

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 14-15, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5d.(16), Action Item

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District 06 – Director

Subject: **ALLOCATION FOR PROJECT WITH COSTS THAT EXCEED THE PROGRAMMED AMOUNT BY MORE THAN 20 PERCENT PPNO 7005/EA 0Y180 – MADERA COUNTY – STATE ROUTE 145 RESOLUTION FP-25-16**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) allocation request for \$23,344,000 for Construction of the State Highway Operation and Protection Program (SHOPP) Pavement Preservation project on State Route (SR) 145, in Madera 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 145 in and near City of Madera, from south of Avenue 13 to north of Tozer Street, in Madera County. The project will rehabilitate the pavement and drainage systems, install transportation management system elements, lighting, and transit shelters, construct rumble strips and curb bulb-outs, replace signs, restripe the roadway to install bike lanes, improve transit shelters, and plant trees.

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

In May 2020, this project was programmed in the SHOPP for \$9,400,000 in Construction Capital and \$1,450,000 in Construction Support for allocation in Fiscal Year 2022-23. In October 2020, the project was amended to move out allocation of the Construction and Right of Way Capital phases to 2023-24, and increase Construction Capital to \$13,400,000

and Construction Support to \$2,000,000 to construct a road diet and curb bulb-outs, and install lighting. In May 2023, the project was amended again to increase Construction Capital to \$14,020,000 to construct or improve bus shelters, plant trees, and install irrigation which will be funded through the Infrastructure Investment and Jobs Act. 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 9 months. In March 2025, the project received a 5-month allocation time extension amendment (totaling 14 months) for the Construction phase. In June 2025, the project received a 6-month project development expenditure time extension for the Plans, Specifications, and Estimate phase.

In May 2025, the Engineer's Estimate (EE) reflected the need of \$20,994,000 in Construction Capital (49.7 percent over the programmed amount) and \$2,350,000 in Construction Support (17.5 percent over the programmed amount). The Department plans to award the project in November 2025 and begin construction in December 2025. Construction is planned for one construction season 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 design to improve traffic operations and pedestrian mobility, and updated unit prices based on current market conditions. The Construction Support estimate is greater than the programmed amount due to an increase in the number of working days.

**Capital Cost Increase:**

The project proposes to rehabilitate the pavement and drainage systems, and install, construct, replace, and improve various roadside elements along an approximately 4-mile segment of SR 145. During the development of the plans, the design was refined, and the final quantities were updated. While adjustments were made to all unit prices, five items had significant cost increases. These items include hot mix asphalt, drainage system items, traffic control, minor concrete items, and roadway excavation.

The cost increase to hot mix asphalt was due to a change in the depth of the roadway resurfacing as a result of further deterioration of the pavement.

The design of the drainage system work was refined to account for the modifications that were made to the existing flows with the road diet. This resulted in a significant increase to the cost of the drainage items.

During the development of the project, several meetings were held with the community and stakeholders. These meetings included public workshops, regional planning, and stakeholder one-on-ones. As a result of community input, changes involved continual access to businesses, residences, parking, and pedestrian movements including school crossings. As a result, revisions and modifications were made to the stage construction and traffic handling plans to minimize impacts to the public. This affected the cost for traffic control items.

As refinements were made to the road diet segment of the SR 145, revisions were made to the

quantities for minor concrete items and roadway excavation. With the update to the unit prices for these items, it resulted in a significant increase to the EE.

The refinements that were made to the design were based on the updated quantities and unit prices to reflect current market conditions, which amounts to an increase of \$6,974,000 in capital costs.

**Support Cost Increase:**

The support cost increase is due to the addition of 120 working days (from 80 to 200) as a result of refinements to the workplan. During the project's programming, the Department assumed a construction schedule based on anticipated production rates. However, after community engagement, the revisions that were made to the stage construction and traffic handling to minimize impacts to the community, resulted in the need for the additional working days.

The refinements to the staging and traffic handling and additional working days, amount to an increase of \$350,000 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 145. 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 \$20,994,000 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 \$2,350,000 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
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**2.5d.(16) Allocation of Project with Construction Cost that Exceeds 20 Percent of the Programmed Amount Resolution FP-25-16**

1 \$23,344,000  Madera 06-Mad-145 8.0/12.0	In and near the city of Madera, from 0.1 mile south of Avenue 13 to 1.0 mile north of Tozer Street. <u>Outcome/Outputs:</u> Rehabilitate pavement, install Transportation Management System (TMS) elements, construct rumble strips, replace signs, rehabilitate drainage systems, install street lighting, construct curb extensions/bulb-outs, install or improve transit shelters, plant trees, and restripe roadway to install bike lanes as complete streets elements. This project will extend the pavement service life and improve ride quality.	06-7005	505-3290 RMRA	\$269,000
		SHOPP/23-24	001-0890 FTF	<u>\$2,081,000</u>
		CON ENG	20.10.201.121	\$2,350,000
		\$2,000,000 CONST		
		\$14,020,000	2017-18	
		0619000005	802-3290 RMRA	\$2,408,000
		3,4	2024-25	
		OY180	302-0890 FTF	<u>\$18,586,000</u>
			20.20.201.121	\$20,994,000

Preliminary Engineering	Budget	Expended
PA&ED	\$1,080,000	\$1,060,414
PS&E	\$4,152,000	\$3,898,121
R/W Sup	\$537,000	\$368,271

Performance Measure:  
Planned: 10.8, Actual: 10.8 Lane mile(s)

CEQA - ND, 03/30/2022; Re-validation 05/23/2025  
NEPA - CE, 04/06/2022; Re-validation 05/23/2025

Future consideration of funding approved under  
Resolution E-22-44; June 2022.

Additional Contribution: \$2,580,000 CONST and \$150,000 CON ENG in  
local funds from City of Madera.

Amendment to time extension for an additional five months, for a total of  
fourteen months, for CONST and CON ENG approved under  
Waiver 25-43; March 2025.

Performance Measure: Lane mile(s)					
	Unit	Good	Fair	Poor	Quantity
Existing Condition	Lane mile(s)	0.9	8.9	1.0	10.8
Post Condition	Lane mile(s)	10.8	0.0	0.0	10.8