

To: Transportation Subcommittee

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Subject: LOTCIP Cost Increase Policy Review
LOTCIP Project Delivery Discussion

cc: Transportation Committee
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It's come to staff's attention that the LOTCIP may benefit from Subcommittee discussions to both clarify and refine CRCOG's Cost Containment Policy and further explore ways to help expedite project delivery.

LOTCIP Cost Containment Policy

CRCOG's current LOTCIP Cost Containment Policy is as follows:

CRCOG's cost containment policy will remain in effect as amended by the Transportation Committee on April 24, 2017 (and Policy Board on April 26, 2017) to address cost increases in excess of twenty percent (20%). A municipality will be held liable for any increase in the cost of its project beyond twenty percent (20%) of that previously approved by CRCOG. If costs exceed the CRCOG approved amount by more than twenty percent (20%), the municipality will be required to either pay the entire amount of the increase in excess of the twenty percent, or request review and approval by the CRCOG Cost Review Subcommittee.

Similarly, any noteworthy changes to a project's scope will necessitate Cost Review Subcommittee approval, regardless of any associated project cost changes.

It should be noted that each LOTCIP cost increase approval by CRCOG "resets" the approved funding for the project which includes a new 20% buffer for future increased costs. CRCOG staff feels that this could be clarified in the written policy.

Additionally, staff would like the committee to consider policy clarification as to the duration that the 20% cost containment policy is in effect. Staff recommends that the policy be in effect during the application and design phases, but cease when CTDOT issues an Authorization to Advertise letter. Staffs feels that the 20% cost containment policy should not apply to the advertising/bidding phase for the following reasons:

- It is very onerous for municipalities to re-scope, redesign, and rebid a project that has already been to through the bidding process.
- Project re-scoping, redesigning, and rebidding impacts construction schedules, which many times are already tight when the project is at the bid phase
- Contractors may lose faith in the LOTCIP/municipality bidding and contracting process if bids are thrown out for CRCOG administrative reasons (at no fault of the contractor)
- If bids are not within 10% of the engineers estimate, CTDOT requires a bid review and brief written explanation. Unless there were bidding issues, CTDOT's common practice

is to routinely approve projects in these situations. This routinely applied to the STP-Urban program, where CRCOG was only informed of bid phase cost increases in extreme cases.

Therefore, staff recommends that the 20% LOTCIP cost containment policy be clarified to only apply to the design phase, ending at CTDOT's Authorization to Advertise. For bids that are not within 10% of the final engineers estimate, municipalities will need to comply with CTDOT policy that requires a bid review and brief written explanation. Additionally, it's recommended that municipalities make a good faith effort to work to mitigate high bids when appropriate.

Staff anticipates discussion of this issue followed by potential action at the October meetings.

LOTICIP Project Delivery

At the July Subcommittee meeting, some committee members voiced concerns regarding lengthy design timeframes for many of the LOTICIP projects. CRCOG's project delivery policy currently requires municipal reporting at quarterly meetings if the following are triggered:

- Projects whose design submissions were scheduled for the previous quarter, but not received
- Projects whose estimated final design dates have slipped into subsequent fiscal years.
- Projects whose scheduled design durations exceed 36 months

Table 1 on the following page shows the actual and anticipated project delivery times of all CRCOG LOTICIP projects that have received a CTDOT commitment to fund. The average design timeframe is currently 18.7 months. Although many projects are progressing quickly through the process, staff would like the Subcommittee's input on the following to help assist communities with projects that may not be progressing as quickly:

- In viewing Table 1, how does the committee feel CRCOG towns are performing in regards to Project Delivery?
- Does the committee feel the existing project delivery policy is effective and are there any needs to amend it?
- Are there any suggested changes LOTICIP guidelines that may help expedite project delivery?
- Are there any suggested ways CRCOG staff or municipalities can each other with project delivery?

Table 1: CRCOG LOTCIP Project Design Timeframes (as of June 30, 2017 quarterly reporting)

LOTICIP #	Town	Route / Road	Commitment to Fund	Final Design Submission*	Design Timeframe (months)	Notes
L164-0001	Windsor	Kennedy Road	2/4/2014	7/14/2014	5	Awarded 10/13/2014
L088-0001	New Britain	Allen Street	12/26/2014	2/27/2015	2	Awarded 5/21/2015
L109-0001	Plainville	Cooke Street	3/24/2014	4/10/2015	13	Awarded 9/21/2015
L051-0001	Farmington	South Road	11/7/2014	2/1/2016	15	Awarded 6/9/2016
L076-0001	Manchester	Spencer Street/ Hillstown Road	2/24/2014	2/5/2016	23	Awarded 6/15/2016
L048-0001	Enfield	Freshwater Boulevard	2/2/2015	12/21/2015	11	Awarded 8/30/2016
L032-0001	Coventry	Lake Street / Cross Street	3/24/2014	8/9/2016	29	Awarded 4/27/2017
L164-0002	Windsor	Prospect Hill Road	6/12/2015	11/10/2016	17	Awarded 4/11/2017
L118-0001	Rocky Hill	Old Forge Road	7/27/2016	12/13/2016	5	Awarded 3/8/2017
L132-0001	South Windsor	Avery Street - B	2/18/2014	12/30/2016	34	Awarded 5/11/2017
L078-0001	Marlborough	South Main Street	10/30/2015	3/27/2017	17	Authorization to Advertise 5/25/2017
L139-0001	Suffield	Thrall Avenue	2/2/2015	3/31/2017	26	Authorization to Advertise 5/25/2017
L164-0003	Windsor	Kennedy Road 2016	1/17/2017	4/15/2017	3	Authorization to Advertise 6/8/2017
L053-0001	Glastonbury	Hebron Avenue	2/26/2016	6/30/2017	16	
L155-0001	West Hartford	Trout Brook Trail	2/2/2015	4/10/2017	26	
L011-0001	Bloomfield	Granby Street	2/18/2014	6/30/2017	40	Design exceeds 36 months
L076-0002	Manchester	North Main Street	1/29/2016	7/11/2017	17	
L055-0001	Granby	Route 10 / Route 202	2/18/2014	4/21/2017	38	Design exceeds 36 months
L132-0002	South Windsor	Buckland Road	2/18/2014	12/29/2017	46	Design exceeds 36 months
L053-0002	Glastonbury	House Street / Western Blvd	1/27/2016	9/27/2017	20	
L076-0003	Manchester	Tolland Turnpike	2/24/2017	7/31/2017	5	
L132-0003	South Windsor	Avery Street - C	2/8/2016	12/29/2017	23	
L131-0001	Southington	Jude Lane	6/17/2016	12/1/2017	17	
L066-0001	Hebron	Church Street (Route 85) Sidewalk	10/5/2016	11/30/2017	14	
L165-0001	Windsor Locks	Route 75	2/17/2017	9/1/2017	6	
L109-0002	Plainville	Northwest Drive	6/23/2017	10/1/2017	3	
L077-0001	Mansfield	Eastwood Road Sidewalk	1/20/2017	1/31/2018	12	
L042-0001	East Hartford	Brewer Street (Phase III)	11/4/2015	7/8/2019	44	Design exceeds 36 months
L047-0001	Ellington	Middle Butcher Road	4/7/2017	5/31/2018	14	

* Estimated if after June 2017

Average = 18.7 months