**California Department of Transportation**

October 13, 2026

Sarah Christensen
Executive Director
Santa Cruz County Regional Transportation Commission
1101 Pacific Ave. Suite 250
Santa Cruz, CA 95060

Dear Ms. Christensen:

This letter is a follow-up to our correspondence with you earlier this year (January 5, 2026) pertaining to the construction support needs for the **Bay/Porter to State Park Drive Auxiliary Lanes and Bus on Shoulder Project**. In our previous correspondence, we included a cost analysis demonstrating a total projected staff support needs to complete construction of $6.7 million dollars.

At that time, our agencies collaborated to bring forward a Cooperative Agreement (Co-Op) Amendment (05-0419 Amendment #3) to the RTC Commission at the April 2026 meeting to authorize the urgent $4 million need earlier this year. The same board action amended the FY 2026-27 budget to program an additional $2.7 million in Measure D to this project in FY 2026-2027.

A summary table is provided below to provide you with a status of where the current project task orders and cost stand as of 10/12/2026:

**Table 1: Construction Support Budgets and Expenditures**

| Construction Support | Budget | Expended | Balance |
|---|---|---|---|
| **Caltrans Consultants** | | | |
| *ICF Jones & Stokes, Inc.* | [i]$68,604.95 | $64,007.63 | $4,597.32 |
| *MNS Engineers* | $4,448,697.61 | $4,048,697.61 | $400,000.00 |
| *Stantec Consulting Services, Inc.* | [ii]$32,508.42 | $32,508.42 | $0.00 |
| *Atlas Technical Consultants CA Inc.* | [iii]$13,625.18 | $13,625.18 | $0.00 |
| *Wood Environment & Infrastructure Solutions Inc* | $161,192.36 | $161,192.36 | $0.00 |

| | | | |
|---|---|---|---|
| *WSP USA Inc* | $215,054.04 | $215,054.04 | $0.00 |
| Total Caltrans Support Costs[iv] | $11,760,000.00 | $11,810,667.52 | ($50,667.52) |
| SCCRTC Support Costs* | $1,000,000.00 | $402,447.84 | $597,552.16 |
| **Total** | **$12,760,000.00** | **$12,213,115.36** | **$546,884.64** |

**The $1,000,000 for SCCRTC will appear as an encumbered expense on the project, however, it is shown here as separate support costs – consistent with the Cooperative Agreement.*

Caltrans respectfully requests SCCRTC's support to proceed in the subsequent Co-Op Amendment #4 to authorize the **additional $2.7 million** to the project. The analysis previously conducted and provided as part of the April 2026 RTC Board Action on the estimated cost to complete the project remains consistent with the projected needs. However, the risk remains that if there are construction claims, additional funds could be required.

Thank you for your consideration of this need on behalf of the project.

Darron Hill
Deputy District Director
Program/Project Management and Asset Management
Caltrans District 5

[i] The figure previously shown of $87,583.13 was the contract budget at that time for two Task Orders with ICF Jones & Stokes. One of the contracts under-expended and closed at a lower figure and the budget has been adjusted accordingly.
[ii] This task order closed at a final expenditure of $32,508.42, lower than the contract budget previously shown.
[iii] This task order closed at a final expenditure of $13,625.18, lower than the contract budget previously shown.
[iv] Caltrans support costs shown in this table includes the costs associated with consultants for Construction Support activities.

# I. INTRODUCTION

Measure D is a comprehensive and inclusive package of transportation investments approved by over two-thirds (2/3) of Santa Cruz County voters in November 2016. This thirty year ½-cent (0.5%) transactions and use tax guarantees a steady, direct source of local funding to every city and the County of Santa Cruz for local street and road maintenance, bicycle, pedestrian, and safety projects; to Santa Cruz METRO and Community Bridges-Lift Line for transit and paratransit services for seniors and people with disabilities; as well as funds to implement priority highway, trail, and other essential transportation projects and programs throughout the county. Measure D went into effect on April 1, 2017. After costs for administration and implementation of the Measure are accounted for, funds are distributed by the formula set forth in the voter-approved Expenditure Plan for Measure D to the following Investment categories:




- 30% - Neighborhood Projects (Cities & County)
- 25% - Highway Corridor
- 20% - Transit/Paratransit (SCMTD and Community Bridges)
- 17% - Active Transportation (Coastal Rail Trail)
- 8% - Rail Corridor

The Santa Cruz County Regional Transportation Commission (RTC) is the administrator of Measure D responsible for receiving tax revenues collected by the California Department of Tax and Fee Administration, distributing revenues to local agencies and project sponsors, and ensuring compliance with the voter-approved ordinance. A five-year program of projects showing how recipient agencies plan to use Measure D funds is updated and adopted annually by each agency receiving Measure D revenues. An annual audit of receipts and expenditures of each recipient is also required. Consistent with the Measure D Ordinance, the Measure D Taxpayer Oversight Committee, made up of five residents, reviews recipient agency fiscal audits and expenditure reports, and prepares an annual report of findings.