

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 14-15, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5d.(14), Action Item

Prepared By: Michael Navarro
District 06 - Director

Subject: **ALLOCATION FOR PROJECT WITH COSTS THAT EXCEED THE PROGRAMMED AMOUNT BY MORE THAN 20 PERCENT PPNO 6927/EA 0X290 – FRESNO COUNTY – STATE ROUTE 33 RESOLUTION FP-25-14**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) allocation request for \$19,041,000 for Construction of the State Highway Operation and Protection Program (SHOPP) Roadway Rehabilitation project on State Route (SR) 33, in Fresno 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 on SR 33 in the City of Coalinga (City), from south of Merced Avenue to north of Cambridge Avenue. The project will rehabilitate the pavement, replace signs, upgrade guardrail and pedestrian facilities, install transportation management system elements, and construct complete streets elements which include sidewalk, curb ramps, high visibility crosswalks, flashing beacons, transit pull-out, and Class II bike lanes.

FUNDING AND PROGRAMMING STATUS:

In May 2020, this project was programmed in the SHOPP for \$8,300,000 in Construction Capital and \$1,800,000 in Construction Support for allocation in Fiscal Year 2024-25. In May 2021, the project was amended to move up allocation of the Construction and Right of Way Capital phases to 2023-24 to incorporate complete streets elements and increase

Construction Capital to \$10,700,000 due to the addition of complete streets elements. In June 2022, the project was amended again to increase Construction Capital to \$13,425,000 due to costs to construct additional curb ramps, for increased asphalt, traffic control, drainage, and driveway quantities, and for additional complete streets elements. In June 2024, the project requested an allocation time extension for the Construction phase. However, the request was deferred to the August 2024 Commission meeting and approved for 11 months. In May 2025, the project requested a 3-month allocation time extension amendment (totaling 14 months) for the Construction phase.

In March 2025, the Engineer's Estimate (EE) reflected the need of \$15,840,000 in Construction Capital (18.0 percent over the programmed amount) and \$3,201,000 in Construction Support (77.8 percent over the programmed amount). The Department plans to advertise the project in September 2025 and begin construction in December 2025. Construction is planned for two construction seasons with a duration of 200 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 roadway excavation and hot mix asphalt. The Construction Support estimate is greater than the programmed amount due to an increase in the number of working days as a result of the revised workplan.

Capital Cost Increase:

The project's construction cost estimate has been updated and refined to reflect the current market costs. The two items with major cost increases were roadway excavation and hot mix asphalt. There were no changes in the roadway excavation quantity. However, the quantity for hot mix asphalt increased by approximately 15 percent to account for minor design refinements.

The refinements that were made to the design based on the updated quantities and unit prices to reflect current market conditions, amounts to an increase of \$2,415,000 in capital costs.

Support Cost Increase:

The support cost increase is due to the addition of 100 working days (from 100 to 200) as a result of findings from the constructability reviews and resulting changes to the stage construction. In addition, traffic handling and construction methods were revised after collaboration and engagement with the community and the City. Their concerns were with local traffic and minimizing impacts to residents and local businesses. Furthermore, the Department anticipates utilizing a consultant for resident engineer services.

The revisions to the stage construction and traffic handling plans, refinements to the workplan, and the use of a consultant, amount to an increase of \$1,401,000 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 roadway and roadside elements. 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 \$15,840,000 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 \$3,201,000 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	Budget Year Item # Fund Type Program Code	Amount by Fund Type
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2.5d.(14) Allocation of Project with Construction Cost that Exceeds 20 Percent of the Programmed Amount Resolution FP-25-14

1	\$19,041,000	Fresno	06-Fre-33	13.9/16.7	In and near Coalinga, from Enterprise Parkway to Los Gatos Creek South Channel Bridge. <u>Outcome/Outputs:</u> Rehabilitate pavement, replace signs, upgrade guardrail and facilities to Americans with Disabilities Act (ADA) standards, and install Transportation Management System (TMS) elements, construct new sidewalk, curb ramps, high visibility crosswalks, flashing beacons, a transit pull-out, and Class 2 bike lanes as complete streets elements, and modify center median striping. This project will improve safety and ride quality.		06-6927	505-3290 RMRA				\$367,000
							SHOPP/23-24	001-0890 FTF				<u>\$2,834,000</u>
							CON ENG	20.10.201.122				\$3,201,000
							\$1,800,000					
							CONST					
							\$13,425,000		2017-18			
							0618000050	802-3290 RMRA				\$1,817,000
							3,4		2024-25			
							0X290	302-0890 FTF				<u>\$14,023,000</u>
								20.20.201.122				\$15,840,000

Preliminary Engineering	Budget	Expended
PA&ED	\$1,713,100	\$1,713,072
PS&E	\$2,200,000	\$1,944,578
R/W Sup	\$2,000,000	\$980,220

Performance Measure:
Planned: 6.4, Actual: 6.4 Lane mile(s)

CEQA - ND, 06/15/2022; Re-validation 02/07/2025
NEPA - CE, 07/19/2022; Re-validation 02/07/2025

Future consideration of funding approved under
Resolution E-22-79; October 2022.

Concurrent Amendment under SHOPP Amendment
24H-014; August 2025.

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

Performance Measure: Lane mile(s)					
	Unit	Good	Fair	Poor	Quantity
Existing Condition	Lane mile(s)	0.2	5.9	0.3	6.4
Post Condition	Lane mile(s)	6.4	0.0	0.0	6.4