

M e m o r a n d u m

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 25, 2014

Reference No.: 2.5e.(2)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

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Programming

Subject: ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT
RESOLUTION FA-13-16

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$3,987,000 in State Transportation Improvement Program (STIP) funds for Segment 2 (Napa County contract) of the State Route 12 Jameson Canyon Widening – Phase 1 project in Napa and Solano Counties.

ISSUE:

Additional funds are needed for one previously voted multi-funded project in order to close out the construction contract.

RESOLUTION:

Resolved, that \$3,987,000 be allocated from the Budget Act of 2013, Budget Act Item 2660-301-0890, to provide additional funds for the project identified below.

Project	Dist-Co-Rte	Funds	Original Allocated Amount	Current Allocation ⁽¹⁾	Allocation Adjustment	Revised Allocation	% Increase Above Current Allocation
1	04-Napa-12	CMIA	\$23,000,000	\$18,518,000	\$0	\$18,518,000	0.0%
		IIP	\$3,890,000	\$4,107,000	\$2,041,000	\$6,148,000	49.7%
		RIP (Solano)	\$2,450,000	\$2,587,000	\$1,285,000	\$3,872,000	49.7%
		<u>RIP(Napa)</u>	<u>\$1,260,000</u>	<u>\$1,329,000</u>	<u>\$661,000</u>	<u>\$1,990,000</u>	<u>49.7%</u>
		Total	\$30,600,000	\$26,541,000	\$3,987,000	\$30,528,000	15.0%

Notes:

- (1) Current allocation amounts account for the previously approved CMIA de-allocation (February 2012), adjustments to IIP and RIP amounts as per AB608 request (March 2012) to reflect award savings. In addition, current allocation also includes previously approved IIP and RIP supplemental funds (May 2013).

PROJECT DESCRIPTION:

As part of the overall Jameson Canyon Widening – Phase 1 project, Segment 2 (PPNO 0367I) has widened the State Route (SR) 12 from a two lane highway to a four lane expressway, from SR 29 junction to the Napa/Solano County line.

PROJECT LOCATION



FUNDING STATUS:

The Commission allocated \$23,000,000 CMIA, \$3,890,000 Interregional Improvement Program (IIP), and \$3,710,000 Regional Improvement Program (RIP) funds in August 2011. The construction contract was awarded in January 2012 with savings for an authorized budget of \$24,541,000, which was comprised of \$18,518,000 CMIA, \$3,083,000 IIP and \$2,940,000 RIP funds. Both the CMIA and the STIP (IIP/RIP) award savings were returned to the respective programs.

At its May 2013 meeting, the Commission approved a total of \$2,000,000 [IIP (\$1,024,000) and RIP (\$976,000)] in supplemental funds to complete construction. The project opened to traffic in April 2014. The Construction Contract Acceptance (CCA) milestone is scheduled for January 2015. An additional \$3,987,000 is needed to close out the construction contract. The reasons for the cost increase are the same as outlined in the previous request for supplemental funds in May 2013. With the construction complete, the actual costs resulting from those impacts are now fully known. Like the previous cost increase, this increase will also be proportionally funded with IIP and RIP (Napa and Solano County) funds.

REASONS FOR COST INCREASE:

As outlined in the first supplemental funds request that was approved by the Commission at its May, 2013 meeting, the project costs have increased mainly due to the following three factors.

- **Design Inconsistencies:** During the design phase, accesses to some of the parcels were not available. In the absence of data from actual surveys of these properties, estimated data from the aerial photographs were used to design various project elements. This design risk was included in the project Risk Management Plan. During construction, various inconsistencies were discovered between the construction survey stake-notes and the roadway, drainage, and structures plans. In order to match the field conditions, design revisions were made to various project elements like retaining walls, drainage systems, roadway horizontal alignment and vertical profile. These changes resulted in increase in quantities as well as work character payment adjustments due to overall delays. In May 2013, the direct cost was estimated to be \$700,000. Now with the full scope of these changes and their impacts to other related work items (overhead, mobilization, staging plans etc.) fully known, the **Final Cost is \$1,387,000.**
- **Waterline Conflict:** A City of Napa (City) owned 42-inch diameter waterline runs along the outside shoulder of the westbound SR 12. This waterline is within the State Right of Way limits. The City was provided consultant-designed project plans for its review. However, the project plans provided to the City mistakenly omitted the waterline location on the roadway cross section plans. The design team assumed that the full design surcharge over this waterline was acceptable since no specific comments were received from the City. Subsequently during construction, the City raised concerns about the amount of fill and the methods to place that fill. The City requested the Department to either relocate the waterline outside the State Right of Way limits or revise the roadway alignment of the new highway so as to minimize the amount of fill that could be safely placed on this aged waterline. After analyzing the impacts of both alternatives on the project cost and schedule, the Department decided to shift the roadway alignment by about four feet in critical areas to reduce the amount of fill that can be safely placed on this aged waterline. Cost increases also resulted from special handling of fill placement over this waterline as well as structural section quantities and modifications to drainage systems. Three additional construction stages were added to complete the mainline realignment. It should be noted that that the consultant has discounted charged time for changes to plans due to their omissions. In May 2013, the direct cost was estimated to be \$800,000. Now with the full scope of these changes and their impacts to other related work items (overhead, mobilization, staging plans etc.) fully known, the **Final Cost is \$2,800,000.**

The main lesson learned from this situation is to reinforce the importance of proactive communication among various stakeholders. Lack of response should not constitute an implied concurrence by any stakeholder.

- **Construction delays and work inefficiencies:** Above described changes to the design and construction sequence/activities have resulted in an additional construction season. Water pollution control measures like temporary runoff, slope protection, and creek protection will be needed for one more season. Furthermore, these changes have negatively impacted the contractor's operations, resulting in inefficiencies and delays to his work as well as labor and material cost escalation. In May 2013, the direct cost was estimated to be \$500,000. Now with the full scope of these changes and their impacts to other related work items (overhead, mobilization, staging plans etc.) fully known, the **Final Cost is \$1,800,000.**

In summary,

Total increase in cost	\$5,987,000
Less previously approved supplemental funds	(\$2,000,000)
This request	\$3,987,000

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for \$3,987,000 to close out construction contract.

OPTION B: Deny this request. As a result, the Department would not be able to pay the contractor and would risk a lawsuit by the contractor.

RECOMMENDED OPTION:

The Department recommends that this request of \$3,987,000, as presented in Option A above, be approved to close out construction contract.

REVISE: Jameson Canyon Widening – Phase 1 project, Segment 2 (PPNO 0367I)

County	District	PPNO	EA	Element	Const. Year	PMBack	PM Ahead	Route/Corridor					
Napa	4	0367I	26413	CO	2010-11	0.0	3.2	12					
Implementing Agency: (by component)	PA&ED	Department					PS&E	Department					
	R/W	Department					CON	Department					
RTPA/CTC:	Metropolitan Transportation Commission												
Project Title:	SR 12 Jameson Canyon Widening - Phase 1 (Seg #2)												
Location	Near Fairfield, On Route 12 in Napa County, from State Route 29 junction to 0.1 mile west of Napa/County Line.												
Description:	Construct two lanes and add a median barrier. (TCRP 157)												
(DOLLARS IN THOUSANDS)													
FUND	TOTAL	Project Totals by Fiscal Year						Project Totals by Component					
		Prior	12/13	13/14	14/15	15/16	16/17	R/W	CON	PA&ED	PS&E	R/W Supp	CON Supp
Regional Improvement Program (RIP)													
Existing	12,286	11,310	976	0			2,690	3,916	140	1,570	820	3,150	
Change	1,946	0	0	1,946			0	1,946	0	0	0	0	
Proposed	14,232	11,310	976	1,946			2,690	5,862	140	1,570	820	3,150	
Interregional Improvement Program (IIP)													
Existing	6,507	5,483	1,024	0				4,107		700		1,700	
Change	2,041	0	0	2,041				2,041		0		0	
Proposed	8,548	5,483	1,024	2,041				6,148		700		1,700	
State Bond - Corridor Mobility Improvement Account (CMIA)													
Existing	18,518	18,518						18,518					
Change	0	0						0					
Proposed	18,518	18,518						18,518					
Traffic Congestion Relief Program (TCRP)													
Existing	1,880	1,880							1,350	530			
Change	0	0							0	0			
Proposed	1,880	1,880							1,350	530			
Regional Surface Transportation Program (STP)													
Existing	690	690							300	390			
Change	0	0							0	0			
Proposed	690	690							300	390			
Federal Demonstration (Demo) funds													
Existing	2,018	2,018					2,018						
Change	0	0					0						
Proposed	2,018	2,018					2,018						
Total													
Existing	41,899	39,899	2,000	0			4,708	26,541	1,790	3,190	820	4,850	
Change	3,987	0	0	3,987			0	3,987	0	0	0	0	
Proposed	45,886	39,899	2,000	3,987			4,708	30,528	1,790	3,190	820	4,850	

NOTE: The RIP supplemental amount of \$1,946,000 consists of contributions of \$1,285,000 (Solano) and \$661,000 (Napa).