

STATE ROUTE 4 BYPASS AUTHORITY
Antioch - Brentwood - Oakley and Contra Costa County

A JOINT EXERCISE OF POWERS AGENCY

MINUTES

February 9, 2006

The STATE ROUTE 4 BYPASS AUTHORITY meeting was called to order in the Tri Delta Transit Meeting Room, 801 Wilbur Avenue, Antioch, California by Chair Mary N. Piepho at 7:58 P.M.

ROLL CALL

PRESENT: Annette Beckstrand (Brentwood), Donald Freitas (Antioch), Brad Nix (Oakley) and Chair Mary N. Piepho (Contra Costa County)

ABSENT: None

STAFF: Dale Dennis, Program Manager

PUBLIC COMMENT

There was no public comment.

PUBLIC HEARING

- A. CONDUCT a Public Hearing to Consider the Adoption of Resolution No. 2006/02, a Resolution of Necessity for Acquisition by Eminent Domain of Certain Interests in Real Property (Peter C. and Joann Landgraf, TRE) Necessary for the Construction of Segment 3 of the State Route 4 Bypass Project. The Property is Located on Concord Avenue, Just South of Balfour Road. (Map attached to staff report dated February 9, 2006).

Program Manager Dale Dennis introduced Lucy Owens, Real Property staff, to present the item.

Lucy Owens, Contra Costa County Public Works Department, Real Property Division, advised that the Board would have to determine the necessity for acquisition by eminent domain of property located on Concord Avenue just south of Balfour Road, necessary for the construction of Segment 3 of the State Route 4 Bypass Project. Ms. Owens referred to the Resolution, which contained specific

information and findings related to the actions to be taken. She recommended that the necessary actions be taken after the public hearing.

Chair Piepho OPENED THE PUBLIC HEARING

There was no one to speak to the item.

Chair Piepho CLOSED THE PUBLIC HEARING

On motion by Director Freitas, seconded by Director Nix, the Board unanimously adopted Resolution No. 2006/02.

PUBLIC COMMENTS

Bruce Ohlson, Pittsburg, advised that he had attended a Contra Costa Transportation Authority (CCTA) Bicycle and Pedestrian Advisory Committee meeting. He reported that the \$1.5 million funding request for the bicycle and pedestrian bridge for the Mokelumne Trail crossing for the SR4 Bypass had been approved by that Committee. While there were additional approvals required for the bridge project, he commended the support for the project at this point.

CONSENT ITEMS

After removing Item B from the Consent calendar for discussion, on motion by Director Nix, seconded by Director Beckstrand, the Board unanimously adopted the following Consent items:

- A. APPROVED minutes of January 12, 2006.
- C. ADOPTED Resolution No. 2006/03 accepting the Segment 2 Landscape Project as complete as of December 1, 2005.
- D. APPROVED a \$60,515 amendment to the Consulting Services Agreement with Harris and Associates, for a revised not-to-exceed total contract amount of \$2,815,544, to complete the inspection of the restoration of Authority-leased property, activities in Segment 2, and currently-assigned Authority-issued encroachment permits through the term of the contract (June 30, 2006), and AUTHORIZED the Secretary or designee to sign the amendment on behalf of the Authority.
- E. APPROVED a \$30,500 amendment to the Consulting Services Agreement with Nolte Associates Inc., for a revised not-to-exceed contract amount of \$171,800, to complete work on the relocation of a blow off valve on the Los Vaqueros Pipeline and bid support and design services during construction

for the Marsh Creek Trail crossing of Segment 3, and AUTHORIZED the Secretary or designee to sign the amendment on behalf of the Authority.

- F. APPROVED Contract Change Orders Nos. 14 and 24 with De Silva Gates/FCI JV for Segment 1, Package 2, for no cost increase or decrease, and AUTHORIZED the Secretary or designee to sign the contract change orders on behalf of the Authority.

The following item was removed for discussion at the request of Director Freitas:

- B. APPROVE the 2005-06 Mid-Year Work Plan and Budget.

Director Freitas commented that some of the adjustments concerned him, referring specifically to Work Order Nos. 4443, 4445, 4446 and 4450. He sought a clarification of the situation. Mr. Dennis stated that he would have to research the detailed information and provide a more detailed report from the Accounting Department. Mr. Freitas requested an explanation, to be attached to the budget, to offer a clear understanding of the situation.

Pending further information, the Board CONTINUED approval of the work plan and budget and DIRECTED that the item be brought back to the Board for consideration at the next meeting with a discussion of the major changes in the budget.

DETERMINATION ITEMS

- A. RECEIVE Status Report on the SR4 Bypass Project and the Laurel Road Extension Project

Program Manager Dale Dennis reported that Segment 1 was moving forward with construction and the Laurel Road Extension project was moving forward with final acquisitions and utility relocations.

Segment 3 was moving forward with preliminary packages for construction, and with final acquisition for some of the properties and utility relocations. The permitting process was ongoing with the US Army Corps of Engineers and the State Department of Fish and Game.

Mr. Dennis reported that the major contract was currently scheduled for bid opening at the end of February. Given the ongoing work with the jurisdictional permitting process, he suggested it was questionable that the permits would be issued in time to allow a bid opening in February. As such, the bid opening might need to be delayed to March, with contract award occurring in April.

Discussion followed, with Director Freitas asking what would happen if permit comments required design changes in the project. Mr. Dennis advised that, if permit comments were received in February and design changes were required, the changes could be addressed either by addendum or through a change order.

B. RECEIVE Status Report on the Construction of Segment 1, Packages 1 and 2.

Bart Littell of Parsons Brinckerhoff Construction Services, presented photographs to identify the current status of construction. He noted that a Board tour had been conducted last summer and aerial photographs had been provided and would be updated every three months. As the construction proceeded, additional photos would be taken.

With respect to Package 1, Mr. Littell reported that traffic had been switched over to the new bridge on Highway 4. The work was proceeding with stage 3 construction, construction of the median, which had gone well with the recent dry weather. If the weather held, paving would be completed next week and Package 1 would be completed soon thereafter.

For Package 2, Lone Tree Way had been restriped. Traffic appeared to flow much better with the new configuration. The foundation work for the bridgework continued. The substructure of Lone Tree Way had been completed. Some grading had been done this week for the Contra Costa Canal work.

For the Laurel Road Extension, Mr. Littell reported that the tree removal had been completed for the entire extension. The tree removal contract was ongoing along Marsh Creek.

Mr. Littell advised that he had met with representatives of Harvest Time to explain the plan with U-Picks, which meeting had gone well. He also noted that the traffic signal work at Walnut Boulevard and Concord Avenue would be commenced in mid-March. He added that PG&E relocations were ongoing and SBC was doing relocation work on Marsh Creek Road.

Mr. Dennis stated that the meeting with Harvest Time had been a good meeting. Detour plans had been well received and proposed signage had been acceptable. Closer to construction there would be a publicly-noticed meeting where a more detailed plan would be presented to advise the public of the plan and time for the work.

C. APPROVE the Contra Costa County Public Works Overhead Rates for Calendar Year 2006 for Services Provided to the Authority as Included in the Letter from Contra Costa County Dated January 12, 2006.

Mr. Dennis noted that at the October 2005 meeting, the Board had approved an increase in the Contra Costa County Public Works Department (CCCPWD) budget related to Segment 3, with the understanding that the markup would not exceed 3.0 through December based on the fact that CCTA and County staff were working to determine what the new overhead rates would be, effective January 1, 2006. He stated that CCTA staff had Nolte Associates work with County staff to ensure that things were categorized in a similar matter for both the public and private sector to be able to evaluate those overhead rates in a consistent manner.

As part of the ongoing effort, a process had been established where the overhead rate would be effective for each calendar year at January 1, and that once the fiscal year had ended June 30, that would provide sufficient time for the County to make the calculations and provide them to CCTA and Authority staff for evaluation prior to new rates becoming effective the following January.

Mr. Dennis stated that in looking at the information provided by the County, while the rate had decreased from the prior year with a 3.5 or 3.6 multiplier, the current multiplier would be 3.3 or 3.4. As a comparison to the private sector, he stated that a 3.0 was the maximum that the CCTA allowed as a maximum for private sector consultants. He noted that the County's multiplier included administrative support where the consultant community billed administrative or consultant support. In summary, Mr. Dennis stated that the range and multiplier for the County at 3.3 or 3.4 was higher than the 3.0. Given the effort asked of County staff with respect to completing Segment 3, he recommended that the Board approve the overhead rates for the County and continue to have the County provide engineering services during the construction of Segment 3. He suggested that would be the most cost effective way of providing that information.

Considerable discussion followed between Board members and staff. Director Freitas stated that he would not approve a contract with a 3.3 or 3.4 since the Authority had been paying a premium. He suggested that discussion needed to occur to cap overhead at 2.75 or 3.0 with regard to administrative overhead, particularly given that the Authority had been paying 3.5 or 3.6 for years. He also noted that Paul Maxwell of the CCTA had indicated that he would have discussion with Julie Buren of the CCCPWD on the issue. He suggested that information needed to return after that discussion had taken place.

In response to a question from Director Beckstrand, Mr. Dennis responded that, if the item was not approved at this time, what would occur would depend on the County's position. If the County was willing to do the work while CCTA and Authority staff met to consider the possibility of reducing the multiplier, work could continue. If the County decided that it could not or would be unwilling to continue, that would create problems in continuing to move forward to get the construction

contract awarded for Segment 3.

Director Nix noted the understanding that staff would work with CCTA and County staff to establish the rates and asked whether or not the discussion had been concluded. Mr. Dennis responded that the discussion had continued from the last quarter of last year and that the rate review had been completed and audited by Nolte Associates. According to Mr. Dennis, the issue was whether or not there was a way to work with the County to have them use a lesser rate than what had been validated through the County process.

When asked as whether or not the CCTA had been satisfied with the new rate, Ms. Miller stated that the CCTA had all the numbers although more meetings needed to occur. She confirmed that Paul Maxwell would have further discussion with the County. Mr. Dennis stated that a meeting in that regard had been scheduled for February 13 at 1:30 P.M.

Director Nix asked about potential extra costs associated with acquiring new engineering services. Mr. Dennis responded that would likely occur, especially since a firm coming in at this point would have to thoroughly evaluate the design before taking on responsibility for a project that the engineering firm had not designed. As to the relative cost, Mr. Dennis said that he would explore the situation if the Board so desired.

Mitch Avalon of the CCCPWD stated that there had been an exhaustive analysis of the costs with the CCTA. It was his understanding that those numbers had been agreed to, although there also had been discussion of a cap related to future work. He noted that the rate had been approved to January 1, 2006, at a 2.98 or 3.0. After the analysis with the CCTA between October 2005 and January 1, 2006, the multiplier had increased beyond 3.0.

Director Freitas commented that the overhead rate included certain retirement costs and questioned the appropriateness of that policy. Mr. Avalon noted that he and Mr. Dennis had looked at the charge off rates for various private engineering firms and public agencies, which he suggested were comparable across the board. He suggested that the design of the project itself had come in lower than the industry standard, that the Public Works Department could do the work, and had done a good job. He suggested that the issue was a business decision.

Chair Piepho suggested that the Authority needed to determine what was in the best interest of the project.

Director Beckstrand asked about the time delay that would occur if a consultant took over for the County as this point. Mr. Dennis responded that the time impact would have to be determined. He stated that the firms best equipped to do the

work and which were familiar with the Bypass were Nolte Associates and Mark Thomas Company, both of which could be asked to assess that possibility.

In response to a question from Director Nix, Mr. Dennis stated that consultants could be contacted within the next month provided that the County would continue to provide engineering services for the next month. If the County chose not to do so, delays would result.

Based on the prior agreement, Mr. Dennis explained that the Public Works Department's work would be done on a calendar basis. The overhead rate would be effective January 1. The question would be to continue the rate or negotiate a lesser rate retroactive to the first of the year. He suggested that the overhead rate would have to be paid for two to three months given the process. He added that he would report back on the cost. In the meantime, negotiations would continue.

Mr. Avalon emphasized the value the Public Works Department could bring to this particular project, particularly since the CCCPWD was certified by Caltrans. In this case, he suggested that value was added given that the CCCPWD had designed the project and had the institutional knowledge.

Mr. Avalon suggested that the issue be analyzed over the next month. If there was some adjustment in the future, that adjustment could be retroactively applied to the first of the year. In the meantime, the rates indicated in the staff report would apply. That suggestion was opposed by Director Freitas.

On motion by Director Beckstrand, seconded by Director Freitas, members of the Authority unanimously CONTINUED the item to the next meeting and DIRECTED the Program Manager to return with more information on County spreadsheet charges and the cost of using an outside engineering firm.

Director Nix asked to be provided the details of the information used to designate the rate.

BOARDMEMBER COMMENTS

There were no Board member comments.

CORRESPONDENCE

There was no correspondence.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

With no further business to come before the State Route 4 Bypass Authority, Chair Piepho adjourned the meeting at 8:43 P.M. to the next meeting scheduled for March 9, 2006.

Respectfully submitted,

Anita L. Tucci-Smith
Minutes Clerk