

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 24-25, 2020

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(9), Action Item

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Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT
EXPENDITURES FOR A LOCALLY-ADMINISTERED TRADE CORRIDOR
ENHANCEMENT PROGRAM PROJECT ON THE STATE HIGHWAY SYSTEM,
PER TCEP GUIDELINES
WAIVER 20-52**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project expenditure for 12-months for the Trade Corridor Enhancement Program (TCEP) State Route (SR) 57/60 Confluence Chokepoint Relief project (PPNO 5394) in Los Angeles County?

RECOMMENDATION:

The California Department of Transportation (Department) recommends the Commission extend the period of project expenditure for \$17,000,000 allocated to Plans, Specifications and Estimate (PS&E) for the time period of 12-months to June 30, 2021 for the TCEP SR 57/60 Confluence Chokepoint Relief project, per TCEP guidelines.

BACKGROUND:

The SR 57/60 Confluence Chokepoint Relief project is a locally-administered project on the State Highway System. In June 2018, the Commission allocated \$17,000,000 in TCEP funds for PS&E to the Los Angeles County Metropolitan Authority (Metro).

At the beginning of the PS&E phase, a Risk Workshop was done for the project. The result of the workshop identified "Right of Way (R/W) acquisition" as high risk to both the cost and schedule based on recent experience with rising real estate prices since the Project Approval and Environmental Document (PA&ED) approval received in 2013. The mitigating risk was a redesign of the project.

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to enhance California's economy and livability"*

In addition, during the PA&ED phase, structure cost estimates were based on existing borings in the project vicinity. As is industry wide practice, no field testing occurs in the planning phase. Now that extensive field survey data and geotechnical data have been completed in the PS&E phase, several areas within the project limits were found to have high groundwater and liquefiable soil, which also necessitated a reevaluation of the geometric design. As a result, the Project Development Team reevaluated the design that would fit within the constraint foot print with the intent to minimize the R/W impacts, costs and schedule risks. These geometric design adjustments will require additional time to complete the design phase of the project.

The design adjustments will not change the intent of the project as outlined in the application and will increase the project benefits. The revised design changes the new East Bound SR 60 off-ramp from passing under the North Bound (NB) SR 57 connector to crossing over the NB SR 57 connector. The main benefits are:

- Addition of a second lane to the off-ramp to meet Highway Design Manual requirements and improve operations.
- Reduced R/W fee takes and construction impacts to the adjacent Hotel properties.
- Improved operations during construction. NB SR 57 connector will remain at 3-lanes during construction compared to 2-lanes in the original design.

The overall R/W impacts are reduced as a result of this design change and the risk to R/W costs and schedule have been reduced. Changes include a reduction in the amount of R/W fees required and reduced easements. The Commission allocated \$5,000,000 in TCEP funds to this project for its R/W component in May of 2019, and these design changes will benefit this component of the project.

The current authorization for project expenditure of the \$17,000,000, allocated to PS&E, will expire on June 30, 2020. Due to the issues outlined above and based on their current schedule, Metro anticipates completion of PS&E by June 30, 2021. Thus, Metro requests a 12-month time extension for the project expenditure period of PS&E phase to June 30, 2021.

Pursuant to TCEP Guidelines, funds allocated for project development costs must be expended by the end of the second fiscal year following the fiscal year in which the funds were allocated. Upon request of the implementing agency, the Commission may extend the deadlines for expenditures for project development, or for contract completion no more than 12-months.