

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 14-15, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5s.(5), Action Item

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Division of Financial Programming

Subject: **ALLOCATION AMENDMENT FOR A STATE-ADMINISTERED MULTI-FUNDED SENATE BILL 1 TRADE CORRIDOR ENHANCEMENT PROGRAM AND STATE TRANSPORTATION IMPROVEMENT PROGRAM (ASSEMBLY BILL 608) PROJECT, ON THE STATE HIGHWAY SYSTEM RESOLUTION TCEP-A-2526-28, AMENDING RESOLUTION TCEP-A-2526-15, RESOLUTION FP-25-96, AMENDING RESOLUTION FP-25-58**

ISSUE:

Should the California Transportation Commission (Commission) approve an allocation amendment for the State-Administered multi-funded Senate Bill 1 (SB 1) Trade Corridor Enhancement Program (TCEP) and State Transportation Improvement Program (STIP) Assembly Bill 608 (AB 608) Rt 49, Corridor Improvements, La Barr-McKnight, SB Truck Climbing Lane project (PPNO 4117), on the State Highway System, in Nevada County, to deallocate \$3,020,000 from the Construction (CON) phase to reflect project savings?

RECOMMENDATION:

The California Department of Transportation (Department) recommends the Commission approve an allocation amendment for the State-Administered multi-funded SB 1 TCEP and STIP (AB 608) Rt 49, Corridor Improvements, La Barr-McKnight, SB Truck Climbing Lane project (PPNO 4117), on the State Highway System, in Nevada County, to deallocate \$3,020,000 from the CON phase to reflect project savings.

BACKGROUND:

The approved programming amount for CON Capital for the Rt 49, Corridor Improvements, La Barr-McKnight, SB Truck Climbing Lane project (PPNO 4117) was as follows; \$1,585,000 in STIP-Regional Improvement Program (RIP) funds, \$2,000,000 in STIP-Interregional Improvement Program (IIP) funds, and \$14,615,000 in SB 1 TCEP Regional (TCEP-R) funds, for a total programmed amount of \$18,200,000.

In May 2025, the Engineer’s Estimate (EE) reflected an additional need of \$2,716,000 in CON Capital from the STIP. At the August 2025 meeting, the Commission approved an allocation for \$14,615,000 in TCEP-R, \$4,001,000 in STIP-RIP funds and \$2,300,000 in STIP-IIP funds to CON Capital (\$2,416,000 above the programmed amount from the STIP-RIP and \$300,000 above the programmed amount from the STIP-IIP), under Resolutions FP-25-27 and TCEP-A-2526-11. The SB 1 TCEP-R program does not fund cost increases and therefore did not participate in the cost increase.

At the December 2025 Commission meeting, an allocation amendment was approved to report COVID-RIP shares and revise the RIP preconstruction shares under Resolutions FP-25-58 and TCEP-A-2526-15.

The construction contract was awarded on December 9, 2025, resulting in savings of \$3,020,000 relative to the EE across STIP and SB 1 TCEP-R funds.

Section 188.8 of the Streets and Highways Code, amended by AB 608, allows the Commission to adjust an allocation amount for a capital outlay project in the STIP if the construction contract award amount is less than 80 percent of the engineer’s final estimate. This threshold was met. The result is an adjustment to interregional and/or county shares.

The Department and the Nevada County Transportation Commission request that \$2,442,000 be returned to Nevada County STIP-RIP shares and \$334,000 be returned to the Interregional Transportation Improvement Program, in accordance with AB 608, and that the proportional SB 1 TCEP-R funds share of \$244,000 be returned to the SB 1 TCEP-R, as shown in the attached revised vote box.

Since only the STIP-RIP and STIP-IIP participated in funding the CON Capital cost increase at the time of allocation, the additional amounts that were not ultimately needed are returned to their respective STIP shares. The remaining savings are then distributed proportionally among the STIP-RIP, STIP-IIP, and SB 1 TCEP-R based on their programmed amounts, as follows:

The table below summarizes the project award information:

Item	Amount			
Contractor’s Bid Amount	\$65,928,657			
Supplemental Work	\$1,221,900			
State Furnished Materials	\$1,250,286			
Contingencies	\$3,357,528			
Total Project Award Allotment	\$71,758,700			
Fund Type	RIP	IIP	TCEP-R	SHOPP (Information Only)
CTC Allocation	\$4,001,000	\$2,300,000	\$14,615,000	\$68,700,000
Savings	\$2,442,000	\$334,000	\$0	\$0
De-allocation	\$0	\$0	\$244,000	\$0

FINANCIAL RESOLUTION:

Resolved, that the Commission does hereby amend the State-Administered multi-funded SB 1 TCEP-R and STIP Rt 49, Corridor Improvements, La Barr-McKnight, SB Truck Climbing Lane project (PPNO 4117), to deallocate \$3,020,000 from the CON phase to reflect project savings, in accordance with the attached revised vote box.

Attachment

