

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

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

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

Subject: **REQUEST TO AMEND THE PERIOD OF PROJECT COMPLETION FOR STATE HIGHWAY OPERATION AND PROTECTION PROGRAM PROJECTS, AS AN EXCEPTION TO THE SHOPP GUIDELINES WAIVER 25-137, AMENDING WAIVERS 25-18, 25-23, AND 25-89**

ISSUE:

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

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the Commission amend the period of project completion for three SHOPP projects, for the time periods as identified in the attachment.

BACKGROUND:

In June, October 2020, and August 2021 the Commission allocated \$124,920,000 in Construction Capital and Support for the three SHOPP projects. The projects have received previous time extensions for the period of project completion. However, the Department is requesting an exception to the SHOPP Guidelines (Guidelines) for additional time for the period of project completion. The attachment shows the details of the projects and the delays that have resulted in the amended time extension requests.

Current Guidelines stipulate that the Department request a time extension if the project will not be completed within 36 months after award. The Commission may approve waivers to the timely use of funds deadline, one-time only, for up to 20 months.

Attachment

**Amendment Time Extension/Waiver – Project Completion for
State Highway Operation and Protection Program**

Project Number: 1
County: Orange
District: 12
PPNO: 2859B
EA: 0P42U
Route: Var
Allocation Amount: \$20,720,000
Phase: CON/CON Support
Allocation Date: 06/24/2020
Award Date: 09/15/2020
1st Waiver: Waiver 23-133
Approved: August 2023
2nd Waiver: Waiver 25-18
Approved: January 2025
Number of Months Requested: ~~16 Months~~ ~~20 Months~~ **26 Months**
Extended Deadline: ~~01/31/2025~~ ~~05/31/2025~~ **11/30/2025**
Department Recommendation: Support

SHOPP Mobility project

The Department requests an additional 6 months, from 20 months to 26 months, for the period of project completion for the Construction (CON) phase of the SHOPP Mobility project. The Department has experienced unexpected delays in completing construction.

This project is in the Cities of Orange, Anaheim, Santa Ana, Fullerton, and Buena Park on Interstate 5, and on State Route (SR) 57 and SR 91. The project intends to install and modify Intelligent Transportation System (ITS) elements. This project has been combined with SHOPP project EA 12-0P672 under EA 12-0P42U for construction.

Initially, the project experienced delays due to the COVID-19 Pandemic (Pandemic). The project proposed to install and modify ITS elements within Department facilities, and at various locations along various routes. This work required close construction coordination to keep existing elements operational, while new elements were being installed. During these early months of the Pandemic, the project team was unable to have in-person meetings to effectively support and address issues in a timely manner. As a result, there were delays in mobilizing equipment and procuring materials. The procurement of materials was further complicated and delayed, due to shortages and longer-than-normal lead times for electrical components. A major project component involved replacing changeable message signs along the routes. These were initially slated to be Department-furnished items but were modified to be contractor-furnished. This required processing and approval of a public interest finding and modifications to the plans and specifications. This delayed the project by six months. In addition, the installation of other project elements at various locations were also delayed due to severe storm events limiting construction activities.

Construction was well under way, and the Department anticipated reaching Construction Contract Acceptance (CCA) by January 2025. However, four additional months were required due to vandalism of ITS elements, constructability concerns and resolving discrepancies in the plans. The project experienced significant vandalism of both existing and newly installed ITS elements. This required the contractor to spend additional time to investigate the damage and implement the warranted repair. During construction, the contractor also identified constructability concerns with the contract plans due to uneven terrain. As a result, additional time was needed to prepare the revised contract plan. In addition, it was discovered that a conduit run and pull box for fiber optic cables, which were supposed to be present in the field per the project contract plans, were missing. The Department anticipated resolving these issues and reaching CCA by May 2025.

Since then, the project has experienced unexpected issues that are causing further delays. The project continues to be plagued by vandalism, copper wire theft, and damage to pull boxes. This has stopped the progress of work while the damage is repaired. The construction team is taking aggressive measures to prevent future vandalism. Some of these measures include utilizing tamper resistant bolted traffic pull boxes, buried pull boxes in concrete and welded pull boxes. Another issue includes some of the proposed equipment on the traffic signal poles. A special lowering ring used to hold cameras isn't working as expected. Fixing this issue requires hiring a specialized contractor and will result in adding more time to the schedule. In addition, the project includes installing three communication devices called Roadside Units (RSU) on poles that are being built under a separate contract (EA 12-0734U). The poles installation is expected to be completed in two months which is holding back the installation of the RSUs. In addition, the Department is waiting for Anaheim Public Utilities to connect two new power services. Without those connections, the project cannot power, inspect, and clear the transportation systems that are already installed. The Department is prioritizing the remaining work and anticipates completing all construction activities by November 2025.

Therefore, the Department is requesting an exception to the Guidelines for an additional six months to finalize CCA from May 31, 2025 to November 30, 2025.

Project Number: 2
County: Fresno
District: 6
PPNO: 6800
EA: 0U420
Route: 99
Allocation Amount: \$92,500,000
Phase: CON/CON Support
Allocation Date: 10/21/2020
Award Date: 02/25/2021
1st Waiver: Waiver 24-26
Approved: March 2024
2nd Waiver: Waiver 25-18
Approved: January 2025
3rd Waiver: Waiver 25-89
Approved: May 2025
Number of Months Requested: ~~5 Months~~ ~~8 Months~~ ~~10 Months~~ **13 Months**
Extended Deadline: ~~12/31/2024~~ ~~03/31/2025~~ ~~05/31/2025~~ **08/31/2025**
Department Recommendation: Support

SHOPP Roadway Preservation project

The Department requests an additional 3 months, from 10 months to 13 months, for the period of project completion for the CON phase of the SHOPP Roadway Preservation project. The Department has experienced unexpected delays in completing construction.

This project is located in and near the cities of Selma and Fowler, from McCall Avenue Undercrossing to 0.5 miles north of Merced Street Undercrossing. The project will replace pavement with Continuous Reinforced Concrete Pavement (CRCP), and update curb ramps to current standards.

At the time of construction allocation, the project received an additional five months for project completion. In March 2024, the project received a 5-month time extension; however, that extension omitted the additional five months provided at the time of allocation. Therefore, the project had a deadline of December 31, 2024 to reach CCA.

Initially, the project began construction in the spring of 2021 and was scheduled to be completed within three construction seasons. One of the main components for this project is concrete. Due to the supply chain issues, there was a nationwide cement shortage. This shortage minimized production rates for the CRCP operations as the frequency of loads was severely diminished. Further delays were encountered due to major winter storms that impacted the area in late 2022 and early 2023. The storms resulted in additional repairs to the existing facility and some recently completed work had to be redone. These impacts resulted in a delay of several months to the project.

The Department had moved to accelerate work wherever possible, and reach CCA by December 2024. However, during Cast-In-Drilled-Hole (CIDH) drilling operations for the sign piles, unsuitable material was discovered, which was an unforeseen soil condition. The soil

condition type caused the CIDH to cave in at multiple locations while pouring concrete. This caused an additional delay to the project schedule as mitigation efforts had to be used to prevent this from re-occurring. The Department anticipated completing the other bid items and the punch list in three months to reach CCA by March 2025. However, the rain and weather activities further delayed the project affecting the pavement. The pavement at the southbound on and off ramps of Manning Avenue failed after the cold planing and overlay were installed. This was due to their prolonged use for stage construction and weather events. Additional time was needed to correct the ramps before reaching CCA.

Since that time, the contractor has failed to prioritize this project, resulting in daily liquidated damages and delays to project completion. The main impacts have been to the paving operations to correct the on and off ramps. The project's schedule was nearing the extended deadline, and the rework had yet to be started. The Department has held elevated meetings with the contractor's management team to address the delays. As a result of the elevated meetings, the contractor submitted a schedule indicating that paving work is planned for the week of June 8, 2025. This schedule will allow the project to be completed by August 2025.

Therefore, the Department is requesting an exception to the Guidelines for an additional three months to finalize CCA from May 31, 2025 to August 31, 2025.

Project Number: 3
County: Alameda
District: 4
PPNO: 0050N
EA: 4A800
Route: 880
Allocation Amount: \$11,700,000
Phase: CON/CON Support
Allocation Date: 08/19/2021
Award Date: 03/14/2022
1st Waiver: Waiver 25-23
Approved: March 2025
Number of Months Requested: ~~3 Months~~ **9 Months**
Extended Deadline: ~~06/30/2025~~ **12/31/2025**
Department Recommendation: Support

SHOPP Bridge Preservation project

The Department requests an additional 6 months, from 3 months to 9 months, for the period of project completion for the CON phase of the SHOPP Bridge Preservation project. The Department has experienced unexpected delays in completing construction.

This project is located on SR 880, in the City of Oakland, near Lake Merritt Channel Bridge No. 33-0027 and 5th Avenue. This project proposes to replace the existing Hanlon Lead Railroad (HLR) Bridge that crosses Lake Merritt Channel. The replacement bridge will be constructed north of the existing HLR bridge. This is a mitigation project under combined EA 04-1706U.

Initially, the construction of this project was delayed since September 2022 due to delays in utility relocation and the Union Pacific Railroad (UPRR) maintenance contract. The utility relocation work involved two underground Kinder Morgan (KM) petroleum pipelines and an underground Lumen fiber optic line. These utilities were originally scheduled to be relocated before July 2022 by a single contract administered by KM. However, due to delays with obtaining environmental permits and contracting issues, KM could not relocate the two petroleum pipelines until December 2022. The remaining Lumen fiber optic line still required relocation. The Department was preparing to begin construction in January 2023, when UPRR informed the Department that they would proceed with their own project to replace two existing mainline bridge superstructures with two wider structures via a maintenance contract, while Lumen also pursued a new contractor to relocate the fiber optic line.

The Department elected to delay their railroad bridge construction contract until the summer of 2023 upon expected completion of the UPRR maintenance contract and Lumen fiber optic relocation. However, due to schedule delays, the UPRR maintenance contract and Lumen fiber optic conduit relocation contract were not completed until January 2024 and February 2024, respectively.

Due to changes resulting from UPRR's new mainline railroad bridges' alignments and its wider superstructure, UPRR requested the Department to resurvey and verify the proposed railroad bridge design, including verification of the centerline offset and clearance between the adjacent mainline bridge and the proposed bridge. The Department completed the survey in April 2024 and submitted the revised plans to UPRR in June 2024. The survey identified a new conflict between the Department's proposed railroad bridge foundation and the adjacent mainline bridge's steel barrier that UPRR contractor used to temporarily place UPRR signal and fiber optic lines during the maintenance contract.

The Department requested UPRR relocate these utilities to a permanent location and expedite the approval of the revised plans by early May 2025. The project was anticipated to begin construction in June 2025 with a target completion date of December 2025. However, due to the described delays, and the potential for further delays in the relocation of UPRR's utilities, additional time was needed to coordinate with UPRR and evaluate delivery options.

Since then, the Department has been working with UPRR to reach agreement on a mitigation alternative, including a potential lump sum payment or the reprogramming of another bridge project. The Department has also determined that additional time would be needed due to continued delays with UPRR and the significant cost and schedule risks to complete the construction contract. The Department seeks the additional time extension to December 2025 to reach project completion.

Therefore, the Department is requesting an exception to the Guidelines for an additional six months to finalize CCA from June 30, 2025 to December 31, 2025.