

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 29-30, 2026

From: TANISHA TAYLOR, Executive Director

Reference Number: 4.8, Information

Prepared By: Timothy Sobelman
Chief Engineer

Published Date: January 16, 2026

Subject: Caltrans Efficiencies Report for Fiscal Year 2023-24

Summary:

Streets and Highways Code section 2032.5(d) requires the California Department of Transportation (Caltrans) to implement at least \$100 million dollars in savings per year and to report those savings to the Commission. The State Highway Operation and Protection Program Guidelines require these savings be reported to the California Transportation Commission (Commission) annually by November 1 of each year for the prior fiscal year. Commission staff met with Caltrans to discuss the basis of the calculated values for the efficiencies proposed in the draft report prior to November 1, 2024. However, the Commission did not receive the final Caltrans Efficiencies Report for Fiscal Year 2023-24 until November 13, 2025. A copy of the executive summary of the final report is included as Attachment A and the full report is available on the Building California Website: [Caltrans Efficiencies Report Fiscal Year 23/24](#). It should be noted that the Efficiencies Report for Fiscal Year 2024-25 has not been submitted to the Commission at this time.

The Efficiencies Report has three categories of efficiencies: Type 1, Type 2, and Type 3. Type 1 efficiencies were implemented after the passage of SB 1 and are counted towards meeting the SB 1 requirement to generate at least \$100 million per year in savings. Type 2 efficiencies are invested back into the maintenance and rehabilitation of the state highway system but are not counted as part of the SB 1 efficiency requirement. Type 3 efficiencies result in savings but are not easily quantified.

Caltrans is reporting a total of over \$350 million in new and on-going efficiencies for Fiscal Year 2023-24 that can be reinvested into the maintenance and rehabilitation of the State Highway System. Of the \$350 million of efficiencies reported, \$176 million is being reported as a Type 1 efficiency that counts towards the SB 1 requirement.

In previous reports, Commission staff has made several recommendations related to the identification and implementation of efficiency measures:

- adopting a uniform methodology for the accounting of efficiency savings to ensure that savings are attributed to each fiscal year consistently for all efficiencies

- implementing processes (guidance, policies, and/or tools and standards) to take innovations during the design phase to become a standard practice to maximize savings
- establishing a process to disseminate lessons learned from innovations identified during the construction phase for the benefit of all Caltrans staff
- completing an evaluation of the effectiveness of the Construction Manager/General Contractor project delivery method by analyzing project cost and schedule outcomes through construction completion; in order to verify reported efficiencies and ensure they accurately reflect benefits attributable to this delivery method.

Commission staff will continue to collaborate with Caltrans on the implementation of these recommendations and suggest that future reports provide actions Caltrans has taken to implement these efficiencies statewide. Commission staff will also work with Caltrans to ensure the report is provided to the Commission in a timely manner moving forward.

Background:

The Road Repair and Accountability Act (SB 1, Beall, 2017) added Streets and Highways Code section 2032.5(d), requiring Caltrans to implement efficiency measures with the goal to generate at least \$100 million per year in savings to invest in maintenance and rehabilitation of the state highway system. It also requires Caltrans to report these savings to the Commission.

Attachments:

- Attachment A: Caltrans Efficiencies Report 2023-24 Executive Summary

Reference No.: 4.8
January 29-30, 2026

Attachment A

Caltrans Efficiencies Report 2023-24
Executive Summary

Executive Summary

Senate Bill 1 (SB 1), also known as the Road Repair and Accountability Act of 2017, increases funding for California's world-class transportation network by an average of \$5 billion annually, and specifies that the California Department of Transportation (Caltrans) implement efficiency measures with the goal of generating \$100 million in annual savings to be invested into the state highway system.

In general, efficiencies are new tools, materials, technologies, and processes that produce a cost savings or cost avoidance.

Efficiency savings claimed in this report occurred in Fiscal Year (FY) 2023-24, unless otherwise noted. Efficiencies in this report are considered a cost savings or avoidance and are available for reinvestment into the state highway system.

"Steps that may result in cost avoidance or a reduction in support or capital costs will be considered." - Definition of Efficiencies

SB 1 Legislation states, *"The department shall implement efficiency measures with the goal to generate at least one hundred million dollars (\$100,000,000) per year in savings to invest in maintenance and rehabilitation of the state highway system. These savings shall be reported to the commission."*

In addition, the law states, *"To the extent possible and cost effective, and where feasible, the department and cities and counties receiving funds under the program shall use advanced technologies and material recycling techniques that reduce the cost of maintaining and rehabilitating the streets and highways, and that exhibit reduced levels of greenhouse gas emissions through material choice and construction method."*

Caltrans has embraced the spirit of the law and has implemented longer-life assets such as innovative striping and pavement strategies to prolong the lifespan of infrastructure while reducing maintenance costs and interruptions of service to the traveling public. There are several examples of this throughout this report.

Efficiencies are categorized by three types:

| | | |
|--|--|--|
| <p>1</p> <p>Type One Efficiencies</p> <p>Efficiencies that are invested back into the maintenance and rehabilitation of the state highway system and are included in SB 1 reporting.</p> | <p>2</p> <p>Type Two Efficiencies</p> <p>Efficiencies that are invested back into the maintenance and rehabilitation of the state highway system and contribute to the overall efficiencies total.</p> | <p>3</p> <p>Type Three Efficiencies</p> <p>Efficiencies, practices, trends, and innovations that benefit Caltrans and taxpayers.</p> |
|--|--|--|

For FY 2023-24, Caltrans is reporting \$350 million in total efficiencies savings, of which \$176 million is considered Type One and included in SB 1 reporting. Type Two savings are \$174 million, and Type Three savings are not quantified, as these efficiencies are more qualitative in nature.

| Type One Efficiencies | | |
|-----------------------|------------------------|---------------------------|
| Status | Number of Efficiencies | Cost Savings or Avoidance |
| New | 6 | \$34,447,820 |
| Ongoing | 40 | \$141,335,290 |
| Type One Total | 46 | \$175,783,110 |


| Type Two Efficiencies | | |
|-----------------------|------------------------|---------------------------|
| Status | Number of Efficiencies | Cost Savings or Avoidance |
| New | 1 | \$47,442 |
| Ongoing | 8 | \$174,574,524 |
| Type Two Total | 9 | \$174,621,966 |





































| Type Three Efficiencies | | |
|-------------------------|------------------------|---|
| Status | Number of Efficiencies | Cost Savings or Avoidance |
| New | 7 | Efficiencies, practices, trends, and innovations that provide qualitative benefits to Caltrans and taxpayers. Savings are not quantified. |
| Ongoing | - | |
| Type Three Total | 7 | |

| | | |
|---|-----------|--|
| Total Efficiencies Type One and Type Two Combined | 55 | Total Cost Savings or Avoidance \$350,405,076 |
|---|-----------|--|

-  Positively impacts safety
-  Positively impacts the environment
-  Saves time or future delays
-  New efficiency for the year

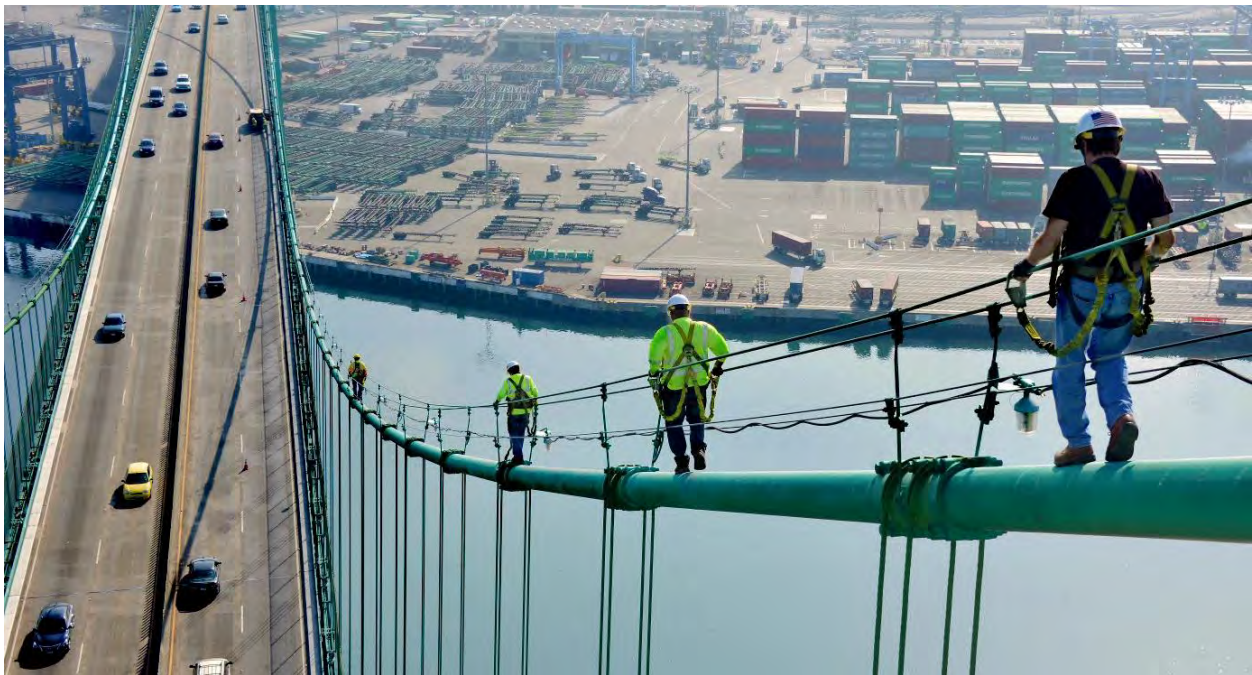
Type One Efficiencies

| | | |
|--|--|--------------|
| Construction Manager/General Contractor |  | \$66,000,000 |
| Concrete Overlays Over Asphalt Pavement - NEW |     | \$20,142,786 |
| High Reflective Materials for Striping |    | \$17,500,000 |
| Longer-Life Pavement Rehabilitation |    | \$12,347,007 |
| Project Reporting System - NEW |   | \$11,434,000 |
| Value Analysis (Caltrans Expanded) |  | \$9,972,838 |
| Hot Mix Asphalt Job Mix Formula Change |   | \$5,080,000 |
| Mobile Field Devices (Tablets) |   | \$3,688,905 |
| Unmanned Aerial Systems |    | \$3,607,602 |
| Value Engineering Change Proposals |  | \$2,615,590 |
| Building Information Modeling - NEW |     | \$2,437,066 |
| Americans with Disabilities Act Data Collection |    | \$2,368,920 |
| Fleet Management via Global Positioning Satellites |   | \$2,302,397 |
| Early Design |  | \$2,190,190 |
| Independent Assurance Program |    | \$2,038,752 |
| Bulk Information Technology Procurement |  | \$1,679,891 |
| X-Ray Fluorescent Technology |    | \$1,250,800 |
| Office Space Lease Reductions |  | \$1,226,096 |
| Negotiated Software Savings |  | \$1,206,551 |
| Automated Machine Guidance |   | \$765,735 |

| Innovation Change Orders |  | \$757,212 |
|---|--|---------------------------|
| Zero Emission Vehicle Fuel Savings |  | \$712,257 |
| Traffic Data Improvement Initiative |  | \$607,000 |
| Advance Mitigation Credits |   | \$593,558 |
| Concrete Cylinder Testing |   | \$487,000 |
| Electronic Cultural Studies Office Submittal and Review Process |  | \$413,473 |
| Type One Efficiencies (cont.) | Qualitative Benefit | Cost Savings or Avoidance |
| Managerial Selection Process Improvements |   | \$366,952 |
| Project End Date Extension Tool - NEW |    | \$332,902 |
| Virtual Vehicle Inspections |   | \$225,000 |
| Virtual On-Site Visits |    | \$220,000 |
| Innovative Drilling Adapter |    | \$216,917 |
| Clean California Mobile App |   | \$171,641 |
| Electronic Signatures for Construction Contracts |   | \$160,811 |
| Paleontology Mapping Tool |  | \$134,023 |
| Nondestructive Testing Reduction |    | \$115,200 |
| Standard Plans for Lighting Poles - NEW |   | \$66,875 |
| National Environmental Policy Act Process Improvement |   | \$59,822 |
| Steel Shot Blaster |   | \$53,950 |
| Software and License Reductions |  | \$49,108 |
| Electronic Contract Files |   | \$41,495 |
| Electronic Environmental Documents |   | \$41,311 |
| Job Order Contracting - NEW |   | \$34,191 |
| Safety and Management Services Process Improvement |  | \$31,836 |
| Small Business Council Virtual Meetings |    | \$18,586 |
| Cost Estimates Toolbar |  | \$12,000 |
| Driver Certification Process Improvement |  | \$4,864 |
| Type One Total | 46 | \$175,783,110 |

| Type Two Efficiencies | Qualitative Benefit | Cost Savings or Avoidance |
|---|---------------------|---------------------------|
| Value Analysis (Federally Mandated) | | \$61,672,328 |
| Streamlined Environmental Review | | \$39,140,461 |
| Partnering | | \$30,090,181 |
| Cold Recycling | | \$14,785,356 |
| Highway Lighting LED Retrofit | | \$11,727,299 |
| Reclaimed Asphalt Pavement | | \$10,234,215 |
| Smart Irrigation Controllers | | \$6,907,034 |
| Lime-Stabilized Soil - NEW | | \$47,442 |
| Electronic Plans and Quantities Submittal Process | | \$17,650 |
| Type Two Total | 9 | \$174,621,966 |

| Type Three Efficiencies | Qualitative Benefit | Cost Savings or Avoidance |
|--|---------------------|---|
| Caltrans Vendor Day & Vendor Portal - NEW | | Efficiencies, practices, trends, and innovations that provide qualitative benefits to Caltrans and taxpayers. Savings are not quantified. |
| Irrigation Data Plan Savings - NEW | | |
| Fire Hardening Coatings - NEW | | |
| Research - NEW | | |
| Robot Mowers - NEW | | |
| Progressive Design-Build - NEW | | |
| Caltrans Encroachment Permit System - NEW | | |
| Full Closure Strategy - NEW | | |
| Type Three Total | 8 | |



The following sections highlight the FY 2023-24 Type One, Type Two, and Type Three efficiencies. For calculations, methodologies, data and supporting information for a specific efficiency in this report, please email contact.sbl@dot.ca.gov.

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 29-30, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 4.8, Information Item

Prepared By: Angel Pyle,
SB 1 Program Manager

Subject: **CALTRANS EFFICIENCIES REPORT 2023-24**

SUMMARY:

The California Department of Transportation (Caltrans) will present to the California Transportation Commission (Commission) its annual Caltrans Efficiencies Report (Annual Report) at the January 2026 meeting. This will be an informational item.

BACKGROUND:

Senate Bill 1 (SB 1) requires that Caltrans implement efficiencies measures, with the goal of generating at least \$100 million annually in savings for investment in the maintenance and rehabilitation of the State Highway System. SB 1 also requires that Caltrans report these efficiencies savings to the Commission.

DISCUSSION:

This is the seventh Annual Report to the Commission outlining efficiencies achieved. In the Fiscal Year 2023-24 Annual Report, Caltrans is reporting \$350 million in total efficiencies, with \$176 million counting towards the SB 1 efficiencies goal.

For 2023-24, Caltrans enhanced the report by creating and housing it online at <https://efficiencies-build-ca.vercel.app/>.

The online version of the report is more accessible, sortable, searchable, and easier to update, edit, and maintain. The online report improves readability and shareability, allows for links and multimedia integration, and establishes Caltrans as a leader in report presentation amongst other state Departments of Transportation.