

## California Department of Transportation

DIVISION OF LOCAL ASSISTANCE  
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February 6, 2026

Mr. Ryan Moore  
Assistant City Manager  
City of Sacramento  
915 I Street  
Sacramento, CA 95814

Dear Mr. Moore:

Thank you for your ongoing partnership with the California Department of Transportation (Caltrans) to deliver the I Street Bridge Replacement project (Project). We appreciate the City of Sacramento's (City) leadership and continued coordination to advance this critical regional investment.

As you know, the City has a signed High Cost Agreement under the Local Highway Bridge Program (HBP) that commits federal funding to the construction phase of the I Street Bridge Replacement project at \$20 million per year for 12.5 years, for a total commitment of \$250 million. The City has indicated that annual expenditures are anticipated to exceed \$20 million and has requested a faster reimbursement schedule.

In response to the City's request, Caltrans can accommodate an expedited reimbursement schedule that maintains the total commitment of \$250 million while increasing annual reimbursements and shortening the HBP reimbursement schedule to seven years. The proposed schedule is outlined below.

<b>Federal Fiscal Year</b>	<b>Reimbursement Amount</b>
2026	\$40,000,000
2027	\$40,000,000
2028	\$40,000,000
2029	\$40,000,000
2030	\$40,000,000
2031	\$40,000,000
2032	\$10,000,000
<b>Total</b>	<b>\$250,000,000</b>

Caltrans does not require a revision to the existing HBP High Cost Agreement to implement the proposed reimbursement schedule currently. All terms and conditions of the executed High Cost Agreement remain in full effect, except for the modification to the reimbursement schedule outlined herein.

The funding commitment shown above is the final cadence for this project. While we cannot authorize additional annual reimbursement amounts and exceed the total funding of \$250 million, we will work closely with the City to ensure successful delivery within these agreed parameters.

Caltrans looks forward to continuing our close coordination with the City to implement the expedited schedule. Please let us know if you have any questions.



Dee Lam  
Chief, Division of Local Assistance

- cc: Marlon Flournoy, Deputy Director Planning and Modal Programs, Caltrans  
Sergio Aceves, Director, District 3, Caltrans  
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