

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 14-15, 2025

From: STEVEN KECK, Chief Financial Officer

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

Prepared By: Scott Eades
District 05 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CONSTRUCTION COMPLETION PHASE
PPNO 0297/EA 34490 – SAN BENITO COUNTY – STATE ROUTE 156
RESOLUTION FA-25-09**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$2,900,000 in Construction Support for the State Transportation Improvement Program (STIP) San Benito Route 156 Improvement Project on State Route (SR) 156, in San Benito County, to complete the construction contract?

RECOMMENDATION:

The Department recommends that the Commission approve the requested supplemental funds allocation for this STIP project.

PROJECT DESCRIPTION:

This project is located on SR 156, in the City of San Juan Bautista and Hollister, from The Alameda to east of Fourth Street, in San Benito County. The project will convert the 2-lane conventional highway into a 4-lane expressway.

FUNDING AND PROGRAMMING STATUS:

In April 2018, the project was programmed for \$47,700,000 in Construction Capital in the STIP (\$33,000,000 from the Interregional Improvement Program (IIP) and \$14,700,000 from the Regional Improvement Program (RIP)) and \$11,000,000 in Construction Support from the STIP IIP for allocation in Fiscal Year 2019-20. In June 2020, the project received a 12-month allocation time extension for the Construction phase. In December 2020, the project was allocated for \$49,010,000 in Construction Capital in the STIP (\$33,906,000 from the IIP and

\$15,104,000 from the RIP) and \$11,000,000 in Construction Support in the STIP IIP. In June 2021, \$2,500,000 in Construction Capital from the Senate Bill 1 Local Partnership Program (Formulaic) was programmed and allocated to the project. The total allocated amount is \$51,510,000 in Construction Capital. In January 2022, the project received a 9-month award time extension for the Construction phase. In May 2022, the project received supplemental funds in the amount of \$14,732,000 in Construction Capital in the STIP (\$10,192,000 from the IIP and \$4,540,000 from the RIP); to award the construction contract. In June 2022, the project was awarded for \$63,742,000 in Construction Capital in the STIP (\$44,098,000 from the IIP and \$19,644,000 from the RIP).

In August 2022, construction began with 490 working days. In June 2023, the project received supplemental funds in the amount of \$13,808,000 in Construction Capital (\$9,553,000 from the IIP and \$4,255,000 from the RIP) due to differing site conditions relating to unstable soil which was addressed through contract change orders. In June 2025, the project received G-12 funds in the amount of \$275,000 for Construction Support. The remaining funds are currently at \$5,977,000 in Construction Capital and \$431,000 in Construction Support. The project is 90 percent complete with 30 working days remaining. The planned Construction Contract Acceptance (CCA) was scheduled for May 2025. However, the project will need an additional 250 working days and CCA will be scheduled for September 2026. The Department is requesting supplemental funds in the amount of \$2,900,000 in Construction Support from the STIP RIP to complete the construction contract.

STIP Construction Component	Allocated Amount	Supplemental Amount (to Award)	Supplemental Amount (to Complete Construction)	Supplemental Amount (G-12)	Current Supplemental Amount	Revised Allocation Amount	Percent Over Allocated Amount
Capital							
IIP	\$33,906,000	\$10,192,000	\$9,553,000	-	-	\$53,651,000	-
RIP	\$15,104,000	\$4,540,000	\$4,255,000	-	-	\$23,899,000	-
Total	\$49,010,000	\$14,732,000	\$13,808,000	-	-	\$77,550,000	-
Support							
IIP	\$11,000,000	-	-	\$275,000	-	\$11,275,000	-
RIP	-	-	-	-	\$2,900,000	\$2,900,000	-
Total	\$11,000,000	-	-	\$275,000	\$2,900,000	\$14,175,000	28.9

REASON FOR COST INCREASE:

The project realized support cost increases due to the need for additional consultant staff to administer the project, processing of many contract change orders (CCOs) and an increase in the number of working days to complete the project.

The project will convert a 5-mile segment of a 2-lane conventional highway into a 4-lane expressway. The original workplan required the Department to rely on consultant staff to

administer the contract and serve as field inspectors and office support staff. As the project encountered a shortage of Department staff to administer the contract, additional consultant staff was required. This heavier reliance on consultant staff was unanticipated and resulted in a significant cost increase from the original workplan.

The original number of working days on this project was 490. As a result of the roadway rework to stabilize the existing soil with lime treatment and additional work through many CCOs that have been processed, the duration for consultant and Department staff to administer the project had increased. A contract change order is being issued to increase the number of working days by 250 for a total of 740.

Therefore, the project will need an additional \$2,900,000 in support resources to complete construction of the remaining work which consists of inspecting median barrier work, installation of erosion control measures, planting, and plant establishment.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Department will not be able to complete construction of this project to convert the 2-lane conventional highway into a 4-lane expressway. If the construction contract is further delayed, it will likely result in claims by the contractor. To complete construction at a later time, another project will have to be programmed in a future STIP cycle at a possible higher project cost.

FINANCIAL RESOLUTION:

Resolved, that \$2,900,000 be allocated for Construction Support, to provide funds to complete the Construction phase for this STIP project.

Attachment

2.5 Highway Financial Matters

Project #	Project Title	PPNO	State	State
Allocation Amount	Location	Program	Federal	Federal
Recipient	Project Description	Funding Year	Additional	Revised
<u>RTPA/CTC</u>	Project Support Expenditures	Item #	Amount by	Amount by
County		Fund Type	Fund Type	Fund Type
Dist-Co-Rte		Program Codes	Current Amount	Amount by
Postmile		Project ID	by Fund Type	Fund Type
		Adv Phase		Amount by
		EA		Fund Type

2.5e.(5) Supplemental Funds for Previously Voted Project Resolution FA-25-09

1	San Benito Route 156 Improvement Project. In San Juan		05-0297		
\$2,900,000	Bautista, from The Alameda to 0.2 mile east of Fourth Street.		RIP		
	Widen to 4 lanes.		CON ENG		
Department of	<u>Outcome/Outputs</u>	<u>Unit</u>	<u>Total</u>		
Transportation	At-Grade crossing(s) eliminated	Each	42		
<u>SBCOG</u>	Mixed flow lane-mile(s) constructed	Miles	20.8		
San Benito	Intersection(s) modified	Each	4	\$333,000	\$333,000
05-SBt-156	Local road lane-mile(s) rehabilitated	Miles	10.4	\$2,567,000	\$2,567,000
3.0/R8.2	Bicycle lane mile(s)	Miles	10.4		
	New bridge(s)	Each	2		
	Total revised amount \$14,175,000.				
	Supplemental funds are needed to complete construction.				
	CEQA - EIR, 08/15/2011; Re-validation 01/10/2020				
	NEPA - FONSI, 08/15/2011; Re-validation 01/10/2020				
	Future consideration of funding approved under				
	Resolution E-11-76; October 2011.				
	Addendum to the previously approved future consideration of				
	funding approved under Resolution E-23-93; June 2023.				