

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 20-21, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(2), Action Item

Prepared By: David Moore
District 02 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CAPITAL OUTLAY SUPPORT PHASE
PPNO 3826/EA 2J600 – SHASTA COUNTY – VARIOUS LOCATIONS
RESOLUTION FA-26-01**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$2,020,000 in Capital Outlay Support (COS), for the State Highway Operation and Protection Program (SHOPP) Pavement Preservation project at various locations on State Route (SR) 44, SR 273, and SR 299, in Shasta County, to complete the Project Approval and Environmental Document (PA&ED) 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 44, SR 273, and SR 299 in the City of Redding (City), at various locations, in Shasta County. The location on SR 44 is from SR 273/Pine Street to the Continental Street Undercrossing Bridge (No. 06-0135L/R), on SR 273 from Buena Ventura Boulevard to Interstate 5, and on SR 299 from the Redding Overhead Bridge (No. 06-0035) to SR 273/Pine Street and from SR 273/North Market Street to Hilltop Drive. The project will rehabilitate the pavement and drainage systems; upgrade traffic signals, guardrail, transportation management system elements, and pedestrian facilities; and install fiber optic cable.

FUNDING AND PROGRAMMING STATUS:

In March 2024, this project's PA&ED phase was programmed for \$5,000,000 in the SHOPP for allocation in Fiscal Year 2024-25. In May 2024, the project received a PA&ED allocation for \$5,000,000. The project has not received any G-12 funds for the PA&ED phase. The PA&ED phase is currently 65 percent complete, and the remaining budget is \$920,000, which is insufficient to complete the phase. The project is scheduled to complete the remaining PA&ED activities by July 2027. Future phases were adjusted during the recent rebalancing efforts.

REASON FOR COST INCREASE:

The project realized cost increases due to additional resources that are needed to complete the preliminary design and environmental clearance.

Due to the complexity of the project which includes complete street elements, upgrades to various traffic elements, relocation and upgrade of traffic signals at 25 intersections, utility potholing, re-validation of right of way requirements through the downtown area, numerous stakeholders, and extensive public engagement, the preliminary design and environmental clearance is taking longer than expected and requiring more resources than was anticipated in the Project Initiation Document (PID). The level of environmental studies remains as anticipated during the PID phase. However, the project has experienced a more extensive and ongoing public, business, and local government engagement than anticipated.

With the replacement of traffic signals and fiber optic, additional potholing will be required above what was originally estimated. The new signals are not located in the same location as the existing signals and necessitate additional considerations. In addition, after receiving the survey data, temporary construction easements and permanent right of way take beyond what was anticipated will be required. These are needed to accommodate the new signals and controller cabinets, and to reconstruct the curb ramps.

Furthermore, the project underwent a value analysis study and eight design alternatives were proposed for the complete streets elements. The number of alternatives were higher than anticipated and will require additional time to review and analyze. These alternatives will need to be fully evaluated prior to final selection. The Design team will need to request extensive traffic impact studies, prepare mapping, and coordinate meetings with the local agencies, City, business community, and public. The Environmental team will need to evaluate the community impacts of the alternatives, and update all pertinent documents before approval of the value analysis report.

Therefore, supplemental funds in the amount of \$2,020,000 are required to complete the preliminary design, the environmental studies, and remaining PA&ED activities by July 2027. The future phases will be adjusted as required.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Department will not be able to complete the PA&ED phase to address critical deficiencies of the existing roadway and

roadside elements, and install fiber optic cable. The project would need to be reprogrammed in a future SHOPP cycle which could lead to project cost increases.

FINANCIAL RESOLUTION:

Resolved, that \$2,020,000 be allocated to provide funds to complete the PA&ED phase for this SHOPP project.

Attachment

2.5 Highway Financial Matters

Project #		PPNO		
Allocation Amount		Program		
Recipient		Phase		
County		Program Code		
Dist-Co-Rte	Location	Project ID		This
Postmile	Project Description	Adv Phase	Original Amount	Supplemental
		EA		Request
2.5e.(2)	COS Supplemental Funds for Previously Voted Project			Resolution FA-26-01
1	In Redding, on Routes 44, 273, and 299 at various locations.	02-3826	\$5,000,000	\$2,020,000
\$2,020,000		SHOPP		
		PA&ED		
Department of	<u>Outcome/Output:</u> Rehabilitate pavement and drainage	20.10.201.121		
Transportation	systems, upgrade traffic signals, guardrail, Transportation	0221000116		
Shasta	Management System (TMS) elements, and facilities to	0		
02-Sha-273	Americans with Disabilities Act (ADA) standards, and install	2J600		
14.5/18.5	fiber optic cable.			
	(G13 Contingency)			
	Supplemental funds are needed to complete PA&ED.			