

## SBCAG STAFF REPORT

**SUBJECT:** Highway 246 Passing Lanes and Landscaping Project

**MEETING DATE:** March 15, 2018 **AGENDA ITEM:** 6

**STAFF CONTACT:** Fred Luna

### RECOMMENDATION:

- A. Receive an update on the construction of the Highway 246 Passing Lanes highway project and the plan for implementing the landscaping contract
- B. Authorize the Executive Director to sign a letter providing concurrence to anticipated cost increases funded for construction support as part of the landscaping and mitigation planting contract to be funded by SBCAG's shares from the State Transportation Improvement Program (STIP).

### DISCUSSION:

The Highway 246 Passing Lanes project began construction in 2015. The project is nearing the finish line with anticipated completion of early June 2018. Final paving will be performed this month and continuing through April (weather permitting). Remaining work includes the final striping, signage, and final traffic shifts. The project is looking to be open to traffic by early June 2018.

The landscaping phase for this project will follow the highway construction and is anticipated to start this fall 2018. For the landscaping phase, Caltrans has revised its estimate for construction and support to complete this phase and they are requesting additional funds for capital (from Measure A) and for support (from the STIP). This will require an amendment to the existing cooperative agreement for this increase. The increases in this phase will be partially offset by credits that are to be returned to SBCAG for the right of way phase. These agreements are being developed and would be presented to the SBCAG board in April for approval. For Caltrans to augment the programming from the STIP for the landscaping phase, they are seeking concurrence from SBCAG. Consequently, staff has drafted a letter to be sent to Caltrans which provides such concurrence. Staff is seeking authorization from the SBCAG board for the Executive Director of SBCAG to send a letter to Caltrans to concur to anticipated cost increases funded through the STIP for the landscaping phase (Attachment A).

### Post-Construction (Landscaping and Monitoring) Phase

In September 2014, SBCAG and Caltrans entered into a cooperative agreement to govern the post-construction phase for landscaping and monitoring for the project. The agreement specifies that SBCAG would fund the entire cost for the construction capital with Measure A funds and Caltrans would fund their costs to provide monitoring and oversight with STIP dollars. At the time the agreement was put in place, Caltrans identified the capital costs at \$500,000 and the monitoring costs at \$528,000. Caltrans has completed the landscaping design and would like to prepare the project to receive construction bids, and begin work in fall 2018. In order to meet this schedule, the CTC needs to approve the allocation of funding which Caltrans has now estimated having increased in both the capital and support areas.

**Table 1** below shows how the costs have increased. The additional funds for construction capital are estimated at \$94,000 and are to be funded by Measure A. This cost increase requires an amendment to the cooperative agreement for this phase. This will be brought to the board for approval in April. The cost increases for construction support would require additional commitment of STIP funds. Caltrans has requested SBCAG's concurrence on this and staff has prepared a letter to be sent by the Executive Director to Caltrans indicating concurrence with than increase of \$210,000 from the STIP, which would come from our future county shares. Staff has prepared a draft letter (Attachment A) that would be sent to Caltrans pursuant to approval by the board.

**Table 1  
Post-Construction Phase Costs and Funding**

Category	Measure A		STIP		Total	
	Const Capital	Const Supp	Const Capital	Const Supp	Const Capital	Const Supp
<b>Budget</b>	\$500,000	\$0	\$0	\$528,000	\$500,000	\$528,000
<b>Fcst Expenditures</b>	\$594,000	\$0	\$0	\$738,000	\$594,000	\$738,000
<b>Balance</b>	<b>-\$94,000</b>	<b>\$0</b>	<b>\$0</b>	<b>-\$210,000</b>	<b>-\$94,000</b>	<b>-\$210,000</b>

**Overall Financial Status**

At the board meeting, staff will provide an overall financial status for the project and the various phases and agreements. Below is a summary of the right of way and construction phases.

Right of Way Phase: SBCAG made a contribution of Measure A funds of \$750,000 to pay for anticipated right of way capital expenditures. Now that construction is nearly complete, Caltrans has indicated that right of way expenditures will come under the established budgets. SBCAG will see a credit of approximately \$251,000 in Measure A returned to our reserves. Caltrans will be submitting a cooperative agreement amendment to SBCAG approval at the April 2018 board meeting to document this change.

Construction (Highway) Phase: SBCAG has committed \$21.3 million for the construction capital and \$1.0 for construction support for the Highway 246 Passing Lanes project. Caltrans is estimating that there will be a need for all the capital, conservatively estimating contingency for final change orders and claims settlement. On the support side, Caltrans is estimating that approximately \$863,000 of the \$1.0 million in Measure A will be needed for the project with any underruns being returned to the Measure A reserve.

**COMMITTEE REVIEW:**

None.

**ATTACHMENTS:**

- A. Letter to Caltrans concurring to STIP increases

## ATTACHMENT A



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**DRAFT**

Mr. Paul Martinez  
Project Manager  
Caltrans District 5  
50 Higuera Street  
San Luis Obispo, CA 93401

Subject: STIP fund increase for Highway 246 Passing Lanes Project (EA: 0C641)

Dear Mr. Martinez:

The Santa Barbara County Association of Governments has entered into a cooperative agreement (Agreement 05-0294) to fund the post-construction landscaping phase of the Highway 246 Passing Lanes project. The original programming for this phase of the project includes Measure A funding for construction capital and STIP funding for construction support. Caltrans has identified the need to augment the costs for both the capital and support prior to the allocation vote by the California Transportation Commission (CTC). SBCAG concurs with the need to augment the STIP programming from \$528,000 to \$738,000 and understands that this amount would come from future county shares attributed to SBCAG.

Sincerely,

Marjie Kirn  
Executive Director