

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 4-5, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8v.(6), 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 25-218, AMENDING WAIVERS 25-24 AND 25-98**

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 March 2022 and June 2022, the Commission allocated \$5,087,000 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 phase for projects allocated in March 2022 and June 2022 is March 31, 2025, and June 30, 2025, respectively. These two projects received prior time extensions in March 2025 and June 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: Kings
District: 6
PPNO: 7031
EA: 0X950
Route: 41
Allocation Amount: \$2,200,000
Remaining Balance: \$323,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 03/17/2022
1st Waiver: Waiver 25-24
Approved: March 2025
Number of Months Requested: ~~10 Months~~ **14 Months**
Extended Deadline: ~~01/31/2026~~ **05/31/2026**
Department Recommendation: Support

SHOPP Safety Improvements project

The Department requests an additional 4 months, from 10 months to 14 months, for the period of project development expenditure for the Plans, Specifications, and Estimate (PS&E) phase of the SHOPP Safety Improvements project. The Department has experienced unexpected delays in completing the PS&E phase.

This project is on State Route (SR) 41, near the City of Kettleman, from 0.1 mile south to 0.2 mile north of Bernard Drive. The project proposes to construct a roundabout.

The project initially received a 10-month expenditure time extension in March 2025, due to utility and Right of Way (RW) issues. The project was in the design phase and encountered challenges with various utility relocation plans and utility agreements. The proposed project directly affected parcels along the project limits and required a utility relocation plan. These impacts were not anticipated and resulted in delays to the project's delivery schedule. The Department was working with affected property owners to negotiate terms for the Temporary Construction Easements and parcel acquisitions, but the process took longer than expected. The project required Resolutions of Necessity for acquisition, and these were approved at the March 2024 Commission meeting. The condemnation process delayed the proposed Ready-to-List (RTL) date that was anticipated in May 2025.

Since then, the Department has continued to complete design and work towards RTL. However, the utility and RW issues took longer than expected and delayed RTL to mid-June 2025. As a result, the project's Construction (CON) phase allocation was delayed to October 2025. The project is scheduled to advertise on November 24, 2025 and award in March 2026. To align the remaining PS&E activities through contract award, additional time is needed.

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 January 31, 2026 to May 31, 2026.

Project Number: 2
Applicant: Department of Transportation
County: Madera
District: 6
PPNO: 7005
EA: 0Y180
Route: 145
Allocation Amount: \$2,887,000
Remaining Balance: \$40,500
Phase: Plans, Specifications, and Estimate
Allocation Date: 06/30/2022
1st Waiver: Waiver 25-98
Approved: June 2025
Number of Months Requested: ~~6 Months~~ **9 Months**
Extended Deadline: ~~12/31/2025~~ **03/31/2026**
Department Recommendation: Support

SHOPP Pavement Preservation project

The Department requests an additional three months, from six months to nine months, for the period of project development expenditure for the PS&E phase of the SHOPP Pavement Preservation project. The Department has experienced unexpected delays in completing the PS&E phase.

This project is on SR 145, in and near the city of Madera, from south of Avenue 13 to 1.0 mile north of Tozer Street. The project proposes to rehabilitate pavement, install Transportation Management System elements, construct rumble strips, replace signs, rehabilitate drainage systems, install street lighting, construct curb extensions/bulb-outs, install or improve transit shelters, plant trees, and restripe roadway to install bike lanes as complete streets elements.

The project's scope is in close proximity to the Union Pacific Railroad. Initial coordination was focused on obtaining a Construction and Maintenance (C&M) agreement. However, after numerous meetings and modifications to the project plans, it was determined that a Maintenance Consent Letter (MCL) would be more appropriate. The Department completed the Construction staking notes to provide more clarity for the package MCL, and it was approved on April 1, 2025. Initially pursuing a C&M Agreement and then an MCL was not anticipated and resulted in a delay to the project.

In addition, coordination with Pacific Gas and Electric Company (PG&E) took longer than expected. The project scope included adjusting three utility vaults involving extensive coordination to determine responsibility. After reviewing the plans and coordinating with PG&E, the adjustments were avoided by modifying the plans. The project's PS&E phase required additional time to complete tasks including bid opening, contract award, contract approval, and addressing unforeseen issues that arose during the advertisement and award process. This resulted in the initial 6-month delay.

Since then, during the final stages of design, construction survey notes required revisions to eliminate ambiguity, reduce bidder inquiries, and facilitate competitive bidding. The revisions resulted in RTL being delayed by approximately three months. The project received its CON phase allocation in August 2025, and advertisement was delayed. Based on the current schedule, the project is expected to award the contract by March 2026.

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