

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 16-17, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5d.(1), Action Item

Prepared By: Matthew Brady
District 01 - Director

Subject: **ALLOCATION FOR PROJECT WITH COSTS THAT EXCEED THE PROGRAMMED AMOUNT BY MORE THAN 20 PERCENT PPNO 2502M/EA 0H801 – HUMBOLDT COUNTY – STATE ROUTE 254 RESOLUTION FP-25-29**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) allocation request for \$570,000 for the State Highway Operation and Protection Program (SHOPP) Major Damage (Permanent Restoration) project on State Route (SR) 254, in Humboldt 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 on SR 254 near Miranda, south of Maple Hills Road. The project will perform revegetation mitigation and monitoring for the parent project (PPNO 2502/EA 0H800), which is constructing a retaining wall and improving drainage.

FUNDING AND PROGRAMMING STATUS:

In December 2022, this project was programmed in the SHOPP for \$137,000 in Construction Capital and \$333,000 in Construction Support for allocation in Fiscal Year 2024-25. In June 2025, the project received an allocation time extension for the Construction phase for two months. In August 2025, the project received an allocation time extension amendment for two months (totaling four months).

In August 2025, the estimate reflected the need of \$237,000 in Construction Capital (73.0 percent over the programmed amount) and \$333,000 in Construction Support (no increase over the programmed amount). The Department plans to award the contract in October 2025 and begin revegetation activities in January 2026. Mitigation work is planned for five construction seasons, which includes initial planting and five years of maintenance and monitoring.

REASON FOR COST INCREASE:

The Construction Capital estimate is greater than the programmed amount due to a change in the implementation plan and an increase to the annual fees associated with the 401 permit (North Coast Water Quality Regional Control Board).

This child project provides long-term revegetation in compliance with permit requirements for biologically sensitive impacts. The required work includes onsite revegetation, weeding, and watering over a 5-year maintenance and monitoring period. The watering will be performed every two weeks between February and November, over a 3-year period, then, as needed for the remaining two years.

The Department originally planned on using a task order with the California Conservation Corps (CCC) as the most cost-effective vendor. However, reductions in staffing and increased workload for work crews over the last year resulted in CCC crews' unavailability to perform the work. The project will now utilize the Humboldt County Resource Conservation District (HCRCD), which is the labor vendor whom is closest in value to the CCC, to complete the required work. Utilizing HCRCD requires an increase in funding due to differing administrative fees, equipment, and hourly rates. In addition, the fees for the annual 401 permit have also increased.

The Cooperative Agreement to acquire another vendor, and increase to the annual permit fees, amount to an increase of \$100,000 in capital costs.

CONSEQUENCES:

If this allocation request is not approved, the Department will not be able to address the mitigation requirements from the permits for the parent project. The Department would incur fines until the requirements are met. To address all of the requirements, the project would have to be reprogrammed, which would result in delays and could result in higher costs due to escalation.

FINANCIAL RESOLUTION:

Resolved, that \$237,000 be allocated from Non-Budget Act Item 2660-802-3290 for Construction Capital, and \$333,000 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												
2.5d.(1)	Allocation of Project with Construction Cost that Exceeds 20 Percent of the Programmed Amount			Resolution FP-25-29												
1 \$570,000 Humboldt 01-Hum-254 4.3/4.7	Near Miranda, from 0.5 mile to 0.1 mile south of Maple Hills Road. <u>Outcome/Outputs:</u> Revegetation mitigation and monitoring for permanent restoration project EA 0H800. Work includes onsite revegetation and a five year maintenance and monitoring period after the initial plantings are complete.	01-2502M SHOPP/24-25 CON ENG \$333,000 CONST \$137,000 0122000142 3,4 0H801	505-3290 RMRA 20.10.201.131 2017-18 802-3290 RMRA 20.20.201.131	\$333,000 \$237,000												
	<table border="0"> <tr> <td>Preliminary Engineering</td> <td><u>Budget</u></td> <td><u>Expended</u></td> </tr> <tr> <td>PA&ED</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>PS&E</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>R/W Sup</td> <td>\$0</td> <td>\$0</td> </tr> </table>	Preliminary Engineering	<u>Budget</u>	<u>Expended</u>	PA&ED	\$0	\$0	PS&E	\$0	\$0	R/W Sup	\$0	\$0			
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PA&ED	\$0	\$0														
PS&E	\$0	\$0														
R/W Sup	\$0	\$0														

Performance Measure:

Planned: 0.0, Actual: 0.0 Location(s)

CEQA - CE, 08/06/2021; Re-validation 10/14/2022

NEPA - CE, 08/06/2021; Re-validation 10/14/2022

As part of this allocation request, the Department is requesting to extend the completion of CONST and CON ENG an additional 28 months beyond the 36 month deadline.

Amendment to time extension for an additional two months, for a total of four months, for CONST and CON ENG approved under Waiver 25-159; August 2025.