

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5d.(7), Action Item

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District 10 – Director

Subject: **ALLOCATION FOR PROJECT WITH COSTS THAT EXCEED THE PROGRAMMED AMOUNT BY MORE THAN 20 PERCENT PPNO 3433/EA 1H560 – ALPINE COUNTY – STATE ROUTE 88 RESOLUTION FP-24-90**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) allocation request for \$38,633,000 for Construction of the State Highway Operation and Protection Program (SHOPP) Maintenance Facilities project on State Route (SR) 88, in Alpine County, to advertise the project?

RECOMMENDATION:

The Department recommends that the Commission approve the requested allocation for this SHOPP project.

PROJECT DESCRIPTION:

This project is located along SR 88 near Kirkwood, at the Caples Lake Maintenance Station (Facility), in Alpine County. The project will construct a new dormitory, remove the existing dormitory, reconstruct the existing sand shed structure, rehabilitate the generator building, and install an electrical vehicle charging station.

FUNDING AND PROGRAMMING STATUS:

In May 2020, this project was programmed in the SHOPP for \$24,948,000 in Construction Capital and \$4,148,000 in Construction Support for allocation in Fiscal Year 2023-24. In June 2024, the project requested an allocation time extension for the Construction phase. However, the request was deferred to the August 2024 meeting and approved for four months. In October 2024, the project received a 7-month allocation time extension amendment (totaling

11 months) for the Construction phase. In May 2025, the project received a 3-month allocation time extension amendment (totaling 14 months) for the Construction phase.

In April 2025, the Engineer's Estimate reflected the need of \$33,863,000 in Construction Capital (35.7 percent over the programmed amount) and \$4,770,000 in Construction Support (15.0 percent over the programmed amount). The Department plans to advertise the project in August 2025 and begin construction in October 2025. Construction is planned for 5 construction seasons with a duration of 765 working days. A concurrent project development expenditure time extension for the Plans, Specifications, and Estimate phase is on this month's Commission agenda.

REASON FOR COST INCREASE:

The Construction Capital estimate is greater than the programmed amount due to design refinements that resulted in an increase to the size of the new dormitory. The Construction Support estimate is greater than the programmed amount due to the increase in the number of working days as a result of the modified scope for the project.

Capital Cost Increase:

During the Project Approval and Environmental Document phase, the dormitory building size was increased to better support seasonal staff per the request of the Department's Field Maintenance office. The Facility is situated between Carson Pass and Carson Spur, both of which are prone to frequent avalanches. It is essential to have sufficient accommodations in place to ensure that all personnel can be sheltered in case of an emergency.

The Facility will also be utilized to house and train staff to use winter operation equipment to improve safety. The permanent intermittent staff come from various Maintenance Stations in the valley region which has limited experience with harsh environments.

In addition, the Facility serves as a winter and avalanche operations center where state and federal partners can gather during shifts as they patrol SR 88 and federal lands. This partnership plays a vital role for the Department's engagement, and offers an space as needed during extreme weather events that close the Carson Spur and Carson Pass. The Facility's location also serves the Kirkwood community during these events and plays a vital role in improving lives and communities through transportation.

As a result, the design of the dormitory and other buildings were revised. The dormitory was initially proposed to be approximately 16,300 square feet in size, with 24 rooms and a height of 3 stories. The size of this building was increased to approximately 20,500 square feet, with 36 rooms and a height of 5 stories to meet the needs of Maintenance staff. Construction of the new dormitory was moved to a new site as Maintenance staff wanted to maintain the use of the existing building during construction. This caused an increase in the architectural and structural design as well as structural elements due to increased loading. As a result of the additional stories, it also required an increase to the plumbing, electrical, heating, ventilation, and air conditioning, and fire suppression labor and material costs. Additional electronic safety and security features were added to ensure that the dormitory met the current building codes.

The change in the design of the dormitory affected the work for the Facility in general. The project plans required additional earthwork, water supply and sewer system revisions, and construction access points.

The design of the sand storage structure increased by approximately 250 square feet to accommodate new equipment and led to upgrading the mechanical systems which include exhaust fan requirements, and plumbing needs.

The State Fire Marshall permitting process resulted in changes to the design of the Facility. The size of the proposed generator building stayed the same since the Project Initiation Document phase but the cost was revised to accommodate the increase in the structural integrity of the building due to the larger roll up doors to accommodate the fire tank and generators. The current fire suppression system at the site required the addition of water storage tanks, a new fire pump, and a sprinkler system.

The refinements that were made to the design based on the needs of Maintenance staff and requirements from the State Fire Marshal permit, amount to an increase of \$8,915,000 in capital costs.

Support Cost Increase:

The support cost increase is due to the addition of 415 working days (from 350 to 765) as a result of the increase in new dormitory building floors and relocation of the building to a new location on site. In addition, resources are also required to install an electrical vehicle charging station. This has led to an increase of \$622,000 in support costs.

CONSEQUENCES:

If this allocation request is not approved, the Department will not be able to advertise the contract to address the critical deficiencies of the existing Maintenance Station which is too small to house staff that work in the area. To address all of the deficiencies, the project will have to be reprogrammed, which will result in delays and could result in higher costs due to escalation.

FINANCIAL RESOLUTION:

Resolved, that \$33,863,000 be allocated from the Budget Act of 2024, Budget Act Item 2660-303-0042 for Construction Capital, and \$4,770,000 for Construction Support, to provide funds to advertise this SHOPP project.

Attachment

2.5 Highway Financial Matters

Project No.	Allocation Amount	County	Dist-Co-Rte	Postmile	Location	Project Description	PPNO Program/Year Phase	Prgm'd Amount	Budget Year	Item # Fund Type	Program Code	Amount by Fund Type
							Project ID	Adv Phase				
							EA					

2.5d.(7) Allocation of Project with Construction Cost that Exceeds 20 Percent of the Programmed Amount Resolution FP-24-90

1	\$38,633,000	Alpine	10-Alp-88	1.9	Near Kirkwood, at the Caples Lake Maintenance Station.	Outcome/Outputs: Reconstruct a dormitory and sand shed structures, and rehabilitate a generator building, and install new Zero Emission Vehicle charging station.	10-3433		2024-25	001-0042 SHA		\$4,770,000
							SHOPP/23-24			20.10.201.352		
							CON ENG					
							\$4,148,000					
							CONST			303-0042 SHA		\$33,863,000
							\$24,948,000			20.20.201.352		
							1017000184					
							3,4					
							1H560					

Performance Measure:

Planned: 1.0, Actual: 1.0 Location(s)

CEQA - ND, 02/28/2022; Re-validation 05/22/2024

NEPA - CE, 02/10/2022; Re-validation 05/28/2024

Future consideration of funding approved under Resolution E-22-48; July 2022.

Amendment to time extension for an additional ten months, for a total of fourteen months, for CONST and CON ENG approved under Waiver 25-87; May 2025.

As part of this allocation request, the Department is requesting to extend the completion of CONST and CON ENG an additional 24 months beyond the 36 month deadline.

Performance Measure: Location(s)					
	Unit	Good	Fair	Poor	Quantity
Existing Condition	Square feet	0.0	0.0	18,620.0	18,620.0
Post Condition	Square feet	22,032.0	0.0	0.0	22,032.0