

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

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

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

Subject: **REQUEST TO AMEND THE PERIOD OF PROJECT ALLOCATION FOR STATE HIGHWAY OPERATION AND PROTECTION PROGRAM PROJECTS, AS AN EXCEPTION TO THE SHOPP GUIDELINES WAIVER 25-136, AMENDING WAIVERS 24-125, 24-199 and 25-16**

ISSUE:

Should the California Transportation Commission (Commission) amend the period of project allocation for 10 State Highway Operation and Protection Program (SHOPP) projects, as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the Commission amend the period of project allocation for 10 SHOPP projects, as identified in the attachment.

BACKGROUND:

The Department will not be able to request an allocation of funds by the previously approved deadline as detailed in the attachment. Current SHOPP Guidelines stipulate that the Commission may approve waivers to the Timely Use of Funds deadline, one-time only, for up to 20 months. This request is to provide an exception per the SHOPP Guidelines.

Attachment

**Amendment Time Extension/Waiver - Project Allocation
State Highway Operation and Protection Program**

Project Number: 1
County: Placer
District: 03
PPNO: 5290
EA: 4H980
Allocation Amount: \$4,160,000
Phase: Construction and Construction Support
1st Waiver: Waiver 24-125
Approved: August 16, 2024
Number of Months Requested: ~~12 months~~ **14 months**
Extended Deadline: ~~6/30/2025~~ **8/31/2025**
Department Recommendation: Support

EA 03-4H980 (Project ID: 0319000129): Pla-89, PM 8.9

The Department requests an amendment for an additional 2 months, from 12 months to 14 months, for the allocation of the Construction (CON) phase of the SHOPP Maintenance Facilities project in Placer County.

The Commission approved a 12-month time extension for project allocation at the August 2024 Commission meeting that will expire on June 30, 2025. The initial request was needed for the State Fire Marshal (SFM) to review the plans, and it was estimated that it would take SFM four to six months to complete the review process. Following submittal to SFM, the new SFM reviewing standards were being held to a different standard than previously encountered for this type of work, requiring five rounds of submittals for SFM approval.

Therefore, the Department is requesting an exception to the SHOPP Guidelines, for an additional two months to allocate CON from June 30, 2025 to August 31, 2025.

Project Number: 2
County: Santa Barbara
District: 05
PPNO: 2667
EA: 1H610
Allocation Amount: \$22,796,000
Phase: Construction and Construction Support
1st Waiver: Waiver 24-125
Approved: August 16, 2024
Number of Months Requested: ~~12 months~~ **14 months**
Extended Deadline: ~~6/30/2025~~ **8/31/2025**
Department Recommendation: Support

EA 05-1H610 (Project ID: 0516000097): SB-1, PM R36.3/49.2

The Department requests an amendment for an additional 2 months, from 12 months to 14 months, for the allocation of the CON phase of the SHOPP Safety Improvement project near Orcutt.

The Commission approved a 12-month time extension for project allocation at the August 2024 Commission meeting that will expire on June 30, 2025. The initial request was needed for the relocation of approximately 100 utility poles, the majority of which are owned by Pacific Gas and Electric Company (PG&E). The project is expected to reach Ready To List (RTL) on June 30, 2025, delaying the CON and CON Support (Sup) allocations to August 2025.

Therefore, the Department is requesting an exception to the SHOPP Guidelines, for an additional two months to allocate CON from June 30, 2025 to August 31, 2025.

Project Number: 3
County: Santa Cruz
District: 05
PPNO: 2843B
EA: 1J962
Allocation Amount: \$12,851,000
Phase: Construction and Construction Support
1st Waiver: Waiver 24-125
Approved: August 16, 2024
Number of Months Requested: ~~14 months~~ **19 months**
Extended Deadline: ~~8/31/2025~~ **1/31/2026**
Department Recommendation: Support

EA 05-1J962 (Project ID: 0523000198): SCR-1, PM 10.6/ 26.0

The Department requests an amendment for an additional 5 months, from 14 months to 19 months, for the allocation of the CON phase of the SHOPP Drainage Improvement project near Capitola and the City of Santa Cruz.

The Commission approved a 14-month time extension for project allocation at the August 2024 Commission meeting that will expire on August 31, 2025. The initial request was needed for Coastal Development Permits (CDPs) through three different jurisdictions. As conflicts were resolved, it was determined it was in the Department's best interest to combine this project under one Plans, Specifications, and Estimate (PS&E) package and later combine for construction with related second child project EA 05-1J961 as EA 05-1J96U. EA 05-1J961 was reacquired from the Santa Cruz Regional Transportation Commission to mitigate delays the second child was experiencing due to development with a non-SHOPP project EA 05-0C734. RTL is anticipated for mid-November 2025.

Therefore, the Department is requesting an exception to the SHOPP Guidelines, for an additional five months to allocate CON from August 31, 2025 to January 31, 2026.

Project Number: 4
County: Santa Cruz
District: 05
PPNO: 2775
EA: 1J830
Allocation Amount: \$10,344,000
Phase: Construction and Construction Support
1st Waiver: Waiver 24-125
Approved: August 16, 2024
Number of Months Requested: ~~12 months~~ **14 months**
Extended Deadline: ~~6/30/2025~~ **8/31/2025**
Department Recommendation: Support

EA 05-1J830 (Project ID: 0518000078): SCR-129, PM L0.0/ 0.6

The Department requests an amendment for an additional 2 months, from 12 months to 14 months, for the allocation of the CON phase of the SHOPP Pavement Improvement project near Watsonville.

The Commission approved a 12-month time extension for project allocation at the August 2024 Commission meeting that will expire on June 30, 2025. The initial request was needed for approximately 25-30 deeds to reach Right of Way Certification (R/W Cert). All parcels have been acquired. Meanwhile, progress in obtaining the Right of Entry (ROE) railroad agreement needs additional time to be fully executed. Also, this additional time will be used to resolve design challenges with traffic design and traffic handling plans. It is anticipated RTL will be reached on June 9, 2025.

Therefore, the Department is requesting an exception to the SHOPP Guidelines, for an additional two months to allocate CON from June 30, 2025 to August 31, 2025.

Project Number: 5
County: Kern
District: 06
PPNO: 6960
EA: 0W810
Allocation Amount: \$10,800,000
Phase: Construction and Construction Support
1st Waiver: Waiver 24-125
Approved: August 16, 2024
Number of Months Requested: ~~12 months~~ **19 months**
Extended Deadline: ~~6/30/2025~~ **1/31/2026**
Department Recommendation: Support

EA 06-0W810 (Project ID: 0617000303): Ker-155, PM R0.0/R1.3

The Department requests an amendment for an additional 7 months, from 12 months to 19 months, for the allocation of the CON phase of the SHOPP Pavement Improvement project in Delano.

The Commission approved a 12-month time extension for project allocation at the August 2024 Commission meeting that will expire on June 30, 2025. The initial request was needed for a construction and maintenance (C&M) agreement. In April 2025, a continued delay from the prolonged railroad coordination for which the railroad requested additional indemnification language has continued for several iterations and revisions. The agreement is now pending approval by both parties' legal counsel. For perspective, the railroad coordination began in November 2021. The revised RTL date is December 2025.

Therefore, the Department is requesting an exception to the SHOPP Guidelines, for an additional seven months to allocate CON from June 30, 2025 to January 31, 2026.

Project Number: 6
County: San Bernardino
District: 08
PPNO: 3021K
EA: 1N590
Allocation Amount: \$87,363,000
Phase: Construction and Construction Support
1st Waiver: Waiver 24-125
Approved: August 16, 2024
Number of Months Requested: ~~12 months~~ **19 months**
Extended Deadline: ~~6/30/2025~~ **1/31/2026**
Department Recommendation: Support

EA 08-1N590 (Project ID: 0823000021): SBD-15, PM R114.0/171.5

The Department requests an amendment for an additional 7 months, from 12 months to 19 months, for the allocation of the CON phase of the SHOPP Sustainability and Miscellaneous project near Baker.

The Commission approved a 12-month time extension for project allocation at the August 2024 Commission meeting that will expire on June 30, 2025. The initial request was needed to accommodate Brightline West's (BW) procurement schedule for their high-speed rail project. Additional time is needed to coordinate the procurement schedule with BW for finalizing design, advertising, and awarding to a contractor by winter 2025.

Therefore, the Department is requesting an exception to the SHOPP Guidelines, for an additional seven months to allocate CON from June 30, 2025 to January 31, 2026.

Project Number: 7
County: San Bernardino
District: 08
PPNO: 3017K
EA: 1L800
Allocation Amount: \$2,031,000
Phase: Plans, Specifications, and Estimate and Right of Way Support
1st Waiver: Waiver 24-125
Approved: August 16, 2024
Number of Months Requested: ~~12 months~~ **16 months**
Extended Deadline: ~~6/30/2025~~ **10/31/2025**
Department Recommendation: Support

EA 08-1L800 (Project ID: 0820000156): SBD-40, PM R104.6/R120.5

The Department requests an amendment for an additional 4 months, from 12 months to 16 months, for the allocation of the PS&E and R/W Sup phases of the SHOPP Bridge Formula Program project near Needles.

The Commission approved a 12-month time extension for project allocation at the August 2024 Commission meeting that will expire on June 30, 2025. The initial request was needed to complete a Future Consideration of Funding to complete the Environmental Certificate. Additionally, there has been an unanticipated delay associated with the Draft Environmental Document (DED). The project requires extension of Rock Slope Protection limits at various locations which has triggered an additional 45 days review period from United States Fish and Wildlife Services to obtain Desert Tortoise Programmatic Biological Opinion, causing additional changes to the DED, and further delaying completion of the Project Approval and Environmental Document phase.

Therefore, the Department is requesting an exception to the SHOPP Guidelines, for an additional four months to allocate PS&E and R/W Sup from June 30, 2025 to October 31, 2025.

Project Number: 8
County: Mono
District: 09
PPNO: 2645
EA: 37430
Allocation Amount: \$21,140,000
Phase: Construction and Construction Support
1st Waiver: Waiver 24-125
Approved: August 16, 2024
Number of Months Requested: ~~12 months~~ **14 months**
Extended Deadline: ~~6/30/2025~~ **8/31/2025**
Department Recommendation: Support

EA 09-37430 (Project ID: 0918000015): Mno-395, PM 50.6/53.1

The Department requests an amendment for an additional 2 months, from 12 months to 14 months, for the allocation of the CON phase of the SHOPP New Curb Ramps project near Lee Vining.

The Commission approved a 12-month time extension for project allocation at the August 2024 Commission meeting that will expire on June 30, 2025. The initial request was needed to coordinate with Mono County and the Lee Vining Public Utility District, to secure funding to add to Department plans, and the replacement of their water line. This coordination has proven to be complex and is taking more time than originally anticipated, resulting in the need to amend the project schedule by an additional two months. The reasoning for this delay is Mono County and the Lee Vining Public Utility District requires additional time to secure funding to pay for the Department's construction and support costs to replace the water/sewer line, sign a cooperative agreement, and provide PS&E approval. The board of supervisors recently approved funding and the cooperative agreement has been routed for final signature. The Department is currently working closely with the utility district to incorporate this work into the project plans. These tasks are expected to be completed by June 2025.

Therefore, the Department is requesting an exception to the SHOPP Guidelines, for an additional two months to allocate CON from June 30, 2025 to August 31, 2025.

Project Number: 9
County: Alpine
District: 10
PPNO: 1044
EA: 0J720
Allocation Amount: \$41,887,000
Phase: Construction and Construction Support
1st Waiver: Waiver 24-125
Approved: August 16, 2024
2nd Waiver: Waiver 24-199
Approved: December 6, 2024
Number of Months Requested: ~~6 months~~ ~~14 months~~ **16 months**
Extended Deadline: ~~4/31/2024~~ ~~8/31/2025~~ **10/31/2025**
Department Recommendation: Support

EA 10-0J720 (Project ID: 1018000271): Alp-4, PM R0.0/31.7

The Department requests an amendment for an additional 2 months, from 14 months to 16 months, for the allocation of the CON phase of the SHOPP Pavement Improvement project near Bear Valley.

The Commission approved a 6-month time extension for project allocation at the August 2024 Commission meeting and an amended time extension for an additional 8 months was approved at the December 2024 Commission meeting that will expire on August 31, 2025. The initial request was needed for obtaining concurrence from the Cultural Study Office and State Historic Preservation Officer. The amended time extension was needed for the Resolution of Necessity (RON) process of parcel no. 17537. In the meantime, the R/W team has acquired four signed agreements, removed six parcels, and received the RON approval at the January 2025 Commission meeting. An additional 2-month delay is due to the utility easement deed preparation for PG&E and a request for Federal Highway Administration (FHWA) review sent in late April 2025 that carries a very high risk. The anticipated RTL date is August 13, 2025.

Therefore, the Department is requesting an exception to the SHOPP Guidelines, for an additional two months to allocate CON from August 31, 2025 to October 31, 2025.

Project Number: 10
County: Calaveras
District: 10
PPNO: 3494
EA: 1K820
Allocation Amount: \$8,657,000
Phase: Construction and Construction Support
1st Waiver: Waiver 24-125
Approved: August 16, 2024
2nd Waiver: Waiver 25-16
Approved: January 31, 2025
Number of Months Requested: ~~9 months~~ ~~14 months~~ **16 months**
Extended Deadline: ~~3/31/2025~~ ~~8/31/2025~~ **10/31/2025**
Department Recommendation: Support

EA 10-1K820 (Project ID: 1019000164): Cal-26, PM 18.1

The Department requests an amendment for an additional 2 months, from 14 months to 16 months, for the allocation of the CON phase of the SHOPP Safety Improvement project near Mokelumne Hill.

The Commission approved a 9-month time extension for project allocation at the August 2024 Commission meeting and an amended time extension for an additional 5 months was approved at the January 2025 Commission meeting that will expire on August 31, 2025. The initial request was needed to finalize six property acquisitions. The continued work with the Stanislaus National Forest Service (SNFS) that began in September 2023 to expedite the required Temporary Construction Easement (TCE) permits was not successful, in part due to forest fires at the time. Incorporation of the permit into the contract documents was initially estimated to take three months but this non-standard specification is taking longer than estimated. An additional two months is needed to prepare for an RTL of August 20, 2025, delaying the CON and CON Sup allocations to October 2025.

Therefore, the Department is requesting an exception to the SHOPP Guidelines, for an additional two months to allocate CON from August 31, 2025 to October 31, 2025.