

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 15-16, 2025

From: STEVEN KECK, Chief Financial Officer

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

Prepared By: James R. Anderson, Chief  
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 25-58**

### **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 periods as identified in the attachment?

### **RECOMMENDATION:**

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

### **BACKGROUND:**

In August 2022, the Commission allocated \$5,450,000 in project development support for the two locally-administered STIP projects. In accordance with the STIP Guidelines (Guidelines), the deadline to complete the Project Approval and Environment Document (PA&ED) phase and Plans, Specifications and Estimate (PS&E) phase for projects allocated in August 2022 is June 30, 2025. The projects will not be able to meet the deadline, and the local agencies are requesting an expenditure time extension for the PA&ED and PS&E phases. The attachment shows the details of the projects and the delays that have resulted in the time extension requests.

Pursuant to the Guidelines, funds allocated for project development costs must be expended by the end of the second fiscal year following the fiscal year in which the funds were allocated. 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  
State Transportation Improvement Program**

Project Number: 1  
Applicant: City of Fortuna  
County: Humboldt County  
District: 1  
PPNO: 2574  
EA: 0M340  
Route: 101  
Allocation Amount: \$950,000  
Remaining Balance: \$399,000  
Phase: Project Approval and Environmental Document  
Allocation Date: 08/18/2022  
Allocation Resolution: FP-22-15  
Number of Months Requested: 12 Months  
Extended Deadline: 06/30/2026  
Department Recommendation: Support

**12th Street US 101 Interchange Modernization Project**

The City of Fortuna (City) requests a 12-month time extension for the period of project development expenditure for the Project Approval and Environmental Document (PA&ED) phase of the 12th Street US 101 Interchange Modernization Project. The City experienced unexpected delays in completing the project's PA&ED phase.

The project is located on the 12th Street and United States Highway (US) 101 interchange in the City of Fortuna, and includes work on or adjacent to the existing US 101 overpass structure, and potential realignments or connections to Newburg Road and Pond Street. The project will upgrade this interchange to a more modern roundabout or other intersection, and make non-motorized user improvements.

While working on the PA&ED phase, the project faced unanticipated delays due to coordination work on the required environmental and technical studies. Extensive coordination with the Department was required since the project proposes geometric changes that will affect an interchange on the State Highway System.

In addition to environmental and technical studies required to complete California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) clearance, coordination is required between multiple divisions within the Department for structures design consultation, truck turning movements and roundabout design, geometric approvals, and potential modifications to freeway access control. Additional time is needed to complete CEQA, NEPA, and the Project Report. The City anticipates PA&ED to be completed in December 2025, however additional time is requested to ensure that all consultant invoices have been completed and submitted for payment.

Therefore, the City is requesting a 12-month time extension for the period of project development expenditure to allow enough time to finalize the PA&ED phase, from June 30, 2025 to June 30, 2026.

Project Number: 2  
Applicant: Calaveras County  
County: Calaveras  
District: 10  
PPNO: 3546  
EA: 1Q290  
Route: 4  
Allocation Amount: \$4,500,000  
Remaining Balance: \$398,000  
Phase: Plans, Specifications, and Estimate  
Allocation Date: 08/18/2022  
Allocation Resolution: FP-22-12  
Number of Months Requested: 20 Months  
Extended Deadline: 02/28/2027  
Department Recommendation: Support

#### **SR 4 Wagon Trail Realignment Project (Eastern Segment)**

The Calaveras County (County) requests a 20-month time extension for the period of project development expenditure for the Plans, Specifications, and Estimate (PS&E) phase of the SR 4 Wagon Trail Realignment Project (Eastern Segment). The County experienced unexpected delays in completing the project's PS&E phase. There is a concurrent allocation time extension request for the Right of Way phase on this month's Commission Agenda.

The project is located on State Route (SR) 4 between the town of Copperopolis and the City of Angels Camp. The Wagon Trail Realignment project was originally one project which proposed to realign a segment of highway from post mile (PM) R12.8 to R18.7 on SR 4 in Calaveras County. Due to funding constraints the project was split into two phases, EA 10-0E530 for the Western Segment Phase 1 and EA 10-1Q290 for the Eastern Segment Phase 2. Phase 1 will construct the westernmost portion of the approved ultimate expressway from east of Bonanza Mine Way (PM R12.84) to east of Appaloosa Road (PM 16.05). This western segment is currently in construction with a Constuction Contract Acceptance target of fall 2025. Phase 2 will construct the easternmost portion of the approved ultimate expressway between Stallion Way (PM 16.3) and approximately west of the SR 4/49 junction in Angels Camp near Stockton Road (R18.7).

The construction delays from Phase 1, have impacted the schedule for Phase 2. Construction of Phase 1 began in January 2022, and soon after, previously unknown and unidentified cultural resources were discovered. As a result, the construction schedules were impacted while cultural investigations were coordinated with representatives of the Calaveras Band of Mi-wuk Tribe, the Department, and the State Historic Preservation Office. Tribal monitors and architects were then employed to monitor all ground-disturbing activities. This resulted in several major features to be redesigned to avoid the discovered resources. The Phase 1 project experienced numerous unexpected environmentally sensitive areas, increasing the complexity of the construction

efforts; leading to unforeseen time and cost impacts. The project's construction was originally planned as a 2-year effort with 400 working days. However, the County is entering the fourth and final calendar year 2025 of construction, and the current working day estimate has increased to 680 working days.

The County faced multiple challenges delivering Phase 1 including needing both local and state infusions of funding, determining environmentally and culturally sensitive areas, performing design revisions during construction operations, and negotiating with property owners and the Contractor regarding changes and schedule impacts. These challenges have impacted the design phase of Phase 2 as the County faced various realities of funding shortfalls and constructability issues. However, the County pushed through the exhaustive effort of delivering Phase 1, which will complete its 4-year construction effort in 2025. The County anticipates completing the PS&E phase activities and awarding the project by February 2027. There is a concurrent allocation amendment on this month's Commission agenda.

Therefore, the County is requesting a time extension for the period of project development expenditure to allow enough time to finalize the PS&E phase, from June 30, 2025 to February 28, 2027.