

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 29-30, 2026

From: STEVEN KECK, Chief Financial Officer

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

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Division of Financial Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR STATE HIGHWAY OPERATION AND PROTECTION PROGRAM PROJECTS, ON THE STATE HIGHWAY SYSTEM, PER SHOPP GUIDELINES WAIVER 26-02**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of contract award for five 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 contract award for five SHOPP projects, for the time periods as identified in the attachment.

BACKGROUND:

In June 2025 and August 2025, the Commission allocated \$145,317,000 in Construction (CON) Capital for five SHOPP projects. In accordance with the SHOPP Guidelines (Guidelines), the deadlines to award contracts for projects allocated in June 2025 and August 2025 are December 31, 2025 and February 28, 2026, respectively. The Department is requesting time extensions for the period of contract award. The attachment shows the details of each project and the delays that have resulted in these time extension requests.

Current Guidelines stipulate that the agency implementing a project, request a time extension if the project will not be awarded within one Commission meeting after expiration. Expiration of CON funds occurs six months after a project receives its CON allocation. The Commission may approve waivers to the timely use of funds deadline, one-time only, for up to 20 months.

Attachment

**Time Extension/Waiver – Contract Award for
State Highway Operation and Protection Program**

Project Number: 1
County: Napa
District: 4
PPNO: 0332C
EA: 2Q500
Route: 37
Allocation Amount: \$45,072,000
Phase: Construction
Allocation Date: 06/27/2025
Allocation Resolution: FP-24-95
Number of Months Requested: 6 Months
Extended Deadline: 06/30/2026
Department Recommendation: Support

SHOPP Bridge Preservation project

The Department requests a 6-month time extension for the period of contract award for the Construction (CON) phase of the SHOPP Bridge Preservation project. The Department experienced delays in awarding the project.

The project is located near Novato, at Petaluma River Bridge No. 27-0013. The project rehabilitates a bridge deck, upgrades railings, replaces a fender system, and mitigates bridge scour.

The project received its CON phase allocation in June 2025. This project was programmed as a G-13 contingency and was fully programmed at the June 2025 Commission meeting. Additionally, the project requires re-advertisement to capture more competitive bids. Since the project was now fully programmed, the Federal Transportation Improvement Program (FTIP) required updating through an amendment. The FTIP amendment request was submitted to the Metropolitan Transportation Commission in July 2025 to reflect the fully programmed amount for the CON phase. The FTIP amendment was approved in August 2025 to fulfill federal funds requirements that are required prior to contract advertisement. As a result, the advertisement was delayed to September 2025.

The project was advertised and bid opening was held in December 2025. The project received four bids, with the lowest bid being 21 percent higher than Engineer's Estimate (EE). The second and third lowest bids were 23 percent and 41 percent higher than the EE. During advertisement, several bidder inquiries related to work window restrictions prompted the Project Development Team (PDT) to meet with the U.S. Fish and Wildlife Service (USFWS) to request expanded work windows for the project. The USFWS has verbally agreed to the expanded work window and the PDT and USFWS are in the process of amending the Biological Opinion permit

accordingly. The project requires additional time to re-package and re-advertise the project with the expanded work windows, that should result in more competitive bids.

Therefore, the Department is requesting a 6-month time extension to award a contract from December 31, 2025 to June 30, 2026.

Project Number: 2
County: Monterey
District: 5
PPNO: 2850
EA: 1K020
Route: 1
Allocation Amount: \$3,673,000
Phase: Construction
Allocation Date: 06/27/2025
Allocation Resolution: FP-24-87
Number of Months Requested: 6 Months
Extended Deadline: 06/30/2026
Department Recommendation: Support

SHOPP Major Damage Restoration project

The Department requests a 6-month time extension for the period of contract award for the CON phase of the SHOPP Major Damage Restoration project. The Department experienced delays in awarding the project.

The project is located near Gorda, from north of White Creek Bridge to south of Los Burros Road. The project proposes to realign highway, replace temporary safety features with permanent safety devices, and install erosion control measures.

The project received its CON phase allocation in June 2025 and was advertised on August 4, 2025. The Department held bid opening on September 10, 2025, and received four bids, with the lowest bid about 46 percent above the EE. The project had a Disadvantaged Business Enterprise (DBE) goal of 19 percent, which likely contributed to higher than anticipated bidding. The Department evaluated options and concluded that re-advertisement was in the best interest of the state. The project will be re-advertised in February 2026 without the DBE requirement. A 6-month period is required since advertisement is scheduled for the end of February. Once bids are received, the bids will be evaluated, any bidding disputes will be resolved and the lowest responsible bidder will be selected. The re-advertisement is expected to result in more competitive bids. The proposed schedule includes bid opening in March 2026 and awarding by June 2026. There is a concurrent project development expenditure time extension amendment for the Plans, Specifications, and Estimate (PS&E) phase on this month's Commission agenda.

Therefore, the Department is requesting a 6-month time extension to award a contract from December 31, 2025 to June 30, 2026.

Project Number: 3
County: Los Angeles
District: 7
PPNO: 5636
EA: 36250
Route: 47
Allocation Amount: \$8,754,000
Phase: Construction
Allocation Date: 08/15/2025
Allocation Resolution: FP-25-22
Number of Months Requested: 5 Months
Extended Deadline: 07/31/2026
Department Recommendation: Support

SHOPP Mobility project

The Department requests a 5-month time extension for the period of contract award for the CON phase of the SHOPP Mobility project. The Department experienced delays in awarding the project.

The project is located in the cities of Los Angeles and Long Beach, from State Route (SR) 110 to south of New Dock Street, and in Long Beach north of SR 710. The project will rehabilitate pavement, upgrade Transportation Management System (TMS) elements, replace fiber optic cable, and connect upgraded equipment to communication hubs.

This project achieved Ready-to-List, advertised, and received bids, but bids were rejected due to specifications conflicts. The project received its CON phase allocation at the August 2025 Commission meeting.

The project was advertised on September 30, 2025, and the bid opening date was on October 30, 2025. The Department received seven bids. The apparent low bidder was 57 percent below the EE. Following a detailed review of the contract documents after bid opening, it was determined that several sections of the special provisions in the contract were incomplete. The advertised special provisions had several discrepancies, mismatched component requirements that impacted the engineering design intent, and missing requirements that were likely to result in claims, disputes, and contract change orders during construction. As a result, the PDT explored several options after bid opening and concluded that it was in the best interest of the Department to repackage and re-advertise the contract. In addition, as part of repackaging, the special provisions will be corrected and the contract plans will be updated to the current 2025 Standard Plans and Specifications released in October 2025. The Department anticipates re-advertising the project in early May 2026, opening bids in mid-June 2026, and awarding by July 2026.

Therefore, the Department is requesting a 5-month time extension to award a contract from February 28, 2026 to July 31, 2026.

Project Number: 4
County: Ventura
District: 7
PPNO: 5642
EA: 36320
Route: 101
Allocation Amount: \$49,185,000
Phase: Construction
Allocation Date: 08/15/2025
Allocation Resolution: FP-25-22
Number of Months Requested: 2 Months
Extended Deadline: 04/30/2026
Department Recommendation: Support

SHOPP Mobility project

The Department requests a 2-month time extension for the period of contract award for the CON phase of the SHOPP Mobility project. The Department experienced delays in awarding the project.

The project is located in Thousand Oaks and Camarillo, from east of Rancho Road to west of SR 34, on SR 23 at SR 101 in Los Angeles County, also in the city of Los Angeles on SR 101 and SR 105, and at the Los Angeles Regional Transportation Management Center (LARTMC) at 2901 West Broadway. The project upgrades TMS elements, installs fiber optic lines, and upgrades communication equipment at hubs and at the LARTMC.

The project received its CON phase allocation in August 2025 and advertised on October 27, 2025. The Department postponed bid opening to January 6, 2026, to allow time to address bidder inquiries and to issue an addendum to revise the contract plans. The addendum included clarification on pavement delineation, signage, ramp metering, and electrical systems. The additional time provides potential bidders the ability to submit more competitive bids. The Department anticipates completing the process in a timely manner and requires additional time to perform bid analysis, resolve potential bidder protests, and perform related activities prior to awarding the contract.

Therefore, the Department is requesting a 2-month time extension to award a contract from February 28, 2026 to April 30, 2026.

Project Number: 5
County: Alpine
District: 10
PPNO: 3433
EA: 1H560
Route: 88
Allocation Amount: \$38,633,000
Phase: Construction
Allocation Date: 06/27/2025
Allocation Resolution: FP-24-90
Number of Months Requested: 9 Months
Extended Deadline: 09/30/2026
Department Recommendation: Support

SHOPP Facilities project

The Department requests a 9-month time extension for the period of contract award for the CON phase of the SHOPP Facilities project. The Department experienced delays in awarding the project.

The project is located near Kirkwood, at the Caples Lake Maintenance Station. The project will reconstruct a dormitory and sand shed structures, and rehabilitate a generator building, and install a new zero-emission vehicle charging station.

The project received its CON phase allocation in June 2025 and was advertised in mid-August 2025, with bids opened on October 15, 2025. Although three bids were received, including two below the EE, they were deemed non-responsive due to the Small Business Enterprise (SBE) participation goal, and the contract was canceled on November 4, 2025. The Department plans to readvertise the project, however the design was performed by a consultant and supplemental funding will be required to amend the existing design task order and update the PS&E package to the 2025 Standard Plans and Specifications. The PS&E supplemental funding request is anticipated for the March 2026 Commission meeting. Following approval, task order amendment and execution, along with PS&E updates, are expected to occur between April and May 2026, with readvertisement in May 2026. The advertisement period is expected to extend through July 2026, followed by bid opening and award recommendation in August 2026, and contract award in September 2026. To improve bid responsiveness and support the project's SBE participation goal, the Department will conduct targeted outreach through the Quarterly Small Business Meeting and a pre-advertisement meeting for specialized building contractors. There is a concurrent project development expenditure time extension amendment for the PS&E phase on this month's Commission agenda.

Therefore, the Department is requesting a 9-month time extension to award a contract from December 31, 2025 to September 30, 2026.