

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 14-15, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(12), Action Item

Prepared By: Scott Eades
District 05 – Director

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR AWARD OF A PREVIOUSLY
VOTED PROJECT
PPNO 2655/EA 1H470 – SANTA CRUZ COUNTY – STATE ROUTE 9
RESOLUTION FA-25-12**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$1,897,000 in Construction Capital for the State Highway Operation and Protection Program (SHOPP) Bridge Rehabilitation and Replacement project on State Route (SR) 9, in Santa Cruz 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 9 near Boulder Creek, at the San Lorenzo River Bridge (No. 36-0052) and Kings Creek Bridge (No. 36-0054), in Santa Cruz County. The project will replace the bridges.

FUNDING AND PROGRAMMING STATUS:

In October 2017, this project was programmed in the SHOPP for \$11,928,000 in Construction Capital and \$4,158,000 in Construction Support for allocation in Fiscal Year 2021-22. In May 2021, the project was amended to increase Construction Capital to \$16,165,000 due to additional roadway replacement, increased clearing and tree removal, a temporary creek

diversion, and an increase in cast-in-drilled-hole piles. In June 2021, the project was amended again to increase Construction Capital to \$17,765,000 due to the issue of transporting long girders. To mitigate this, shorter girders will need to be shipped and spliced onsite. In May 2022, the project was further amended to decrease Construction Capital to \$14,665,000 to split off environmental mitigation into a child project (PPNO 2655Y/EA 1H471) for landscape mitigation and biological monitoring. In June 2022, the project received a 20-month allocation time extension for the Construction phase. In March 2024, the project phase was lapsed and was reprogrammed for \$15,150,000 in Construction Capital and \$4,600,000 in Construction Support for allocation in 2024-25. In January 2025, the project was allocated for \$15,135,000 in Construction Capital and \$4,600,000 in Construction Support with an additional 5 months to complete construction. Bids were opened in June 2025, and the amount required to award to the lowest bidder exceeded the amount available from the allocated and G-12 funds. Therefore, the Department is requesting supplemental funds in the amount of \$1,897,000 to award the construction contract. A concurrent award time extension for the Construction phase is on this month's Commission agenda.

REASON FOR COST INCREASE:

In April 2025, the Department advertised the contract and held bid opening in June 2025. The contract received six bids, of which the lowest bid is 13.0 percent above the Engineer's Estimate (EE) of the bid items. The remaining five bids range from 15.8 to 36.6 percent over the EE.

The cost increases on this project are largely attributed to temporary shuttle service, job site management, structure excavation, and bridge removal. Despite factoring the project's location into the EE, the contractor still cited the rural location of the bridges and the constrained work locations as the reason for the higher than anticipated unit cost. The major unit price differences, between the EE and lowest responsive bid, are related to the following bid items:

- Temporary Shuttle Service - 435 percent higher (\$650,000)
- Bridge Removal Items - 195 percent higher (\$530,000)
- Job Site Management - 800 percent higher (\$320,000)
- Structure Excavation (Bridge) - 300 percent higher (\$314,000)

In aggregate, these items amount to an increase of \$1,814,000 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 replacement 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 associated with the existing bridges. 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 \$1,897,000 be allocated from the Budget Act of 2024, Budget Act Items 2660-302-3290 and 2660-302-0890 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.(12) Supplemental Funds for Previously Voted Project Resolution FA-25-12

1	Near Boulder Creek, at San Lorenzo River Bridge No. 36-0052 and Kings Creek Bridge No. 36-0054 (PM 15.49).	05-2655			
\$1,897,000		SHOPP/2024-25			
		CONST			
Department of Transportation	<u>Outcome/Outputs:</u> Replace bridges to maintain standards of safety and reliability.	302-3290 RMRA	\$1,736,000	\$218,000	\$1,954,000
SCCRTC		302-0890 FTF	\$13,399,000	\$1,679,000	\$15,078,000
Santa Cruz	Total revised amount \$17,032,000.	20.20.201.116			
05-SCr-9		0516000078			
13.6/15.5	Supplemental funds are needed to award.	4			
		1H470			
	CEQA - MND, 02/02/2021; Re-validation 09/03/2024				
	NEPA - FONSI, 02/02/2021; Re-validation 09/03/2024				
	Future consideration of funding approved under Resolution E-21-22; March 2021.				
	Addendum to the previously approved future consideration of funding approved under Resolution E-25-10A; January 2025.				