



**HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS**  
**Regional Transportation Planning Agency**  
**Humboldt County Local Transportation Authority**  
**Service Authority for Freeway Emergencies**  
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**AGENDA ITEM 7a**  
**HCAOG Board Meeting**  
**May 19, 2022**

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DATE: May 11, 2022  
TO: HCAOG Policy Advisory Committee (PAC)  
FROM: Beth Burks, Executive Director  
SUBJECT: **Highway 101 Corridor -Indianola Project, Request for Increased Funds**

### **STAFF REPORT**

#### **Contents:**

- Staff's Recommended Action
- Staff Summary

#### **Staff's Recommended Action:**

1. Introduce the item as an action item;
2. Allow staff to present the item;
3. Receive public comment;
4. Discuss item and consider making the motion:

"I move that the PAC recommend the HCAOG Board send a letter to Caltrans regarding the cost increase."

#### **Staff Summary:**

The Highway 101 Eureka/Arcata Corridor Project was first conceived in 1993 in response to major safety issues along the corridor. Since 2001 HCAOG has been contributing regional shares (RIP shares) of the State Transportation Improvement Program (STIP) to the Caltrans Highway 101 Eureka/Arcata Corridor Project. This has been the biggest single investment HCAOG has ever made. Since the project's inception HCAOG has contributed more than \$31 million in RIP shares with the remainder of the project funds coming largely from the Interregional Transportation Improvement Program, which Caltrans has programming responsibility for.

In 2021 Caltrans advertised the project and received bids that greatly exceeded the engineers estimate. The engineer's estimate was approximately \$49 million, and bids came in approximately \$5-12 million higher. As a result, they decided to repackage and readvertise the project. As part of this effort Caltrans has conducted additional geotechnical work and generated design for the column support and embankment features of the Indianola undercrossing. The intent was to decrease ambiguity in what were previously design build features of the bid package in hopes that bids would more closely reflect the engineers estimate.

The repackaging work is nearly complete. Currently Caltrans is diligently working to prepare a revised engineers estimate. Due to the rapidly increasing cost of materials and fuel it is now anticipated that the engineers estimate will be higher than originally programmed. This will require the California Transportation Commission (CTC) to vote on the increase before Caltrans can readvertise the project. Because this project has been partially funded with RIP shares, the CTC will require HCAOG's acknowledgement of the revised programming request and approval of any increases that affect RIP shares.

At the time of Board packet mailing an updated engineer's estimate was not available, however one is anticipated prior to the meeting and once received a supplemental staff report will be prepared.

For this project the Caltrans/ HCAOG funding has traditionally been an 85%/15% split (ITIP/RIP shares). However, in 2019 there was a \$20.7 million cost increase for the construction phase that was programmed exclusively with ITIP funds.

The most recent cost increase associated with the project was in the 2022 STIP cycle when HCAOG elected to not program \$300,000 of RIP shares and reserve that funding for a cost increase related to the spartina removal on Tuluwat Island, which was part of the required mitigation for the Project. This portion followed the traditional 85%/15% split (ITIP/RIP shares).

Staff is working with Caltrans to advocate funding 100% of any project cost increase with ITIP funding. In the event Caltrans does not agree, their default will likely be to request the HCAOG Board approve the 85%/15% split (ITIP/RIP shares). If additional RIP shares are needed it would affect future cycles, making less funds available for other local projects.

Caltrans Project Manager Jeff Pimentel reported on the likelihood of the engineers estimate coming in high at the May TAC meeting, however without an estimate the TAC did not make any recommendations. TAC members will be kept informed of the estimate as it comes in. Although staff would prefer to have the specific programming request reviewed by the TAC prior to the Board decision, to maintain the current project timeline, a decision is needed prior to the June TAC and Board meetings. In order to have a full construction season in 2023 this item needs to go to the CTC in August. To meet the deadline for the August CTC meeting Caltrans will need to submit the programming request and supporting documentation prior to the June HCAOG Board meeting.

A supplemental staff report will be prepared as soon as more information is available. Caltrans Project Manager Jeff Pimentel will be available at the Board meeting to answer questions as well.