

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8v.(9), Action Item

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

Subject: **REQUEST TO AMEND THE PERIOD OF PROJECT ALLOCATION FOR A  
LOCALLY-ADMINISTERED SENATE BILL 1 TRADE CORRIDOR  
ENHANCEMENT PROGRAM PROJECT, ON THE STATE HIGHWAY SYSTEM  
WAIVER 25-143, AMENDING WAIVER 24-64**

### **ISSUE:**

Should the California Transportation Commission (Commission) amend the period of project allocation for the locally-administered Senate Bill 1 (SB 1) Trade Corridor Enhancement Program (TCEP) Interstate 605/Valley Boulevard Interchange Improvements Project (PPNO 4382), in Los Angeles County, for the time period as identified in the attachment?

### **RECOMMENDATION:**

The California Department of Transportation (Department) recommends that the Commission amend the period of project allocation for the locally-administered SB 1 TCEP Interstate 605/Valley Boulevard Interchange Improvements Project (PPNO 4382), in Los Angeles County, for the time period as identified in the attachment.

### **BACKGROUND:**

In May 2024, the Commission approved a 12-month time extension for the period of project allocation for the SB 1 TCEP Interstate 605/Valley Boulevard Interchange Improvements Project (PPNO 4382). The local agency will not be able to request allocation for funds by the June 30, 2025, deadline and is requesting a time extension amendment for project allocation. The attachment provides the details of the project and the explanation for the delays.

Current SB 1 TCEP Guidelines adopted by the Commission, stipulate that funds programmed are available for allocation only until the end of the fiscal year programmed. The Commission may approve a waiver to the timely use of funds deadlines, one-time only, for up to 12 months.

Attachment

**Amendment Time Extension/Waiver – Project Allocation  
Trade Corridor Enhancement Program**

Project Number: 1  
Applicant: Los Angeles County Metropolitan Transportation Authority  
County: Los Angeles  
District: 7  
PPNO: 4382  
Allocation Amount: \$33,570,000  
Phase: Construction  
1st Waiver: Waiver 24-64  
Approved: May 2024  
Number of Months Requested: ~~12 Months~~ **24 Months**  
Extended Deadline: ~~06/30/2025~~ **06/30/2026**  
Department Recommendation: Support

**Interstate 605/Valley Boulevard Interchange Improvements Project**

The Los Angeles County Metropolitan Transportation Authority (LA Metro) requests an additional 12 months, from 12 months to 24 months, for the period of project allocation for the Construction (CON) phase of the Interstate 605/Valley Boulevard Interchange Improvements Project. LA Metro experienced delays in finalizing the project's Ready to List package.

This project is located on the Interstate 605 (I-605)/Valley Boulevard Interchange in Los Angeles County. The project proposes to improve mobility and alleviate capacity constraints. The project includes construction of retaining walls, and sound walls, as well as curb ramps, sidewalks, driveways, signals (traffic and railroad), railroad gates and other vehicular/pedestrian/railroad facilities that will be upgraded to comply with current standards.

In May 2024, the Commission approved a 12-month extension to accommodate delays related to securing Right of Way (RW) Certification. There has also been necessary coordination with multiple agencies (third parties) to ensure the protection of the Union Pacific Railroad (UPRR) and Southern California Regional Rail Authority facilities situated within the project area.

UPRR and the Southern California Regional Rail Authority operate facilities adjacent to the project, which require protection in place during construction. In addition, the City of Industry and Los Angeles County oversee local arterial roads within the project boundaries, necessitating third-party agreements for clarifying responsibilities and ensuring smooth coordination during development. Stakeholder discussions have identified potential street and railroad improvements at the I-605/Valley Boulevard interchange that influenced the project timeline. LA Metro has begun holding regular meetings with partners such as the Department and the San Gabriel Valley Council of Governments to enhance coordination and minimize potential delays and costs.

Although the Department is expected to approve the final design plans soon, further delays have hindered the finalization of third-party agreements and RW activities. Currently, the RW Certification is projected for May 2026. The project requires 13 parcels from 8 different owners, and LA Metro has utilized Resolutions of Necessity to facilitate acquisitions through condemnation, securing 6 parcels thus far. Out of the remaining seven parcels, one is involved in litigation, two are in escrow, two are expected to be donated by the City of Industry, and two await decisions from the UPRR. Significant challenges include ongoing legal discussions regarding temporary construction easements with a property owner, who is also currently in litigation with the Department, as this parcel along the southbound I-605/Valley Boulevard on-ramp's abandonment affects access for the Department's maintenance crews; the court hearing date of November 17, 2025. Furthermore, an offer for two permanent easements to UPRR is pending approval of the final signal design, which is anticipated to take up to 12 months before a Construction and Maintenance Agreement can be executed.

LA Metro's coordination efforts with Southern California Edison (SCE) and the LA County Department of Public Works (LADPW) on this project, also resulted in delays to project timelines due to the wildfires and winter storms in January 2025. Both agencies redirected personnel to focus on the immediate recovery efforts, resulting in the unavailability of engineers and technical staff typically involved in LA Metro's projects. SCE prioritized staff to reassessing shut-off gas and power lines, while LADPW had staff focused on inspecting wildfire-damaged buildings and clearing debris. Consequently, essential reviews and approvals for RW certification for this project were delayed.

Although the commitment of SCE and LADPW during this critical time has been vital, it led to a significantly delay in the RW processes and raised concerns regarding the project schedule, underscoring the need for effective solutions moving forward.

Therefore, LA Metro is requesting an additional 12 months for the period of project allocation for the CON phase from June 30, 2025 to June 30, 2026.