

## **MEMORANDUM**

**To:** CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

**CTC Meeting:** December 7-8, 2022

**From:** STEVEN KECK, Chief Financial Officer

**Reference Number:** 2.8b.(1), Action Item

**Prepared By:** James R. Anderson, Chief  
Division of Financial Programming

**Subject:** **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR SHOPP PROJECTS, ON THE STATE HIGHWAY SYSTEM, PER SHOPP GUIDELINES WAIVER 22-168**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve time extensions for contract award for 12 State Highway Operation and Protection Program (SHOPP) projects, for the time periods indicated, as described in the attachment?

### **RECOMMENDATION:**

The California Department of Transportation (Department) recommends that the Commission approve time extensions for contract award for 12 SHOPP projects, for the time periods indicated, as described in the attachment.

### **BACKGROUND:**

In May and June 2022, the Commission allocated \$119,575,000 in Construction Capital for 12 SHOPP projects. In accordance with the SHOPP guidelines (Guidelines), the deadline to award contracts for projects allocated in May and June 2022, is November 30 and December 31, 2022, respectively. The Department is requesting time extensions for the period of contract award. The attachment shows the details of each project and the delays that have resulted in these time extension requests.

Current SHOPP Guidelines stipulate that the agency implementing a project request a time extension if the project will not be awarded within one Commission meeting after expiration. Expiration of construction funds occurs six months after a project receives its construction allocation. The Commission may approve waivers to the timely use of funds deadline one-time only for up to 20 months.

Attachment

*"Provide a safe and reliable transportation network that serves all people and respects the environment."*

**Time Extension/Waiver – Contract Award for  
State Highway Operation and Protection Program**

Project Number: 1  
County: Sacramento  
District: 03  
PPNO: 5960  
EA: 1H130  
Route: 12  
Allocation Amount: \$5,788,000  
Phase: Construction  
Allocation Date: 06/29/2022  
Allocation Resolution Number: FP-21-91  
Number of Months Requested: 18 months  
Extended Deadline: 06/30/2024  
Department Recommendation: Support

**SHOPP Bridge Preservation project**

The Department requests an 18-month time extension to the period of contract award for the Construction (CON) phase of this SHOPP Bridge Preservation project in Sacramento County, as the Department experienced delays awarding the project.

This project is located on State Route (SR) 12 in the City of Rio Vista, at the Sacramento River Bridge No. 23-0024, also on SR 160. The project proposes rehabilitating the bridge by placing a polyester concrete overlay on the bridge deck, replacing bridge rails, installing bridge approach slabs, constructing Americans with Disabilities Act (ADA) compliant switchback ramp, and installing vertical clearance signs. This project has an award deadline of December 31, 2022.

This project advertisement has been delayed to accommodate the delay in the completion of the ongoing emergency project EA 03-4H690. Although the scope of work of the Major Damage project is different from the scope of work of this SHOPP project, both projects have the same project location (Rio Vista Bridge) and the same staging areas. The delay in the Major Damage project completion is a compounded outcome of the project requiring time-consuming specialized design and manufacturing of the components to be replaced or repaired, shutting down of the manufacturing companies during the COVID-19 pandemic, and the recent interruption in the supply chain across the nation. As a result, the advertisement of this project has been delayed in order to avoid conflicts with the emergency project until the emergency project work is completed by mid-2024 and the contractor clears the project site. Additional time is requested to account for the delay in the completion of the emergency project, advertising, awarding, and approving the project's contract, and also to account for any unforeseen issues that may arise.

Therefore, the Department is requesting an 18-month time extension to award a contract from December 31, 2022 to June 30, 2023.

Project Number: 2  
County: Santa Clara  
District: 04  
PPNO: 1486A  
EA: 2J950  
Route: 9  
Allocation Amount: \$5,487,000  
Phase: Construction  
Allocation Date: 06/29/2022  
Allocation Resolution Number: FP-21-91  
Number of Months Requested: 9 months  
Extended Deadline: 09/30/2023  
Department Recommendation: Support

**SHOPP Collision Reduction project**

The Department requests a 9-month time extension to the period of contract award for the CON phase of the SHOPP Collision Reduction project, as the Department experienced delays in awarding the project.

This project is located on SR 9, SR 17, SR 85, SR 87, SR 152, SR 237, Interstates 680 (I-680), I-880, and United States Highway 101 (U.S. 101), in Santa Clara County at various locations. The project intends to relocate or shield existing electrical controller cabinets and install 14 new Maintenance Vehicle Pullouts (MVPs) to improve safety. The project has an award deadline of December 31, 2022.

In August 2022, the Department advertised the contract and held bid opening in September 2022. The contract received three bids, of which the lowest and second lowest bidders were found to be nonresponsive regarding their Disadvantaged Business Enterprise (DBE) packages. However, the third bid was 39.6 percent above the Engineer's Estimate (EE). The Department has determined that requesting supplemental funds is in the best interest of the State to be able to award this project to the lowest responsive bidder, which is being concurrently requested at the December 2022 Commission meeting.

Once the supplemental funds are approved, the Department is confident that the project will be awarded to the lowest responsible bidder. Additional time is needed to account for any unforeseen issues in the award process and to secure the time to update the award package and re-advertise the project, if needed.

Therefore, the Department is requesting a 9-month time extension to award a contract from December 31, 2022 to September 30, 2023.

Project Number: 3  
County: San Mateo  
District: 04  
PPNO: 0732J  
EA: 2A970  
Route: 280  
Allocation Amount: \$20,931,000  
Phase: Construction  
Allocation Date: 06/29/2022  
Allocation Resolution Number: FP-21-91  
Number of Months Requested: 6 months  
Extended Deadline: 06/30/2023  
Department Recommendation: Support

**SHOPP Roadway Preservation project**

The Department requests a 6-month time extension to the period of contract award for the CON phase of the SHOPP Roadway Preservation project in San Mateo County, as the Department experienced delays in awarding the project.

This project is located in the Cities of Redwood, San Carlos, and Belmont, from Edgewood Road to SR 92, also in Santa Clara County, in and near the Cities of Mountain View and Palo Alto, at various spot locations. The project intends to replace failing culverts, prevent further damage, and restore damaged slopes, pavement, and bridge approaches at five locations. The project has an award deadline of December 31, 2022.

Since the project advertisement on August 8, 2022, the Department has received many bidder inquiries from contractors. Overall, these inquiries have resulted in six addenda to the project Plans, Specifications, and Estimate (PS&E) package. In addition, a 2-week period is being provided to the bidders to account for the Department's response to inquiries prior to Bid Opening (BO). This extends the target project BO date to mid-November 2022 and pushes the award beyond the deadline. Additional time is also needed to account for BO delays and for future risks or constraints to awarding the contract, including additional bidder inquiries and any bid protest by other bidders.

Therefore, the Department is requesting a 6-month time extension to award a contract from December 31, 2022 to June 30, 2023.

Project Number: 4  
County: Monterey  
District: 05  
PPNO: 2312Y  
EA: 0T991  
Route: 101  
Allocation Amount: \$792,000  
Phase: Construction  
Allocation Date: 05/18/2022  
Allocation Resolution Number: FP-21-77  
Number of Months Requested: 6 months  
Extended Deadline: 05/31/2023  
Department Recommendation: Support

**SHOPP Collision Reduction project**

The Department requests a 6-month time extension to the period of contract award for the CON phase of the SHOPP Collision Reduction project in Monterey County, as the Department experienced delays in awarding the project.

This project is located on US 101 in King City, from 0.1 mile south of Broadway Street to 0.1 mile north of Broadway Street and from Jolon Road to 0.2 mile north of Jolon Road. This project proposes to perform landscape mitigation for SHOPP project (EA 0T990).

The Department advertised the project on July 5, 2022, and held bid opening on July 27, 2022. The project received three bids, and all bids came in above the EE; the lowest bidder was found to be nonresponsive. However, it took the Department longer than anticipated to work with the second bidder on meeting the goals for DBE to award. The Department anticipates awarding by January 31, 2023. However, additional time is requested to account for any further delays in awarding the project or to re-advertise, if needed.

Therefore, the Department is requesting a 6-month time extension to award a contract from November 30, 2022 to May 31, 2023.

Project Number: 5  
County: Monterey  
District: 05  
PPNO: 2855  
EA: 1K080  
Route: 1  
Allocation Amount: \$239,000  
Phase: Construction  
Allocation Date: 05/18/2022  
Allocation Resolution Number: FP-21-77  
Number of Months Requested: 7 months  
Extended Deadline: 06/30/2023  
Department Recommendation: Support

**SHOPP Emergency Response project**

The Department requests a 7-month time extension to the period of contract award for the CON phase of the SHOPP Emergency Response project, in Monterey County, as the Department experienced delays in awarding the project.

This project is located on SR 1 in the City of Big Sur, at the Pfeiffer Canyon Bridge No. 44-0060, and proposes to perform environmental mitigation by planting and installing erosion control measures for SHOPP project EA 1J130. The project has an award deadline of November 30, 2022.

Due to the project cost and scope, the Department determined that it should be delivered using the Division of Procurements and Contracts (DPAC) process. The DPAC process requires that the funds be secured prior to the contract being submitted to and processed by DPAC for advertisement. DPAC had a February 2022 deadline for project submittal to guarantee that the process can be completed and funds can be encumbered before the end of the fiscal year.

This project received its construction allocation at the May 2022 Commission meeting, after which the project was submitted to DPAC. Since this project was submitted after DPAC's February 2022 deadline, processing may take longer than expected due to the surge typically encountered at this time of year. This has delayed the award beyond the anticipated deadline. As a result, the project was advertised on September 30, 2022, and is expected to be awarded by June 30, 2023.

Therefore, the Department is requesting a 7-month time extension to award a contract from November 30, 2022 to June 30, 2023.

Project Number: 6  
County: Los Angeles  
District: 07  
PPNO: 5072  
EA: 32960  
Route: 101  
Allocation Amount: \$3,228,000  
Phase: Construction  
Allocation Date: 05/18/2022  
Allocation Resolution Number: FP-21-77  
Number of Months Requested: 6 months  
Extended Deadline: 05/31/2023  
Department Recommendation: Support

**SHOPP Collision Reduction project**

The Department requests a 6-month time extension to the period of contract award for the CON phase of the SHOPP Collision Reduction project, as the Department experienced delays in awarding the project.

This project is located on US 101 in the City of Los Angeles, from Wilton Place to Pilgrimage Bridge. The project intends to place minor concrete at narrow paving areas and slopes, pave areas beyond gore, replace fencing and gates, install sign post sleeves and construct maintenance vehicle pullouts to enhance highway worker safety. The project has an award deadline of November 30, 2022.

The Department advertised the project on August 18, 2022, and held bid opening on September 22, 2022. The project received four bids; the lowest two bidders were found to be nonresponsive. The third low bidder was responsive, but its bid amount was above the EE. As a result, the Department is preparing a supplemental funds request to award the project to the third bidder, to be considered at the January 2023 Commission meeting.

Therefore, the Department is requesting a 6-month time extension to award a contract and to account for any bid protests from November 30, 2022 to May 31, 2023.

Project Number: 7  
County: San Bernardino  
District: 08  
PPNO: 0181J  
EA: 0G690  
Route: 18  
Allocation Amount: \$2,555,000  
Phase: Construction  
Allocation Date: 05/18/2022  
Allocation Resolution Number: FP-21-77  
Number of Months Requested: 6 months  
Extended Deadline: 05/31/2023  
Department Recommendation: Support

**SHOPP Roadway Preservation project**

The Department requests a 6-month time extension to the period of contract award for the CON phase of the SHOPP Roadway Preservation project in San Bernardino County, as the Department experienced delays in awarding the project.

This project is in a remote and mountainous location with difficult access, located in the Cities of Big Bear Lake and Lucerne Valley, at various locations, from SR 38 at Big Bear Lake Dam to Arctic Canyon Wash. The project intends to replace culverts to ensure efficient drainage and preserve the integrity of the highway. The project has an award deadline of November 30, 2022.

The Department advertised the project on July 11, 2022, and held bid opening on August 12, 2022. However, the project received only one bid well above the EE. Therefore, to solicit better and more competitive bids, the Department determined it was in the best interest of the State to reject the bid and repackage the PS&E, while maintaining the full scope of work with 31 culverts, update the project EE to reflect the latest market prices, minor revision to the traffic control, and re-advertise the project.

Therefore, the Department is requesting a 6-month time extension to award a contract from November 30, 2022 to May 31, 2023.

Project Number: 8  
County: Riverside  
District: 08  
PPNO: 3008L  
EA: 1H060  
Route: 74  
Allocation Amount: \$32,217,000  
Phase: Construction  
Allocation Date: 06/29/2022  
Allocation Resolution Number: FP-21-91  
Number of Months Requested: 3 months  
Extended Deadline: 03/31/2023  
Department Recommendation: Support

**SHOPP Pavement Rehabilitation project**

The Department requests a 3-month time extension to the period of contract award for the CON phase of the SHOPP Pavement Rehabilitation project in Riverside, as the Department experienced delays awarding the project.

This project is located on SR 74, in the City of Hemet, from Winchester Road to Fairview Avenue. The project intends to rehabilitate pavement, install fiber optic/vehicle detection stations and upgrade curb ramps to current standards. The project has an award deadline of December 31, 2022.

After the PS&E package was completed, the Department identified the fiber optic Middle Mile Broadband Network (MMBN) scope of work that fell within the limits of this project, was not included in the PS&E package, and looked at options to incorporate this work via an addendum to the contract. After careful evaluation and consultation with the Department's MMBN advisors, the Department determined it more efficient to incorporate the broadband scope of work during construction. As this process took time and delayed the submittal of the project to prepare for advertising.

Therefore, the Department is requesting a 3-month time extension to award a contract from December 31, 2022 to March 31, 2023.

Project Number: 9  
County: San Bernardino  
District: 08  
PPNO: 3008K  
EA: 1G830  
Route: 40  
Allocation Amount: \$18,589,000  
Phase: Construction  
Allocation Date: 06/29/2022  
Allocation Resolution Number: FP-21-91  
Number of Months Requested: 6 months  
Extended Deadline: 06/30/2023  
Department Recommendation: Support

**SHOPP Bridge Preservation project**

The Department requests a 6-month time extension to the period of contract award for the CON phase of the SHOPP Bridge Preservation project in San Bernardino County, as the Department experienced delays in awarding the project.

This project is located on SR 40 in the City of Needles, at the Halfway Hills Wash Bridge No. 54-0799. This project proposes to replace bridges, replace and expand rock slope protection limits to prevent bridge failure and ensure safety. The project has an award deadline of December 31, 2022.

The Department advertised the project on August 22, 2022, and held bid opening on October 13, 2022. The project received three bids, and all bids came higher than the EE; the lowest responsive and responsible bidder came 16 percent higher than the EE. Additional time is needed to ensure the Department has adequate time to evaluate options. Which includes requesting supplemental funds at the January 2023 Commission meeting, conducting a bid analysis to determine the best-qualified bidder, and awarding the contract.

Therefore, the Department is requesting a 6-month time extension to award a contract from December 31, 2022 to June 30, 2023.

Project Number: 10  
County: San Diego  
District: 11  
PPNO: 1227  
EA: 42710  
Route: 8  
Allocation Amount: \$2,573,000  
Phase: Construction  
Allocation Date: 06/29/2022  
Allocation Resolution Number: FP-21-91  
Number of Months Requested: 6 months  
Extended Deadline: 06/30/2023  
Department Recommendation: Support

**SHOPP ADA New Curb Ramps project**

The Department requests a 6-month time extension to the period of contract award for the CON phase of the SHOPP ADA New Curb Ramps project, as the Department experienced delays in awarding the project.

This project is located on I-8 in the City of San Diego, from Mission Center Road to College Avenue. The project intends to construct and upgrade 17 pedestrian curb ramps to current standards, replace the damaged sidewalk, replace traffic signals, and install accessible pedestrian signals. The project has an award deadline of December 31, 2022.

The Department advertised the project on June 20, 2022, and held bid opening on July 19, 2022. Although the project received only two bids, both bids came in significantly higher than the EE due to the very recent increase in the electrical items market prices, which was not anticipated in the EE, along with the number of working days that needed to be increased to attract more bidders.

The Department analyzed the bids and determined that both bids were non-responsive. As a result, supplemental funds are being concurrently requested at the December 2022 Commission meeting, which if approved, will allow the Department to re-advertise the project and will require additional time.

Therefore, the Department is requesting a 6-month time extension to award a contract from December 31 2022 to June 30, 2023.

Project Number: 11  
County: Orange  
District: 12  
PPNO: 2499A  
EA: 0P590  
Route: 1  
Allocation Amount: \$12,164,000  
Phase: Construction  
Allocation Date: 05/18/2022  
Allocation Resolution Number: FP-21-77  
Number of Months Requested: 10 months  
Extended Deadline: 09/30/2023  
Department Recommendation: Support

**SHOPP Roadway Preservation project**

The Department requests a 10-month time extension to the period of contract award for the CON phase of the SHOPP Roadway Preservation project in Orange County, as the Department experienced delays in awarding the project.

This project is located in the City of Huntington Beach, from Warner Avenue to Los Angeles County line, and will be combined at construction with project EA 0P680 under EA 0P68U. The project intends to rehabilitate pavement by grinding and placing new pavement, replacing traffic loop detectors and guardrails, adding Class II bike lanes, and upgrading facilities to current standards. The project has an award deadline of November 30, 2022.

The Department advertised the project on July 25, 2022, and held bid opening on September 15, 2022. However, the project received only one bid at 46 percent over the EE. The Department conducted a thorough analysis of the bid and concluded to reject the bid.

The Department plans to re-advertise the project and has coordinated with the City of Seal Beach, Huntington Beach, and Newport Beach to allow the contractor an additional hour of closure during construction, thus reducing the number of working days. A contractor outreach event is also planned for this project in an effort to incentivize prime-sub partnerships and share information with the industry about the project.

The Department is requesting a time extension amendment to complete this project's PS&E phase concurrently with this time extension at the December 2022 Commission meeting.

Therefore, the Department is requesting a 10-month time extension to award a contract from November 30, 2022 to September 30, 2023.

Project Number: 12  
County: Orange  
District: 12  
PPNO: 2330  
EA: 0P680  
Route: 1  
Allocation Amount: \$15,012,000  
Phase: Construction  
Allocation Date: 05/18/2022  
Allocation Resolution Number: FP-21-77  
Number of Months Requested: 10 months  
Extended Deadline: 09/30/2023  
Department Recommendation: Support

### **SHOPP Mobility project**

The Department requests a 10-month time extension to the period of contract award for the CON phase of the SHOPP Mobility project in Orange County, as the Department experienced delays awarding the project.

This project is located in the Cities of Newport Beach, Huntington Beach, and Seal Beach, from Crystal Heights Drive to the Los Angeles county line, and will be combined at construction with project EA 0P590 under EA 0P68U. The project intends to replace traffic signals, upgrade concrete barriers, make pedestrian and bicycle upgrades at intersections and crosswalks, and upgrade facilities to current standards. The project has an award deadline of November 30, 2022.

The Department advertised the project on July 25, 2022, and held bid opening on September 15, 2022. However, the project received only one bid at 46 percent over the EE. Therefore, the Department conducted a thorough analysis of the bid and concluded to reject the bid.

The Department plans to re-advertise the project and has coordinated with the City of Seal Beach, Huntington Beach, and Newport Beach to allow the contractor an additional hour of closure during construction, thus reducing the number of working days. A contractor outreach event is also planned for this project in an effort to incentivize prime-sub partnerships and share information with the industry about the project.

The Department is requesting a time extension amendment to complete this project's PS&E phase concurrently with this time extension at the December 2022 Commission meeting.

Therefore, the Department is requesting a 10-month time extension to award a contract from November 30, 2022 to September 30, 2023.