

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

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

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District 06 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CONSTRUCTION COMPLETION PHASE  
PPNO 6708/EA 0R210 – MADERA COUNTY – STATE ROUTE 41  
RESOLUTION FA-24-105**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$1,269,000 in Construction Support for the State Highway Operation and Protection Program (SHOPP) Roadway Rehabilitation project on State Route (SR) 41, in Madera County, to complete the construction contract?

### **RECOMMENDATION:**

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

### **PROJECT DESCRIPTION:**

This project is located on SR 41 near the City of Fresno, from north of Avenue 15 to south of SR 145, in Madera County. The project will rehabilitate the roadway, widen shoulders and a bridge, and reconstruct culverts.

### **FUNDING AND PROGRAMMING STATUS:**

In April 2016, this project was programmed in the SHOPP for \$10,184,000 in Construction Capital and \$2,722,000 in Construction Support for allocation in Fiscal Year 2019-20. In May 2019, the project was amended to increase Construction Capital to \$10,900,000 and Construction Support to \$3,000,000, due to a delay in the delivery schedule that was moved out to 2020-21. In December 2019, the project was amended again to increase Construction Capital to \$13,900,000 due to a higher cost for California Tiger salamander mitigation, three

plant species, and the cost of a detour that will be implemented. In June 2021, the project received a 14-month construction allocation time extension. In August 2022, the project was allocated for \$17,999,000 in Construction Capital and \$3,550,000 in Construction Support. In January 2023, the project was awarded for \$16,017,000 for Construction Capital. In May 2023, construction began with 225 working days. The project has not received any G-12 funds for the Construction phase. The remaining funds are currently at \$2,188,000 in Construction Capital and \$140,000 in Construction Support. The project is 90 percent complete with 30 working days remaining. The planned Construction Contract Acceptance (CCA) is June 2025 to complete punch list items of the project. After CCA there will be ongoing support to complete the off-site mitigation property (Madera Pools) and closeout of the project.

**REASON FOR COST INCREASE:**

The project realized Construction Support cost increases due to the improper placement of surplus soil, and the mitigation for anticipated impacts from the project.

The project proposes to rehabilitate the roadway, widen shoulders and bridge, and reconstruct culverts along an approximately 3-mile segment of SR 41. As earthwork operations were being completed to rehabilitate the roadway and widen shoulders, the contractor negotiated with a private property owner adjacent to the project site to dispose of surplus soil on their land. Approximately 1,100 cubic yards of surplus soil were stockpiled in an area identified on the plans as an environmentally sensitive area (ESA) during two shifts of night-time operation. This resulted in the damage of biological and cultural resources. For the biological impacts, there were 2.6 acres of direct impacts to California Tiger salamander upland habitat. This area of direct impact will require mitigation that was not accounted for in the project's existing Biological Opinion (BO) and Incidental Take Permit (ITP). As a result of the surplus soil being placed in the identified ESA, the project is not in compliance with the BO issued by the United States Fish and Wildlife Services (USFWS) and the ITP issued by the California Department of Fish and Wildlife (CDFW). For the cultural impacts, it also violated the 2020 cultural resources Memorandum of Agreement (MOA). The MOA was signed by the Department, State Historic Preservation Officer, North Fork Rancheria of Chukchansi of Mono Indians, and Picayune Rancheria of Chukchansi Indians. Therefore, additional resources are required to amend both the MOA and the biological permits from both agencies.

Apart from the improper placement of the surplus soil, there are also increased support costs associated for the split off biological mitigation project (EA 0R211/PPNO 6708A), with the previously identified biological mitigation associated with the ITP and BO. Due to the lack of agency approved species mitigation credits, the biological mitigation could not be completed before construction started. After years of additional biological surveys and negotiation, CDFW recently issued a conceptual approval of a proposed mitigation property (Madera Pools) which is part of the Department's inventory that was purchased and enhanced for future mitigation purposes. The USFWS also provided a conceptual approval for the Department to move forward with the property. To finalize the permittee responsible for mitigation at this property, the land will need to be approved through the CDFW lands package and USFWS process. The

land will need to be transferred out of the Department's inventory to an agency approved landowner or land manager with an endowment and conservation easement for in-perpetuity protection. The additional coordination was not anticipated and impacted support costs.

The additional support hours required to complete these efforts are anticipated to span approximately two years to finalize the mitigation due to the need for recording documents, transferring fee title or conservation easement, closing the real estate transaction in coordination with CDFW and USFWS, and other required ongoing support until the closeout of the project after CCA.

The additional resources required amount to \$1,269,000 in support costs. Of these support costs, \$145,000 will be required to address the mitigation of the surplus soil being spread over the ESA, \$920,000 will be utilized to address the previously identified biological mitigation, and the remaining \$204,000 will cover closeout of the project.

**CONSEQUENCES:**

If this request for supplemental funds is not approved, the Department will not be able to meet the environmental commitments and complete construction to address all of the critical deficiencies of the existing roadway, bridge, and culverts along this segment of SR 41. If the construction contract is further delayed, it will likely result in claims by the contractor. To address all of the deficiencies, another project will have to be programmed in a future SHOPP cycle at a possible higher project cost.

**FINANCIAL RESOLUTION:**

Resolved, that \$1,269,000 be allocated for Construction Support, to provide funds to complete the Construction phase for this SHOPP project.

Attachment

2.5 Highway Financial Matters

Project #	Project Title	PPNO	State	State	State
Allocation Amount	Location	Program	Federal	Federal	Federal
Recipient	Project Description	Funding Year	Current Amount	Additional	Revised
RTPA/CTC	Project Support Expenditures	Item #	by Fund Type	Amount by	Amount by
County		Fund Type		Fund Type	Fund Type
Dist-Co-Rte		Program Codes			
Postmile		Project ID			
		Adv Phase			
		EA			

2.5e.(7) Supplemental Funds for Previously Voted Project Resolution FA-24-105

1	Near Fresno, from 0.1 mile north of Avenue 15 to 0.1 mile south of Route 145.	06-6708			
\$1,269,000		SHOPP			
		CON ENG			
Department of Transportation	<u>Outcome/Outputs:</u> Rehabilitate roadway by resurfacing the pavement, widen shoulders and bridge, and reconstruct culverts. This project will improve safety and ride quality.	505-3290 RMRA	\$407,200	\$146,000	\$553,200
MCTC		001-0890 FTF	\$3,142,800	\$1,123,000	\$4,265,800
Madera		20.10.201.120			
06-Mad-41	Total revised amount \$4,819,000.	0614000058			
6.3/9.2		3			
	Supplemental funds are needed to complete construction.	0R210			
	CEQA - MND, 05/13/2020; Re-validation 05/04/2022				
	NEPA - FONSI, 05/13/2020; Re-validation 05/04/2022				
	Future consideration of funding approved under Resolution E-20-51; June 2020.				