

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 15-16, 2026

From: STEVEN KECK, Chief Financial Officer

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

Prepared By: Michael Navarro
District 06 - Director

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR RIGHT OF WAY CAPITAL PHASE
PPNO 6369/EA 48950 – TULARE COUNTY – STATE ROUTE 99
RESOLUTION TCEP-A-2627-11S**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$5,447,000 in Right of Way (RW) Capital for the State-Administered Senate Bill 1 (SB 1) Trade Corridor Enhancement Program (TCEP) Tulare SR 99 Corridor and Paige Avenue Multimodal Interchange Enhancements project on State Route (SR) 99, in Tulare County, to complete the RW phase?

RECOMMENDATION:

The Department recommends that the Commission approve the requested supplemental funds allocation for this State-Administered SB 1 TCEP project.

PROJECT DESCRIPTION:

This project is located on SR 99 in and near the City of Tulare, from south of the Avenue 200 Overcrossing to north of the Prosperity Avenue Overcrossing, in Tulare County. The project will convert the freeway from four to six lanes and reconstruct the Paige Avenue interchange, which includes roundabouts at the ramp termini, Blackstone Street, and Laspina Street; wide shared-use paths; and gap-closing sidewalks.

FUNDING AND PROGRAMMING STATUS:

In March 2022, the project's RW Capital phase was programmed for \$37,170,000 in the SB 1 TCEP, \$22,382,000 from SB 1 TCEP Regional and \$14,788,000 from SB 1 TCEP State, for allocation in Fiscal Year 2023-24. In June 2023, the project was amended to decrease

RW Capital to \$32,417,000, \$19,450,000 from SB 1 TCEP Regional and \$12,967,000 from SB 1 TCEP State. In March 2024, the project was allocated for \$32,417,000 in RW Capital, \$19,450,000 from SB 1 TCEP Regional and \$12,967,000 from SB 1 TCEP State. In addition, the local partner, Tulare County Association of Governments (TCAG), has committed \$5,835,000 in RW Capital funds for this project. In May 2026, the project received a project development expenditure time extension for the RW phases for 57 months. Currently, the RW Capital phase is 75 percent complete, and the remaining budget is \$31,799,000, which is insufficient to complete the phase.

REASON FOR COST INCREASE:

The project realized greater than anticipated costs for the relocation of a canal, in part to avoid Southern California Edison's (SCE) transmission powerlines and a traffic staging issue with the design of the interchange that materialized during the design phase.

The TCEP application included relocation of the Tulare Irrigation District's (TID) main canal. However, the cost in the original Right of Way Datasheet reflected an incorrect nominal amount. As a result, the RW Capital estimate was understated and should have included an additional \$6,900,000 for the TID canal relocation. Initially, the canal was estimated as an open ditch with two 340-foot segments of 96-inch diameter culverts that would be installed by a trenchless method under SR 99 and reconnected to the existing ditch west of Blackstone Street. However, the proposed SCE's transmission powerlines cannot cross an open ditch, requiring the canal to be enclosed beneath the powerline for approximately 100 feet. In addition, traffic control plans include utilizing the existing southbound SR 99 on and off-ramps to accommodate local traffic movements. The cost for installing a 100-foot segment of 8-foot by 8-foot box culvert under the powerlines and a trenchless installation of two 150-foot segments of 96-inch diameter culverts under the southbound SR 99 on and off-ramp was not anticipated in the original estimate. With the corrected relocation amount, and the additional work to avoid SCE's transmission powerlines that have been adjusted for inflation, and including contingency, the total amounts to \$14,669,000.

Other components of the RW Capital estimate, such as acquisitions, demolition and clearance, and relocation assistance, have come in below or near the anticipated amounts. Therefore, with the minor savings, the additional efforts to relocate the TID's canal amount to a total need of \$13,619,000 in RW Capital, \$5,447,000 from SB 1 TCEP State and \$8,172,000 from TCAG.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Department will not be able to address the utility conflicts and deliver the intended scope of the project, which is to provide multimodal enhancements at the Paige Avenue interchange, and improve the corridor within this segment of SR 99. The project would be delayed until future funding is available to program this project in a future TCEP cycle at a possible higher project cost. In addition, any significant delay in securing the supplemental funds could jeopardize the Federal Infrastructure

for Rebuilding America grant funds that have been secured for the Construction phase.

FINANCIAL RESOLUTION:

Resolved, that \$5,447,000 be allocated from the Budget Act of 2025, Budget Act Item 2660-301-3291 for RW Capital, to continue with the mitigation work for this State-Administered SB 1 TCEP project.

Attachment

PPNO

State
Federal
Revised
Amount by
Fund Type

Resolution TCEP-A-2627-11S

\$1,488,000
\$11,479,000

\$5,447,000

2024 TCEP Adoption approved under Resolution G-25-42;
June 2025.