

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 14-15, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8v.(8), Action Item

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

Subject: **REQUEST TO AMEND THE PERIOD OF PROJECT DEVELOPMENT EXPENDITURE FOR A STATE-ADMINISTERED MULTI-FUNDED SENATE BILL 1 TRADE CORRIDOR ENHANCEMENT PROGRAM AND PROPOSITION 1B STATE ROUTE 99 PROJECT, ON THE STATE HIGHWAY SYSTEM WAIVER 25-166, AMENDING WAIVER 24-67**

ISSUE:

Should the California Transportation Commission (Commission) amend the period of project development expenditure for the State-Administered multi-funded Senate Bill 1 (SB 1) Trade Corridor Enhancement Program (TCEP) and Proposition 1B (Prop 1B) State Route 99 (SR 99) South Madera 6 Lane project (PPNO 6297), in Madera 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 development expenditure for the State-Administered multi-funded SB 1 TCEP and Prop 1B SR 99 South Madera 6 Lane project (PPNO 6297), for the time period as identified in the attachment.

BACKGROUND:

In August 2021, the Commission allocated \$7,719,000 in project development support for the Plans, Specifications, and Estimate, and Right of Way (RW) (Support and Capital) phases of the State-Administered multi-funded SB 1 TCEP and Prop 1B SR 99 South Madera 6 Lane project (PPNO 6297). In accordance with the TCEP Guidelines (Guidelines), the deadline to complete the RW Support and Capital phases for the project is June 30, 2024. In May 2024, the project received a 12-month time extension for project development expenditure for the RW Support and Capital phases extending the deadline to June 30, 2025. This project will not be able to meet the deadline, and the Department is requesting a project development time

extension amendment for the RW Support and Capital phases. The attachment shows the details of the project and the delays that have resulted in a time extension request.

Current Guidelines stipulate that funds allocated for project development costs must be expended by the end of the second fiscal year following the fiscal year of allocation. The Commission may approve a waiver to the timely use of funds deadline, one-time only, for up to 12 months.

Attachment

**Amendment Time Extension/Waiver – Project Development Expenditure for
Multi-funded SB 1 TCEP and Prop 1B SR 99**

Project Number: 1
Applicant: Department of Transportation
County: Madera
District: 6
PPNO: 6297
EA: 0H220
Route: 99
Allocation Amount: \$7,719,000 (SB 1 TCEP: \$4,659,000, Prop 1B SR 99: \$3,060,000)
Remaining Balance: \$2,970,000
Phase: Right of Way Support and Capital
Allocation Date: 08/19/2021
1st Waiver: Waiver 24-67
Approved: May 2024
Number of Months Requested: ~~12 Months~~ **29 Months**
Extended Deadline: ~~06/30/2025~~ **11/30/2026**
Department Recommendation: Support

South Madera 6 Lane project

The Department requests an additional 17 months, from 12 months to 29 months, for the period of project development expenditure for the Right of Way (RW) Support and Capital phases of the South Madera 6 Lane project. The Department has experienced unexpected delays in completing the RW Support and Capital phases.

The project is located on State Route (SR) 99, from north of the Fresno County line and Madera County line to south of Avenue 7 and north of Avenue 12. The project will improve goods movement and passenger travel along SR 99 by widening the median and increasing the number of lanes from four lanes to six lanes. The project will also upgrade drainage, construct drainage basins, add median barrier, and increase vertical clearance at one structure.

Initially, the project was delayed due to design modifications, utility relocation efforts, and parcel acquisition efforts. During the acquisition process, property owners requested changes which required modification to the project design. These changes required identifying additional properties to be acquired, which had extended the originally estimated timeline beyond the June 30, 2024, deadline to complete the RW Support and Capital phases. These additional properties and the modifications to the original parcels required more time for the utility verification process, conflict determinations and possible relocation. To determine the exact locations for the buried utilities, potholing was needed to verify and determine if the utilities required relocation. The potholing contract that was developed had expired. Additional time was required for executing a new contract and allowing the contractor to perform the positive utility location. Also, there were several parcels proceeding with the condemnation process. The Resolutions of Necessity (RONs) were addressed at the March 2024, May 2024, and June 2024 Commission meetings. The Department anticipated completing the RW Support and Capital phases by June 30, 2025.

Since then, the project has taken longer than expected due to the expiration and reissuance of a potholing contract, conflicts with a private gas-main, design modifications, and the identification of additional impacted properties.

The potholing contract had to be reissued before positive utility verification and relocation efforts could resume. Although this delay had been identified earlier, the reissuance took longer than anticipated. This delay impacted coordination with the utility companies on relocation efforts and moved several milestone dates outward. The milestones include key target dates such as Notice-To-Owner, and Utility Agreement approvals. Adding to the delays was a recently discovered conflict between a private gas-main and one of the planned drainage basins. The Department's Right of Way team has been working closely with the property owners to minimize impacts and determine whether the gas-main can be relocated. This unresolved issue is delaying Pacific Gas and Electric Company's work until the new gas service location for this gas main is established. In addition, during the property acquisition process, some affected landowners requested changes to the project's design. These changes led to the identification of additional properties for acquisition, further extending the original timeline. Appraisal reports are currently being updated and the RON for the properties is scheduled for the August 2025 Commission meeting. Should the property owners contest the RONs, the projects would move through the condemnation process and result in further delays. Coordination efforts and finding workable solutions to the right of way needs have taken longer than anticipated. The process involves balancing project needs, utility relocations, and minimizing impacts to the land use aspects of the affected parcels. Cumulatively, these efforts have resulted in an additional delay of 17 months to the project's right of way phase. The Department continues to work diligently with the property owners and utility companies, and the additional 17 months will allow for the resolution and completion of the utility and right of way issues. Completion of the right of way phase activities is anticipated by November 2026. Upon conclusion, the Department will proceed with processing invoices and reimbursing the utility companies over a 360-day period for work performed within the 17-month extension. The project is anticipated to reach RTL in October 2025, be awarded by May 2026, and begin Construction soon after.

Therefore, the Department is requesting an additional 17-month time extension for the period of project development expenditure to allow enough time to finalize the RW Support and Capital phases, from June 30, 2025 to November 30, 2026.