

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 29-30, 2026

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 26-11**

ISSUE:

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

BACKGROUND:

In January 2023, the Commission allocated \$20,682,000 in project development support for two 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 January 2023 is January 31, 2026.

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: San Francisco
District: 4
PPNO: 2022B
EA: 0Q120
Route: 280
Allocation Amount: \$6,682,000
Remaining Balance: \$123,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 01/26/2023
Allocation Resolution: FP-22-45
Number of Months Requested: 6 Months
Extended Deadline: 07/31/2026
Department Recommendation: Support

SHOPP Roadway Preservation project

The Department requests a 6-month time extension for the period of project development expenditure for the Plans, Specifications, and Estimate (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 in the City and County of San Francisco, from the San Mateo County line to Brannan Street. The project proposes to rehabilitate pavement, upgrade concrete median barrier, rehabilitate drainage systems, upgrade pedestrian facilities, and replace a pedestrian overcrossing (Bridge No. 34-0096).

Completion of the PS&E phase has been delayed due to the acquisition of two temporary construction easements. The project received its Construction (CON) phase allocation in October 2025 and was advertised on December 1, 2025. Bid duration was set at 10 weeks, and the bid opening is in mid-February 2026. The award is expected in March 2026 and contract approval by July 2026. Since advertisement and award activities are performed under the PS&E phase, the expenditure deadline requires adjustment to match the anticipated award schedule. The Department anticipates completion of the PS&E phase and awarding the project by July 2026.

This request for a PS&E time extension will account for the time needed to advertise, open bids, award, and approve the contract. This time extension assumes minimum bid inquiries, no bid duration extension, and no bid protests by contractors.

Therefore, the Department is requesting a 6-month project development expenditure time extension to allow enough time to complete the PS&E phase through award from January 31, 2026 to July 31, 2026.

Project Number: 2
Applicant: Department of Transportation
County: San Diego
District: 11
PPNO: 1352
EA: 43063
Route: 75
Allocation Amount: \$14,000,000
Remaining Balance: \$12,500,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 01/26/2023
Allocation Resolution: FP-22-45
Number of Months Requested: 14 Months
Extended Deadline: 03/31/2027
Department Recommendation: Support

SHOPP Bridge Preservation project

The Department requests a 14-month time extension for the period of project development expenditure for the PS&E phase of the SHOPP Bridge Preservation project. The Department experienced unexpected delays in completing this project's preconstruction phase.

This project is in the City of San Diego, on San Diego-Coronado Bay Bridge (No. 57-0857), E75-N5 Connector Overcrossing (Bridge No. 57-0912G), and Interstate 5 at S5-S75 Connector Overcrossing (Bridge No. 57-0939H). The project proposes to install suicide deterrent fences along bridges. This complex project involves the engineering and design of a vertical suicide deterrent system that will be attached to the iconic San Diego-Coronado Bay Bridge, which is a historic resource and located in the coastal zone. This is a Progressive Design-Build (PD-B) project.

The PS&E phase for the project was allocated in January 2023 and is being delivered with an alternative design method. In early 2023, the Department commenced work on the project's design. By late 2023, given the complexity and unique scope involving suicide deterrent measures, the Department opted to implement the innovative PD-B alternative delivery method. By early 2024, the Department had prepared and advertised the PD-B Request for Qualifications package, as well as the Independent Cost Estimator (ICE) Request for Qualifications package to develop the ICE contract. In the second half of 2024, the proposed packages were reviewed and scored, interviews were conducted, and the entities were selected. The ICE contract was executed, leading to the development of the first Department PD-B Preconstruction Services Contract.

In early 2025, the PD-B Preconstruction Services Contract was executed, and Task Orders were prepared and executed to initiate work on several fronts. The first partnering meeting was held, and both the Design-Builder and ICE were brought onboard. The Design-Builder and the Department initiated collaborative design efforts. By mid-to-late 2025, the initial Opinion of Probable Construction Cost (OPCC) was completed, additional Task Orders were prepared, and partnering meetings were conducted. Additionally, coordination with railroad companies

occurred, draft environmental documents and addenda, permitting, visual impact assessments, compliance determinations, and environmental commitments records were prepared. Also, material testing was performed, and the joint risk register and quality management plan were developed. The process for developing the first Department PD-B construction contract began, including the initiation of construction specifications development. In late 2025, the Design-Builder submitted 60 percent “permit ready” plans and draft design phase environmental supporting documents to the Department for review.

Since this is the first PD-B pilot project for the Department in the state, additional time is required to continue working on several efforts. Several items are in progress or will be initiated soon, including the design, revising environmental supporting documentation, performing as-built field verification, finalizing railroad agreements, obtaining a coastal development permit, performing subsequent OPCC efforts, continuing review and processing of change requests, Task Orders, and invoices. Additionally, various contractual agreements will need to be negotiated, including an Agreed to Price with the Design-Builder and finalizing development and execution of the construction contract. Also, significant ongoing support and coordination efforts are needed with the Design-Builder and ICE for design and cost refinements. Additional time is needed to align the remaining tasks with the project’s schedule.

Therefore, the Department is requesting a 14-month project development expenditure time extension to allow enough time to complete the PS&E phase from January 31, 2026 to March 31, 2027.