

## STAFF REPORT

**SUBJECT:** Route 101 Milpas to Cabrillo-Hot Springs Operational Improvements

**MEETING DATE:** July 20, 2006

**AGENDA ITEM:** 13

**STAFF CONTACT:** Fred Luna

### RECOMMENDATION:

- A. Authorize the Chair to execute Amendment No. 2 to the contract with Moffatt & Nichol Engineers to increase the contract amount by \$285,000, to be funded from project contingency, for additional work related to final design, right of way acquisition, and utility coordination.
- B. Adopt an expenditure plan amendment approving an increase in the allocation of Measure D regional funds in the amount of \$3.815 million for right of way capital expenditures pursuant to the cooperative agreement with Caltrans executed in December 2004. (Requires 9 affirmative votes)

### SUMMARY:

Since the last progress report to the Board in April, the project team of SBCAG Caltrans and the City of Santa Barbara have reached the 95% design mark for the project. STIP funding was increased with the adoption of the 2006 STIP by the CTC to address construction cost increases, and acquisition of rights-of-way. And SBCAG has continued public outreach efforts started in June 2005 which include community meetings, media and elected official briefings, and business outreach. The project has been well received by the public and Caltrans and SBCAG has also received feedback that has been used to change the project.

In April 2005, the SBCAG board amended the contract with Moffatt & Nichol Engineers (MNE) to include final design services. However, since that time, a number of changes in the design have been required to meet local requirements and conditions of approval from the City of Santa Barbara and conduct value engineering to incorporate construction cost saving measures into the project. Additionally, it is anticipated that MNE will need to perform additional work as we move forward on the project. This work will include additional community outreach up to beginning of construction in early 2008, design support during construction and coordination work with Caltrans to combine consultant and state drafted construction plans into one project for bidding. Staff is requesting that the board approve Amendment No. 2 to the contract with MNE in the amount of \$285,000 to cover the services described. Sufficient project support funding is available via the board's authorization of funding in October 2003.

Staff is also requesting that the board approve an allocation increase for anticipated right of way capital costs. In December 2004, SBCAG agreed to fund right of way capital costs for this project, through a cooperative agreement with Caltrans. Caltrans had at that time estimated the total right of way costs for the project at \$4.80 million. The current estimate of right of way capital, which includes costs for utility relocation, undergrounding, permits, relocation assistance, and condemnation, is now estimated at \$10.28 million.

Staff is recommending that the SBCAG board approve an allocation increase in the Measure D regional funding of \$3.815 million. (Approval requires 9 affirmative votes.) The additional authorization is based on amount above previous authorization established in October 2003, when the SBCAG board approved \$8.007 million for this construction, right of way and project support.

**Table 1**  
**Summary of Expenditure Authorization**  
**Measure D Regional Funds**  
**(millions of \$)**

	Phase		
	Right of Way	Construction and Project Support	Total
<b>Original Board Allocation (Oct. 2003)</b>	\$4.800	\$3.207	\$8.007
<b>Total Estimated Funding Needed from Measure D (July 2006)</b>	\$10.277	\$1.545	\$11.822
<b>Additional Allocation Recommended</b>	\$5.477	-\$1.662	\$3.815

**DISCUSSION:**

**Project Features**

The Route 101/Milpas to Cabrillo-Hot Springs project includes many elements that will reduce traffic congestion and improve safety and operations in this section of the freeway. Since this section is the northern limit of the 4-lane freeway corridor, the new lanes that will be added to 101 may be seen as the first phase of the widening to 6 lanes to the Ventura County line adopted as part of the 101 in Motion consensus package. Some of the key features of the project are:

- Addition of a southbound lane on Highway 101 from Milpas Street to beyond Cabrillo\Hot Springs interchange
- Northbound auxiliary lane from Cabrillo to Salinas Street
- Third northbound lane from Salinas Street to Milpas Street
- Sound walls along municipal tennis courts, zoo and residences near Milpas Street
- New southbound off ramp at Milpas Street
- New Hwy 101 undercrossing at Cacique Street
- Roundabout at intersection of Cabrillo Boulevard, Old Coast Highway, Coast Village Road and Hot Springs Road
- Other local improvements on Coast Village Road, Old Coast Highway and along Cabrillo Boulevard

**Project Status**

In April 2005, staff presented to the board an update of progress on the Route 101/Milpas to Cabrillo-Hot Springs project. Since that time the following has been accomplished.

- The Caltrans and Moffat & Nichol design teams have obtained conceptual and final approval in November 2005 and May 2006 respectively through the City of Santa Barbara.
- Right of way acquisition efforts were initiated in late 2005 and have resulted in the successful purchase of 5 of the 16 required parcels.
- Community outreach efforts were initiated in June 2005 with a number of public meetings with the community and constructive feedback was received on some of the design elements and construction phasing.
- SBCAG requested an additional \$17.2 million in Regional STIP dollars through the 2006 STIP. The funds were approved by the CTC and will be available with other construction funding in FY 2007-08. The need for additional funds were primarily attributable to escalating costs of construction, and the addition of the Milpas northbound bridge and Old Coast Highway / Coast Village Road improvements.

### Design Evolution and Extra Work

Since approval of the Phase II scope of services in April 2005, a number of design changes and new services have been required to meet various requirements and project delivery goals. Some of the changes are a result of requirements to meet conditions of approval contained in the Coastal Development permit issued by the City of Santa Barbara. SBCAG has taken a leadership role in several of these areas since design was related to local improvements. Part of the coastal development permit requirement included obtaining approvals (conceptual, preliminary and final) through a Design Review Team established specifically for the project. This has required a large number of design coordination meetings, and presentations to the Architectural Board of Review (ABR) and the Historic Landmarks Commission (HLC). Preliminary approval and final approval were granted in November 2005 and May 2006 respectively.

Table 2 shows a summary of the cost for each of the work items that comprise Amendment No. 2. :

**Table 2  
Summary of Extra Work  
Amendment No. 2**

<b>Extra Work Item</b>	<b>Total Contract</b>
Old Coast Highway Sidewalk and Landscaping	\$132,582
Cabrillo Undercrossing and Multi-purpose Path	\$54,635
Coast Village Road Modifications	\$31,456
Cabrillo-Hot Springs Roundabout	\$42,027
Bid Package Coordination with Caltrans	\$41,655
Community Outreach (08/2006 to 12/2007)	\$65,000
Design Support during Construction	\$55,000
Miscellaneous Items of Work	\$30,000
Credits for Deferred Work (Cabrillo UC)	-\$169,267
<b>Total Amendment Amount (Rounded)</b>	<b>\$285,000</b>

Old Coast Highway Sidewalks and Landscaping: This improvement was not part of the project EIR but was amended into the project description by the City of Santa Barbara as part of the coastal development permit approval. The scope of the project provides for sidewalk from the new roundabout continuing to the west to the tennis courts. The design proved to be more complex than originally anticipated due to proximity in some areas to US 101 (Caltrans right of way), drainage features, utility avoidance and relocation, and landscaping. A number of focused meetings with the City of Santa Barbara were held to confirm understandings to limit the scope of the improvements, to avoid utilities, adjust drainage, and modify striping on Old Coast Highway to avoid increased capital costs. Undertaking this value engineering effort saved up to \$250,000 in additional construction costs while requiring approximately \$132,600 in design services from MNE.

Cabrillo Multi-Purpose Path and Undercrossing: This feature of the project, as originally scoped, required boring a pedestrian tunnel underneath the Union Pacific Railroad tracks. Sample boring by the SBCAG consultant team revealed the presence of boulders in the soil underneath the tracks. In initial consultations, UPRR stated that a permit would not be granted for the undercrossing if a new structure over Cabrillo Blvd was not included. Over the last six months the SBCAG team has developed two alternate concepts for a pedestrian walkway under the tracks that would be acceptable to UPRR. The cost for this work was \$54,635. The acceptable alternatives are double the cost of the original design, to \$5.0 million. The delay in working out conceptual alternative designs with UPRR, the further delay to finalize a design, and the cost increase of this feature have required that the project team split this feature from the main project, design it separately, and construct it as a second phase.

Coast Village Road Medians and Parking: This improvement originated out of the need to extend the sidewalks along Coast Village Road beyond the Starbucks shopping center. When surveys showed that widening the sidewalks would require reconstruction of planters and retaining walls, the SBCAG consultant team met with city staff and looked at proposals to realign Coast Village Road toward the highway. The revised design calls for improved medians, which was well received by business and community groups, and removal of some on street parking along Coast Village Road to accommodate the changes. The re-design saved time and avoided the cost of having to prepare retaining wall structure details at a cost of up to \$80,000. Additional design costs were \$31,456.

Cabrillo-Hot Springs Roundabout: A number of changes were required on the signature feature of the local improvements. Initially, a queue analysis was performed to justify inclusion of bypass lanes in the roundabout geometry. Also, the City of Santa Barbara has requested that a peer review effort be conducted prior to their approving an encroachment permit for construction. This effort is to evaluate operational issues regarding the roundabout. Lastly, some revisions were required due to city request for driveway modifications on Coast Village Road and Hot Springs. The cost estimated to perform this work is \$42,027.

Bid Package Consolidation/ Project Management and Coordination : This task addresses many of the details required in consolidating the consultant and Caltrans design packages into one comprehensive and complete package for construction. SBCAG staff and Caltrans agreed in May 2006 that a single construction project was superior to separate construction projects for the Caltrans designed highway improvements and consultant designed local street improvements. A single project would allow programmed resources for construction management to be used to jointly administer local and highway aspects of the project and it would improve traffic management coordination during construction. Secondly, undertaking undergrounding of utilities wherever feasible required additional coordination effort with the

utility companies. Third, both the Caltrans and SBCAG teams will be preparing separate utility agreements and right of way certifications which has required additional cost. Lastly, the process and effort to obtain preliminary and final design review and approval through the City of Santa Barbara required more meetings than anticipated in the budget. This total cost of these extra work items has been estimated at \$41,655.

Community Outreach: In June 2005, SBCAG took the lead on this effort to begin a community dialogue on the development of final design, right of way issues, and construction staging and detours. With the assistance of Tynan Group, under subcontract to MNE, SBCAG and Caltrans have met with a number of community groups, provided elected official briefings, and media briefings. Previous task orders that were approved have provided budget through June 2006, and staff proposes to continue this effort up to construction beginning in early 2008. The estimated effort for these services is \$65,000.

**Right of Way Capital Costs**

In December 2004, SBCAG and Caltrans executed a cooperative agreement for the design and right of way phases for the Route 101/Milpas to Hot Springs project. The cooperative agreement assigns SBCAG the responsibility of funding right of way purchases, and the SBCAG Board has allocated Measure D funds to this task. The cooperative agreement identified a total of \$4.80 million for right of way capital which was based on Caltrans' estimate of the costs for right of way in 2003 dollars. To date, SBCAG has spent \$2.6 million for five right of way purchases and right of way engineering, with significant costs still outstanding. The cost to complete the right of way phase is currently estimated at \$10.28 million.

Table 3 shows a comparison of how right of way capital costs have increased by category since the cooperative agreement was approved.

**Table 3  
Summary of Cost Increase  
Right of Way Capital  
(Millions of \$)**

<b>Category</b>	<b>Cooperative Agreement</b>	<b>Current</b>	<b>Change</b>
Right of Way Acquisition (Real Property)	\$3.78	\$7.28	\$3.50
Utility Relocation	\$0.50	\$0.83	\$0.33
Relocation Assistance	\$0.23	\$1.08	\$0.85
Clearance/Demolition	\$0.01	\$0.14	\$0.13
Condemnation / Title and Escrow	\$0.19	\$0.56	\$0.37
Permits and Miscellaneous	\$0.01	\$0.14	\$0.13
Contingency	\$0.08	\$0.26	\$0.18
<b>Total</b>	<b>\$4.80</b>	<b>\$10.28</b>	<b>\$5.48</b>

Below is a brief description of the cost increases.

Real Property: The increase in real property costs is estimated at \$3.50 million and can be attributed to three primary factors: 1) A previous low estimate by Caltrans on a Union Pacific longitudinal property take. Impact \$1.5 million. 2) a change in acquisition rights on two parcels and new parcels. Impact \$1.1 million. 3) a change in per area valuations due to updated market data. Impact \$0.9 million.

Utility Relocation: The increase in utility relocation is a result of a commitment to comply with conditions of approval placed by the City of Santa Barbara on the project which placed a high priority on placing utilities underground wherever possible. An addition \$0.33 million has been estimated to meet this requirement.

Relocation Assistance: The increase in relocation assistance is a result of the cost of finding suitable replacement housing for impacted single- and multi-family residential units. In addition, back in 2004 it was anticipated that only one business would require relocation assistance, and that number has increased up to four businesses. The estimated increase in cost for this work is \$0.85 million.

Condemnation/Title and Escrow: Though Caltrans previously had anticipated some use of eminent domain to acquire property, it provided SBCAG with a fairly low estimate to cover attorney fees, special appraisals, and potential court costs. The acquisition of the UPRR right of way through condemnation is being sought. The use of condemnation, though adding costs to the project, allows SBCAG and Caltrans to obtain property rights to move forward with construction. The added cost for this effort is \$0.37 million.

Contingency: There are 16 separate acquisitions of real property (fee or easement) on the project. Of those, 5 have settled. Three of the larger acquisitions that are pending are some of the largest in size, appraised value and complexity. As such, SBCAG has included in the authorization an additional contingency of 5% which amounts to approximately \$0.18 million.

**RECOMMENDATION:**

SBCAG staff recommends that:

1. the contract with Moffat & Nichol for the Highway Milpas\Cabrillo Hot Springs project be increased \$285,000. The funds for the higher contract amount would come from a project contingency previously allocated by the Board, so only the contract maximum needs amending; no additional funds are needed to fund the amendment.
2. the Measure D expenditure plan be amended to increase the project allocation by \$3.815 million for right of way acquisition. The additional funds would come from revenues projected to be received through the expiration of the program, made available for the regional program in the near term by the issuance of bonds under agenda item 12 A. Amending the expenditure plan requires nine affirmative votes.

**COMMITTEE REVIEW:** None

**Attachments:**

Amendment No. 2 to agreement with Moffatt and Nichol Engineers, Inc.

**AMENDMENT NO. 2**

**TO THE MASTER AGREEMENT DATED  
JULY 20, 2006**

It is mutually agreed that the Master Agreement for the US 101 Operational Improvements (Milpas Street to Hot Springs Road/Cabrillo Boulevard) Project between the Santa Barbara County Association of Governments (SBCAG) and the CONSULTANT (Moffatt & Nichol) is hereby amended as stated below:

➤ **Amend Article 3.1 to read:**

CONSULTANT shall be compensated for full and complete performance of the SERVICES, in compliance with all the terms and conditions of this AGREEMENT, and payment by CONSULTANT of all obligations incurred in, or application to, CONSULTANT'S performance of the SERVICES, and for which CONSULTANT shall furnish all personnel, facilities, equipment, materials, supplies, and services (except as may be explicitly set forth in this AGREEMENT as furnished by SBCAG). The total AGREEMENT compensation shall not exceed \$1,545,000. The compensation to CONSULTANT for each individual task order shall not exceed the amounts set forth in Article 3 of the Task Order and total compensation to CONSULTANT shall be governed by the aggregate amount of each individual task order pursuant to Article 27 Precedence of the Master Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year below written, but effective as of the day and year first set forth above.

**Moffatt & Nichol Engineers**

By: \_\_\_\_\_  
Name: Sing-Ching R. Chan  
Title: Vice President  
Date: \_\_\_\_\_

**SBCAG**

By: \_\_\_\_\_  
Name: Joseph Centeno  
Title: Chair, SBCAG  
Date: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
Name: Jim Kemp  
Title: Executive Director  
Date: \_\_\_\_\_

Approved as to Form and Procedure:

Stephen Shane Stark  
County Counsel

By: \_\_\_\_\_  
Deputy County Counsel,  
Counsel for SBCAG