

MEMORANDUM

TAB 90

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 15-16, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 4.18, Information Item – **YELLOW REPLACEMENT ITEM**

Prepared By: James Anderson, Chief (Acting)
Division of Maintenance

Subject: **DIRECTOR'S ORDERS ANNUAL CLOSE-OUT REPORT FOR FISCAL YEAR 2025-26**

ACTION UPDATE: *Revised the summary description*

SUMMARY:

In Fiscal Year 2025-26, the California Transportation Commission (Commission) approved \$900,000,000 for the 2025 State Highway Operation and Protection Program (SHOPP) Major Damage (Emergency Restoration) Reservation. At the close of 2025-26, the California Department of Transportation (Department) approved Director's Orders for SHOPP Major Damage (Emergency Restoration) Reservation construction contracts in the amount of \$800,515,393.

A total of 14 Damage Assessment Forms (DAFs) have been submitted to the Federal Highway Administration (FHWA) for the 2025-26 State Fiscal Year. Of the 14 DAFs submitted, FHWA has approved 1 for a total of \$1,250,000. The approval of DAFs, by FHWA, establishes eligibility for Emergency Relief (ER) projects. Following federal project authorizations developing the need for ER funding, the FHWA ER Program provides ER funding allocations to the Department for obligation on ER projects, typically on an annual or semi-annual basis, to the extent ER funding is available nationwide. As such, the Department has received ER allocations totaling \$248,118,446 for State Highway System damage during the State Fiscal Year 2025-26. The Department has received an average of \$175,447,958 for ER allocations relating to State Highway System damage each State Fiscal Year over the last four years, from State Fiscal Year 2022-23 through State Fiscal Year 2025-26.

BACKGROUND:

In March 2021, the Commission approved Resolution G-21-11, which amended Resolution G-16-11 and that requires the Department to request an amendment to the adopted SHOPP if the annual SHOPP Major Damage (Emergency Restoration) Reservation is not sufficient to fund emergency projects. As part of the conditions set forth in G-21-11, the Department must generally request additional funding at the next regularly scheduled Commission meeting following the need for any increase to the SHOPP Major Damage (Emergency Restoration) Reservation.

Per Commission Resolution G-21-11, the Department must present an annual close-out report on SHOPP Major Damage Restoration Reservation amount allocated and total abatement amount collected for Commission review and acceptance.

The attached spreadsheet provides detailed information on the SHOPP 130 (Emergency Restoration) projects that received funding for 2025-26.

Attachment