

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(8), Action Item

Prepared By: Gloria Roberts
District 07 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CAPITAL OUTLAY SUPPORT PHASE
PPNO 5484/EA 35320 – LOS ANGELES COUNTY – INTERSTATE 405
RESOLUTION FA-24-96**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$300,000 in Capital Outlay Support (COS), for the State Highway Operation and Protection Program (SHOPP) Pavement Preservation project on Interstate 405 (I-405), in Los Angeles County, to complete the Plans, Specifications, and Estimate (PS&E) phase?

RECOMMENDATION:

The Department recommends that the Commission approve this request for a COS supplemental funds allocation for this SHOPP project.

PROJECT DESCRIPTION:

This project is located on I-405 in and near the cities of Long Beach, Signal Hill, Los Angeles, and Carson, from the Orange County line to south of I-110, in Los Angeles County. The project will rehabilitate the pavement, bridge, transportation management system (TMS) elements, and drainage systems; upgrade signs, lighting, and pedestrian facilities; improve safety, and replace copper cabling with fiber optics, landscaping, and irrigation systems; install rock blanket and minor concrete paving; and construct maintenance vehicle pullouts.

FUNDING AND PROGRAMMING STATUS:

In May 2020, this project's PS&E phase was programmed for \$6,043,000 in the SHOPP for allocation in Fiscal Year 2021-22. In May 2021, the project was amended to decrease PS&E to \$4,800,000 due to a refined support cost estimate, design efficiency, and a revised construction

staging plan. In June 2022, the project received a PS&E allocation for \$5,664,000. In December 2022, the project was amended again to revise the scope due to additional assets that were identified during the Project Approval and Environmental Document phase. In November 2023, the project received G-12 funds in the amount of \$766,400 for the PS&E phase. 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 September 2024, the project achieved Ready to List (RTL).

In October 2024, the project received an allocation for the Construction phase. In March 2025, bids were opened and analyzed for validation. The Department received three bids but had to reject all bids in the best interest of the State. Therefore, the Department decided to re-advertise the contract after it is repackaged. In May 2025, the project received a 9-month award time extension for the Construction phase. A supplemental funds request for Construction Capital will be required to re-advertise the project at the August 2025 Commission meeting.

The PS&E phase has a remaining budget of \$48,000, which is insufficient to repackage, re-advertise, and approve the contract. If this request for additional funding is approved, it is anticipated that the project will have a revised PS&E package by August 2025, and complete the remaining PS&E activities by January 2026. A concurrent project development expenditure time extension for the PS&E phase is on this month's Commission agenda.

REASON FOR COST INCREASE:

The project realized cost increases due to the rejection of the bid results, which have resulted in repackaging the PS&E, and will require re-advertising, awarding, and approving the contract.

The project proposes to rehabilitate the pavement, bridge, TMS elements, and drainage systems; upgrade signs, lighting, and pedestrian facilities; improve safety, and replace copper cabling with fiber optics, landscaping, and irrigation systems; install rock blanket and minor concrete paving; and construct maintenance vehicle pullouts along an approximately 13-mile segment of I-405.

In January 2025, when the contract was advertised, the Department received 210 bidder inquiries from 13 potential contractors. Based on these inquiries, the Department issued two addenda to address the discrepancies and inconsistencies that were encountered during the bidders' review process. The addenda revised approximately 200 plan sheets, including layouts, typical cross sections, traffic signing and striping, specifications, and bid quantities. In March 2025, bids were opened, and three bids were received. The bids were analyzed for validation, and they were found to be non-responsive, front loaded, or too high to award to the lowest responsive bidder. Therefore, the Department decided to reject all the bids and re-advertise the contract after it is repackaged. The repackaging of the PS&E will require incorporating approximately 200 addenda sheets, updating the PS&E to meet the mid-cycle standard plans released in April 2025, revising the PS&E to use the latest compliant temporary barrier, and upgrading the electrical pull boxes to prevent vandalism and theft. The Department

will also make plan changes to address several bidder inquiries regarding the construction of the overhead signs behind existing soundwalls.

The Department has almost depleted the remaining budget to complete the remaining PS&E activities of the original contract. Therefore, supplemental funds in the amount of \$300,000 are required to complete the repackaging of the contract documents, re-advertise the contract, and complete the remaining PS&E activities through contract approval by January 2026.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Department will not be able to re-advertise and award the contract that addresses the critical deficiencies of the existing roadway and roadside elements along this segment of I-405. To address all of the deficiencies, the project will need to be reprogrammed in a future SHOPP cycle which could lead to the potential of a project cost increase.

FINANCIAL RESOLUTION:

Resolved, that \$300,000 be allocated to provide funds to complete the PS&E phase for this SHOPP project.

Attachment

2.5 Highway Financial Matters

Project #	Allocation Amount	Recipient	County	Dist-Co-Rte	Postmile	Location	Project Description	PPNO	Program	Phase	Program Code	Project ID	Adv Phase	EA	Original Amount	This Supplemental Request
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2.5e.(8) COS Supplemental Funds for Previously Voted Project Resolution FA-24-96

1	\$300,000					In and near the cities of Long Beach, Signal Hill, Los Angeles, and Carson, from the Orange County line to south of Route 110.		07-5484	SHOPP	PS&E	20.10.201.121	0718000253	1	35320	\$6,430,400	\$300,000
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Department of Transportation
Los Angeles
07-LA-405
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Outcome/Output: Rehabilitate pavement, upgrade signs, rehabilitate bridge, upgrade lighting, improve safety, rehabilitate Transportation Management System (TMS) elements and replace copper cabling with fiber, rehabilitate culverts, replace landscape and irrigation system, rock blanket paving, minor concrete paving, grind concrete pavement, construct maintenance vehicle pullouts, and upgrade facilities to Americans with Disabilities Act (ADA) standards. This project is necessary to extend pavement service life and improve ride quality.

Supplemental funds are needed to complete PS&E.

CEQA - CE, 01/20/2022; Re-validation 06/24/2024
NEPA - CE, 1/20/2022; Re-validation 6/24/2024