

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 14-15, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5s.(9), Action Item

Prepared By: James R. Anderson, Chief  
Division of Financial Programming

Subject: **ALLOCATION AMENDMENT FOR A STATE-ADMINISTERED SENATE BILL 1  
TRADE CORRIDOR ENHANCEMENT PROGRAM PROJECT, ON THE STATE  
HIGHWAY SYSTEM  
RESOLUTION TCEP-A-2526-30, AMENDING RESOLUTION TCEP-A-2425-09**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve an allocation amendment for the State-Administered Senate Bill 1 (SB 1) Trade Corridor Enhancement Program (TCEP) Otay Mesa East Land Port of Entry Early Work Package project (PPNO 0999H), on the State Highway System, in San Diego County, to deallocate \$16,082,000 from the Construction (CON) phase due to the project being awarded at a lower cost?

### **RECOMMENDATION:**

The California Department of Transportation (Department) recommends that the Commission approve an allocation amendment for the State-Administered SB 1 TCEP Otay Mesa East Land Port of Entry Early Work Package project (PPNO 0999H), on the State Highway System, in San Diego County, to deallocate \$16,082,000 from the CON phase due to the project being awarded at a lower cost.

### **BACKGROUND:**

In August 2024, the Commission allocated \$36,141,000 for the CON phase of the State-Administered SB 1 TCEP Otay Mesa East Land Port of Entry Early Work Package project (PPNO 0999H), under Resolution TCEP-A-2425-03. This allocation was later amended in October 2024 under Resolution TCEP-A-2425-09 to revise project outputs.

As documented in the Commission-approved Baseline Agreement Amendment approved in October 2024, several facilities originally planned for the Otay Mesa East Land Port of Entry Early Work Package project (PPNO 0999H)-including federal and state early operational facilities-were removed from this project and shifted into the East Otay Mesa Land Port of Entry - Construction project (PPNO 0999I). This change reduced both the scope and overall project cost of PPNO 0999H.

In December 2024, the project was awarded lower than the Commission-approved allocation of \$36,141,000. The project no longer requires the full SB 1 TCEP funding previously committed of \$13,031,000 in SB 1 TCEP-State funds and \$3,051,000 in SB 1 TCEP-Regional funds, for a combined total of \$16,082,000.

Therefore, the Department is requesting to deallocate \$16,082,000 in SB 1 TCEP funds due to savings as a result of the lower contract award. The deallocated funds will be reprogrammed to fund the East Otay Mesa Land Port of Entry - Construction project (PPNO 0999I).

The proposed changes are reflected in strikethrough and bold in the attached revised vote box.

**FINANCIAL RESOLUTION:**

Resolved, that the State-Administered SB 1 TCEP Otay Mesa East Land Port of Entry Early Work Package project (PPNO 0999H), is hereby amended to deallocate \$16,082,000 from the CON phase, due to the project being awarded at a lower cost, in accordance with the attached revised vote box.

Attachment

**2.5 Highway Financial Matters**

Project #	Allocation Amount	Recipient	RTPA/CTC	County	Dist-Co-Rte	Postmile	Project Title	Location	Project Description	PPNO	Program/Year	Phase	Prgm'd Amount	Project ID	Advantage Phase	Budget Year	Item #	Fund Type	Program Code	Amount by Fund Type
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**2.5s.(9) Allocation Amendment - State-Administered SB 1 TCEP Project on the State Highway System** **Resolution TCEP-A-2526-30**  
Amending Resolution TCEP-A-2425-09

1	<del>\$36,141,000</del> <b>\$20,059,000</b>						<b>Otay Mesa East Land Port of Entry Early Work Package.</b> In San Diego County near San Diego at 1.9 mile East of Sanyo Avenue Undercrossing. Otay Mesa East (OME) Port of Entry (POE) early work package including southbound passenger vehicle lanes and northbound truck lanes. Construct drainage facilities, perform earthwork and paving, and place temporary federal and state facilities.				11-0999H TCEP-S/24-25 CONST		2022-23			301-3291 TCEA		20.20.723.100		<del>\$27,040,000</del> <b>\$14,009,000</b>
Department of Transportation SANDAG San Diego 11-SD-11 2.7/2.7							<u>Outputs</u>	<u>Unit</u>	<u>Total</u>							2024-25			302-0890 FTF	<del>\$800,000</del> <b>\$14,809,000</b>
							Border Crossing Improvements	Each	0.1										20.20.723.100	
							CEQA - EIR, 03/29/2012; Re-validation 08/13/2024 NEPA - EIS, 03/29/2012; Re-validation 08/13/2024						TCEP-R/24-25 CON ENG						001-3291 TCEA	\$5,050,000
							Future consideration of funding approved under Resolution E-12-35; June 2012.						\$5,250,000 CONST						001-0890 FTF	<del>\$200,000</del> \$5,250,000
							Right of Way Certification: 06/14/2024						<del>\$3,051,000</del> <b>\$0</b>						20.10.723.200	
							Contribution from other sources: \$0.						1124000359						301-3291 TCEA	<del>\$3,051,000</del> <b>\$0</b>
							TCEP-R match funds will be under CMGC component EA 11-05641/PPNO 11-0999I.						3,4 05640						20.20.723.200	
							Partial allocation for the early work package excludes placement of temporary facilities for the Federal and State agency operations, which will be delivered with the greater CMGC component. The remaining programmed balance of \$38,859,000 will be re-programmed at a future Commission meeting to the CMGC component EA 11-05641/PPNO 11-0999I.													
							TCEP Programming Amendment approved under Resolution G-24-73; October 2024.													
							Baseline Agreement Amendment approved under Resolution TCEP-P-2425-01BA; October 2024.													
							<b><u>Amend Resolution TCEP-A-2425-09 to deallocate \$16,082,000 from the Construction phase due to the project being awarded at a lower cost.</u></b>													