

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 14-15, 2026

From: STEVEN KECK, Chief Financial Officer

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

Prepared By: David Moore
District 02 - Director

Subject: **SUPPLEMENTAL FUNDS FOR CAPITAL OUTLAY SUPPORT PHASE
PPNO 3709/EA 3H950 – PLUMAS COUNTY – STATE ROUTE 89
RESOLUTION FA-25-45**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$620,000 in Capital Outlay Support (COS), for the State Highway Operation and Protection Program (SHOPP) Pavement Preservation project on State Route (SR) 89, in Plumas County, to complete the Right of Way (RW) Support 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 89 near Graeagle, from the Sierra County line to SR 70, in Plumas County. The project will rehabilitate the pavement, upgrade guardrail and signs, and widen shoulders along an approximately 9-mile segment of SR 89.

FUNDING AND PROGRAMMING STATUS:

In May 2022, the RW Support phase was programmed for \$230,000 in the SHOPP for allocation in Fiscal Year 2024-25. In October 2023, the project was amended to update the description and project costs to add scope to realign and raise an approximately 1-mile section of the roadway to eliminate flood water from over-topping the roadway which will be funded through the Infrastructure Investment and Jobs Act, and increased RW Support to \$500,000. In June 2025, the project received a 6-month allocation time extension for the Plans,

Specifications, and Estimate and RW Support phases. In August 2025, the project received a RW Support allocation for \$595,000. The RW Support phase is currently 40 percent complete, with a remaining budget of \$245,000, which is insufficient to complete the phase. If this request for additional funding is approved, it is anticipated to Ready to List (RTL) the project in April 2027, and complete the remaining RW Support activities by January 2029.

REASON FOR COST INCREASE:

The project realized support cost increases due to increased right of way complexity above what was anticipated.

The scope of work during the prior phases identified acquisition of a temporary construction easement (TCE) from each of the six parent parcels. Once right of way activities were fully under way, much of the parcels required were found to be prescriptive from one private party. The right of way acquisition is now impacting several more parcels than originally anticipated, and the prescriptive nature of the rights further complicates acquisition. In addition, several areas, where right of way is needed to operate and maintain the existing roadway features, were not properly defined or recorded in the Department's records due to lack of property boundary surveys and remoteness of the project site. Since the acquisition impacts one private party, the risk of having to complete a resolution of necessity increases. RW support efforts have increased from 6 to 19 parent parcels that will require right of way needs on 44 sub-parcels. Acquisitions now include 23 new drainage easements, and an increase of 15, from 6, for a total of 21 TCEs along this segment of SR 89.

Therefore, supplemental funds in the amount of \$620,000 are required to address additional resources needed to RTL the project by April 2027, and complete the remaining RW Support activities by January 2029. The Department does not anticipate an increase to the cost for RW Capital.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Department will not be able to RTL the project which will address critical deficiencies of the existing roadway and roadside elements. To address all of the deficiencies, the project would need to be reprogrammed in a future SHOPP cycle which would lead to a project cost increase.

FINANCIAL RESOLUTION:

Resolved, that \$620,000 be allocated to provide funds to complete the RW Support 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.(1)			COS Supplemental Funds for Previously Voted Project										Resolution FA-25-45			
1	\$620,000	Department of Transportation Plumas	02-Plu-89	0.0/8.7		Near Graeagle, from Sierra County line to Route 70.	<u>Outcome/Output:</u> Rehabilitate pavement, raise the roadway grade, upgrade guardrail and signs, and widen shoulders. Supplemental funds are needed to complete RW. CEQA - CE, 06/23/2025	02-3709	SHOPP	R/W Sup	20.10.201.121	0218000057	2	3H950	\$595,000	\$620,000