



SAN JOAQUIN COUNCIL OF GOVERNMENTS
Project Delivery Sub-Committee
SJCOG Executive Conference Room
555 East Weber Avenue
Stockton 95202

Monday, December 12, 2016
4:30 p.m.

The San Joaquin Council of Governments is in compliance with the Americans with Disabilities Act and will make all reasonable accommodations for the disabled to participate in employment, programs and facilities. Persons requiring assistance or auxiliary aid in order to participate should contact Rebecca Calija at (209) 235-0600 at least 24 hours prior to the meeting.

PARKING: For your convenience, parking is available at the COG Regional Center off of American marked "Visitor" on the North Side Of the Parking Lot.

A G E N D A

1. Roll Call and Introductions:
2. Public Comments:
3. Approve Minutes of June 13, 2016:
Additional Material: Minutes of June 13, 2016
Recommended Action: Approve as submitted
4. Measure K Renewal Project Initiation Documents:
Additional Material: Staff Report
Recommended Action: Action
5. State Route 99 Lodi 6-Lane Widening Project:
Additional Material: Staff Report
Recommended Action: Action
6. Vali Cooper & Associates, Inc. Construction Management Services Measure K Contract Amendment:
Additional Material: Staff Report
Recommended Action: Action
7. Status of Major Highway Projects:
Additional Material: Verbal Report
Recommended Action: Information

8. Project Management Practices:
Additional Material: Staff Report
Recommended Action: Information
9. Caltrans Executive Report (No Staff Report):
10. Executive Director's Report:
11. Other Matters of Business:
12. Adjourn to the Next Meeting of Committee:
Next Regularly Scheduled Meeting: TBD

NOTE:

The agenda packet is available for public inspection in the SJCOG Office at 555 E. Weber Avenue during normal business hours. These documents are also available on the San Joaquin Council of Governments website at www.sjcog.org subject to staff's ability to post the documents before the meeting.

PARKING:

For your convenience, parking is available at the SJCOG Regional Center off of Channel Street-Marked "Visitor" on the east side of the parking lot. There is additional parking available at the Public Parking Lot L, located on American Street, just south of Weber Avenue. Additional metered parking is available on Weber Avenue.

SAN JOAQUIN COUNCIL OF GOVERNMENTS
Project Delivery Sub-Committee
SJCOG Conference Room
555 E. Weber Avenue
Stockton, CA 95202

Monday, June 13, 2016

MINUTES

1. The meeting was called to order at 4:34 p.m. by Chair Jeff Laugero.

Present:

Supervisor Carlos Villapudua, San Joaquin County; Mayor Steve Debrum; City of Manteca; Mayor Pro Tem Jeff Laugero, City of Escalon.

Others Present:

Andrew Chesley, SJCOG Executive Director; Steve Dial, SJCOG Deputy Executive Director/CFO; Kevin Sheridan, SJCOG Project Manager; SJCOG Katy Castro, Administrative Clerk II.

2. **Public Comments:** None

3. **Approve Minutes of March 14, 2016:**

It was moved/seconded (Villapudua/ Debrum) to approve the minutes of March 14, 2016. Motion passed unanimously 3/0 by voice vote.

4. **Highway 4 Western Extension to Navy Drive Project Right of Way Consultant:**

Mr. Sheridan stated the requested Rajappan and Meyer contract amendment increases the scope of work and contract funding for changes needed by Caltrans to finalize the construction of the SR4 Crosstown Extension to Navy Drive project.

Mayor Debrum asked why some of the issues that are coming up, weren't caught during the design. Mr. Sheridan stated the design issues weren't caught, because it was a setback for the property on both sides.

Mayor Debrum asked if City of Stockton will take responsibility for the poor design work. Mr. Chesley stated the issue has to be carefully thought out; the responsibility might be shared by everyone.

Mayor Pro-Tem Laugero asked if Caltrans should be responsible for the errors and emissions. Mr. Sheridan stated that this project has a segregated estimate; SJCOG would have to segregate what emissions and errors happened in Caltrans side.

Mayor Debrum asked, what actions are being taken, so that this issues don't happen again. Mr. Chesley stated that SJCOG is not hiring local jurisdiction to do state highway projects.

It was moved/seconded (Villapudua/ Debrum) to recommend to the SJCOG Board to authorize the Executive Director to sign amendment #5 to contract Rajappan & Meyer Contract 10-074 to amend scope of work and increase support activities contract amount by \$198,660 not to exceed \$10,497,660.

5. **Freeway Service Patrol (FSP) for Interstate 205:**

Mr. Sheridan stated SJCOG staff is requesting to renew to Mike's Towing contract for congestion FSP for FY 16/17.

This item was for information only no action was taken.

6. **Freeway Service Patrol (FSP) Technical Support:**

Mr. Sheridan stated SJCOG staff recommends continuing to retain the professional services of JETT Consulting Services through FY 2016/17 at a cost not to exceed \$2,000. JETT Consulting Services is currently providing technical support for the construction and congestion management Freeway Service Patrol.

It was moved/seconded (Villapudua/Debrum) to recommend to the Board to Authorize the SJCOG Executive Director to Amend Contract C-13-053 with JETT Consulting Services for FSP Technical Support from FY 2015/16 through FY 2016/17 Not-to-exceed \$2,000.

7. **Status of Major Highway Projects:**

Mr. Sheridan commented on the Status of Interstate 5 HOV and rehabilitation update. He also gave an update on State Route 4 Crosstown Freeway Extension.

8. **Caltrans Executive Report (No Staff Report):**

Mr. Jordan from Caltrans gave an update on local projects. Supervisor Villapudua asked when the Mariposa project will be completed. Mr. Sheridan stated that the whole project should be completed by October 2016.

9. **Executive Director's Report:**

None.

10. **Other Matters of Business:**

None.

11. **Adjournment:**

There being no further business to discuss, the meeting was adjourned at 5:46 p.m. The next regular scheduled meeting TBD, 2016.

STAFF REPORT

SUBJECT: Measure K Renewal Project Initiation Documents

RECOMMENDED ACTION: PDC Recommends the SJCOG Board to Award Contracts to AECOM, R&M Engineers, and Drake Haglan & Associates; Caltrans IQA Cooperative Agreements to Prepare Project Initiation Documents Not to Exceed \$1,049,637

DISCUSSION:

In May 2015 the SJCOG Board approved a pre-qualified vendor list based on the ranking results of a Request for Qualifications (RFQ) for Project Development Services. To date, two of the five firms have been awarded contracts delivering projects on State Routes 99 (Lodi) and 99/120 (connector).

For the action being requested in this staff report, SJCOG staff requested cost proposals from the remaining three pre-qualified vendors for three Project Initiation Documents (PID) prioritized by the Board. The scope of work is identical based on the Caltrans requirements to prepare a Project Study Report/Project Development Support (PSR/PDS) type PID. The PSR/PDS is required to program projects for the preliminary engineering and environmental phase or Project Approval/Environmental Document (PA&ED). PA&ED is a major project delivery milestone and upon completion is a significant factor for State and Federal Agencies to consider when competing for future funding. Without it projects are often stalled and do not get delivered, leaving antiquated transportation facilities that do not meet current safety or air quality standards for the region.

The cost and scope proposals received from SJCOG's three remaining uncontracted pre-qualified vendors meet the requirements for a Request for Proposal (RFP) as defined by Caltrans PSR/PDS preparation guidance. The deviation in price received from each of the consultants for these projects is primarily associated with design feature complexity and the length of the project limits for each project.

Project PID Consultant Cost Proposals

- SR 120 Widening (SR 99 to I-5), Drake Haglan & Associates, \$241,225.
- I-5 Mossdale HOV Widening (SR 120 to I-205 Connection), AECOM \$294,000.
- I-205 Tracy HOV 8-Lane Widening (I-205 to I-580), R&M Engineers, \$334,412.
- Caltrans PID Reimbursement, \$180,000 (\$60K per project).

Background

In September 2015, the SJCOG Project Development Committee, Executive Committee and Board of Directors authorized staff to prioritize Project Initiation Document (PID) development. Per the Board's direction these project PIDs were prioritized to begin work.

- State Route 120 Six Lane Widening
- Interstate 5 Mossdale High Occupancy Vehicle Eight Lane Widening
- Interstate 205 Tracy High Occupancy Vehicle Eight Lane Widening

For this effort \$630,000 was identified in Regional Surface Transportation Funds (RSTP) that could be de-obligated from the State Route (SR) 99 Victor-Turner Road Auxiliary Lane Project. SJCOG previously developed the PID for this project and programmed the RSTP funds for the environmental phase. However, SJCOG and Caltrans staff continued to look for opportunities for the state to perform all remaining work on the project. Caltrans was able to program the project into the SHOPP and SJCOG was able to de-obligate the RSTP funding.

When the de-obligation occurred, Caltrans and SJCOG staff were working on moving into the next phase (Phase IV) of work for the SR 99 Manteca Widening Project. Phase IV is the Planting Mitigation and Landscape project at the newly constructed Lathrop Road/Main Street Interchange in Manteca. As part of the Proposition 1B projects, all projects that had associated Landscape/Planting Mitigation used local funding sources. This resulted from the Proposition 1B funding not being available for Landscape/Planting Mitigation Projects.

With input from the City of Manteca, SJCOG prepared the Phase IV design plans for construction and planned to administer the construction contract. Caltrans is required to oversight all locally funded construction contracts. Given Caltrans oversight responsibilities and needing to accept the project after three years of plant establishment, SJCOG staff inquired if Caltrans would take on the Planting Mitigation as the lead agency for construction. Caltrans agreed as it minimized time and cost to both agencies.

SJCOG staff then proposed to swap out the local sales tax funding on the project to use RSTP funding (Federal). This swap eliminated the 30% indirect cost rate markup that Caltrans is required by the state Department of Finance when local funds (non-Federal funds) are being used for reimbursed work. In April 2016 the SJCOG Board approved and authorized the Executive Director to a revenue neutral exchange of the \$630,000 from SR 99 Victor Turner Project, plus \$439,000 in unprogrammed "Regional Share" RSTP, totaling \$1,069,000 to be used on the Phase IV project.

Funding is now available to award consultant contracts for the PIDs prioritized by the SJCOG Board and to reimburse Caltrans for PID oversight.

Recommendation: Recommend to the SJCOG Board to authorize the Executive Director, to contract with Caltrans and the three remaining consultants to prepare PIDs for the Board approved prioritized project list, not to exceed \$1,049,637.

Prepared by: Kevin Sheridan, Project Manager

State Route 120 6-Lane Widening (SR 99 to I-5)



I-5 8-Lane HOV Widening (SR 120 to I-205)



Interstate 205 8-Lane HOV Widening (I-580 to I-5)



STAFF REPORT

SUBJECT: State Route 99 Lodi 6-Lane Widening Project

RECOMMENDED ACTION: PDC Recommends the SJCOG Board to Authorize the Executive Director to Approve Contract Amendment #1 with BKF Engineers, Inc., to Extend Term of the Contract

SUMMARY:

The current contract term limit will expire December 31, 2016. SJCOG's consultant BKF Engineers and Caltrans need additional time to better determine the design features that needs to be studied during the next phase of work, Project Approval Environmental Document (PA&ED). The purpose of the Project Study Report/Project Development Support as a Project Initiation Document (PID) is to develop a cost estimate for PA&ED to better refine the project information to select the preferred alternative to be constructed. BKF submitted the Draft PSR/PDS to Caltrans for review in November.

Caltrans will need additional time to make comments and BKF will need additional time to address comments and finalize the PSR/PDS for approval. The budget for the remaining work is consistent with the scope of work identified in the contract and this amendment will grant an extension of time to complete the work by six months (June 30, 2017). There is no cost increase associated with the requested action.

Recommended Action

Recommend to the SJCOG Board to authorize the Executive Director to sign a contract amendment #1 for contract #C-16-016 with BKF Engineers, Inc. to extend the contract term limit by six months to June 30, 2017.

STAFF REPORT

SUBJECT: Vali Cooper & Associates, Inc. Construction Management Services Measure K Contract Amendment

RECOMMENDED ACTION: PDC Recommends the SJCOG Board to Authorize the Executive Director to Amend (#4) the Measure K Contract for Construction Management Services with Vali Cooper & Associates, Inc. Not to Exceed \$2,272,883 and Extend Term Limit

SUMMARY:

This proposed contract amendment #4 to the Vali Cooper & Associates, Inc. (VC&A) construction management services increases the not to exceed amount by \$50,000 from \$2,222,883 to \$2,272,883. The \$50,000 will come from remaining funds from the State Route 99 Manteca Widening Phase 1 project construction closeout. The requested increase is necessary to continue providing Construction Management support services for SJCOG and Caltrans on the State Route 4 Crosstown Freeway Extension. This contract amendment also requests an extension of the contract term to June 30, 2017.

BACKGROUND

The Caltrans Resident Engineer (RE) is retiring at the end of December. Caltrans currently has an "On Call" contract with Vali Cooper & Associates to assist with Construction Management on a number of projects in District 10 including the Crosstown Freeway Extension Project. Caltrans construction staff intended to hire back the RE as a "retired annuitant" but was informed that due to conflict of interests they could not. The state is prohibited from hiring back a state retiree as a consultant to work on the same projects they were previously working on for a period greater than six months.

The RE for the Crosstown Freeway is needed to finalize the project close out by October 2017. There are claims needing to be finalized with the state's contractor. The RE's knowledge on this project is needed to insure negotiations are successful and disputes can be settled. To avoid the risk of losing the RE's ability to continue closing out this project, Caltrans has inquired if SJCOG could absorb the RE's cost using SJCOG's VC&A contract for the next six months or until Caltrans could hire him back. VC&A has indicated they would hire the RE immediately to continue working on the Crosstown Freeway project to minimize the loss or break in time of construction knowledge the RE retains on this project.

RECOMMENDATION:

Recommend to the SJCOG Board to authorize the Executive Director to amend the VC&A #4 construction management services contract to increase the not to exceed amount by \$50,000 from \$2,222,883 to \$2,272,883 and extend the contract term to June 30, 2017.

FISCAL IMPACT:

\$50,000 will be reprogrammed from the State Route 99 Manteca Widening Phase 1 project construction closeout.

Prepared by: Kevin Sheridan, Project Manager

STAFF REPORT

SUBJECT: Project Management Practices

RECOMMENDED ACTION: Information

DISCUSSION:

Project Delivery and Project Management

From project initiation during the planning phases to constructing the physical improvement, constant attention to detail is paramount in identifying and mitigating project associated risks. As important are the partnering relationships between the project sponsors and stakeholders. Budgeting appropriately to handle unknown risk is key to insuring projects are delivered successfully. Because project requirements are not static, communicating financial constraints during project delivery and making adjustments is an iterative process.

Determining the methodology for project delivery, communication management, and risk management are essential in controlling a project's cost, scope, and schedule. Project delivery methods are also defined by an agency or owner for financial planning and construction. These are further defined and formalized by interagency cooperative agreements (legal agreements). Within this system, there are core project management principles. Without them, projects fail to meet expectations. In comparing two types of project delivery methods, one can see the benefits of each method by simply identifying the requirements for each. These two methods are:

- Design Bid Build (typical)
- Design Build (select)

Design Bid Build is defined as the traditional method or hardbid. Design Bid Build is a project delivery method in which the agency or owner contracts with separate entities for the design and construction of a project.

Design Build is defined as a method to deliver a project in which the design and construction services are awarded to a single entity known as the design-builder or design-build contractor.

Both methods have merit, but no matter the project size or complexity, both are subject to fail without effective project management and leadership throughout the entire process.

One of the main attractions for Design Build is that once the environmental document is complete, the selected alternative can be advertised for the designer and construction contractor together, the project can be awarded and begin. Theoretically, and in practice, Design Build

offers efficiencies and significant risk is transferred to the designer/contractor. Recent examples have shown that Design Build has both worked and not worked out so well on complex large projects such as the Phase II Presidio Parkway Public Private Partnership(P3). Public Private Partnerships transfer risk to the private sector. Instead of Caltrans or the transportation authority, a developer was selected to design, build, finance, operate and maintain the project for 30 years. In doing so Caltrans and the local transportation authority will continue to provide oversight. The premise for P3 is to reduce costs, free up state funding for other uses, transfer cost-overrun risks to the private developer and ensure a high maintenance standard during the 30 year contract.

The Interstate 405 Sepulveda Pass Project used Design Build with the local transportation authority serving as the implementing agency for construction. Although the contractor carried most of the risk, the local agency retained what turned out to be significant risk too. As a result, several utilities and detours were mishandled and the contractor sued the local agency. The end result was a project with a \$300 million settlement that represented a 55% cost increase to the project. See attached article.

To date SJCOG and Caltrans have used the traditional method of Design Bid Build. After completing the environmental phase early, SJCOG was approached by Caltrans to examine whether the State Route 4 Crosstown Freeway Project would be a good candidate for Design Build. To be a Design Build project, the project had to be identified and approved by the State Legislature to be on the list for Design Build projects. Although the opportunity was unique, after examining the aspects of Design Build, SJCOG's project manager concluded Design Build was not a good fit for the project due to utilities, residential, and business relocations. After communicating these risks Caltrans concurred with the assessment. The project proceeded using the standard Design Bid Build method. Construction for this project was awarded for \$50 million less than programmed. The project is expected to open to traffic early with the construction phase completed six months earlier (April 2017) than anticipated (Oct 2017).

On other projects where SJCOG and Caltrans have been the only parties to cooperative agreements, projects have finished within budget. Project Managers continually assessed project-related risks throughout project development and delivery. Risk management from lessons learned were applied to account for the unknowns during all project delivery phases. This resulted in mitigating risks by budgeting costs other than contract items and were factored prior to bidding the projects for construction. This allowed the project budgets to be justified and adjusted prior to advertisement while still achieving substantial cost savings after the award of the construction contracts. Although some project schedules were affected to complete construction, costs were not. Project managers aggressively imposed cost and change control measures by regularly attending weekly construction meetings with the contractors to insure financial constraints were weighted during all discussions and decisions effecting construction.

Staying on budget for construction and right-of-way has allowed SJCOG to demonstrate the success of the Measure K Renewal Early Action Program and other ongoing projects.

Prepared By: Kevin Sheridan, Project Manager

'Lessons learned': Metro will pay nearly \$300 million more to company that widened the 405 Freeway

The Metropolitan Transportation Authority has agreed to pay nearly \$300 million more to the contractor of the 405 Freeway widening project, capping a [years-long dispute](#) over responsibility for schedule delays, design changes and cost overruns.

The settlement will push the cost of the controversial Sepulveda Pass project above \$1.6 billion, about 55% higher than the original budget.

The \$297.8-million agreement follows years of disagreements between Kiewit Corp. and Metro over how the freeway widening was managed. Kiewit has said in legal filings that Metro's repeated changes to the project's design and failure to identify and relocate utilities added significantly to delays.

The 10-mile northbound carpool lane through the Sepulveda Pass [opened more than a year behind schedule](#). Its construction caused [five years of traffic headaches](#) on one of the nation's most congested corridors.

Metro's directors approved the settlement in closed session earlier this month. They will be asked Thursday to formally increase the project budget to nearly \$1.61 billion.

"Frankly, there were deficiencies," said Duarte Mayor John Fasana, the chairman of the Metro board, referring to how the agency handled the project. Metro could have continued to negotiate the settlement, he said, but "we had some culpability, and it was time to move forward."

In a report to directors, staff members wrote that the "significant lessons learned" from the 405 Freeway settlement included the importance of "detailed underground utilities investigations" before beginning a billion-dollar project.

Metro's board of directors approved the settlement less than two weeks after [voters approved a new half-cent sales tax](#) to fund transit operations, highway projects and a [dramatic expansion of the county rail network](#).

The expansion will include a multibillion-dollar, high-capacity rail tunnel [through the Sepulveda Pass](#). The plans have already raised eyebrows among some Westside residents who endured five years of construction.

Still, advocates point out, the tunnel would provide a crucial link between the Westside and the San Fernando Valley — and would create more capacity than the 405's carpool lane, which studies suggest [has not significantly changed traffic flow](#).

In an email, Kiewit spokesman Bob Kula said the firm had been “working positively with Metro” to resolve “key issues” on the project, and declined to comment further.

Kiewit filed suit against Metro in 2014 in the same month the carpool lane opened, seeking hundreds of millions of dollars in reimbursements.

The Omaha-based construction company said in court documents that the design changes made after work began, as well as tasks that were not included in their original contract, created “staggering” expenses.

The “bureaucratic quagmire” at Metro, the company said, forced Kiewit to double to 300 the number of employees on the project.

Rather than litigate the claims, Metro and Kiewit agreed to nonbinding arbitration, Metro spokeswoman Pauletta Tonilas said. The settlement agreement doesn't acknowledge fault on the agency's part “so much as it is acknowledging the substantial scope changes that happened,” she said.

Metro was pleased to finish arbitration relatively quickly and settle for less than Kiewit's original claim of \$518 million, she said.

The settlement will be funded through the sale of bonds financed by Proposition C, a half-cent sales tax that Los Angeles County voters approved in 1990, she said.

Saving on legal fees and settlement costs, she said, will make Metro “the best possible steward of the taxpayer dollar we can be, given the challenges that came up.”

Those challenges include utility relocation. In a 140-page claim sent to Metro in 2013, the company said seven of the 13 main causes for schedule delays came from problems with third-party utility companies.

Crews discovered more than nine miles of utility lines buried in the Sepulveda Pass. In one instance, they said, protecting a drainage culvert that had not been included in the bid documents added nearly \$30 million to the project's cost.

After Kiewit began work, it learned that Metro's agreements with companies that control access to gas pipelines, data cables and electrical lines in West Los Angeles did not apply to the 405 projects, creating further delay.

“If only one of these third parties fails or falls behind, there is a domino effect that impacts everything else,” project director Richard Raine wrote in the claim.