

# M e m o r a n d u m      T A B 6 8

**To:** CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

**CTC Meeting:** May 16-17, 2018

**Reference No.:** 2.5e.(2) –***REPLACEMENT ITEM***  
Action Item

**From:** STEVEN KECK  
Chief Financial Officer

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**Subject:** **SUPPLEMENTAL FUNDS ALLOCATION FOR PREVIOUSLY VOTED PROJECT (PPNO 07-4775) RESOLUTION FP-17-20**

**ISSUE**

Should the California Transportation Commission (Commission) approve the California Department of Transportation (Department) request for an additional \$1,018,000 for the State Highway Operation Protection Program (SHOPP) Pavement Rehabilitation project (PPNO 4775) on Interstate 5 (I-5), in Los Angeles County, to award the contract?

**RECOMMENDATION**

The Department recommends that the Commission allocate \$1,018,000 for the previously approved SHOPP Pavement Rehabilitation project (PPNO 4775) on I-5, in Los Angeles County, to award the construction contract.

Component	Programmed Amount	Initial Commission Allocation	Total Allotment	Supplemental Allocation Request	Revised Commission Allocation	% Request Over Initial Commission Allocation
Capital	\$2,100,000	\$2,510,000	\$2,510,000	\$1,018,000	\$3,528,000	40.6%
Support*	\$ 900,000	\$1,070,000	\$1,070,000	\$0	\$1,070,000	0%
*Construction		Total Supplemental Request		\$1,018,000		

**PROJECT LOCATION, DESCRIPTION, AND CONTRACT STATUS:**

This project is located in Los Angeles County, on I-5 in the City of Los Angeles, 0.1 mile south of the North Broadway Overcrossing, and 0.1 mile north of Pasadena Avenue Overcrossing. The project will complete the work not included from a previous pavement rehabilitation project under EA 07-29560. The reason that this work was excluded from the main rehabilitation project was the complicated scope was going to delay the pavement rehabilitation of I-5. This project will upgrade both the Broadway and Pasadena Avenue Overcrossings (OCs) by constructing sidewalks, bridge barriers, and eight curb ramps to comply with ADA standards. These two bridges were built in the 1960's and are currently deficient for ADA standards. The existing light poles are located in the middle of the bridge sidewalks obstructing paths for individuals in wheelchairs. In addition, the traffic signal crossing devices do not meet ADA standards. The project work includes removal of the existing light poles and placing them on modified concrete pedestals located on the bridge barriers to provide the ADA required unobstructed path. The current sidewalks for the entire length of both OCs will be replaced with new bridge sidewalk/barrier combination designed to not only accommodate the light poles pedestals and the ADA curb ramps, but provide the necessary overhang strength to support the barriers. Traffic signals and lighting will be replaced to include ADA accessible pedestrian crossing devices. The work included in this project will be to complete the most complex work that was excluded from the previously completed parent project. Finally, the modified barriers will accommodate standard fencing missing from these OCs to protect the traveling public down on I-5 from debris.

Bids for the project have been opened, they were all higher than the Engineer's Estimate (EE). A supplemental fund allocation is requested, if approved, the contract could be awarded, and construction could begin in October, 2018 with construction contract duration of 180 Working Days and Construction Contract Acceptance date of December 20, 2019.

**FUNDING STATUS:**

This project is funded with SHOPP, Pavement Rehabilitation Program. It was originally programmed for \$2,100,000 in construction capital, and received an approved allocation of \$2,510,000 at the August 2017 Commission meeting. Since all bids were higher than the allocated project funds, the Department needed additional time to analyze all bids and evaluate project delivery options. The Department was not able to award the contract within six months of allocation. An award time extension for this project was granted at the March 2018 CTC meeting for an additional 6 months.

The Department evaluated all bids and determined that the lowest bidder did not meet, or make a good faith effort to meet the Disadvantaged Business Enterprise (DBE) goal.

To award this project contract to the second lowest bidder, the Department is requesting a Supplemental fund Allocation of \$1,018,000 Construction Capital funds.

**REASON FOR CAPITAL COST INCREASE:**

The Engineer's Estimate for this project was completed using the statewide contract cost database to determine expected unit prices for the contract bid items. The lump sum traffic control, traffic signals and electrical items were also estimated using tools that analyze historical data for similar projects to determine the unit prices for individual items of work.

The EE for this project was certified on June 29, 2017, and was the basis to determine the fund allocation requested at the August 2017 Commission meeting. On July 2017, shortly after submitting the funds request for the August Commission meeting, the Department modified statewide ADA standards and specifications that were required for projects that have yet to be advertised. As this project's allocation time extension deadline would expire at the August 2017 meeting, the Department decided to proceed with the allocation with the hope that the design plans and specifications could be modified and awarded within the 6-month time period required by Commission guidelines.

The ADA revisions took longer than anticipated. Workload was a factor as there were many projects in the Southern California region that were mandated to undergo this revision. Unfortunately, this resulted in a delay of the project advertisement to January 2018. The resulting delay caused the estimate to age eight months in an environment where construction market prices have been increasing and the availability of contractors for bidding have been decreasing because of all the work being generated as a result of Senate Bill 1 and Measure M, a local ½ cent sales tax for transportation. Bids were opened on February 27, 2018.

Three bids were received and evaluated by the Department, the lowest bidder was disqualified because they did not meet Disadvantage Business Enterprise (DBE) goals. The second and third lowest bidders were 39 percent and 42 percent over the EE, respectively.

The Department reached out to the two lowest bidders to request justification for the bid items that were most significantly different from the EE. In addition, the Department's project design team, electrical engineers, as well as the construction engineers analyzed the bids. After the review, it was concluded that the most significant differential was for items related to the relocation of light poles, replacement of existing non-standard sidewalk metal railings to accommodate ADA geometric requirements, and additional traffic control measures to facilitate curb ramp construction.

The EE was based on data from larger projects that had ramp meters as part of larger scope of work intended for mainline rehabilitation. While similar in nature to this project in that there is complex electrical work, these projects had higher production rates and lower overhead (mobilization, etc.) than this project, which is a smaller standalone project. However, because of the delay in advertisement, the unit pricing used to develop the EE was over eight months old, and considered out dated in a fast changing construction market. After the Commission fund allocation, the opportunity to update the funding was no longer an option. The Commission Interim SHOPP guidelines require that once a project sponsor receives an allocation, the sponsor must deliver the project within the allocation or request supplemental funding at the time of award.

Finally, in analyzing the EE with comments from the bidders, it was discovered that the traffic control item was significantly underestimated given the location of the project.

After evaluating the bids and bidders, and prior to requesting this additional funding, the Department considered rejecting all bids and re-advertising the project. Because there appeared to be sufficient bidding competition with the bids being very similar, the fact that the bids did not show any evidence of mathematical or material unbalancing, and the age of the EE, the Department believes that re-advertisement without re-scoping will not result in significantly lower bids. Given that the estimate is outdated, and the understanding that the overall construction commodity prices are increasing, the Department feels that it would be in the State's best interest to allocate additional funds for this ADA upgrade project to award the contract to the second bidder.

### **CONSEQUENCES:**

The Department has determined that additional funds are needed to award the construction contract and the additional funds requested are in the best interest of the state.

The Department has exercised all feasible measures to minimize costs including reducing scope and minimizing the project limits. Unfortunately, this option is not feasible since all the work related to the upgrading of the bridge curb ramps/sidewalks and associated electrical work is needed to meet ADA requirements. Current conditions on the bridges are deficient for ADA width on the sidewalks because of the obstacles created by the existing light poles. In addition, the two OCs serve an urban residential community where schools are located providing a pedestrian thoroughfare for school age children and the community.

If this request for an additional \$1,018,000 in Construction Capital is not approved, the Department will not be able to award this construction contract. Section 504 of the Rehabilitation Act of 1973 (Section 504) and Title II of the ADA of 1990 require the Department to make its right-of-way accessible for persons with disabilities. The consequences of not completing this project would result in the Department's non-compliance status on the ADA project requirements for the Broadway and Pasadena Avenue Overcrossings.

### **RESOLUTION:**

Resolved, that \$1,018,000 be allocated from the Budget Act of 2017, Budget Act Item 2660-302-0890 to provide funds to award the construction contract for the SHOPP project to construct the pavement rehabilitation, and American with Disability Act (ADA) curb ramps on I-5, in Los Angeles County.

Attachment