

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 25-26, 2026

From: STEVEN KECK, Chief Financial Officer

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

Prepared By: Michael Navarro
District 06 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CONSTRUCTION COMPLETION PHASE
PPNO 6921/EA 0X060 – FRESNO COUNTY – STATE ROUTE 198
RESOLUTION FA-25-54**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$1,400,000 in Construction Support for the State Highway Operation and Protection Program (SHOPP) Drainage System Restoration project on State Route (SR) 198, in Fresno 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 along SR 198, at various locations, from west of the Warthan Creek Overcrossing to west of Firestone Avenue, in Fresno County. The project is improving drainage facilities by repairing or replacing culverts at 79 locations.

FUNDING AND PROGRAMMING STATUS:

In August 2018, the project was programmed for \$14,900,000 in Construction Capital and \$2,800,000 in Construction Support in the SHOPP for allocation in Fiscal Year 2021-22. In October 2019, the project was amended to move out allocation of the Construction phase to 2022-23 due to additional time needed to allow for required lead times to complete environmental, design, and right of way activities. In June 2023, the project was amended again to decrease Construction Capital to \$11,700,000 due to the change in the method of

replacement for three culverts from jack-and-bore to trenched strategy. In June 2023, the project received a 4-month allocation time extension for the Construction phase. In October 2023, the project was allocated for \$9,224,000 in Construction Capital and \$2,800,000 in Construction Support. In May 2024, the project was awarded for \$10,186,300 in Construction Capital after utilizing partial G-12 funds in the amount of \$962,300. In May 2025, construction began with 195 working days. The project has not received any G-12 funds for Construction Support. The remaining funds are currently at \$7,542,000 in Construction Capital and \$1,540,000 in Construction Support. The project is approximately 30 percent complete with approximately 145 working days remaining. The planned Construction Contract Acceptance is scheduled for December 2026.

REASON FOR COST INCREASE:

The project realized support cost increases due to the cost of the permitting requirements which was above what was anticipated.

Construction on this project experienced significant work stoppage and delays at the start which impacted the schedule requiring an additional year of construction. The delays were caused by specific minimization and protective measures required by the Incidental Take Permit (ITP) and Biological Opinion (BO) for the California tiger salamander. Initially, the anticipated burrows to excavate was 3,000. However, after consecutive wet seasons that resulted in increased vegetation cover and ideal conditions, the number of burrows grew to approximately 15,000 to 20,000. To minimize or avoid delays, the Department coordinated with the permitting agencies to provide protective measures prior to the start of construction in lieu of dealing with each site specifically. As a result, construction of drainage facility improvement work, that was supposed to begin in August 2024, actually began in May 2025. To meet the ITP and BO requirements, a task order was required to obtain an approved designated biologist, which would perform mandatory surveys and implement minimization measures. In April 2025, the original task order was executed, and an amendment was issued in December 2025 to incorporate Lake and Streambed Alteration Agreement requirements which were going to be performed by the Department's Environmental staff. The estimate for the task order was based on earlier projects with similar scopes which resulted in a funding shortfall once the full permit compliance needs were defined.

Consultants were used to augment Department staff at an amount above what was originally anticipated in the workplan due to specific ITP requirements for an approved Designated Biologist, as well as the project's remote location and the intensive culvert inspection work that was required as a result of steep terrain, dense vegetation, and limited access points. Consultant augmentation increased support needs by approximately \$380,000 for inspection work and \$1,020,000 for environmental work. The necessary environmental work included additional surveying, staking, and continuous monitoring to meet regulatory compliance.

Therefore, the project will need an additional \$1,400,000 in support costs to perform environmental monitoring, complete inspection of the remaining work, and close out the project. The Department does not anticipate needing additional capital funds to complete construction.

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 culvert systems. If the construction contract is further delayed, it will likely result in claims by the contractor. To complete construction at a later time, another project will have to be programmed in a future SHOPP cycle at a possible higher project cost.

FINANCIAL RESOLUTION:

Resolved, that \$1,400,000 be allocated 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 | State |
|-------------------|------------------------------|---------------|----------------|----------------|----------------|
| Allocation Amount | Location | Program | Federal | Federal | Federal |
| Recipient | Project Description | Funding Year | Additional | Additional | Additional |
| RTPA/CTC | Project Support Expenditures | Item # | Amount by | Amount by | Amount by |
| County | | Fund Type | Fund Type | Fund Type | Fund Type |
| Dist-Co-Rte | | Program Codes | Current Amount | Current Amount | Current Amount |
| Postmile | | Project ID | by Fund Type | by Fund Type | by Fund Type |
| | | Adv Phase | | | |
| | | EA | | | |

2.5e.(4) Supplemental Funds for Previously Voted Project Resolution FA-25-54

| | | | | | |
|------------------------------|---|---------------|-------------|-------------|-------------|
| 1 | In Fresno County, on Route 198 at various locations. | 06-6921 | | | |
| \$1,400,000 | <u>Outcome/Outputs:</u> Improve drainage facilities by repairing or replacing culverts. | SHOPP | | | |
| Department of Transportation | | CON ENG | | | |
| COFCG | Total revised amount \$4,200,000. | 505-3290 RMRA | \$560,000 | \$280,000 | \$840,000 |
| Fresno | | 001-0890 FTF | \$2,240,000 | \$1,120,000 | \$3,360,000 |
| 06-Fre-198 | Supplemental funds are needed to complete construction. | 20.10.201.151 | | | |
| Var | CEQA - MND, 10/22/2020; Re-validation 06/29/2023 | 0618000015 | | | |
| | NEPA - CE, 10/22/2020; Re-validation 06/29/2023 | 3 | | | |
| | Future consideration of funding approved under Resolution E-21-24; March 2021. | 0X060 | | | |