

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 30-31, 2025

From: STEVEN KECK, Chief Financial Officer

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

Prepared By: Scott Eades
District 05 - Director

Subject: ALLOCATION FOR PROJECT WITH COSTS THAT EXCEED THE
PROGRAMMED AMOUNT BY MORE THAN 20 PERCENT
PPNO 2650/EA 1H440 – SAN LUIS OBISPO AND SANTA BARBARA
COUNTIES – STATE ROUTE 1
RESOLUTION FP-24-47

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) allocation request for \$70,994,000 for Construction of the State Highway Operation and Protection Program (SHOPP) Bridge Rehabilitation and Replacement project on State Route (SR) 1, in San Luis Obispo and Santa Barbara counties, 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 SR 1 near the City of Guadalupe, at the Santa Maria River Bridge (No. 49-0042), in San Luis Obispo and Santa Barbara counties. The project will replace the bridge and realign the roadway.

FUNDING AND PROGRAMMING STATUS:

In March 2018, this project was programmed in the SHOPP for \$28,461,000 in Construction Capital and \$9,660,000 in Construction Support for allocation in Fiscal Year 2022-23. In October 2019, the project was amended to increase Construction Capital to \$33,880,000 due to an updated cost estimate reflecting current market pricing for structure and roadway work.

In June 2023, the project was amended to decrease Construction Capital to \$32,640,000 due to the split of landscape mitigation planting and biological monitoring work into two child projects. In June 2023, the project received a 20-month allocation time extension for the Construction phase.

In November 2024, the Engineer's Estimate (EE) reflected the need of \$61,334,000 in Construction Capital (87.9 percent over the programmed amount) and \$9,660,000 in Construction Support (zero percent over the programmed amount). The Department plans to advertise the project in February 2025, and begin construction in June 2025. Construction is planned for three construction seasons with a duration of 600 working days.

REASON FOR COST INCREASE:

The Construction Capital estimate is greater than the programmed amount due to the redesign of the proposed bridge which resulted in additional structures and roadway costs, and impacts that were not accounted for in previous phases or programming.

During the preliminary Plans, Specifications, and Estimate phase, the proposed bridge replacement was designed with the southern abutment located in the existing flood levee, which is consistent with the existing bridge design. Early in project development, the United States Army Corps of Engineers (USACE) initially indicated that the new bridge abutment could be placed within the levee and the bridge design proceeded accordingly. However, following a change in staff and management at the USACE, the project was reevaluated and the abutment could no longer be placed within the levee due to concerns with future levee maintenance. As a result, the proposed bridge was required to be raised and lengthened to span over the existing levee. This adjustment has resulted in additional structures and roadway item quantities and costs, and impacts related to these items that were not accounted for in the previous phase or programming. This change occurred during the original year of delivery which limited options to make necessary programming adjustments. The redesign also resulted in a time extension, extended delivery schedule, and capital cost escalation which was not previously accounted for.

Adjustment of unit prices for various items have also resulted in an increase to the EE. Some of the larger increases to the structure and roadway items include drainage, stormwater management, traffic control, structural concrete, and steel. In addition, Department furnished materials and expenses, and supplemental work items were also adjusted to reflect current project needs.

The adjustments to the quantities and unit prices of specific bid items as a result of raising and lengthening the bridge, addition of new structures and roadway items, and impacts that were not accounted for, have resulted in an increase of \$28,694,000 in capital costs.

The Construction Support activities are anticipated to be completed within the current programmed amount.

CONSEQUENCES:

If this allocation request is not approved, the Department will not be able to advertise the contract to address the deficiencies of the existing bridge. To address all of the deficiencies by replacing the existing bridge, the project will have to be reprogrammed, which will result in delays and could result in higher costs due to escalation.

FINANCIAL RESOLUTION:

Resolved, that \$61,334,000 be allocated from the Budget Act of 2023, Budget Act Items 2660-302-3290 and 2660-302-0890 for Construction Capital, and \$9,660,000 for Construction Support, to provide funds to advertise this SHOPP project.

Attachment

2.5 Highway Financial Matters

2.5 Highway Financial Matters				PPNO Program/Year Phase Prgm'd Amount Project ID Adv Phase EA	Budget Year Item # Fund Type Program Code	Amount by Fund Type
Project No. Allocation Amount County Dist-Co-Rte Postmile	Location Project Description					
2.5d.(1)	Allocation of Project with Construction Cost that Exceeds 20 Percent of the Programmed Amount				Resolution FP-24-47	
1 \$70,994,000 San Luis Obispo 05-SLO-1 0.0/0.3	Near Guadalupe, at the Santa Maria River Bridge No. 49-0042; also in Santa Barbara County (PM 50.3/50.6). <u>Outcome/Outputs:</u> The bridge is scour critical and needs to be replaced. The existing bridge will be used for traffic handling during construction and then demolished. The highway will need to be realigned as a result of the new bridge location. The new bridge will provide standard lane and shoulder widths and include a protected walkway.			05-2650 SHOPP/22-23 CON ENG \$9,660,000 CONST \$32,640,000 0516000074 3,4 1H440	505-3290 RMRA 001-0890 FTF 20.10.201.116 2023-24 302-3290 RMRA 302-0890 FTF 20.20.201.116	\$1,108,000 <u>\$8,552,000</u> \$9,660,000 \$7,035,000 <u>\$54,299,000</u> \$61,334,000
Preliminary						
<u>Engineering</u> <u>Budget</u> <u>Expended</u>						
PA&ED \$2,523,400 \$2,493,104						
PS&E \$4,818,000 \$4,666,296						
R/W Sup \$455,000 \$359,714						
Performance Measure:						
Planned: 1.0, Actual: 1.0 Bridge(s)						
CEQA - MND, 11/25/2020; Re-validation 11/14/2024						
NEPA - FONSI, 11/25/2020; Re-validation 11/14/2024						
Future consideration of funding approved under Resolution E-21-06; January 2021.						
Concurrent addendum for the previously approved Future Consideration of Funding under Resolution E-25-09A; January 2025.						
Twenty month allocation time extension for CONST and CON ENG approved under Waiver 23-72; June 2023.						
As part of this allocation request, the Department is requesting to extend the completion of CONST and CON ENG an additional 12 months beyond the 36 month deadline.						
SB1 Baseline Agreement approval under Resolution SHOPP-P-2021-05B; March 2021.						
Performance Measure: Bridge(s)						
		<u>Unit</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>	<u>Quantity</u>
Existing Condition	Square feet	0.0	0.0	39,826.0	39,826.0	
Post Condition	Square feet	66,300.0	0.0	0.0	66,300.0	