

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 16-17, 2024

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(2), Action Item

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Division of Financial Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT
EXPENDITURE FOR LOCALLY-ADMINISTERED STATE TRANSPORTATION
IMPROVEMENT PROGRAM PROJECTS, ON THE STATE HIGHWAY SYSTEM,
PER STIP GUIDELINES
WAIVER 24-57**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project development expenditure for two locally-administered State Transportation Improvement Program (STIP) projects, for the time period as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission extend the period of project development expenditure for two locally-administered STIP projects, for the time period as identified in the attachment.

BACKGROUND:

In October 2021 and May 2022, the Commission allocated \$10,686,000 in project development expenditure for two locally-administered STIP projects listed in the attachment. In accordance with STIP Guidelines (Guidelines), the deadline to complete the Right of Way (RW) Capital phase for projects allocated in October 2021 and May 2022 is June 30, 2024. The projects will not be able to meet the deadline, and the local agencies are requesting a time extension for the period of project development expenditure for the RW phase. The attachment shows the details of the projects and the delays that have resulted in the time extension request.

“Provide a safe and reliable transportation network that serves all people and respects the environment.”

Current Guidelines stipulate that funds allocated for project development costs must be expended by the end of the second fiscal year following the fiscal year of allocation. The Commission may approve a waiver to the timely use of funds deadline, one-time only, for up to 20 months.

Attachment

**Time Extension/Waiver – Project Development Expenditure for
State Transportation Improvement Program**

Project Number: 1
Applicant: Kern Council of Governments
County: Kern
District: 06
PPNO: 3525
EA: 48450
Route: 99 and 204
Allocation Amount: \$2,686,000
Remaining Balance: \$2,683,700
Phase: Right of Way Capital
Allocation Date: 10/13/2021
Allocation Resolution: FP-21-31
Number of Months Requested: 20 Months
Extended Deadline: 02/28/2026
Department Recommendation: Support

Extend Hageman Road Easterly Across Route 99 and Connect to Route 204 In Bakersfield project

The Kern Council of Governments (KCOG) requests a 20-month time extension for the period of project development expenditure for the Right of Way (RW) Capital phase of the Extend Hageman Road Easterly Across Route 99 and Connect to Route 204 In Bakersfield project. The KCOG experienced unexpected delays in completing the project's RW Capital phase.

The project is located on State Route (SR) 99 and 204. The project will construct the Hageman Road extension from Knudsen Drive to Golden State Avenue at Airport Drive. The project will extend Hageman Road from east of the intersection with Knudsen Drive, cross over SR 99 and connect with Golden State Avenue. The extension of Hageman Road will be four-lane road with 12-foot wide travel lanes in each direction, a 12-foot wide median with barrier, and 8-foot wide outside shoulders. The project also proposes to add signals and a double-box culvert structure over the Beardsley Canal lateral, with bridges over the San Joaquin Valley Railroad, and State Route 99. In addition, the existing bridge over Airport Drive will be widened, and ramps at the Airport Drive and Golden State Avenue interchange will be modified. The roadway section will transition to match the existing roadway at the west and east ends of the proposed project.

The delay is due to unanticipated acquisition postponements that have affected the RW phase of the project. In January 2023, the City of Bakersfield and the Department completed the cooperative agreement and received authorization to move ahead with the acquisition. However, the property acquisitions that began prior to January 2023 were not eligible for reimbursement from this funding source. The project initially impacted a total of nine different private property owners; one of which is a water agency, and another is a temporary and permanent easement from the Railroad.

The acquisition of four properties have been completed with four partial takes still remaining. In addition, KCOG has submitted the application and plans to the Railroad for the acquisition and is waiting for the results. During the acquisition process, the Department discovered that one property owner had passed away. The heirs transferred ownership of the property to the adjacent property owner. While the owner was in the midst of subdividing their parcel, the placement of the proposed drainage basin negatively impacted their development. An effort is being made to shift the basin to better serve the owner and the proposed project. The Department is working on obtaining the new legal descriptions so this process can move into appraisals. Another property owner went into a contract to sell their parcel just prior to reaching out to them for the acquisition. The escrow has now closed, and the process has started with the new owners.

Therefore, the KCOG is requesting a 20-month project development expenditure time extension from June 30, 2024 to February 28, 2026, to allow enough time to finalize the RW Capital phase.

Project Number: 2
Applicant: City of Redwood
County: San Mateo
District: 04
PPNO: 0692K
EA: 23536
Route: 101 and 84
Allocation Amount: \$8,000,000
Remaining Balance: \$8,000,000
Phase: Right of Way Capital
Allocation Date: 05/18/2022
Allocation Resolution: FP-21-80
Number of Months Requested: 20 Months
Extended Deadline: 02/28/2026
Department Recommendation: Support

US 101/Woodside Road Interchange Improvement Project

The City of Redwood (City) requests a 20-month time extension for the period of project development expenditure for the RW Capital phase of the US 101/Woodside Road Interchange Improvement Project. The City experienced unexpected delays in completing the project's RW Capital phase.

The project is located on SR 101 and 84 in the City. The project proposes to Widen Woodside Road to six lanes, construct turn pockets, and reconstruct all ramp connections between Woodside Road and United States Highway 101 (US 101) including construction of a flyover ramp from northbound US 101 to Veterans Boulevard.

The project has experienced unforeseen and extraordinary circumstances beyond the control of the City. The project involves improvements at six Union Pacific Railroad (UPRR) track crossing locations. The City has successfully coordinated with UPRR to obtain a Preliminary Engineering agreement to begin the railroad review and approval process. However, UPRR has increased its documentation requirements for diagnostic meetings and other project reviews in light of a new private development that is adjacent to the project's footprint. These added coordination efforts and UPRR's lengthened review and design durations due to UPRR's workload and resource availability, has extended the schedule to obtain UPRR's approval from May 2024 to May 2026. Certification for RW will not be obtained until June 2026. The minimum right of way activities required between February 2026 to the RW certification date will be funded by other source of funds.

Therefore, the City is requesting a 20-month project development expenditure time extension from June 30, 2024 to February 28, 2026, to allow enough time to finalize the RW Capital phase.