

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 14-15, 2019

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(2), Action Item

Prepared By: Dan McElhinney,
District 10 – Director

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR PREVIOUSLY VOTED PROJECT
(PPNO 3137/EA 0Y800 – TUOLUMNE COUNTY – STATE ROUTE 108)
RESOLUTION FA-19-02**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$758,000 for the State Highway Operation and Protection Program (SHOPP), Roadway Protection Betterment project on State Route (SR) 108, in Tuolumne County, to award the construction contract?

RECOMMENDATION:

The Department recommends that the Commission approve the requested supplement fund allocation for this SHOPP project.

PROJECT DESCRIPTION:

This project is located on SR 108 in and near the city of Strawberry, in Tuolumne County. The project will re-grade and flatten cut slopes adjacent to the roadway, and will provide 10-foot wide unpaved catchment, contain and hold falling rocks at the bottom of cut slopes.

FUNDING AND CONTRACT STATUS:

The project was programmed in the 2016 SHOPP for \$2,628,00 in Construction Capital and delivery in Fiscal Year 2018-19. The Project's Plans, Specifications and Estimate (PS&E) and the Engineer's Estimate (EE) were completed in January 2019, and in March 2019, the Commission approved a fund allocation of \$2,771,000 in Construction Capital and \$560,000 in Construction Support. The amount needed to award the contract, based on the lowest responsible bidder is \$3,528,600 for Construction Capital. The Department is requesting a supplemental fund increase of \$758,000 in Construction Capital to award this project to the lowest qualified bidder

At this time, the contract award status is pending approval of this request for supplemental funds by the Commission. If the Commission approves this request, construction would begin in September 2019 and would take 100 working days to complete construction in two construction seasons.

REASON(S) FOR COST INCREASE:

The project was advertised in April 2019, and the Department received four bids. Bids were opened on May 9, 2019, and the lowest qualifying bidder was 36 percent higher than the EE.

This project is in a remote, mountainous area in Tuolumne County. As is the case with all construction contracts, the project contractor determines the most suitable site to dispose of the project's excavated materials. For such remote project sites, the Department cannot determine the site of choice to be used by contractors, nor it can predict the cost of hauling roadway excavated material. Furthermore, for this project site, there were no disposal sites available in the area from previous projects that could be considered for the EE. Nonetheless, the Department assigned a conservative value for excavation disposal during the preparation of the project plans.

When bids were opened, the cost of Roadway Excavation and Traffic Control bid items were higher on all of the four bids received. The contractors indicated that the higher cost reflects the amount needed to cover transporting surplus excavated earthwork to a dump site, and the cost of lodging and daily expenses of operators and flaggers and pilot car operators for the duration of the project; the distance from the project site to the dump site is more than an hour away.

The Department has determined that the additional requested funds are in the best interest of the State to avoid delays in implementing this important project and avoid the extra cost for the department.

The Department has exercised all feasible measures to minimize costs in carrying out work related to this project and has determined that this request is well-supported and is the only viable alternative available.

CONSEQUENCES:

If this project is not successful in obtaining supplemental funds, the Department will not be able to award this Roadway Protective Betterments project. Considering the current bidding environment, re-advertising the contract will not only delay the delivery of this project but also result in continued rockfall on State Route 108 at this location.

FINANCIAL RESOLUTION:

Resolved, that \$758,000 be allocated from the Budget Act of 2019, Budget Act Items 2660-302-0042 and 2660-302-0890 for construction to provide funds to award the project.

Attachment

2.5 Highway Financial Matters

Project #	Project Title	PPNO Program Funding Year	State	State	State
Allocation Amount	Location	Item #	Federal	Federal	Federal
Recipient	Project Description	Fund Type	Additional	Revised	Revised
<u>RTPA/CTC</u>	Project Support Expenditures	Program Codes	Amount by	Amount by	Amount by
County		Project ID	Fund Type	Fund Type	Fund Type
Dist-Co-Rte		Adv Phase	Current Amount	Amount by	Amount by
Postmile		EA	by Fund Type	Fund Type	Fund Type
2.5e.(2)	Supplemental Funds For Previously Voted Project			Resolution FA-19-02	
\$758,000	Near Strawberry, from east of Old Strawberry Road to west of Beardsley Road. <u>Outcome/Output</u> : Rockfall mitigation at four locations.	10-3137 SHOPP/2018-19			
		302-0042	\$318,000		\$318,000
		SHA			
	Supplemental funds are needed to Award.	302-0890	\$2,453,000		\$2,453,000
		FTF			
	Total revised amount \$3,529,000	20.20.201.150			
		SHOPP/2019-20			
		302-0042		\$87,000	\$87,000
		SHA			
		302-0890		\$671,000	\$671,000
		FTF			
		20.20.201.150			
		1015000007			
		4			
		OY800			