



MAINTENANCE DIVISION
2441 Headington Road
Placerville CA 95667
Phone: (530) 642-4909
Fax: (530) 642-9238

JAMES W. WARE, P.E.
Director of Transportation

Internet Web Site:
<http://www.edcgov.us/dot>

MAIN OFFICE
2850 Fairlane Court
Placerville CA 95667
Phone: (530) 621-5900
Fax: (530) 626-0387



March 31, 2011

El Dorado County Board of Supervisors
330 Fair Lane
Placerville, CA 95667

Subject: Review of Capital Improvement Program (CIP) Project Cost Estimates

Honorable Supervisors,

As a part of my February 25, 2011, letter to the Board on the Age Restricted Traffic Impact Mitigation (TIM) fee issue, I recommended that the Board direct the Department of Transportation (Department) to “work with the Economic Development Advisory Committee’s (EDAC) Regulatory Reform Subcommittee’s Technical Advisory Subcommittee to review all of the project cost estimates prepared by the Department for potential cost savings.” I have chosen to move forward with this effort and additionally have decided to expand it to include all of the road and bridge projects in the West Slope Capital Improvement Program (CIP).

I believe this “third party outside” review will benefit the Department in several ways. It will ensure that we are using estimates in the CIP that have had outside eyes on them and that will reflect the best professional judgment available. It will bring them into line with expectations of the on-going positive bidding conditions we are seeing due to the current economic climate. It will increase the transparency of this critical step in the production of our capital program and it will raise the understanding, and hopefully the confidence, of the various stakeholders in the process.

Since these CIP cost estimates are the information feeds to the TIM Fee Program’s project list and costs, ensuring the CIP estimates are correct will also ensure the cost estimates used to determine the TIM Program costs, and hence the TIM fees themselves, are correct and not based upon flawed information.


The process the Department is following is:

1. Identify and invite the appropriate individuals to participate in the review process; this has been completed.
2. Disseminate cost estimates and other pertinent information. Members would be provided with Road and Bridge CIP project cost estimates and other pertinent information via the DOT File Transfer Protocol (FTP) website; currently on-going.

3. Hold a kick-off meeting with the participants to determine how the review process will work; completed on Thursday, March 24, 2011.
4. Hold subsequent meetings based upon the agreed-to process with the review team. Department staff will attend to answer questions and address issues raised by team members regarding the project cost estimates.
5. Modify the CIP project cost estimates as appropriate to reflect any new information.

Following the completion of this review process, the Department will complete the preparation of the 2011 CIP package and return to the Board for adoption. The Department will also prepare an update to the TIM Fee Program subsequent to the completion of the "third party outside" review.

Sincerely,



James W. Ware, P.E.
Director of Transportation