

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 14-15, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5d.(5), Action Item

Prepared By: David Ambuehl  
District 04 – Director (Acting)

Subject: **ALLOCATION FOR PROJECT WITH COSTS THAT EXCEED THE PROGRAMMED AMOUNT BY MORE THAN 20 PERCENT**  
**PPNO 2033N/EA 0AA19 – CONTRA COSTA COUNTY – STATE ROUTE 4**  
**RESOLUTION FP-25-05**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) allocation request for \$46,900,000 for Construction of the State Highway Operation and Protection Program (SHOPP) Pavement Preservation project on State Route (SR) 4, in Contra Costa County, to award 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 4 in and near the cities of Antioch and Brentwood, from Hillcrest Avenue to Byron Highway, in Contra Costa County. The project will rehabilitate approximately 42 lane-miles of pavement and drainage systems, and upgrade guardrail and pedestrian facilities.

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

In March 2022, this project was programmed in the SHOPP for \$30,385,000 in Construction Capital and \$4,534,000 in Construction Support for allocation in Fiscal Year 2024-25. In June 2024, the project was amended to increase Construction Capital to \$32,075,000 due to a change in the culvert treatment types as a result of recent culvert inspections and hydraulic

recommendations. In June 2025, the project received a 2-month allocation time extension for the Construction phase.

In June 2025, the Engineer's Estimate (EE) reflected the need of \$41,766,000 in Construction Capital (30.2 percent over the programmed amount) and \$5,134,000 in Construction Support (13.2 percent over the programmed amount). The Department plans to award the project in November 2025 and begin construction in February 2026. Construction is planned for two construction seasons with a duration of 270 working days.

**REASON FOR COST INCREASE:**

The Construction Capital estimate is greater than the programmed amount due to refinements of the quantities and higher unit prices based on current market conditions for specific roadway items. The Construction Support estimate is greater than the programmed amount due to the environmentally sensitive areas within the project limits which will require biological monitoring.

**Capital Cost Increase:**

The project proposes to rehabilitate the pavement and drainage systems, and upgrade guardrail and pedestrian facilities along an approximately 15.5-mile segment of SR 4. The asphalt concrete pavement quantity increased slightly based on field evaluations during the design phase. In addition, the unit price was underestimated when compared to current market conditions.

Revisions to the guardrail upgrade items resulted in a significant increase in capital costs. The increase was based on current market conditions, an increase in quantity of terminal systems due to a higher number of guardrail locations to upgrade, and the addition of concrete vegetation control.

In addition, the cost for traffic striping work was revised due to current market conditions for thermoplastic striping and traffic stripe tape which resulted in a significant increase. However, as a result of decreases in cost to other items of striping work, the net cost increase due to traffic striping was slightly lower.

At the time the programmed amount was amended, time-related overhead and mobilization bid items were underestimated. As a result of the revisions that were made to the EE, these two bid items have increased significantly.

The updated quantities and unit prices based on current market conditions and refinements that were made to the design, amounts to an increase of \$9,691,000 in capital costs.

**Support Cost Increase:**

The support cost increase is due to additional environmental surveying and monitoring. Changes to the culverts impacted many locations within the project limits that were identified as environmentally sensitive habitat for protected species that will require additional mitigation. This increased the need for environmental staff to perform field surveys for migratory nesting birds and other identified species along with biological monitoring and reporting. This work will

be completed by consultant staff which will require additional resources than originally anticipated.

The additional work for biological monitoring amounts to an increase of \$600,000 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 pavement and roadside elements along this segment of SR 4. To address all 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 \$41,766,000 be allocated from the Budget Act of 2024, Budget Act Item 2660-302-0890 and Non-Budget Act Item 2660-802-3290 for Construction Capital, and \$5,134,000 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 Project ID Adv Phase EA	Budget Year Item # Fund Type Program Code	Amount by Fund Type												
<b>2.5d.(5)</b>	<b>Allocation of Project with Construction Cost that Exceeds 20 Percent of the Programmed Amount</b>			<b>Resolution FP-25-05</b>												
1 \$46,900,000 Contra Costa 04-CC-4 R29.0/R44.4	In and near Antioch and Brentwood, from Hillcrest Avenue to Byron Highway. <u>Outcome/Outputs:</u> Rehabilitate pavement and drainage systems, upgrade facilities to Americans with Disabilities Act (ADA) standards, install Accessible Pedestrian Signals (APSs), high-visibility crosswalks, bike loop detectors, and construct Class 2 bike lane. This project will extend the pavement service life and improve ride quality.	04-2033N SHOPP/24-25 CON ENG \$4,534,000 CONST \$32,075,000 0419000450 3,4 0AA19	505-3290 RMRA 001-0890 FTF 20.10.201.121  2017-18 802-3290 RMRA 2024-25 302-0890 FTF 20.20.201.121	\$589,000 <u>\$4,545,000</u> \$5,134,000  \$4,791,000  <u>\$36,975,000</u> \$41,766,000												
	<table border="1"> <thead> <tr> <th>Preliminary Engineering</th> <th>Budget</th> <th>Expended</th> </tr> </thead> <tbody> <tr> <td>PA&amp;ED</td> <td>\$2,663,000</td> <td>\$2,539,367</td> </tr> <tr> <td>PS&amp;E</td> <td>\$3,520,000</td> <td>\$1,542,239</td> </tr> <tr> <td>R/W Sup</td> <td>\$228,000</td> <td>\$27,290</td> </tr> </tbody> </table>	Preliminary Engineering	Budget	Expended	PA&ED	\$2,663,000	\$2,539,367	PS&E	\$3,520,000	\$1,542,239	R/W Sup	\$228,000	\$27,290			
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Performance Measure:

Planned: 42.4, Actual: 42.4 Lane mile(s)

CEQA - CE, 06/30/2024; Re-validation 06/25/2025

NEPA - CE, 06/30/2024; Re-validation 06/25/2025

Two month allocation time extension for CONST and CON ENG approved under Waiver 25-95; June 2025.

Performance Measure: Lane mile(s)					
	Unit	Good	Fair	Poor	Quantity
Existing Condition	Lane mile(s)	13.2	29.2	0.0	42.4
Post Condition	Lane mile(s)	42.4	0.0	0.0	42.4