

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 25, 2020

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5d.(1), Action Item

Prepared By: Tony Tavares,
District 04 – Director

Subject: **ALLOCATION FOR PROJECT WITH COSTS THAT EXCEED THE PROGRAMMED AMOUNT BY MORE THAN 20 PERCENT (PPNO 0480T/EA 3E602) – SAN FRANCISCO COUNTY – US HIGHWAY 101 RESOLUTION FP-19-59**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) allocation request for \$6,002,000 for the State Highway Operation and Protection Program (SHOPP) Pavement Rehabilitation project, on United States Highway (US) 101, in San Francisco County, to advertise the project?

RECOMMENDATION:

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

PROJECT DESCRIPTION:

This project is located on US 101 in the City and County of San Francisco. The project will improve roadway pavement conditions and enhance safety by rehabilitating the existing pavement and upgrading curb ramps. The existing pavement has moderate to severe distress and bad ride quality throughout the project limits. The project will be placing a 0.1-foot layer of hot mix asphalt and 0.15-foot layer of rubberized hot mix asphalt to rehabilitate 8.4 lane-miles of asphalt concrete pavement and upgrade 22 curb ramps to the current American with Disabilities Act (ADA) Standards.

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FUNDING AND CONTRACT STATUS:

This project was programmed in 2015 for \$3,495,000 in construction capital and \$616,000 in construction support. This is one of the two “Child” projects that were split from a “Parent” project in 2015 to better coordinate with local improvements by the City of San Francisco to minimize rework and throwaways within the same limits.

The project overlaps with local San Francisco Municipal Transportation (SFMTA) improvements, Bus Rapid Transit (BRT) on Van Ness Avenue, and sewer/water upgrade on both Van Ness and Lombard Street.

The Department provided a Financial Contribution Only (FCO) to the BRT project and intended to start construction after the utility upgrade on Lombard Street. Because SFMTA needed additional time to complete its utility upgrade, the Department requested in August 2018 Commission approval for a 20-month time extension for allocation.

The Department updated the contract documents in November 2019 and the current cost estimates are \$5,186,000 for construction capital and \$816,000 for construction support. The project is scheduled to be advertised on April 2020 and start construction by Summer 2020. Construction duration is estimated at 120 working days and will be completed within one construction season.

REASON FOR COST INCREASE:

The primary reason for the increase is due to cost escalation since programming in 2015. Although both support and capital costs were updated when the Commission approved the extension in August 2018, the programmed budget could not be updated in the delivery year.

Capital Cost Increase:

The construction capital increase of \$1,691,000 is mainly due to higher item unit costs as the result of escalation, material prices, labor demands and market conditions. The contract items with the most significant increase are:

1. Asphalt Concrete, (29% of increase)
2. Cold plane AC pavement, (11%)
3. Delineation, (9%)
4. Traffic Control Signal System, (11%) A portable signal system was added to improve operation during construction, and the additional traffic control was incorporated to support a shorter, more restricted work window.

The remainder of the increase is due to various miscellaneous contract items, equipment rates and overhead.

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Support Cost Increase:

The construction support increase of \$200,000 is due to an updated cost estimate that reflects a higher unit cost of a full-time equivalent person to support construction; from \$160,000 per person-year in 2015 to \$226,000 in 2019.

The Department assessed the risks of delays and cost escalations, construction conflicts, contract changes, traffic disruptions and community impacts, and has exercised all feasible measures to minimize costs in carrying out work related to this project. This request is the only viable alternative available.

The project is consistent with the performance measures, goals, and objectives in the Commission-adopted Transportation Asset Management Plan (TAMP). This rehabilitation project will extend the service life of the existing pavement, enhance pedestrian access, reduce maintenance and the risk of closures to repair.

CONSEQUENCES:

If additional funds are not approved, the Department will not be able to advertise for the construction of the pavement rehab and ADA curb ramps upgrade will be delayed. ADA is a mandated program and delay will extend non-compliance and risk liability. Reprogramming for future delivery will likely result in higher costs.

The Department has determined that this additional funds request is in the best interest of the State to improve pavement conditions and upgrade ADA pedestrian infrastructure.

FINANCIAL RESOLUTION:

Resolved, that \$5,186,000 be allocated from Non-Budget Act Item 2660-802-3290 for construction and \$816,000 for construction engineering, to provide funds to advertise the project.

Attachment

2.5 Highway Financial Matters

Project No.	Allocation Amount	County	Dist-Co-Rte	Postmile	Location	Project Description	Project Support Expenditures	PPNO Program/Year Phase	Prgm'd Amount	Project ID	Adv Phase	EA	Budget Year	Item # Fund Type	Program Code	Amount by Fund Type
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2.5d.(1) Allocations for Projects with Cost Increase Greater than 20 percent

Resolution FP-19-59

1	\$6,002,000	San Francisco	04-SF-101	6.7/8.1	In the city and county of San Francisco, from Van Ness Avenue to Lyon Street. <u>Outcome/Output:</u> Rehabilitate pavement by grinding and overlaying with asphalt and rubberized asphalt, and upgrading curb ramps to Americans with Disabilities Act (ADA) standards. This project will extend pavement service life and improve ride quality.			04-0480T SHOPP/17-18 CON ENG \$616,000 CONST \$3,495,000 0414000084	505-3290 RMRA 20.10.201.121				2017-18 802-3290 RMRA 20.20.201.121			\$816,000 \$5,186,000	
					Preliminary			4 3E602									
					<u>Engineering</u>	<u>Budget</u>	<u>Expended</u>										
					PA&ED	\$290,000	\$43,689										
					PS&E	\$1,300,000	\$1,136,747										
					R/W Sup	\$80,000	\$22,452										
<p>(CEQA - CE, 9/14/2015; Re-validation 10/9/2019) (NEPA - CE, 9/14/2015; Re-validation 10/9/2019)</p> <p>(Twenty month time extension for CONST and CON ENG approved under Waiver 17-23; June 2018.)</p>																	

Performance Measure: Pavement (Planned: 8.4, Actual: 8.4 Lane mile(s))					
	<u>Unit</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Quantity</u>
Existing Condition	Lane mile(s)	0.0	8.4	0.0	8.4
Post Condition	Lane mile(s)	8.4	0.0	0.0	8.4