

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 5, 2013

Reference No.: 2.5e.(3)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

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Division Chief
Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT
RESOLUTION FA-12-18**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$712,000 for the State Highway Operation and Protection Program (SHOPP) project identified below.

ISSUE:

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

RESOLUTION:

Resolved, that \$712,000 be allocated from the Budget Act of 2012, Budget Act Item 2660-302-0890 to provide additional funds to allow the following project to be awarded.

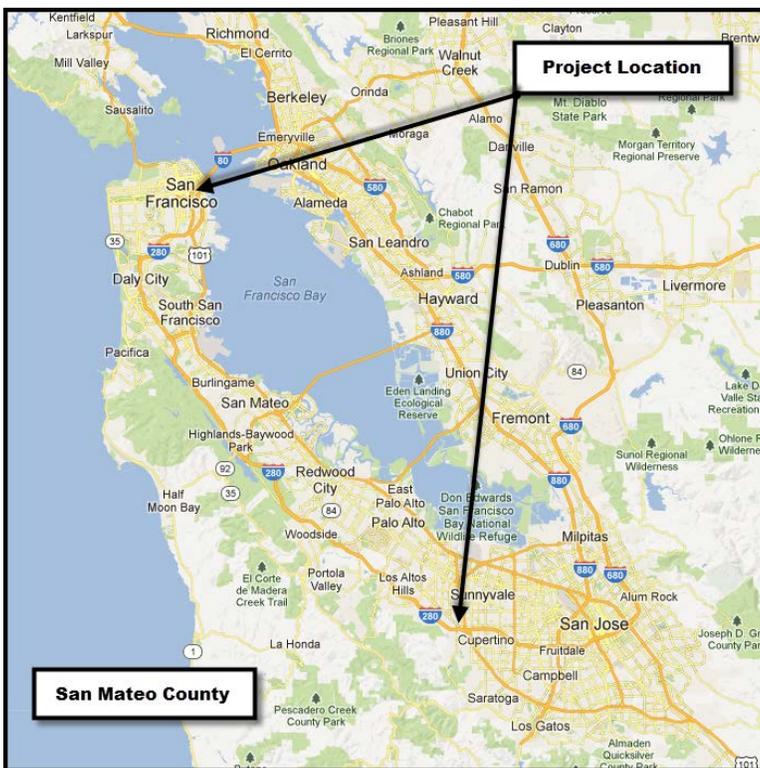
<u>Project</u>	<u>Dist-Co-Rte</u>	<u>Original Allocated Amount</u>	<u>Current Allocation</u>	<u>Allocation Adjustment</u>	<u>Revised Allocation</u>	<u>% Increase Above Current Allocation</u>
1	04-SM-101	\$3,453,000	\$ 3,453,000	\$712,000	\$4,165,000	20.6%

Project # Allocation Amount Recipient RTPA/CTC Dist-Co-Rte Postmile	Project Title Location Project Description	PPNO Program Budget 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
2.5e.(3) Supplemental Funds for Previously Voted Projects		Resolution FA-12-18			
1 \$712,000 Department of Transportation San Mateo 04-SM-101 Var.	In San Mateo County, on Routes 101 and 280 at various locations. <u>Outcome/Output:</u> Install metal beam guardrail at various locations to reduce the number and severity of run-off the road collisions. Supplemental Funds needed to award contract. Total Revised Amount: \$4,165,000	04-0716F SHOPP 2012-13 302-0042 SHA 302-0890 FTF 20.20.201.015 0400020505 4 4A3204	\$69,000 \$3,384,000	\$712,000	\$69,000 \$4,096,000

PROJECT DESCRIPTION:

This project is located in San Mateo County, on Routes 101 and 280 at various locations. This project is to install metal beam guardrail at various locations to reduce the number and severity of run-off the road collisions.

PROJECT LOCATION:



FUNDING STATUS:

The project was programmed in the 2010 State Highway Operations Protection Program (SHOPP) for \$4,521,000 for construction in Fiscal Year (FY) 2012-13. In August 22, 2012, \$3,453,000 of SHOPP funds were allocated for this project. Bids were opened on October 9, 2012. There were five bidders with the low bid of \$3,335,725. However, the low bidder and the second lowest bidder were disqualified for not making a good effort towards the DBE goal. The third lowest bidder did not grant an extension of the bid and pulled out. This request is to award the contract to the fourth bidder. The total amount needed to award, based on the lowest responsible bid is \$4,165,000. This request is for \$712,000 to award this project.

REASONS FOR COST INCREASE:

The Department performed a bid analysis to evaluate the differences between the Engineer's Estimate and the contract bid items. The contract has 37 bid items. Seven of these bid items have significant cost differences. These items are Mobilization, Concrete Barrier (Type 60), Metal Beam Guard Railing, Minor Hot Mix Asphalt, Remove Asphalt Concrete Dike, Temporary Railing (Type K), and Concrete Barrier (Bridge Railing Connection Anchor Block).

BID ITEM	ENGINEER'S ESTIMATE	LOW BID	INCREASE
Mobilization	\$145,000	\$350,000	\$205,000
Concrete Barrier (Type 60)	\$46,000	\$165,600	\$119,600
Metal Beam Guard Railing (Steel Post)	\$1,215,000	\$1,312,200	\$97,200
Minor Hot Mix Asphalt	\$52,000	\$130,000	\$78,000
Remove Asphalt Concrete Dike	\$33,800	\$94,640	\$60,840
Temporary Railing (Type K)	\$24,000	\$84,000	\$60,000
Concrete Barrier (Bridge Railing Connection Anchor Block)	\$49,500	\$104,500	\$55,000
Miscellaneous Adjustments/Contingencies			\$36,360
TOTAL INCREASE			\$712,000

The Engineer's Estimate for all the items was consistent with the current market for the time it was developed and its unit prices were based on the item quantities of the whole project. Upon detailed review of the fourth lowest bid, there is no evidence of mathematical or material unbalance. This project includes work at 63 locations which is likely a contributing factor for the higher cost. Also, the fourth bidder is an out-of-State contractor, which could have resulted in a higher cost.

These conditions are the primary contributors to the discrepancy between the Engineer's Estimate and the low bid. An additional \$712,000 in supplemental funds is needed in order to award this project to the lowest eligible bidder.

FUNDING OPTIONS:

OPTION A: Approve this request as presented above for \$712,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to down scope the project to remain within the allocated amount. The Department considered this option and determined that reducing the scope of work on this project, and executing another project to complete the deleted work later would result in greater costs and the delay benefits of safety enhancement to the traveling public.

RECOMMENDED OPTION:

The Department recommends that this request of \$712,000, as presented in Option A above, be approved to award the project to the lowest eligible bidder.