

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 19-20, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(8), Action Item

Prepared By: Grace Magsayo
District 10 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CAPITAL OUTLAY SUPPORT PHASE
PPNO 3433/EA 1H560 – ALPINE COUNTY – STATE ROUTE 88
RESOLUTION FA-25-36**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$250,000 in Capital Outlay Support (COS), for the State Highway Operation and Protection Program (SHOPP) Maintenance Facilities project on State Route (SR) 88, in Alpine County, to complete the Plans, Specifications, and Estimate (PS&E) phase?

RECOMMENDATION:

The Department recommends that the Commission approve this request for a COS supplemental funds allocation for this SHOPP project.

PROJECT DESCRIPTION:

This project is located on SR 88 near Kirkwood, at the Caples Lake Maintenance Station (Facility), in Alpine County. The project will reconstruct a dormitory and sand shed structures, rehabilitate a generator building, and install a vehicle charging station.

FUNDING AND PROGRAMMING STATUS:

In May 2020, the PS&E phase was programmed for \$2,526,000 in the SHOPP for allocation in Fiscal Year 2021-22. In June 2022, the project received a PS&E allocation for \$2,526,000. In February 2024, the project received G-12 funds in the amount of \$452,600 for the PS&E phase. In June 2025, the project received a 6-month project development expenditure time extension for the PS&E phase. In January 2026, the project received a 10-month project development expenditure time extension amendment (totaling 16 months) for the PS&E phase. The PS&E

phase is currently 90 percent complete, with a remaining budget of \$18,000, which is insufficient to complete the phase. If this request for additional funding is approved, the project is anticipated to be Ready to List (RTL) again by April 2026, and complete the remaining PS&E activities by October 2026.

REASON FOR COST INCREASE:

The project realized cost increases due to the need to repackage and re-advertise the contract as a result of the bidders being found non-responsive from the bid opening.

In August 2025, the Department advertised the contract and held bid opening in October 2025. The contract received three bids, of which, the first two lowest bids were 11.8 and 7.5 percent under the Engineer's Estimate (EE) of the bid items. The third bid was 1.8 percent over the EE. However, the bids were rejected as they were found to not meet the Small Business Enterprise requirements.

This has resulted in the need for additional support resources to repackage and readvertise the contract. As the design was performed by a consultant, the task order will need to be amended and executed. The repackage efforts will include updating the contract plans and specifications to current standards as well as incorporating the addenda into the contract which were generated by bidder inquiries during the advertising period. The Fire Marshal permit will also need to be updated and extended.

In addition, the Department will take the opportunity to conduct a focused quality review of the plans and specifications. This proactive effort is intended to identify and correct potential issues prior to construction, thereby reducing the risk of contract change orders, claims, and unforeseen conditions that could result in cost increases during construction.

Therefore, supplemental funds in the amount of \$250,000 are required to repackage the contract and RTL the project again in April 2026, and complete the remaining PS&E activities through contract approval by October 2026.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Department will not be able to RTL the project again and re-advertise the contract to address the critical deficiencies of the existing Facility, and install a vehicle charging station. To address all of the deficiencies, the project would need to be reprogrammed in a future SHOPP cycle which could lead to the potential of a project cost increase.

FINANCIAL RESOLUTION:

Resolved, that \$250,000 be allocated to provide funds to complete the PS&E phase for this SHOPP project.

Attachment

2.5 Highway Financial Matters

Project #	Allocation Amount	Recipient	County	Dist-Co-Rte	Postmile	Location	Project Description	PPNO	Program	Phase	Program Code	Project ID	Adv Phase	EA	Original Amount	This Supplemental Request
2.5e.(8) COS Supplemental Funds for Previously Voted Project																
1	\$250,000	Department of Transportation	Alpine	10-Alp-88	1.9	Near Kirkwood, at the Caples Lake Maintenance Station.	<p><u>Outcome/Output:</u> Reconstruct a dormitory and sand shed structures, and rehabilitate a generator building, and install new Zero Emission Vehicle charging station.</p> <p>Supplemental funds are needed to complete PS&E.</p> <p>CEQA - ND, 02/28/2022; Re-validation 05/22/2024 NEPA - CE, 02/10/2022; Re-validation 5/22/2024</p> <p>Future consideration of funding approved under Resolution E-22-48; July 2022.</p> <p>Amendment to project development expenditure time extension for an additional ten months, for a total of sixteen months, for PS&E approved under Waiver 26-02; January 2026.</p>	10-3433	SHOPP	PS&E	20.10.201.352	1017000184	1	1H560	\$2,978,600	\$250,000
Resolution FA-25-36																