

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 4-5, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(1), Action Item

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Division of Financial Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT
EXPENDITURE FOR STATE HIGHWAY OPERATION AND PROTECTION
PROGRAM PROJECTS, ON THE STATE HIGHWAY SYSTEM, PER SHOPP
GUIDELINES
WAIVER 25-214**

ISSUE:

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

BACKGROUND:

In October 2022 and January 2023, the Commission allocated \$4,462,000 in project development support for three SHOPP project phases listed in the attachment. In accordance with SHOPP Guidelines (Guidelines), the deadline to complete the Plans, Specifications, and Estimate (PS&E) phase for projects allocated in October 2022 and January 2023 is October 31, 2025 and January 31, 2026, respectively.

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 PS&E phase. The Commission may approve waivers to the timely use of funds deadline, one-time only, for up to 20 months.

Attachment

**Time Extension/Waiver – Project Development Expenditure for
State Highway Operation and Protection Program**

Project Number: 1
Applicant: Department of Transportation
County: Monterey
District: 5
PPNO: 2853
EA: 1K010
Route: 1
Allocation Amount: \$1,663,000
Remaining Balance: \$456,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 10/13/2022
Number of Months Requested: 10 Months
Extended Deadline: 08/31/2026
Department Recommendation: Support

SHOPP Major Damage Restoration project

The Department requests a 10-month time extension for the period of project development expenditure for the Plans, Specifications, and Estimate (PS&E) phase of the SHOPP Major Damage Restoration project. The Department has experienced unexpected delays in completing the PS&E phase.

The project is near Lucia, from 0.6 mile to 0.8 mile south of Big Creek Bridge. The project proposes to construct a tieback wall, restore roadway and drainage facilities, and install permanent erosion control measures. The project received an additional four months to complete PS&E at the time of allocation.

Due to the size of landslide in this area, structural and roadway design work during PS&E was more complex and required more time than originally anticipated. This project was initiated following an emergency event and is located in a geotechnically complex area, within the California Coastal Commission's (CCC) coastal zone permitting purview. The southern portion of the project is in the slip plane of an unnamed moving landslide. Since this project was programmed, the Regents Slide occurred and has not been repaired due to ongoing geotechnical challenges (approximately 0.25 miles north of project site). Since project initiation, the project area has experienced consecutive years of heavy winter rainfall. The Department has evaluated multiple options to address the geotechnical movement through ongoing investigations. The Department will install additional earth retaining structures alongside the retaining wall to be replaced, which requires additional design efforts.

This project requires a Coastal Development Permit (CDP). The CDP application was submitted in July 2023 but was deemed incomplete due to interpretation by new Coastal staff of habitat types and required mitigation ratios. The project development team (PDT) has continued to work with the CCC to negotiate the habitat type for a lower ratio and has been able to avoid offsite mitigation requirements. The PDT has responded to ongoing questions and inquiries from CCC

staff to obtain their recommendation for CDP approval. After extensive coordination efforts, the project's CDP was approved in August 2025.

The project is currently scheduled to achieve Ready-to-List (RTL) in November 2025 and request construction allocation at the January 2026 CTC meeting. The project requires additional time to complete PS&E.

Therefore, the Department is requesting an exception to the Guidelines for an additional 10 months to allow sufficient time to complete the PS&E phase from October 31, 2025 to August 31, 2026.

Project Number: 2
Applicant: Department of Transportation
County: Los Angeles
District: 7
PPNO: 5802
EA: 37640
Route: 138
Allocation Amount: \$1,800,000
Remaining Balance: \$17,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 01/26/2023
Allocation Resolution: FP-22-45
Number of Months Requested: 4 Months
Extended Deadline: 05/31/2026
Department Recommendation: Support

SHOPP Roadway Preservation project

The Department requests a 4-month time extension for the period of project development expenditure for the PS&E phase of the SHOPP Roadway Preservation project. The Department experienced unexpected delays in completing this project's preconstruction phase.

This project is located near Longview, from west of 116th Street to Longview Road. The project constructs a reinforced concrete box culvert to replace perforated pipe system and concrete v-ditch, and installs wrong-way driving diversion features, signs, traffic signal upgrades, and rumble strips.

At the June 2025 Commission meeting, the project received a 14-month Construction (CON) allocation time extension to August 2026. The project achieved RTL status in June 2025 and requested its CON allocation at the October 2025 Commission meeting. The project is anticipated to advertise in December 2025, hold bid opening in February 2026 and award the contract in April 2026. To align PS&E activities through contract approval, additional time is needed to advertise, award, and approve the contract by May 2026.

Therefore, the Department is requesting a 4-month project development expenditure time extension to allow enough time to complete the PS&E phase from January 31, 2026 to May 31, 2026.

Project Number: 3
Applicant: Department of Transportation
County: Alpine
District: 10
PPNO: 3488
EA: 1F720
Route: 4
Allocation Amount: \$999,000
Remaining Balance: \$141,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 01/26/2023
Allocation Resolution: FP-22-45
Number of Months Requested: 11 Months
Extended Deadline: 12/31/2026
Department Recommendation: Support

SHOPP Roadway Preservation project

The Department requests an 11-month time extension for the period of project development expenditure for the PS&E phase of the SHOPP Roadway Preservation project. The Department experienced unexpected delays in completing this project's preconstruction phase.

This project is located near Loope, west of Wolf Creek Road to west of Route 89, also on Route 88 and Route 89 at various locations. The project proposes to rehabilitate drainage systems.

The project received its PS&E allocation in January 2023. The project's RTL milestone was delayed due to Right of Way (RW) acquisition challenges. As a result, the project was approved for a 12-month CON allocation time extension at the June 2025 Commission meeting. The project is now anticipated to reach RTL in April 2026. Additional time is needed to allow the project to clear RW issues and complete RTL, advertise, award, and approve the contract by December 2026.

Therefore, the Department is requesting an 11-month project development expenditure time extension to allow enough time to complete the PS&E phase from January 31, 2026 to December 31, 2026.