

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 14-15, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(10), Action Item

Prepared By: Grace Magsayo  
District 10 – Director

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR AWARD OF A PREVIOUSLY VOTED PROJECT**  
**PPNO 3276/EA 1H360 – SAN JOAQUIN COUNTY – STATE ROUTE 4**  
**RESOLUTION FA-25-05**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$1,101,000 in Construction Capital for the State Highway Operation and Protection Program (SHOPP) Bridge Preventative Maintenance project on State Route (SR) 4, in San Joaquin County, to award 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 4, near Discovery Bay, at the Old River Bridge (No. 29-0045), in San Joaquin County. The project will install walers, place a polyester concrete overlay, paint the bridge, and remove an abandoned garage.

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

In May 2020, the project was programmed in the SHOPP for \$6,121,000 in Construction Capital and \$2,099,000 in Construction Support for allocation in Fiscal Year 2023-24. In March 2023, the project was amended to revise the scope to remove the dolphin and fender system work and add a polyester concrete overlay, painting of the bridge, and removal of an abandoned

garage, and increased Construction Capital to \$7,801,000 and Construction Support to \$2,480,000. In June 2024, the project requested a 4-month allocation time extension for the Construction phase. However, the request was deferred to and approved at the August 2024 Commission meeting. In August 2024, the project was allocated for \$5,802,000 in Construction Capital and \$2,606,000 in Construction Support. In October 2024, bids were opened and the Department received three bids. Since the bids were much higher than the available project allocated and G-12 funds, the Department decided to reject the bids, and amend and re-advertise the contract. In March 2025, the project received a 6-month award time extension for the Construction phase. In May 2025, bids were opened again and the amount required to award to the lowest bidder exceeded the amount available from project allocated and G-12 funds. Therefore, the Department is requesting supplemental funds in the amount of \$1,101,000 to award the construction contract. A concurrent award time extension amendment for the Construction phase is on this month's Commission agenda.

**REASON FOR COST INCREASE:**

In September 2024, the Department advertised the contract and held bid opening in October 2024. The contract received three bids, of which the lowest bid was 50.5 percent above the Engineer's Estimate (EE) of the bid items. The two remaining bids were 93.0 and 128.3 percent over the EE, respectively. However, after thorough analysis of the bids, the Department rejected them as they were mathematically unbalanced. It was decided that the best course of action would be to amend and re-advertise the contract. The Plans, Specifications, and Estimate was revised to reduce the need for daily equipment setup and removal, update the barge requirements, and utilize a smaller vessel for tasks not requiring a barge. These adjustments are expected to make the project more efficient and cost-effective for the contractor.

In April 2025, the Department re-advertised the contract and held bid opening in May 2025. The contract received six bids, of which the lowest bid is 24.6 percent above the EE. The five remaining bids range from 37.2 to 66.7 percent over the EE.

The cost increases on this project are largely attributed to the time-related overhead, and clean and paint structural steel items. The time-related overhead cost came in higher than anticipated due to the contractor citing the need of multiple full-time closures which can only be performed during the weekend and the length of traffic control being longer than a typical project. In addition, the work can only be performed during a limited window from September to March. The clean and paint structural steel items are a lump sum item which came in at a higher cost than anticipated due to the recent changes, that were made by the California Division of Occupational Safety and Health, to the requirements for handling lead. The major unit price differences, between the EE and the lowest responsive bid, are related to the following bid items:

- Time-Related Overhead - 155 percent higher (\$506,000)
- Clean and Paint Structural Steel Items - 35 percent higher (\$488,000)

In aggregate, these items amount to an increase of \$994,000 over the EE. The total request includes minor adjustments to other unit bid prices, supplemental work, Department furnished materials, and contingency.

The Department has determined that this request for supplemental funds is in the best interest of the State to be able to award this project to the lowest responsive bidder, avoid delays in implementing this important bridge preventative maintenance project and add any extra costs to the Department if the project has to be repackaged and/or re-advertised. The Department has exercised all feasible measures to minimize costs in carrying out work related to this project and has determined that this request is well-supported and is the only viable alternative.

**CONSEQUENCES:**

If this request for supplemental funds is not approved, the Department will not be able to address critical deficiencies of the existing bridge. To address all of the deficiencies, the project will be delayed and reprogrammed in a future SHOPP cycle, at a possible higher project cost.

**FINANCIAL RESOLUTION:**

Resolved, that \$1,101,000 be allocated from the Budget Act of 2024, Budget Act Item 2660-302-3290 for Construction Capital, to provide funds to award the construction contract of 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.(10) Supplemental Funds for Previously Voted Project Resolution FA-25-05

|                              |  |               |             |             |             |
|------------------------------|--|---------------|-------------|-------------|-------------|
| 1                            | Near Discovery Bay, at Old River Bridge No. 29-0045.   | 10-3276       |             |             |             |
| \$1,101,000                  |  | SHOPP/2023-24 |             |             |             |
|                              | <u>Outcome/Outputs:</u> Install walers, place polyester concrete overlay, paint steel bridge, and remove abandoned garage. | CONST         |             |             |             |
| Department of Transportation | Total revised amount \$6,903,000.  | 302-3290 RMRA | \$5,802,000 |             | \$5,802,000 |
| SJCOG                        |  | 20.20.201.119 |             |             |             |
| San Joaquin                  | Supplemental funds are needed to award.  | SHOPP/2024-25 |             |             |             |
| 10-SJ-4                      |  | CONST         |             |             |             |
| 0.1                          | CEQA - ND, 12/29/2022; Re-validation 06/04/2024  | 302-3290 RMRA |             | \$1,101,000 | \$1,101,000 |
|                              | NEPA - CE, 01/18/2023; Re-validation 06/04/2024  | 20.20.201.119 |             |             |             |
|                              |  | 1017000185    |             |             |             |
|                              |  | 4             |             |             |             |
|                              | Future consideration of funding approved under Resolution E-23-61; May 2023.   | 1H360         |             |             |             |