

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 19-20, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(4), Action Item

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District 06 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CONSTRUCTION COMPLETION PHASE  
PPNO 8039/EA 0W90U – TULARE COUNTY – STATE ROUTE 216  
RESOLUTION FA-25-42**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$1,336,000 in Construction Capital and \$1,073,000 in Construction Support for the State Highway Operation and Protection Program (SHOPP) Roadway Rehabilitation project on State Route (SR) 216, in Tulare 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 SR 216, in and near the City of Visalia, from SR 198 to east of North McAuliff Street, in Tulare County. The project is rehabilitating the roadway by replacing distressed asphalt, providing non-motorized transportation facilities, and upgrading pedestrian facilities. This project is a combination of the roadway rehabilitation project (PPNO 6696/EA 0W900) and a local measure project (PPNO 8040/EA 0U870) for construction.

### **FUNDING AND PROGRAMMING STATUS:**

In March 2019, the roadway rehabilitation project was programmed for \$16,900,000 in Construction Capital and \$2,800,000 in Construction Support in the SHOPP for allocation in Fiscal Year 2022-23. In December 2021, the project was amended to update the postmile limits, description, and performance measure by utilizing data from the latest pavement

condition report. In June 2022, the project was amended again to increase Construction Capital to \$20,900,000 due to addition of scope for retaining walls and concrete barrier and an increase in the quantities for sidewalk, curb ramps, roadway excavation, and traffic management systems, and Construction Support to \$3,300,000 due to added working days based on the expanded scope. In June 2023, the project received an allocation time extension for nine months for the Construction phase. In March 2024, the project was allocated for \$21,921,000 in Construction Capital and \$3,890,000 in Construction Support with an additional 12 months to complete construction. In August 2024, the project was awarded for \$26,732,400 in Construction Capital which includes \$2,424,000 from the local agency and \$2,387,400 from partial G-12 funds. In March 2025, construction began with 220 working days. The project has not received any G-12 funds in Construction Support. The project is 45 percent complete with 25 working days remaining. The remaining funds are currently \$15,845,000 in Construction Capital and \$2,902,000 in Construction Support. The planned Construction Contract Acceptance is scheduled for December 2028.

**REASON FOR COST INCREASE:**

The project realized capital cost increases due to the discovery of an unanticipated underground electrical distribution line which required relocation and pending contract change orders (CCOs) for differing site conditions. The project also realized support cost increases due to delays with the contractor's controlling work operations.

**Capital Cost Increase:**

In April 2025, a Southern California Edison (SCE) underground electrical distribution line was discovered buried without protective conduit. This distribution line, servicing multiple commercial and residential customers, was not previously shown on SCE electrical distribution maps that were shared with the Department. This unanticipated discovery required the contractor to halt critical work operations and the Department to promptly initiate utility relocation coordination with SCE. In July, the Department's Right of Way Utilities staff and SCE agreed on liability costs. At this time, SCE indicated the relocation schedule for the electrical distribution line would first require two months to allow for mobilizing crews for civil work (trenching, installing conduit, and pull boxes) and then approximately two months to mobilize the crews to complete the installation of the conductor and energize the new line. Due to SCE competing priorities with the Southern California wildfire response, the civil work did not take place as originally anticipated, which prompted the Department to develop a new strategy.

To mitigate delays, the Department authorized a CCO for the contractor to install 3 pull boxes and approximately 300 feet of conduit, in order to expedite a portion of the electrical distribution line relocation. The work resulted in \$85,000 in capital costs. Despite these efforts, the contractor experienced a 150-day delay to their controlling work operation. The delay has resulted in approximately \$954,000 in time-related overhead and \$236,000 in additional traffic control costs.

In addition, CCOs were also required to address differing site conditions that include additional tree and fence removal, earthwork, and extending irrigation lines. The additional earthwork consisted of filling an existing void near a wingwall and grading an area for slope paving. This work amounts to approximately \$69,000 in additional capital costs.

Overall, the additional capital costs required to address the pending CCOs and delays from the utility conflict, amount to an increase of \$1,336,000.

**Support Cost Increase:**

The support cost increase is due to an additional 150 working days which were required as a result of a delay from the relocation of an unanticipated underground electrical distribution line owned by SCE. While this delay stopped critical path activities, other construction elements continued. In addition, the contractor had to maintain sidewalk and shoulder closures as the electrical distribution line was relocated to the planter strip area between the sidewalk and shoulder of the roadway. The traffic control measures and elements required daily inspection for safety throughout the length of the delay.

The additional support resources that were required during the delay, amount to an increase of \$1,073,000 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 of the existing roadway and roadside elements. If the construction contract is further delayed, it will likely result in claims by the contractor. To complete all of the work, another project will have to be programmed in a future SHOPP cycle at a possible higher project cost.

**FINANCIAL RESOLUTION:**

Resolved, that \$1,336,000 be allocated from the Budget Act of 2024, Budget Act Item 2660-302-0890 and Non-Budget Act Item 2660-802-3290 for Construction Capital, and \$1,073,000 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
Allocation Amount	Location	Program	Federal	Federal
Recipient	Project Description	Funding Year	Additional	Revised
RTPA/CTC	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		
		EA		

2.5e.(4)	Supplemental Funds for Previously Voted Project			Resolution FA-25-42
1	In and near Visalia, from Route 198 to 0.2 mile east of North McAuliff Street.	06-8039 SHOPP CON ENG		
\$2,409,000		505-3290 RMRA 20.10.201.120		\$123,000
Department of Transportation	<u>Outcome/Outputs:</u> Rehabilitate roadway by replacing distressed asphalt, provide non-motorized transportation facilities and bring Americans with Disabilities Act (ADA) facilities to current standards.	SHOPP CON ENG		\$123,000
TCAG Tulare		001-0890 FTF 20.10.201.120	\$3,890,000	\$950,000
06-Tul-216 R0.0/2.6	Total revised amount \$30,607,400.			\$4,840,000
	Supplemental funds are needed to complete construction.			
	CEQA - MND, 06/23/2021; Re-validation 12/21/2023	SHOPP/2017-18 CONST		
	NEPA - FONSI, 06/23/2021; Re-validation 12/21/2023	802-3290 RMRA 20.20.201.120	\$837,000	\$153,000
	Future consideration of funding approved under Resolution E-21-78; August 2021.			
	EA 0W900/PPNO 06-6696 combined for construction under EA 0W90U/Project ID 0623000128 with Local Measure Project EA 0U870/PPNO 06-8040 funding: CON ENG \$525,000	SHOPP/2022-23 CONST		
	CONST \$2,424,000	302-0890 FTF 20.20.201.120	\$23,471,400	\$23,471,400
	As part of the initial allocation, the Department requested to extend the completion of CONST and CON ENG an additional 12 months beyond the 36-month deadline.	SHOPP/2024-25 CONST		
		302-0890 FTF 20.20.201.120	\$1,183,000	\$1,183,000
		0623000128 3,4 0W90U		