

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 30-31, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.1a.(2), Action Item

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State Asset Management Engineer

Subject: **SHOPP AMENDMENT 24H-008**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request to amend the 2024 State Highway Operation and Protection Program (SHOPP) under SHOPP Amendment 24H-008?

RECOMMENDATION:

The Department recommends that the Commission approve SHOPP Amendment 24H-008 that will amend the 2024 SHOPP, in accordance with Senate Bill (SB) 486 and the Road Maintenance and Rehabilitation Program component of SB 1, which require the Commission to approve changes to projects in the SHOPP or to adopt new projects being amended into the SHOPP.

The Department recommends one new capital project be amended into the 2024 SHOPP, as detailed in 2.1a.(2a). This amendment, summarized below, would be funded from the 2024 SHOPP Infrastructure Investment and Jobs Act (IIJA) bridge preservation program. This project is consistent with the 2023 State Highway System Management Plan and the Department's implementation of IIJA funding.

2024 SHOPP Summary of New Projects	No.	FY 2024-25 (\$1,000)	FY 2025-26 (\$1,000)	FY 2026-27 (\$1,000)	FY 2027-28 (\$1,000)
Bridge Preservation	1	\$0	\$118,000	\$0	\$0
Total New Amendments	1	\$0	\$118,000	\$0	\$0

BACKGROUND:

The IIJA provided formula-based transportation funding through a number of federal programs. One federal program known as the “Bridge Formula Program” provided funding to California to address bridge condition improvement projects. The Department led a statewide conversation with partners and data analysis that resulted in a recommendation for a state and local bridge split of the funding.

For the portion of funding attributed to state-owned bridges, individual bridges identified in Fair or Poor condition resulted in funding coming to California in proportion to the surface area of the bridge decks. One state-owned bridge classified in poor condition during the analysis was the San Mateo Hayward Bridge (SMHB). The SMHB is a tolled facility, and a portion of the toll revenue is being used for purposes that preclude the use of additional federal funds on the bridge. Because of this, federal formula funds from IIJA could not be directly expended on the SMHB. To free up the funding necessary to fix the SMHB, the Department and Bay Area Toll Authority agreed to use IIJA formula funding to repair and upgrade the pier protection system on the West span of the San Francisco-Oakland Bay Bridge. Toll funding freed up would be utilized to fix the SMHB. This agreement was undertaken to repair the SMHB, maximize the use of federal funding, continue with the Bay Bridge pier protection project and provide an equitable allocation of one-time IIJA formula funding.

The Bay Area Toll Authority has already executed a construction project to address the SMHB repairs. The work is progressing and is expected to be completed in the summer of 2025. Once the repair work is completed, the SMHB is expected to no longer be in poor condition. This amendment request is a one-time request with no opportunity for cost increase. Any increases in costs beyond the amounts shown in this amendment will be borne by the Bay Area Toll Authority and funded from toll revenue.

It is unusual for the SHOPP to fund repair and rehabilitation work on the state-owned toll bridges as this work is required to be funded by toll revenue. In this unique case however, the Department recommends that the Commission approve this amendment request for the Bay Bridge fender repair and upgrade project. The repair and upgrade of the San Francisco-Oakland Bay Bridge will provide additional resiliency for the bridge to withstand potential vessel impact and simultaneously free up the toll revenue to pay for the SMHB repair. This amendment request is driven by a unique set of circumstances and should not create any precedence for future state-owned toll bridge work in the SHOPP.

Attachment

List of New 2024 SHOPP Capital Project Amendments

Project No. Dist-Co-Rte PM PPNO Project ID EA	Project Location and Description of Work	FY	Project Costs (\$1,000)		Program Code Leg./Congress. Dists. Perf. Meas.	
Bridge Preservation						
1 04-SF-80 5.7R/7.7R 2927G 0420000180 0W140	In the City and County of San Francisco, at San Francisco-Oakland Bay Bridge, West Span (Bridge No. 34-0003). Replace fender system. (Additional Contribution: \$2,000,000 PA&ED, \$3,984,000 PS&E, \$16,000 R/W Sup, \$8,000,000 Const Sup, and \$13,000,000 Con Cap from Bay Area Toll Authority (BATA).)	25-26	PA&ED PS&E R/W Sup Con Sup R/W Cap <u>Const Cap</u> Total	\$0 \$0 \$0 \$0 \$200 <u>\$117,800</u> \$118,000	25-26 25-26	201.116 Assembly: 17 Senate: 11 Congress: 11
	PA&ED: 6/2/2024 R/W: 7/2/2025 RTL: 7/24/2025 BC: 2/3/2026					
	<u>Performance Measure</u> 1.0 Bridge(s)					
	SB1 Baseline Agreement Required.					