

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 16-17, 2025

From: STEVEN KECK, Chief Financial Officer

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

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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 25-184, AMENDING WAIVERS 24-128 AND 25-53**

ISSUE:

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

BACKGROUND:

In August 2021 and May 2022, the Commission allocated \$6,224,000 in Project Development Support for two SHOPP projects identified in the attachment. In accordance with SHOPP Guidelines (Guidelines), the deadline to complete the Plans, Specifications, and Estimate and Project Approval and Environmental Document phases for projects allocated in August 2021 and May 2022 is August 31, 2024, and May 31, 2025, respectively. These two projects received prior time extensions in August 2024 and May 2025. 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: Santa Barbara
District: 5
PPNO: 2667
EA: 1H610
Route: 1
Allocation Amount: \$1,942,000
Remaining Balance: \$189,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 08/18/2021
1st Waiver: Waiver 24-128
Approved: August 2024
Number of Months Requested: ~~15 Months~~ **19 Months**
Extended Deadline: ~~11/30/2025~~ **03/31/2026**
Department Recommendation: Support

SHOPP Collision Severity Reduction project

The Department requests an additional 4 months, from 15 months to 19 months, for the period of project development expenditure for the Plans, Specifications, and Estimate (PS&E) phase of the SHOPP Collision Severity Reduction project. The Department has experienced unexpected delays in completing the PS&E phase.

This project is located on United States Highway 1 near Orcutt and Guadalupe, from Solomon Road to Route 166 Junction. The project proposes to widen shoulders, install rumble strips, upgrade guardrails and relocate objects from within the clear recovery zone.

Initially, additional time was needed to complete the PS&E phase due to the project requiring relocation of approximately 100 utility poles owned mostly by the Pacific Gas and Electric Company (PG&E). The relocation plans and coordination were requested in September 2023. Property acquisitions were also required to accommodate the pole relocations. In December 2023, property owners expressed concern with potential utility conflicts between the utility poles and their water wells. The Department continued weekly check-ins with PG&E to help facilitate and spur completion. However, PG&E declined to prioritize the project, provide preliminary relocation plans, and provide a schedule update. As a result, property negotiations and finalization of utility plans were delayed. The delivery of relocation plans remains uncertain, and as a result property acquisitions were unable to proceed to obtain Right of Way (RW) Certification. An 11-month time extension for allocation for the Construction (CON) phase was submitted at the June 2024 Commission meeting, however per Commission staff recommendation, it was deferred and approved at the August 2024 meeting.

Since then, Ready to List was achieved in June 2025, a 2-month time extension amendment for the CON phase allocation was approved at the June 2025 Commission meeting, and

an additional 2-month allocation time extension amendment was approved at the August 2025 Commission meeting.

A 15-month time extension to complete the PS&E phase was previously approved in August 2024 and expires in November 2025. The project is on schedule to allocate the CON phase in October 2025. Additional time is needed to align the advertisement and award procedures with the timeline of the delayed construction allocation.

Therefore, the Department is requesting an exception to the Guidelines for an additional four months to allow enough time to complete the PS&E phase, from November 30, 2025 to March 31, 2026.

Project Number: 2
Applicant: Department of Transportation
County: Santa Barbara
District: 5
PPNO: 3010
EA: 1M360
Route: 246
Allocation Amount: \$4,282,000
Remaining Balance: \$1,934,000
Phase: Project Approval and Environmental Document
Allocation Date: 05/18/2022
1st Waiver: Waiver 25-53
Approved: May 2025
Number of Months Requested: ~~5 Months~~ **9 Months**
Extended Deadline: ~~10/31/2025~~ **02/28/2026**
Department Recommendation: Support

SHOPP Bridge Preservation project

The Department requests an additional four months, from five months to nine months, for the period of project development expenditure for the Project Approval and Environmental Document (PA&ED) phase of the SHOPP Bridge Preservation project. The Department experienced unexpected delays in completing this project's preconstruction phase.

The project is on State Route 246, in Lompoc and Buellton, from Route 1 to east of Domingos Road. The project proposes to replace the San Ynez Bridge, rehabilitate pavement and drainage systems, construct Class I bike and pedestrian path, and upgrade facilities to current standards, guardrail and signs.

Initially, the project experienced delays in completing the Draft Environmental Document (DED) and Draft Project Report (DPR) due to several unforeseen challenges. During coordination meetings with local stakeholders, the City of Lompoc raised concerns regarding the potential impact of the proposed bridge work on existing utilities. Addressing these concerns required multiple meetings, ongoing coordination, and the sharing of technical information to reduce potential conflicts.

Additionally, the project site was characterized by a dense tree canopy and thick vegetation, necessitating increased time and resources to conduct thorough field surveys. In October 2024, during one of these surveys, a previously undocumented culvert was discovered within the project area. The culvert was directly impacted by the proposed bridge construction and rehabilitation activities. Further analysis was required to assess the culvert's implications on RW, utility relocations, and potential mitigation measures.

The Project Development Team addressed several of these challenges and continued to work diligently to finalize the remaining components of the DED and DPR. To help mitigate delays, the Department prioritized this project and streamlined coordination efforts to ensure completion of both documents by October 2025.

Since then, the Department requires an additional four months to complete the PA&ED phase. During public outreach, several inquiries and concerns were received from the community including elected officials regarding pedestrian facilities and utilities on the bridge structure. Additional time was needed to address these concerns and review the DED. Further coordination was necessary to ensure key stakeholders approve and support the project. This coordination delayed the Department's ability to complete the selected alternatives preliminary design and finalize the environmental document project report. A 5-month time extension for the PA&ED phase was previously approved in May 2025 and expires in October 2025. The additional time will allow the Department to finalize the environmental document and complete the phase.

Therefore, the Department is requesting an exception to the Guidelines for an additional four months to allow sufficient time to complete the PA&ED phase, from October 31, 2025 to February 28, 2026.