

MEMORANDUM

TAB 78

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 6-7, 2023

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(6), Action Item - **YELLOW REPLACEMENT ITEM**

Prepared By: Amarjeet Benipal
District 03 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CONSTRUCTION COMPLETION PHASE
PPNO 6254/EA 0H08U – SACRAMENTO COUNTY –
UNITED STATES HIGHWAY 50
RESOLUTION FA-23-54**

ACTION UPDATE: *Adjustment to the requested amount and supporting information.*

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$12,394,000 in Construction Capital for the State Highway and Operation and Protection Program (SHOPP) Roadway Rehabilitation project on United States Highway 50 (US 50), in Sacramento County, to complete the construction contract?

RECOMMENDATION:

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

PROJECT DESCRIPTION:

The project is located on US 50, in and near the City of Sacramento, from Interstate 5 to east of Watt Avenue, in Sacramento County. This project will rehabilitate the roadway, construct 14 lane miles of high-occupancy vehicle (HOV) (bus/carpool) lanes, widen 12 bridge structures, construct sound walls from Stockton Boulevard to 65th Street, incorporate intelligent transportation system (ITS) elements into the HOV system, and replace and/or upgrade ancillary facilities including drainage systems, overhead signs, lighting, approach slabs, guard rail, and safety barriers. This is a Design-Build (DB) project.

“Provide a safe and reliable transportation network that serves all people and respects the environment.”

FUNDING AND PROGRAMMING STATUS:

This project is a combination of two projects (PPNO 6177/EA 0H080 and PPNO 3301/EA 3F360), that were programmed separately. In August 2017, the SHOPP Roadway Rehabilitation project (Rehab) (PPNO 6177/EA 0H080) was programmed for \$216,000,000 in Construction Capital in the SHOPP for allocation in Fiscal Year 2018-19. In October 2018, the project was amended to increase the programmed amount for Construction Capital to \$286,900,000 due to the change in the delivery process to DB. In March 2019, the project was allocated for \$286,900,000 in Construction Capital.

In May 2018, the US 50 Multimodal Corridor Enhancement project (HOV) (PPNO 3301/EA 3F360) was programmed for \$80,000,000 in Construction Capital in the Senate Bill 1 Solutions for Congested Corridors Program (SCCP) for allocation in 2018-19. In March 2019, the project was allocated for \$80,000,000 in Construction Capital.

In October 2018, the two projects were combined to be delivered as a single project under the DB project delivery method. In March 2019, the combined project was allocated for a total of \$368,900,000 in Construction Capital (which includes \$2,000,000 from Local Funds for HOV). In October 2019, the combined project received a 7-month award time extension for the Construction phase. In April 2020, the bids were opened and awarded to the best value bidder. After negotiations with the contractor, the contract was awarded for a total of \$397,790,000 in Construction Capital (\$315,790,000 for Rehab and \$82,000,000 for HOV).

In July 2020, construction began with 925 working days. The remaining funds are currently at \$102,888,000 in Construction Capital. The project is 75 percent complete with 372 working days remaining. The Construction Contract Acceptance was scheduled for December 2024 as noted in the approved Baseline Agreement and is currently anticipated to be July 2025.

REASON FOR COST INCREASE:

This supplemental funds request addresses cost increases due to unanticipated work, and negotiated changes.

- **Delay in acquiring Construction and Maintenance (C&M) Agreement from Union Pacific Railroad (UPRR)**

The project required C&M Agreements for the Camelia City Viaduct and Brighton Overhead by December 31, 2020. The C&M Agreement for Camellia City Viaduct was executed nearly a year later on December 13, 2021, and the Brighton Overhead C&M Agreement was executed in two separate agreements on June 3, 2022, for the Brighton Overhead and January 5, 2023 for Ramona Avenue which is located under the Brighton Overhead. The delay in the execution of the C&M agreements is a compound effect of the COVID-19 Pandemic (Pandemic) impacts, longer than anticipated review period at UPRR Real Estate and Legal divisions, and coordination with local partners. The Department and DB disagree on the Time Impact Analysis and compensation due, resulting from the delay in the

“Provide a safe and reliable transportation network that serves all people and respects the environment.”

execution process. While the dispute escalation proceeds, the Department has issued a unilateral change order to compensate the DB for delay that the Department recognizes to the Camellia City Viaduct work. The unilateral change order issued compensates DB for Time Related Overhead for 122 working days delay for a total compensation of \$3,700,000 (\$1,850,000 for Rehab and \$1,850,000 for HOV). The \$1,850,000 HOV portion will be provided by Sacramento Transportation Authority (STA) and/or Sacramento Area Council of Governments funding.

- **Unsound concrete at the Folsom Boulevard Undercrossing**

Unanticipated excessive cracking (unsound concrete) was discovered around and under the bearing pad of the Folsom Boulevard Undercrossing. To complete the planned scope of work at this bridge, the unsound concrete must be repaired, and a bearing pad replaced. The estimated cost of this work is \$1,000,000. The scope of unsound concrete discovered at the Folsom Boulevard Undercrossing relates only to the roadway rehabilitation portion of the work.

- **Negotiated changes**

There is an \$11,101,000 (\$9,540,000 for Rehab and \$1,561,000 for HOV) increase in construction cost from several pending change orders proposed to address a variety of issues:

- Additional Construction Zone Enhanced Enforcement Program (COZEEP) due to speeding and collisions in the construction zone (estimated at \$3,500,000). The estimated COZEEP at the time of contract execution was \$2,500,000. During 2020 and 2021, there were multiple instances of collisions due to speeding and driving under the influence. The Department increased COZEEP utilization significantly from two stationary California Highway Patrol (CHP) units for night work to six stationary and two roaming CHP units for night work. Additionally, the Department increased COZEEP from one stationary to two stationary CHP units after major traffic shifts for five to ten days. Finally, two additional CHP units were requested for assisting the unsheltered encampment removals.
- Enhanced striping for traffic handling during construction (estimated at \$1,046,000). After receiving several complaints about poor visibility of pavement stripes (utilizing standard temporary striping) during dawn and dusk, the Department directed the contractor to add contrast temporary striping and additional signs on all five segments of the project and about seven to eight stages of construction in each segment to enhance safety.
- ITS construction changes due to design standard changes after the DB procurement (estimated at \$1,750,000). After the contract was bid opened (April 2020), the Changeable Message Sign (CMS) and Closed-Circuit Television (CCTV) standards, and the inclusion of Microwave Vehicle Detection System (MVDS) requirements were

“Provide a safe and reliable transportation network that serves all people and respects the environment.”

modified by the Department (November 2020). The contractor was directed to modify CMS because the technology changed, and the Department is implementing the latest technology to improve functionality and reliability. For CCTV, the mounting standards changed from a 30 to 60-foot pole in the median to a 90-foot pole on the outside shoulder which also enhanced worker safety due to better access. Finally, the MVDS is now required to be used instead of loop detectors.

- Department directed the contractor to construct six access stairs for ITS elements. (estimated at \$1,900,000). In November 2020, the ITS elements standard changes required that pole mounted boxes be installed instead of cabinets. These pole mounted boxes are newer technology and are mounted on poles instead of the use of electrical cabinets placed on roadways where they can be damaged and vandalized. The Department required the contractor to construct access stairs at six locations for the maintenance of these pole boxes.
- Asphalt price index fluctuation cost beyond the allowance (estimated at \$1,500,000). By contract, the pay adjustment for hot mix asphalt is based on the Crude Oil Index generated at the time of bid opening which was 172.7. After the contract bid opening, the index increased dramatically due to the end of the Pandemic lock down and Ukraine War. Since hot mix asphalt paving started in April 2021, the index has fluctuated between 360 and 646 and it is currently at 493.2.
- Other miscellaneous issues (estimated at \$1,405,000). Other issues were directed by the Department to the contractor. They include repair of damaged lighting caused by a collision that occurred just before the contract was awarded, upgrade existing unmetered electrical service to metered electrical service, provide unsheltered fencing (material and maintenance), emergency work tree removal, wind damage cleanup, installation of additional bollards to protect bridge columns, slurry seal unsheltered safe camp parking and local roads, and additional work on Type I conduit grounding. The Department also received credits for an alternative strategy for the Camelia City Viaduct approach slab requirement, elimination of staining soundwall block surfaces, and median structural section changes at the Howe Avenue to Watt Avenue section which reduced the amount of funds being requested.

The Department is requesting \$12,394,000 supplemental for construction work. The Department will continue to monitor the remaining contingency of \$885,000 (\$348,000 for Rehab and \$537,000 for HOV) and if identified risks are realized, the Department will request additional supplemental funds.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Department will not be able to complete construction to rehabilitate the existing pavement and meet the need of the project. If the construction contract is further delayed, it will likely result in claims by the DB and additional

“Provide a safe and reliable transportation network that serves all people and respects the environment.”

disruption to traffic. Reducing the project's scope of work to complete construction later would require programming another project in a future SCCP and/or SHOPP cycle, at a possible higher cost.

FINANCIAL RESOLUTION:

Resolved, that \$12,394,000 be allocated from the Budget Act of 2022, Budget Act Item 2660-302-0890 and Non-Budget Act Item 2660-802-3290 for Construction Capital, to provide funds to complete the Construction phase for this combined SHOPP/SCCP project.

Attachment

2.5 Highway Financial Matters

Project #	Allocation Amount	Recipient	County	Dist-Co-Rte	Postmile	Project Title	Location	Project Description	Project Support Expenditures	PPNO Program	Funding Year	Item #	Fund Type	Program Codes	State Federal	State Federal Additional	State Federal Revised	State Federal
										EA	by Fund Type	Fund Type	Fund Type	Fund Type	Fund Type	Fund Type	Fund Type	

2.5e.(6) Supplemental Funds for Previously Voted Project Resolution FA-23-54

1	\$12,394,000	Department of Transportation	SACOG	Sacramento	03-Sac-50	L0.2/R6.1		In the city of Sacramento, from Route 5 to Watt Avenue. Rehabilitate pavement with continuously reinforced concrete pavement, increase vertical clearances at overcrossings, widen onramps to add ramp metered lanes, upgrade curb ramps, and replace concrete barrier, structure approach slabs, lighting, signs, Intelligent Transportation System elements, and guardrail. Also, construct 14 lane miles of HOV (or bus/carpool) lanes, widen 12 bridge structures, construct sound walls from Stockton Boulevard to 65th Street, incorporate Intelligent Transportation System elements into the HOV system, replace and/or upgrade ancillary facilities including drainage systems and overhead signs. <u>Outcome/Output</u> : This project will improve safety, ride quality, and traffic operations.		03-6254	SHOPP/2017-18	802-3290	\$265,790,000	\$1,422,000	\$267,640,000				
										RMRA	20.20.201.120								
										SHOPP/2019-20	302-0890	\$50,000,000			\$50,000,000				
										FTF	20.20.201.120								
										SHOPP/2022-23	302-0890		\$10,972,000		\$14,280,000				
										FTF	20.20.201.120								
										0319000029									
										4									
								Supplemental funds are needed to Complete Construction.		0H08U									
								EA 0H080/PPNO 03-6177 combined with EA 3F360/PPNO 03-3301 for construction under EA 0H08U/PPNO 03-6254 to utilize the Design-Build delivery method.											
								<u>EA 0H080/PPNO 03-6177:</u> CEQA - CE, 8/13/2018 NEPA - CE, 8/13/2018											
								<u>EA 3F360/PPNO 03-3301:</u> CEQA - MND, 5/31/2017 NEPA - FONSI, 5/31/2017											
								Future consideration of funding approved under Resolution E-17-49; August 2017.											
								Total revised SHOPP amount \$328,184,000											
								Change to the allocation amount from \$16,130,000 to \$12,394,000 made via the Yellow Replacement distributed at the December 2023 CTC meeting.											