

## TAB 82

### Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 6-7, 2017

Reference No.: 2.8b.(4)- **REPLACEMENT ITEM**  
Action Item

From: NORMA ORTEGA  
Chief Financial Officer

Prepared by: Bruce De Terra, Chief  
Division of Transportation  
Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR STATE  
ADMINISTERED PROJECTS ON THE STATE HIGHWAY SYSTEM, PER STIP AND  
SHOPP GUIDELINES  
WAIVER 17-47**

#### **ISSUE:**

Should the California Transportation Commission (Commission) approve a time extension for eight State Highway Operation and Protection Program (SHOPP) projects, for the period indicated, as described in the attachment?

#### **RECOMMENDATION:**

The California Department of Transportation (Department) recommends that the Commission approve a time extension, for the period indicated, for the eight SHOPP projects described in the attachment.

#### **BACKGROUND:**

Current STIP and SHOPP Guidelines (Guidelines), stipulate that the agency implementing a project request a time extension if the project will not be awarded within six months of the allocation. The Commission may approve waivers to the timely use of funds deadline one time only for up to 20 months.

On May 17, 2017, the Commission allocated \$110,206,000 for Construction Capital for eight SHOPP projects. In accordance with the Guidelines, the deadline to award contracts for projects allocated in May 2017 is November 30, 2017. The Department will not be able to meet the deadlines for these projects and is requesting time extensions for the period of contract award. The attachment shows the details of each project and the delays that have resulted in the time extension request.

Attachment

## 2.8b.(4) Time Extension / Waiver - Contract Award Waiver 17-47

Reference No.: 2.8b.(4)

December 6-7, 2017

Attachment

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Proj No	Dist-PPNO	EA	Work Description	Fund Source	Allocation Amount	Allocation Date	Months Requested	New Award Deadline
1	11-1129	41910	In various cities, at various locations in San Diego County. Upgrade existing guide signs to current standards.	SHOPP	\$9,711,000	5/17/17	9	Aug-2018

**Reason for Delay:** This SHOPP Roadway Preservation project was advertised on June 12, 2017. Five bids were received on July 11, 2017. The first two bidders did not use a qualified supplier and did not meet Disadvantaged Business Enterprise requirements. Subsequently, due to no Good Faith Effort, both bidders were determined to be non-responsive. The Department has determined that the third bidder is the apparent lowest responsible bidder, which is above the Engineer's Estimate. The Department is also requesting additional supplemental funds to award this project at the December 2017 Commission meeting. The additional time will allow the Department to reject all bids and re-package and re-advertise this project, if the additional funds are not approved to be able to award to the third bidder.

**The Department is also requesting a concurrent nine-month time extension for Phase 3 Construction Support.**

2	12-2859A	0N080	In the cities of Santa Ana and Orange, from Broadway to the Santa Ana River; also on Route 22 from Santa Ana River to Main Street, and on Route 57 from Route 5 to Chapman Avenue. Enhance highway worker safety with access gates and other measures.	SHOPP	\$4,600,000	5/17/17	6	May-2018
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**Reason for Delay:** This SHOPP Collision Reduction project was advertised on June 19, 2017. Bids were opened on August 1, 2017. Seven bids were received. All bids received were higher than the Engineer's Estimate. The apparent low bidder was allowed to drop out of the bidding process due to bidder error. The Department realized an opportunity to capture some savings by modifying the design strategy and still achieve the same performance metrics of the project. The project was re-packaged on October 18, 2017, and was re-advertised on November 6, 2017. Bid opening is scheduled for December 19, 2017. This time extension request will allow the Department sufficient time to re-advertise, process and award the project to the lowest responsible bidder.

**UPDATE:** The Department has determined that the design strategy will take longer than anticipated and is requesting a total of 6 months to re-design, re-advertise, open bids, and award the project.

**The Department is also requesting a concurrent six-month time extension for Phase 3 Construction Support.**

## 2.8b.(4) Time Extension / Waiver - Contract Award Waiver 17-47

Reference No.: 2.8b.(4)

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Proj No	Dist-PPNO	EA	Work Description	Fund Source	Allocation Amount	Allocation Date	Months Requested	New Award Deadline
3	02-3560	4G550	In and near Dunsmuir, from Sacramento River Bridge to 0.6 mile south of North Mount Shasta Underpass. Rehabilitate roadway.	SHOPP	\$56,655,000	5/17/17	9	Aug-2018

**Reason for Delay:** This SHOPP Roadway Preservation project was advertised on July 17, 2017. Bids were opened on September 6, 2017. Five bids were received. The apparent low bidder did not meet the Disadvantaged Business Enterprise (DBE) goal for the project. On October 24, 2017, the apparent low bidder had an administrative reconsideration meeting. The Department continues to work with this bidder. If this bidder is considered to be no Good Faith Effort, the Department will work with the second bidder. This time extension will allow the Department sufficient time to re-package and re-advertise if necessary, and process and award the project.

**UPDATE:** The Department determined that that the apparent low bidder was deemed "No Good Faith" after the administrative reconsideration meeting. The Department was ready to award to the second low bidder, but they were also determined to be non-responsive. The Department rejected all bids on November 13, 2017 and will re-advertise. The Department is requesting a total of 9 months to repackage, re-advertise, and analyze the bidders for DBE participation and award. Since the project will be re-advertised a whole season later, the market conditions could change, and costs could be higher. The 9 months will allow the Department to re-package, re-advertise the project and analyze a new set of bidders for DBE participation, and award the project.

The Department is also requesting a concurrent nine-month time extension for Phase 3 Construction Support.

4	05-4019	0N190	Near the cities of Monterey and Salinas, from Route 1 to Spreckels Boulevard. Install Traffic Management System (TMS) elements.	SHOPP	\$1,179,000	5/17/17	9	Aug-2018
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**Reason for Delay:** This SHOPP Mobility project was advertised on June 21, 2017 and bids were opened on July 12, 2017. Five bids were received. The apparent low bidder did not provide the required Disadvantaged Business Enterprise (DBE) submittals and was considered non-responsive. The remaining bidders were higher than the Engineer's Estimate. The Department has determined that the second bidder is the lowest responsible bidder. The Department is requesting additional supplemental funds to award this construction contract at the December 2017 Commission Meeting. This time extension will allow the Department sufficient time, upon approval of the additional funds from the Commission, to process and award the project to the lowest responsible bidder. If the additional funds are not approved, the additional time will allow the Department to reject all bids and re-package and re-advertise this project.

**UPDATE:** The Department has determined that the second low bidder did not extend his bid, and therefore is ineligible for award. Originally, the Department decided to request a concurrent request for Supplemental Funds to award. As a result of the ineligibility finding, the Department has removed this request. As of this update on November 27, 2017, the Department has not determined if the third low bidder has met the DBE participation goals. Should the third bidder not make DBE goals, the Department may reject all bids, re-package and re-advertise the project. As part of the re-packaging the Department will redesign the scope to modify some items and extend the working days to provide some costs savings. The request of 9 months to award from the original deadline of November 30, 2017 will allow for a worst case scenario of rejecting all bids and re-designing the project. This will allow the Department to re-package and re-advertise the project and analyze a new set of bidders for DBE participation, and award the project.

The Department is also requesting a concurrent nine-month time extension for Phase 3 Construction Support.

## 2.8b.(4) Time Extension / Waiver - Contract Award Waiver 17-47

Reference No.: 2.8b.(4)

December 6-7, 2017

Attachment

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Proj No	Dist-PPNO	EA	Work Description	Fund Source	Allocation Amount	Allocation Date	Months Requested	New Award Deadline
5	11-1063	26220	In San Diego County, at San Diego-Coronado Bay Bridge, from Toll Gates to North Junction Route 5. Rehabilitate and upgrade bridge electrical components.	SHOPP	\$13,192,000	5/17/17	6	May-2018

**Reason for Delay:** This SHOPP Bridge Preservation project was advertised on June 26, 2017. Due to Homeland Security clearance approval for potential bidders for the onsite inspection, the bid opening date was delayed a few weeks. Bids were opened on September 13, 2017. Two bids were received. The apparent low bidder did not meet the Disadvantaged Business Enterprise goal of 13 percent. The Department is now in the process of good faith effort (GFE) with this bidder. If the GFE is not met, the lowest apparent bidder can have a reconsideration meeting. The second bidder has also filed a protest which has to be resolved before the contract can be awarded. This six-month time extension will allow the Department sufficient time to resolve any protests, determine the responsible low bidder and process and award the project.

**The Department is also requesting a concurrent six-month time extension for Phase 3 Construction Support.**

6	03-6913	0F351	In various locations in Yolo and Sacramento County. Construct Ramp meters including electrical system, loop detectors, signal heads and masts, and bus/carpool bypass lanes.	SHOPP	\$16,334,000	5/17/17	6	May-2018
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**Reason for Delay:** In September 2015, the Department considered this SHOPP Mobility project "exempt" from the Air Quality Conformity requirements based on the project's scope of work. The project was allocated by the Commission in May 2017. Upon further review by the Department's Environmental Division, it was determined that this project required an Air Quality Analysis prior to advertisement. The advertisement of this project was delayed by three months to September 25, 2017. Bid opening is now scheduled for December 6, 2017. The six-month extension will allow the Department to process and award the project to the lowest responsible bidder.

**The Department is also requesting a concurrent six-month time extension for Phase 3 Construction Support.**

7	06-6662	0Q620	Near Buttonwillow, at the northbound and southbound Buttonwillow safety roadside rest areas. Upgrade water and waste water systems.	SHOPP	\$2,350,000	5/17/17	12	Nov-2018
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**Reason for Delay:** This SHOPP Collision Reduction project was advertised on June 19, 2017. Bids were opened on July 25, 2017. Two bids were received. All of the bids were above the Engineer's Estimate. The original project scope was to upgrade the sewer and water systems and required electrical control and components. The Department realized an opportunity to stay within project allocation by revising the project scope to only upgrade the sewer, install a different electrical control and component, and delay the water system upgrade. The project re-design will also require re-approval by the State Fire Marshall. As a result, the Department rejected all bids on August 30, 2017. This 12-month time extension will allow the Department sufficient time to re-package, re-advertise and award the project to the lowest responsible bidder.

**The Department is also requesting a concurrent twelve-month time extension for Phase 3 Construction Support.**

**2.8b.(4) Time Extension / Waiver - Contract Award  
Waiver 17-47**

Reference No.: 2.8b.(4)  
December 6-7, 2017  
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Proj No	Dist-PPNO	EA	Work Description	Fund Source	Allocation Amount	Allocation Date	Months Requested	New Award Deadline
8	12-4096M	0M960	In and near Irvine and Newport Beach, from Bonita Canyon Road/New Ford Road to 0.2 mile south of Red Hill Avenue. Rehabilitate Pavement.	SHOPP	\$6,185,000	5/17/17	6	May-2018

**Reason for Delay:** This SHOPP Roadway Preservation project was advertised on June 15, 2017 and bids were opened on July 25, 2017. Three bids were received. All of the bids received were higher than the Engineer's Estimate. The Department realized an opportunity to revise the design strategy and still realize the same performance metrics. As a result, the Department rejected all bids. The project was re-advertised on October 2, 2017. Bids were opened on November 8, 2017. This time extension will allow the Department sufficient time to process and award the project.

**UPDATE:** The Department has determined that the design strategy will take longer than anticipated and is requesting a total of 6 months to re-design, re-advertise, open bids, and award the project.

The Department is also requesting a concurrent six-month time extension for Phase 3 Construction Support.