenditure authorization and construction began in March 1998. The Contractor was to install fiber optic conduits on Route 5 and Route 91 at various locations. In August 2000 this project and a similar project on Route 57 (See Project #6 of this Book Item) were terminated after the Contractor declared bankruptcy.

REASON FOR INCREASE

The bonding company of the bankrupt Contractor will only reimburse the Department after the work on this project is completed. At that time, the bonding company will reimburse the Department the amount of the project in excess of the original project, including the Resolution G-12 allocation of \$519,700, this request of \$426,683 and any future Commission allocations that might be necessary to complete the project. An additional \$426,683 is needed for the Department to rebid the work necessary to complete the project. The increase to complete the remaining work can be attributed to the increased price of fiber optic cables and equipment since the project was originally allocated and for repairs to damaged pull boxes, eroded conduit, and broken foundations.

FUNDING OPTIONS

OPTION A: Approve the Department's request for \$426,683 to allow the remaining project work to be completed.

OPTION B: Deny this request in which case the project cannot be completed. The Department considered this option. The project work needs to be completed so that real time traffic information can be relayed to the Traffic Management Center.

RECOMMENDED OPTION

The Department of Transportation recommends OPTION A, as presented above for \$426,683, to allow the Department to solicit bids from contractors to complete this project.

| 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 |
|--|---|---|---|--|---|
| 6 \$695,530 Department of Transportation Orange 12S-Ora-57 10.8/22.5 | In Orange County, in Orange, Placentia, Brea and Fullerton, between Route 5 and the Los Angeles County Line. Contractor filed bankruptcy. Supplemental funds are needed for on- going project. (\$2,121,530 in CON expended under EA 0769U4; remaining project balance of \$1,884,470 transferred to this project). | OC7201 1973 2001/02 301-0042 301-0890 20.20.201.310 SHOPP | \$4,006,000 | \$695,530 | \$4,701,530 |
| | | | \$4,006,000 | \$695,530 | \$4,701,530 |



PROJECT DESCRIPTION AND LOCATION

The project is on Route 57 in Orange County, in the cities of Orange, Placentia, Brea and Fullerton, between Route 5 and the Los Angeles County Line. The project installs closed circuit television (CCTV) cameras, a fiber optics communication system (FOCS) and traffic operations surveillance stations (TOSS).

FUNDING STATUS

The original project work was programmed with Traffic System Management (TSM) funds for \$3,460,000 for construction in the 1997/98 Fiscal Year. The project was voted for the programmed amount in June 1998. In September 1998 a Resolution G-12 authority allocation was made for \$138,000 to award the project for \$3,598,000. In August 2000 the Contractor went bankrupt and the project was terminated. A remaining balance of \$1,476,470, including \$408,000 allocated with Resolution G-12

authority, was transferred from the terminated project to this project. The Department estimates that an additional \$695,530 will be needed to complete the project using a new contractor. This request of \$695,530, in addition to previous Resolution G-12 allocations on the terminated project, represents a total increase of 36% over the vote amount of the terminated project.

BACKGROUND

The original project was awarded under another project expenditure authorization and construction began in November 1998. The Contractor was to install fiber optic conduits on northbound Route 57. In August 2000 this project and a similar project on Route 5 (See Project #5 of this Book Item) were terminated when the Contractor declared bankruptcy.

REASON FOR INCREASE

The bonding company of the bankrupt Contractor will only reimburse the Department after the work on this project is completed. At that time, the bonding company will reimburse the Department the amount of the project in excess of the original project, including the Resolution G-12 allocation of \$408,700, this request of \$695,530, and any future Commission allocations that might be necessary to complete the project. An additional \$695,530 is needed for the Department to rebid the work necessary to complete the project. The increase to complete the remaining work can be attributed to the increased price of fiber optic cables and equipment since the project was originally allocated and for repairs to damaged pull boxes, eroded conduit, and broken foundations.

FUNDING OPTIONS

OPTION A: Approve the Department's request for \$695,530 to allow the remaining project work to be completed.

OPTION B: Deny this request in which case the project cannot be completed. The Department considered this option. The project work needs to be completed so that real time traffic information can be relayed to the Traffic Management Center.

RECOMMENDED OPTION

The Department of Transportation recommends OPTION A, as presented above for \$695,530, to allow the Department to solicit bids from contractors to complete this project.