

# Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 20-21, 2016

Reference No.: 2.5e.(1)  
Action Item

From: NORMA ORTEGA  
Chief Financial Officer

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Division of  
Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT  
RESOLUTION FA-15-14**

## **RECOMMENDATION**

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$285,000 for one State Highway Operation and Protection Program (SHOPP) project identified below.

## **ISSUE**

Additional funds are needed for one previously approved project in order to award the construction contract.

## **RESOLUTION**

Resolved, that \$285,000 be allocated from the Budget Act of 2014, Budget Act Item 2660-302-0042 and 2660-302-0890, to provide funds to award the following project.

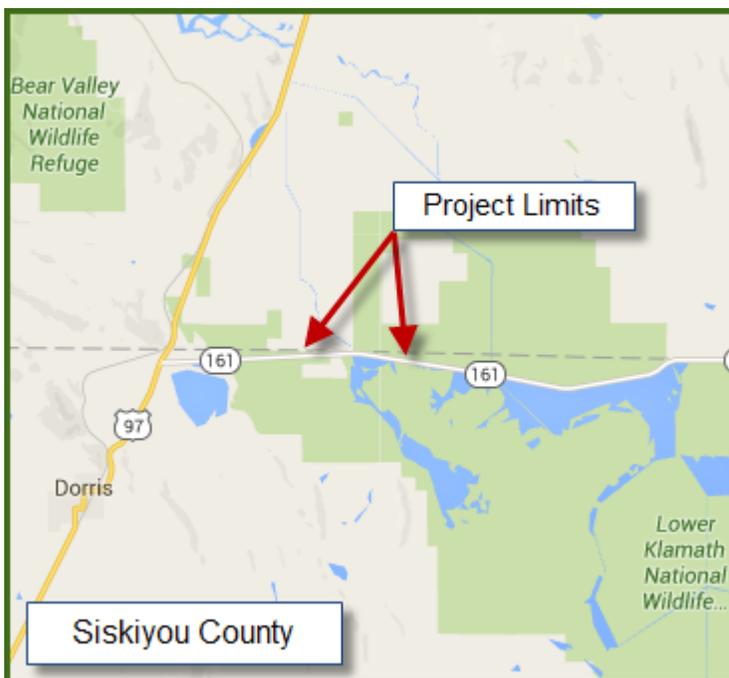
<u>Dist-Co-Rte</u>	<u>Original Department Sub-Allocation</u>	<u>Allocation Adjustment</u>	<u>Revised Allocation</u>	<u>% Increase Above Original Sub-Allocation</u>
02-Sis-161	\$1,000,000	\$285,000	\$1,285,000	28.5%

## **PROJECT DESCRIPTION**

The project is located on Route 161 in Siskiyou County from 2.7 mile to 4.5 miles east of Route 97. The project will rehabilitate the pavement using cement treatment for approximately 1.8 mile and then apply a 3.6 inch Hot Mix Asphalt (HMA) overlay.

Cement Treatment transforms existing asphalt concrete (AC) pavement and underlying granular material into stabilized base for a new pavement surface layer.

## **PROJECT LOCATION**



## **FUNDING STATUS**

This SHOPP Minor A project was sub-allocated by the Department in September 11, 2015 for \$1,000,000. Bids were opened on November 4, 2015; three bids were received. The additional amount needed to award the contract, based on the lowest bid, is \$285,000. This request for supplemental funds results in an overall increase of 28.5 percent over the original allocation. This contract will be awarded upon approval of this supplemental funds request.

**REASON FOR INCREASE**

The Department performed a bid analysis to evaluate the differences between the Engineer's Estimate and the lowest responsible bid. The contract has 27 bid items. Two of these bid items have significant cost differences. These items are Traffic Control System and Full Depth Reclamation Cement.

<b>BID ITEM</b>	<b>ENGINEER'S ESTIMATE</b>	<b>LOW BID</b>	<b>INCREASE</b>	<b>% INCREASE</b>
Traffic Control System	\$36,000	\$151,856	\$115,856	321%
Full-Depth Reclamation Cement	\$187,235	\$284,950	\$97,715	52%
Other Items			\$71,429	
<b>TOTAL INCREASE</b>			\$285,000	

The Traffic Control System cost increase is due to the number of 24-hour traffic closure days. The Engineer's Estimate assumed eight days of full 24-hour closure while the contractor bid on a higher number of days of full closure. This is due to new specifications requiring a different method of applying Full-Depth Reclamation Cement which needs more time to apply and therefore requires more traffic closure time. The Engineer's Estimate was not adjusted to account for the cost increase of this item.

The contractor's bid for "full-Depth Reclamation Cement" was much higher than the Engineer's Estimate. This is due to the new method of applying the cement which requires a multi-step process as compared to the "old" method, which required only one step. The Engineer's Estimate was adjusted to account for the change to the new method, but the adjustment to the cost was not enough as the contractor's bid was higher than expected.

Other items include "Clearing and Grubbing" and "Hot Mix Asphalt". These items were bid slightly higher than the Engineer's Estimate. These items were estimated appropriately by the Engineer and are current based on historical data, current market trends, and the location/condition of the project site.

**DETERMINATION**

The Department has determined that re-advertising this project would not result in lower bids and recommends that this request for \$285,000 be approved to allow this contract to be awarded.

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 Project ID Adv Phase EA	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type	
<b>2.5e.(1)</b>						<b>Supplemental Funds for Previously Voted Projects</b>				<b>Resolution FA-15-14</b>	
1	\$285,000	Department of Transportation	SCLTC	Siskiyou	02-Sis-161 2.7/4.5	Overlay asphalt and add shoulders about 5.0 miles east of Dorris from 2.7 miles east to 4.5 miles east of Route 97. <u>Outcome/Output</u> : Rehabilitate 3.6 lane miles of pavement; upgrade cross slope and correct super elevation to meet current standards.  Supplemental funds are needed to Award.  Total revised amount \$1,285,000	02-Minor SHOPP/2015-16 302-0042 SHA 20.20.201.120 0212000061 4 4E800	\$1,000,000	\$285,000	\$1,285,000	