

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(11), Action Item

Prepared By: Grace Magsayo
District 10 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CAPITAL OUTLAY SUPPORT PHASE
PPNO 3439/EA 0V690 – MERCED COUNTY – STATE ROUTE 59
RESOLUTION FA-24-99**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$250,000 in Capital Outlay Support (COS), for the State Highway Operation and Protection Program (SHOPP) Pavement Preservation project on State Route (SR) 59, in Merced 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 SR 59 near the City of Merced, from SR 152 to Reilly Road, in Merced County. The project will rehabilitate the pavement, drainage systems, and bridge decks; upgrade guardrail and lighting; replace sign panels and bridge; and construct rumble strips.

FUNDING AND PROGRAMMING STATUS:

In May 2020, this project's PS&E phase was programmed for \$1,962,000 in the SHOPP for allocation in Fiscal Year 2022-23. In August 2022, the project received a PS&E allocation for \$1,962,000. In October 2023, the project received G-12 funds in the amount of \$396,200. In June 2024, the project requested a 19-month allocation time extension for the Construction phase. However, the request was deferred to the August 2024 meeting and approved for

12 months. In March 2025, the project received a 7-month allocation time extension amendment (totaling 19 months) for the Construction phase. The PS&E phase is currently 90 percent complete, with a remaining budget of \$148,000, which is insufficient to complete the phase. If this request for additional funding is approved, it is anticipated to Ready to List (RTL) the project by November 2025, and complete the remaining PS&E activities by May 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 task orders that were required to perform hydraulic and geotechnical studies, design modifications to address flooding events, additional resources to process the 408 permit, and updates to the PS&E package with the most recent standards.

The project proposes to rehabilitate the pavement, drainage systems, and bridge decks; upgrade guardrail and lighting; replace sign panels and bridge; and construct rumble strips along an approximately 12-mile segment of SR 59.

The replacement of Mariposa Creek Bridge was the critical path on this project. All of the early PS&E work to establish elevations and design the bridge required hydraulic, structure hydraulic, and geotechnical studies. Some of this work was performed through task orders which required resources above what was initially anticipated.

With the flooding events in early 2023, the Department had to reconfirm the established elevations and address the drainage of floodwater surrounding the Mariposa Creek Bridge. The flooding events also helped identify other areas within the project limits that required to be addressed. This work was not anticipated and required additional hydraulic studies and recommendations to finalize the design.

With several factors effecting the resources, G-12 funds for the PS&E phase were requested in October 2023. It was anticipated that the project would reach RTL within the 12-month allocation time extension for the Construction phase. However, after receiving the G-12 funding, the Department experienced delays in acquiring the 408 permit, and resulted in an amended 7-month allocation time extension to reach RTL. The Department was notified by the Army Corps of Engineers that the Pacific Gas and Electric (PG&E) Company is required to apply for a 408 permit separately. As a result, the Department's Environmental and Hydraulics office coordinated the permit application efforts with PG&E and the Central Valley Flood Protection Board to facilitate the separate permit applications for this project and provide information as needed. This required additional resources beyond what was anticipated.

The PS&E package was developed utilizing the standard plans and specifications from earlier versions. Since the project was delayed by 19 months, the PS&E package was revisited and updated to the most recent release of standard plans and specifications.

Therefore, supplemental funds in the amount of \$250,000 are required to complete the permit application process, contract documents to RTL the project, and the remaining PS&E activities

from advertising through approval of the contract by May 2026.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Department will not be able to RTL the project that addresses the critical deficiencies of the existing pavement and roadside elements, and flooding issues along this segment of SR 59. 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 \$250,000 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.(11) COS Supplemental Funds for Previously Voted Project Resolution FA-24-99

1	\$250,000	Department of Transportation Merced	10-Mer-59	R0.0/12.1		Near Merced, from Route 152 to Reilly Road.	<p><u>Outcome/Output:</u> Rehabilitate pavement, upgrade guardrail and lighting, replace sign panels, construct rumble strips, rehabilitate drainage, replace one bridge, and rehabilitate two bridge decks.</p> <p>(G13 Contingency)</p> <p>Supplemental funds are needed to complete PS&E.</p> <p>CEQA - MND, 04/14/2022 NEPA - CE, 04/18/2022</p> <p>Future consideration of funding approved under Resolution E-22-68; August 2022.</p>	10-3439	SHOPP	PS&E	20.10.201.121	1018000284	1	0V690	\$2,358,200	\$250,000
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