

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 29-30, 2026

From: STEVEN KECK, Chief Financial Officer

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

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Division of Financial Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT COMPLETION FOR STATE-ADMINISTERED STATE HIGHWAY OPERATION AND PROTECTION PROGRAM PROJECTS, ON THE STATE HIGHWAY SYSTEM, PER SHOPP GUIDELINES WAIVER 26-04**

### **ISSUE:**

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

### **BACKGROUND:**

In August 2021, May 2022, August 2022, October 2022, and March 2023, the Commission allocated \$172,623,000 in Construction Capital (CON/CON Support) for the attached six SHOPP project phases. These projects were awarded in January 2022, January 2023 and February 2023. In accordance with the SHOPP Guidelines (Guidelines), the deadlines to complete Construction Contract Acceptance for projects awarded in January 2022, January 2023 and February 2023 are January 31, 2025, January 31, 2026 and February 28, 2026, respectively. Because the Department will not meet these deadlines, the Department is requesting time extensions to complete the CON phase. The attachment shows the details of the projects and the delays that have resulted in these time extension requests.

Current Guidelines stipulate that the agency implementing a project requests a time extension if the project is not completed within 36 months after award. 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 Completion for State Highway Operation and Protection Program**

Project Number: 1  
Applicant: Department of Transportation  
County: Glenn  
District: 3  
PPNO: 2633  
EA: 3F060  
Route: 162  
Allocation Amount: \$98,488,000  
Phase: CON/CON Support  
Allocation Date: 08/19/2021  
Allocation Resolution: FP-21-04  
Award Date: 01/07/2022  
Number of Months Requested: 20 Months  
Extended Deadline: 09/30/2027  
Department Recommendation: Support

### **SHOPP Bridge Preservation project**

The Department requests a 20-month time extension to complete the Construction (CON) phase for the SHOPP Bridge Preservation project. The Department has experienced unexpected delays in completing construction.

The project is located near Butte City, from Route 45 to east of McDougall Street. The project will replace Sacramento River Bridge No. 11-0017, a viaduct approach, and reconstruct roadway to conform with the new structure.

In August 2021, the project received its CON phase allocation along with 12 additional months to complete construction. Currently, this project requires additional time due to unanticipated water-related issues. Winter storms in 2024-25 caused significant damage to plant establishment and erosion control, washing away a portion of the riverbank and mitigation planting. This required re-establishing the embankment and replacing the damaged work. In addition, due to the excessive rainfall, the project schedule has been lengthened due to limited work windows. No in-water work is allowed between October 16 to May 31. The project site experienced heavy flooding and debris flow events for each of the last three winter seasons. This has caused delays, including significant structural trestle damage. As a result, cleanup efforts by the contractor have followed each of these seasons to remove large amounts of debris that accumulated against damaged trestles. Following debris removal, repair of the temporary trestles was required in order to resume item work. This unanticipated work affected productivity and the construction schedule. Furthermore, the 2024-25 winter flood was particularly severe, leaving the worksite submerged underwater and forcing the contractor to evacuate the floodplain. Due to the significant damage to the trestles, the contractor switched to using barge floats to complete the work. This switch took additional time to haul in the barges for onsite assembly.

In addition, foundation piles needed to be extended beyond what was expected to meet the bearing capacity and contributed to the delay of Construction Contract Acceptance (CCA). Change order work also diverted contractor resources from the original bid items, affecting overall productivity and schedule. Due to the 2024-25 winter storms impact on mitigation planting, water-related impacts and delays, an additional 250 working days are required before the project can reach CCA.

Therefore, the Department is requesting a 20-month time extension to allow sufficient time to complete construction activities from January 31, 2026 to September 30, 2027.

Project Number: 2  
Applicant: Department of Transportation  
County: Alameda  
District: 4  
PPNO: 1453E  
EA: 2K950  
Route: 580  
Allocation Amount: \$27,721,000  
Phase: CON/CON Support  
Allocation Date: 08/18/2022  
Allocation Resolution: FP-22-10  
Award Date: 02/02/2023  
Number of Months Requested: 14 Months  
Extended Deadline: 04/30/2027  
Department Recommendation: Support

### **SHOPP Materials Laboratories project**

The Department requests a 14-month time extension to complete the CON phase for the SHOPP Materials Laboratories project. The Department has experienced unexpected delays in completing construction.

The project is located in the city of Livermore (City), at the eastbound offramp to Isabel Avenue. The project will construct a new District 4 Materials Laboratory building to replace an obsolete facility closed in March 2015 due to unsafe conditions.

Building completion and CCA have been delayed due to design updates, third-party utility delays with Pacific Gas and Electric Company (PG&E), new gas and electrical connections, differences in the plans versus field conditions, code compliance with State Fire Marshal (SFM) requirements, and unforeseen permit requirements from the City. Utility delays have mostly impacted the completion date because the building cannot be commissioned without permanent power.

PG&E supplies both gas and electrical power, providing service lines to the building. Both gas and electrical utility lines require separate trenching underneath a roadway and across the property to the building for service connection. The electrical power is connected to the building's main electrical panel, known as the switchgear. The electrical design requires a switchgear inside the building, which is a protection and control device for incoming power, and a transformer, which is used to convert voltage and distribute power.

PG&E worked on the design and issued the final electrical plans in July 2025, nearly two years after the start of construction. After having completed multiple inspections, the final inspection identified additional significant changes to the switchgear. Following multiple conversations, PG&E has approved portions of the switchgear as constructed and replacement parts are currently being refabricated for portions that required changes. PG&E's service-connection process adds at least five more weeks of delays after the completion of the building's electrical work to provide power to make the building operational. A concurrent delay consists of the final

gas service design, which was not issued by PG&E until late August 2025. The gas service connection is expected to be completed by December 2025 to mid-January 2026. The Department is actively working with the contractor, PG&E, and the equipment supplier to minimize the ongoing electrical delay.

While the utility delays are the primary driver to the schedule, another significant concurrent delay was the rework of the fire suppression system to meet SFM requirements. Once the lab exhaust hoods were installed, the SFM required additional sprinklers inside the hoods, which required additional re-piping efforts to supply adequate water pressure.

The current anticipated building construction completion date is June 2026. The remaining work includes power connection by PG&E, completion of final finishes inside the building, building approval quality checks and testing to make sure all building systems are operational, ensuring the backup generator functions as expected, and acquiring SFM approval. Additionally, the property landscaping must be installed and go through a 1-year plant establishment period (PEP). The PEP extends the CCA date to March 2027.

Therefore, the Department is requesting a 14-month time extension to allow sufficient time to complete construction activities from February 28, 2026 to April 30, 2027.

Project Number: 3  
Applicant: Department of Transportation  
County: Santa Barbara  
District: 5  
PPNO: 2386  
EA: 1C360  
Route: 217  
Allocation Amount: \$34,507,000  
Phase: CON/CON Support  
Allocation Date: 10/13/2022  
Allocation Resolution: FP-22-22  
Award Date: 01/31/2023  
Number of Months Requested: 17 Months  
Extended Deadline: 06/30/2027  
Department Recommendation: Support

### **SHOPP Bridge Rehabilitation and Replacement project**

The Department requests a 17-month time extension to complete the CON phase for the SHOPP Bridge Rehabilitation and Replacement project. The Department has experienced unexpected delays in completing construction.

The project is located near Goleta, from south to north of San Jose Creek Bridge No. 51-0217. The project will replace a bridge with a new structure which meets current standards and provides shoulders for disabled vehicles, maintenance workers, pedestrians and bicycles.

In October 2022, the project received its CON phase allocation, the contract was awarded in January 2023, and construction started in February 2023. The current deadline to complete construction is January 2026. However, project delays have moved the CCA to July 2027.

The project is in an environmentally sensitive area within the San Jose Creek, has a work window restriction from June to October, and requires environmental approvals from various agencies before the start of any work in the creek. Although the contractor's Stormwater Pollution Prevention Plan was submitted on time to the Regional Water Quality Control Board, approval was not obtained until late June 2023 and the first construction season was not able to be fully utilized as originally anticipated. This delayed the start and impacted productivity for bridge work in the first work season, resulting in an additional construction season. Although weather delays were factored in, the project was impacted in 2023-24 by a severe winter storm event that further delayed the project and resulted in approximately two months of weather delays over what was anticipated. The Department has continued to deliver the project, however several change orders have delayed the project resulting in approximately three months of additional delays.

Therefore, the Department is requesting a 17-month time extension to allow sufficient time to complete construction activities from January 31, 2026 to June 30, 2027.

Project Number: 4  
Applicant: Department of Transportation  
County: Ventura  
District: 7  
PPNO: 6014  
EA: 2XE70  
Route: 23  
Allocation Amount: \$1,900,000  
Phase: CON/CON Support  
Allocation Date: 03/14/2023  
Allocation Resolution: Emergency Project G-11  
Award Date: 01/25/2023  
Number of Months Requested: 2 Months  
Extended Deadline: 03/31/2026  
Department Recommendation: Support

**SHOPP Major Damage Emergency Restoration project**

The Department requests a 2-month time extension to complete the CON phase for the SHOPP Major Damage Emergency Restoration project. The Department has experienced unexpected delays in completing construction.

The project is in and near Fillmore, from south of Waynes Way to River Street. The project will repair storm damages, including destabilized tree removal, debris removal, and drainage systems. This is a Director's Order project that was awarded on January 25, 2023.

The January to March 2023 winter storms caused damage to the side slopes that were more extensive than first identified, requiring initial emergency supplemental funding. Project progress was subsequently delayed when the prime contractor's owner sold their company. Further delays and damage occurred following the 2024 winter storms, which impacted the same slope and channel areas. In addition, the Palisades Fire in January 2025 halted construction so that personnel and resources could be redirected to the emergency response.

Due to several rounds of additional slide clean up from the January 2024 storm, the initial emergency supplemental funds were exhausted prior to completing the original scope of restoration work. A second emergency supplemental funds request was initiated in February 2025 to address the funding shortfall and was allocated in June 2025. Due to the lack of funding availability and the need to reschedule the contractor, work at one of the three locations did not start until October 2025. The work is currently underway, and the Department anticipates completion of all contract work to achieve CCA by March 2026.

Therefore, the Department is requesting a 2-month time extension to allow sufficient time to complete construction activities from January 31, 2026 to March 31, 2026.

Project Number: 5  
Applicant: Department of Transportation  
County: Los Angeles  
District: 7  
PPNO: 5072  
EA: 32960  
Route: 101  
Allocation Amount: \$4,693,000  
Phase: CON/CON Support  
Allocation Date: 05/19/2022  
Allocation Resolution: FP-21-77  
Award Date: 02/08/2023  
Number of Months Requested: 20 Months  
Extended Deadline: 10/31/2027  
Department Recommendation: Support

### **SHOPP Collision Reduction project**

The Department requests a 20-month time extension to complete the CON phase for the SHOPP Collision Reduction project. The Department has experienced unexpected delays in completing construction.

The project is located in the city of Los Angeles, from Wilton Place to Pilgrimage Bridge. The project will place minor concrete at narrow paving areas and slopes, add pavement around gore areas, replace fencing and gates, install signpost sleeves and construct maintenance vehicle pullouts to enhance highway worker safety. The project received a 6-month time extension to award at the December 2022 Commission meeting.

After the contract was approved, the Department identified an ongoing Clean California project (EA 07-385204) within the project limits. To prevent conflicts and claims, the start of this project was delayed until August 2025 to allow the overlapping project to complete. During this time, the Department reviewed both projects' scope and design to address duplicative work.

Due to the delay, the contractor would not resume work without additional compensation. The Department coordinated with the contractor to review the scope, contractor's delay claim, and analyze and negotiate an agreement for completing the project.

Construction started on November 17, 2025. A total of 181 working days is anticipated to complete all contract work. In addition, the project has a 210-day PEP in one construction season. Because the revised construction schedule now spans two construction seasons, anticipated seasonal weather delays have been incorporated. The Department needs more time to complete the project due to the delayed start.

Therefore, the Department is requesting a 20-month time extension to allow sufficient time to complete construction activities from February 28, 2026 to October 31, 2027.

Project Number: 6  
Applicant: Department of Transportation  
County: Los Angeles  
District: 7  
PPNO: 4978  
EA: 32020  
Route: 405  
Allocation Amount: \$5,314,000  
Phase: CON/CON Support  
Allocation Date: 08/19/2021  
Allocation Resolution: FP-21-04  
Award Date: 01/31/2022  
Number of Months Requested: 14 Months  
Extended Deadline: 03/31/2027  
Department Recommendation: Support

### **SHOPP Materials Laboratories project**

The Department requests a 14-month time extension to complete the CON phase for the SHOPP Materials Laboratories project. The Department has experienced unexpected delays in completing construction.

The project is located in the city of Los Angeles, near Van Nuys, from south of Burbank Boulevard to south of Route 5. The project proposes to install vegetation planting, irrigation, minor concrete paving, and slope paving.

In August 2021, at the time of the CON phase allocation, the Department requested 60 months total to complete construction. However, the Commission approved 48 months. The project has 250 working days plus a PEP of 750 working days. The project experienced delays due to vandalism and encampments including people experiencing homelessness (PEH). The vandalism consisted of broken and damaged irrigation lines, sprinkler heads, valves, controllers, wires, existing grades and slopes. Some of these damages were repeated after initially being repaired. The presence of PEH encampments within the project limits caused delays in accessing several project locations on multiple occasions. PEH encampments were removed from the project site but recurred after removal attempts. Another challenge was the discovery of differing site conditions, specifically encountering a man-made buried object, which resulted in significant project delays.

The project is approximately 80 percent complete, and additional time is needed to complete the construction contract. Many existing irrigation systems were not functional and required repair to continue the PEP.

Therefore, the Department is requesting a 14-month time extension to allow sufficient time to complete construction activities from January 31, 2026 to March 31, 2027.