

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8v.(4), Action Item

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

Subject: **REQUEST TO AMEND THE PERIOD OF PROJECT DEVELOPMENT  
EXPENDITURE FOR STATE HIGHWAY OPERATION AND PROTECTION  
PROGRAM PROJECTS, AS AN EXCEPTION TO THE SHOPP GUIDELINES  
WAIVER 25-138, AMENDING WAIVERS 24-03, 24-27 AND 24-148**

### **ISSUE:**

Should the California Transportation Commission (Commission) amend the period of project development expenditure 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 development expenditure for three SHOPP projects, for the time periods as identified in the attachment.

### **BACKGROUND:**

In January 2021, March 2021 and October 2021, the Commission allocated \$7,764,000 in Project Development Support for three SHOPP projects identified in the attachment. In accordance with SHOPP Guidelines (Guidelines), the deadline to complete the Plans, Specifications, and Estimate (PS&E) phases for projects allocated in January 2021, March 2021 and October 2021 is January 31, 2024, March 31, 2024, and October 31, 2024, respectively. However, the Department is requesting an exception to the Guidelines for additional time to complete project development expenditures. The attachment shows the details of the projects and the delays that have resulted in these amended time extension requests.

Current Guidelines stipulate that the implementing agency request an expenditure time extension if the project phase will not be completed within 36 months of allocation for the pre-construction phases. 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 Development Expenditure for  
State Highway Operation and Protection Program**

Project Number: 1  
Applicant: Department of Transportation  
County: San Luis Obispo  
District: 5  
PPNO: 2650  
EA: 1H440  
Route: 1  
Allocation Amount: \$3,718,000  
Remaining Balance: \$12,000  
Phase: Plans, Specifications, and Estimate  
Allocation Date: 01/28/2021  
1st Waiver: Waiver 24-03  
Approved: January 2024  
Number of Months Requested: ~~18 Months~~ **20 Months**  
Extended Deadline: ~~07/31/2025~~ **09/30/2025**  
Department Recommendation: Support

**SHOPP Bridge Rehabilitation and Replacement project**

The Department requests an additional 2 months, from 18 months to 20 months, for the period of project development expenditure for the PS&E phase of the SHOPP Bridge Rehabilitation and Replacement project. The Department has experienced unexpected delays in awarding this project.

This project is located on State Route (SR) 1, in and near the City of Guadalupe, at the Santa Maria River Bridge No. 49-0042; also, in Santa Barbara County Postmiles 50.3 to 50.6. The project proposes to replace the bridge. The existing bridge will be used for traffic handling during construction and will be demolished soon after. The project proposes to realign the roadway and construct the new bridge adjacent to the existing structure.

Initially, the United States Army Corps of Engineers (USACE) indicated that piers for the new bridge would be allowed on the existing Santa Maria River levee, similar to the existing bridge. Following completion of 60 percent of PS&E in July 2022, the USACE indicated that the piers would no longer be allowed within the levee. As a result, the bridge was redesigned, lengthened, and raised to ensure that the current pier placement would not interfere with existing levees. This effort resulted in an 18-month delay. While the Department made every effort to complete the redesign work efficiently, the schedule and resources originally planned were insufficient. The project received supplemental funding for this phase at the March 2024 Commission meeting.

Since then, the project was advertised in April 2025 and is expected to reach approved contract by September 2025. The additional time is needed to allow for further review, award, and to finalize contract processing to begin the construction activities.

Therefore, the Department is requesting an exception to the Guidelines for an additional two months to allow enough time to award the project, from July 31, 2025 to September 30, 2025.

Project Number: 2  
Applicant: Department of Transportation  
County: Monterey  
District: 5  
PPNO: 2850  
EA: 1K020  
Route: 1  
Allocation Amount: \$1,046,000  
Remaining Balance: \$289,000  
Phase: Plans, Specifications, and Estimate  
Allocation Date: 10/14/2021  
1st Waiver: Waiver 24-148  
Approved: October 2024  
Number of Months Requested: ~~9 Months~~ **14 Months**  
Extended Deadline: ~~07/31/2025~~ **12/31/2025**  
Department Recommendation: Support

**SHOPP Major Damage (Permanent Restoration) project**

The Department requests an additional 5 months, from 9 months to 14 months, for the period of project development expenditure for the PS&E phase of the SHOPP Major Damage (Permanent Restoration) project. The Department has experienced unexpected delays in completing the PS&E phase.

This project is located on SR 1 near Gorda, from north of White Creek Bridge to south of Los Burros Road. The project proposes to realign the highway, replace temporary safety features with permanent safety devices and install erosion control measures.

Initially, completion of the PS&E phase was delayed due to acquisition of the required Right of Way (RW). The property owner was not cooperative, and the parcel was acquired through condemnation. The Resolution of Necessity was adopted at the October 2023 Commission meeting followed by a hearing, and final order of possession was received on July 27, 2024. The RW Certification was expected to be completed by September 1, 2024. The California Coastal Commission (CCC) was not willing to issue the Coastal Development Permit (CDP) until RW was acquired. As part of the CDP, a 3-year plant establishment period to remove invasive plants was included. The CDP application was submitted on August 16, 2024, and expected to be approved by February 1, 2025. In addition, last minute design changes occurred due to presence of the underground (U/G) utilities, identified prior to the 95 percent constructability review. Due to misleading information from the utility owner, additional efforts and resources was required to protect the U/G utility line in place.

Since then, the project required a CDP from the CCC. The process to obtain this permit requires more time than initially anticipated. The final CDP was granted in March 2025 at the CCC hearing. Due to the additional time required to obtain the CDP, the Ready to List (RTL) was delayed to the end of April 2025, further delaying the other milestones. The additional time is requested to complete the PS&E phase by December 2025. There is a concurrent Greater Than 120 request on this month's Commission agenda.

Therefore, the Department is requesting an exception to the Guidelines for an additional five months to allow sufficient time to complete the PS&E phase, from July 31, 2025 to December 31, 2025.

Project Number: 3  
Applicant: Department of Transportation  
County: Kern  
District: 6  
PPNO: 6803  
EA: 0U290  
Route: 184  
Allocation Amount: \$3,000,000  
Remaining Balance: \$146,000  
Phase: Plans, Specifications, and Estimate  
Allocation Date: 03/25/2021  
1st Waiver: Waiver 24-27  
Approved: March 2024  
Number of Months Requested: ~~17 Months~~ **20 Months**  
Extended Deadline: ~~08/31/2025~~ **11/30/2025**  
Department Recommendation: Support

### **SHOPP Roadway Preservation project**

The Department requests an additional 3 months, from 17 months to 20 months, for the period of project development expenditure for the PS&E phase of the SHOPP Roadway Preservation project. The Department has experienced unexpected delays in completing the PS&E phase.

This project is located on SR 184, in and near the City of Bakersfield, from Dunnsmere Street to Breckenridge Road. The project proposes to upgrade curb ramps to current standards, install bike lanes, cold plane pavement, place pavement, construct sidewalks, bus turnouts, and improve pedestrian crossings as complete streets elements, drainage improvements, traffic signal system upgrades, and Railroad (RR) crossing upgrades.

The project was initially delayed due to issues with Union Pacific Railroad (UPRR). The project's roadwork crossed over the UPRR facility. The work included upgrading the traffic signal, RR crossing arms, other miscellaneous facilities, and signal coordination. This required coordination with the UPRR as well as the acquisition of easements on UPRR's RW. The Department was regularly meeting and coordinating with the RR representatives to move the process along, but it was time-consuming. UPRR had indicated that completing the Construction and Maintenance Agreement, issuing the permit, and RW acquisition would take up to 18 months to complete. As a result, the Department requested that a 20-month extension be granted for the Construction Capital and Support allocations at the June 2023 Commission meeting.

Since then, the project achieved RTL in December 2024. However, the advertisement was delayed due to discovery of additional Pacific Gas and Electric (PG&E) facilities within the project limits. This discovery and remediation effort required additional coordination with PG&E. To support this work, the Department utilized consultants to assist with development of the utility plans. A revised utility certification was processed for the project documenting the added PG&E facilities. The project was then advertised in April 2025. The target bid opening is June 2025, and contract approval is expected in July 2025. The additional time is being requested to provide sufficient time to process all of consultant invoices incurred through the bidding phase.

Therefore, the Department is requesting an exception to the Guidelines for an additional three months to allow enough time to process and finalize the PS&E phase, from August 31, 2025 to November 30, 2025.