

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(3), Action Item

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

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT EXPENDITURE FOR A LOCALLY-ADMINISTERED MULTI-FUNDED SENATE BILL 1 LOCAL PARTNERSHIP PROGRAM (FORMULAIC) AND STATE TRANSPORTATION IMPROVEMENT PROGRAM PROJECT, ON THE STATE HIGHWAY SYSTEM, PER LPP (FORMULAIC) AND STIP GUIDELINES WAIVER 25-106**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project development expenditure for the locally-administered multi-funded Senate Bill 1 (SB 1) Local Partnership Program (LPP) (Formulaic) and State Transportation Improvement Program (STIP) State Route 132 West Freeway/Expressway Phase II Project (PPNO 0944A), in Stanislaus County, 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 the locally-administered multi-funded SB 1 LPP (Formulaic) and STIP State Route 132 West Freeway/Expressway Phase II Project (PPNO 0944A), in Stanislaus County, for the time period as identified in the attachment.

BACKGROUND:

In May 2023, the Commission allocated \$5,495,000 to the Right of Way (RW) phase of the locally-administered multi-funded SB 1 LPP (Formulaic) and STIP State Route 132 West Freeway/Expressway Phase II Project (PPNO 0944A). In accordance with the LPP (Formulaic) and STIP Guidelines (Guidelines), the deadline to complete the RW phase for projects allocated in May 2023 is June 30, 2025. The projects will not be able to meet the deadline, and Stanislaus Council of Governments is requesting an expenditure time extension for the

RW phase. The attachment shows the details of the project and the delays that have resulted in the time extension request.

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
Multi-Funded SB 1 LPP (Formulaic) and STIP**

Project Number: 1
Applicant: Stanislaus Council of Governments
County: Stanislaus
District: 10
PPNO: 0944A
EA: 40352
Route: 99 and 132
Allocation Amount: \$5,495,000 (LPP (Formulaic): \$3,217,000, STIP: \$2,278,000)
Remaining Balance: \$32,000
Phase: Right of Way
Allocation Date: 05/18/2023
Allocation Resolution: LPP-A-2223-36 and FP-22-81
Number of Months Requested: 12 Months
Extended Deadline: 09/30/2026
Department Recommendation: Support

State Route 132 West Freeway/Expressway Phase II Project

The Stanislaus Council of Governments (StanCOG) requests a 12-month time extension for the period of project development expenditure for the Right of Way (RW) phase of the State Route 132 West Freeway/Expressway Phase II Project. In August 2023, the project received an allocation amendment for an additional three months for project development expenditure under the Coronavirus Response and Relief Supplemental Appropriations Act of 2021, extending the deadline to from June 30, 2025 to September 30, 2025. StanCOG experienced unexpected delays in completing the project's RW phase.

The project is located on State Route (SR) 99 and SR 132. This project will add two lanes to the existing 2-lane access-controlled facility to create a 4-lane expressway, from Needham Street on the east side of SR 99 to Dakota Avenue. The project includes construction of freeway-to-freeway connectors for eastbound SR 132 to southbound SR 99 and northbound SR 99 to westbound SR 132. The project will also include construction of a partial interchange at Carpenter Road.

The project's RW phase requires additional time due to several critical factors that have emerged since reaching key milestones. Although the PS&E phase reached the 65 percent completion milestone in April 2024 with the RW needs established and RW acquisition documents finalized in July 2024, the process has proven lengthier than anticipated. The appraisal phase began in August 2024 on the 50 properties involved. Since then, several property owners have requested to obtain independent appraisals. Additionally, parcels involving relocations need sufficient time for impacted owners to find and secure suitable replacement properties. In addition, a major component of the project includes acquiring RW from the City of Modesto's Corporation Yard. This facility houses essential services including the 911 call center. The City of Modesto has requested additional time to adequately and carefully plan the

relocation of these services to avoid disruptions. StanCOG anticipates addressing and resolving the issues and completing the phase by June 2026.

Therefore, StanCOG is requesting a 12-month time extension for the period of project development expenditure to allow enough time to finalize the RW phase, from September 30, 2025 to September 30, 2026.