

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 29-30, 2026

From: STEVEN KECK, Chief Financial Officer

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

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District 10 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CONSTRUCTION COMPLETION PHASE
PPNO 3144/EA 1C270 – STANISLAUS COUNTY – INTERSTATE 5
RESOLUTION FA-25-34**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$2,849,000 in Construction Capital and \$1,200,000 in Construction Support for the State Highway Operation and Protection Program (SHOPP) Safety Roadside Rest Area (SRRA) Rehabilitation project on Interstate 5 (I-5), in Stanislaus County, to complete 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 I-5, near Westley, at the Westley SRRA, in Stanislaus County. The project is replacing the buildings; adding walkways, site facilities, and new fire access; and constructing a California Highway Patrol field office and maintenance crew room.

FUNDING AND PROGRAMMING STATUS:

In April 2016, this project was programmed for \$5,477,000 in Construction Capital and \$2,871,000 in Construction Support in the SHOPP for allocation in Fiscal Year 2018-19. In June 2017, the project was amended to move up allocation of the Construction phase to 2017-18. In June 2018, the project received a 4-month allocation time extension for the Construction phase. In November 2018, funding lapsed on the project.

In May 2020, this project was reprogrammed for \$17,166,000 in Construction Capital and \$9,203,000 in Construction Support for allocation in 2022-23. In June 2022, the project was amended to decrease Construction Support to \$3,750,000 due to the estimate not being fully updated at the time of reprogramming and revision of the project scope. In June 2023, the project received a 4-month allocation time extension for the Construction phase. In August 2023, the project was allocated for \$19,381,000 in Construction Capital and \$4,300,000 in Construction Support. In March 2024, the project was awarded for \$21,519,100 in Construction Capital after utilizing G-12 funds. In July 2024, construction began with 310 working days. The project has not received any G-12 funds for Construction Support. The project is 85 percent complete with 45 working days remaining. The remaining funds are currently \$2,163,000 in Construction Capital and \$90,000 in Construction Support. The planned Construction Contract Acceptance (CCA) is scheduled for June 2026.

REASON FOR COST INCREASE:

The project realized capital cost increases due to contract change orders (CCOs) that were required to address unforeseen site conditions which required rectifying the plans to address discrepancies with the topography, incorporating missed design elements, and claims filed by the contractor and subcontractors for delays. The project realized support cost increases due to adjustments that were made to the contract plans as a result of issues with the site grading and various discrepancies that needed to be corrected, and for contract administration and inspection of the CCOs.

Capital Cost Increase:

After the start of construction, numerous items were discovered that needed to be corrected by either redesigning certain components of the contract plans to address discrepancies with site conditions or adjusting bid item quantities. Some of the items include updating traffic handling based on field observations to improve safety for the traveling public, modifying site grading plans, changing the type of plumbing fixtures in the restrooms, adding floor drains for the vending machines and vapor barrier beneath concrete slabs to address expansive subgrade characteristics, additional framing for the ceiling of the buildings and potholing to identify underground utilities, relocation of the irrigation lines, conform work around existing pull boxes, and thickening concrete edges for flat work due to expansive soil conditions.

Discrepancies between the site conditions and contract plans have resulted in approximately \$1,760,000 for the payment of claims from the contractor and subcontractors due to plan changes that created inefficiencies in their work. There were also bid item overruns for aggregate base and hot mix asphalt in the amount of approximately \$194,000.

The items that provide safety enhancements to the rest area account for approximately \$410,000. These include adding shotcrete to exposed gabion rock baskets, adding stairs and a handrail to the fire access ramp due to steeper than planned grades, and adding fencing and gates for the access roads as well as installing concrete access ramps for these roads. The stormwater compliance requirements include lining of a drainage ditch with concrete to control

erosion and prevent water from draining offsite.

Items deemed necessary to provide a complete and functional project account for approximately \$485,000. These items include costs for restoring the wastewater ponds by repairing the liner and pump, and installing new electrical wire and a pull box from the lift station to the wastewater ponds. The project includes the installation of a sewer overflow tank at the southbound side of the SRRA. The tank will back up the lift station in the event of a failure or scheduled downtime. However, during the water flow test, it did not operate as anticipated. The inlet elevation of the tank must be lowered by two feet so that it will operate correctly. Additional grading is required to provide cover over some of the precast foundations and for a drainage swale, on the northbound side of the SRRA, that extends past the fire access road to direct runoff to its final destination. There were grading differentials that required additional hot mix asphalt to provide an accessibility compliant parking area. Furthermore, additional capital costs are required for implementing temporary stormwater mitigation for another rainy season due to the delays.

Overall, the additional capital costs required to complete the remaining and pending CCO work amount to an increase of \$2,849,000 in capital costs.

Support Cost Increase:

The support cost increase is due to issues with the site grading plan to match with the existing topography, and various plan discrepancies that needed to be corrected. Based on the existing site conditions, the project grading plans required adjustments to achieve the desired grades. This, along with the other CCOs, required redesigning the contract plans, review time, administrative work, and additional field inspection which was not initially anticipated. In addition, the project experienced significant delays due to procurement of electrical equipment. Overall, these inefficiencies and delays resulted in a mutually agreed 137 non-working days moving the original CCA date out by six months. Consultants are being utilized for inspection and design which results in high burn rates.

Additional support resources are required in the amount of \$850,000 for the construction and structures construction units to complete inspection of the remaining work; \$100,000 for the architect, landscape architect, and design units for redlining as-builts; and \$250,000 for the administrative functions such as project management, labor compliance, and public information office, to achieve project closeout.

The additional support resources for administrative and inspection work for the CCOs, amount to an increase of \$1,200,000 in support costs.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Department will not be able to complete the remaining work to address critical deficiencies, and the SRRA would be closed indefinitely. If the construction contract is further delayed, it will likely result in further claims by the contractor. In order to reopen the SRRA, another project will have to be programmed in a

future SHOPP cycle at a possible higher project cost.

FINANCIAL RESOLUTION:

Resolved, that \$2,849,000 be allocated from the Budget Act of 2024, Budget Act Item 2660-302-0890 for Construction Capital, and \$1,200,000 for Construction Support, to provide funds to complete the Construction phase for 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	Additional	Revised	Revised
RTPA/CTC	Project Support Expenditures	Item #	Amount by	Amount by	Amount by
County		Fund Type	Fund Type	Fund Type	Fund Type
Dist-Co-Rte		Program Codes	Current Amount	Current Amount	Current Amount
Postmile		Project ID	by Fund Type	by Fund Type	by Fund Type
		Adv Phase			
		EA			

2.5e.(1)	Supplemental Funds for Previously Voted Project			Resolution FA-25-34	
1	Near Westley, at the Westley Safety Roadside Rest Area (SRRA).	10-3144			
\$4,049,000		SHOPP			
		CON ENG			
Department of Transportation	<u>Outcome/Outputs:</u> Replace SRRA buildings, add walkways, site facilities, new fire access, and construct a California Highway Patrol (CHP) field office and maintenance crew room.	001-0890 FTF	\$4,300,000	\$1,200,000	\$5,500,000
StanCOG		20.10.201.250			
Stanislaus		SHOPP/2022-23			
10-Sta-5	Total revised amount \$29,868,100.	CONST			
27.0/27.4		302-0042 SHA	\$2,100		\$2,100
	Supplemental funds are needed to complete construction.	302-0890 FTF	\$21,517,000		\$21,517,000
		20.20.201.250			
	CEQA - CE, 06/01/2015; Re-validation 06/02/2023	SHOPP/2024-25			
	NEPA - CE, 06/01/2015; Re-validation 06/02/2023	CONST			
		302-0890 FTF		\$2,849,000	\$2,849,000
		20.20.201.250			
		1014000097			
		3,4			
		1C270			