

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 14-15, 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 26-53**

### **ISSUE:**

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

### **BACKGROUND:**

In March 2022, May 2022, August 2022, and January 2023, the Commission allocated \$59,940,000 in Construction Capital (CON/CON Support) for the attached four SHOPP project phases. These projects were awarded in July 2022, March 2023, and May 2023. In accordance with the SHOPP Guidelines (Guidelines), the deadlines to complete Construction Contract Acceptance for projects awarded in July 2022, March 2023, and May 2023 are July 31, 2025, March 31, 2026, and May 31, 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: Humboldt  
District: 01  
PPNO: 2363  
EA: 0C500  
Route: 36  
Allocation Amount: \$22,450,000  
Phase: CON/CON Support  
Allocation Date: 08/18/2022  
Allocation Resolution: FP-22-10  
Award Date: 03/02/2023  
Number of Months Requested: 20 Months  
Extended Deadline: 03/31/2028  
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. At the time of allocation, the project received an additional 4 months beyond the 36-month Timely Use of Funds (TUF) deadline.

The project is located near Bridgeville, at Hely Creek (Bridge No. 04-0092), Little Larabee Creek (Bridge No. 04-0102), and Butte Creek (Bridge No. 04-0116). The project will upgrade bridge rails, widen one bridge, replace two bridges, and widen a third bridge.

The project requires additional time to complete construction due to a combination of schedule constraints, unforeseen design deficiencies, and construction delays that have extended the critical path beyond the original completion estimate. The original Construction Contract Acceptance target date was based on an accelerated schedule that assumed a longer in-water work window. However, the actual permitted window was reduced, significantly limiting the available working days and extending the work over multiple seasons. The temporary creek diversion installations that are part of the environmental requirements occurred late within the allowable in-channel work window, and a 2025 overtopping event at Little Larabee Creek led to a stop-work order by the California Department of Fish and Wildlife (CDFW). Due to this overtopping event, the Department had to renew consultation efforts with CDFW and the National Marine Fisheries Service, which took longer than anticipated due to their staffing shortages and heavy workloads at both agencies.

In addition, a significant unforeseen issue was identified late in the design phase, when it was discovered that the existing bent caps and piers at Little Larabee Creek Bridge were under-reinforced. This issue resulted in a condition that could not reasonably have been identified prior to detailed design work. To address this deficiency, Structure Design staff

developed an infill wall solution between the existing piers. However, this solution introduced a schedule risk that will impact the construction work seasons. Further schedule impacts occurred when the contractor requested a suspension in 2023, resulting in late-season starts at both Hely Creek and Little Larabee Creek and requiring a third in-water work season at each location, along with re-consultation with regulatory agencies.

Subsequent delays have further affected progress, including procurement, incomplete prior-season work, regulatory mitigation requirements, stormwater discharge violations, overtopping events, and the Highway 36 landslide closure. The need for additional construction seasons was identified in the project Risk Register and was added to the Watch List in early 2023.

As a result of these cumulative impacts, contract working days have increased from 420 to 600, and the contractor's updated critical path schedule now estimates completion in late 2028, particularly due to the remaining work in Butte Creek and its required Plant Establishment Period (PEP).

Therefore, the Department is requesting a 20-month time extension to allow sufficient time to complete construction activities from July 31, 2026 to March 31, 2028.

Project Number: 2  
Applicant: Department of Transportation  
County: Mendocino  
District: 01  
PPNO: 4677  
EA: 0H160  
Route: 101  
Allocation Amount: \$34,091,000  
Phase: CON/CON Support  
Allocation Date: 01/26/2023  
Allocation Resolution: FP-22-44  
Award Date: 05/04/2023  
Number of Months Requested: 7 Months  
Extended Deadline: 12/31/2026  
Department Recommendation: Support

### **SHOPP Roadway Preservation project**

The Department requests a 7-month time extension to complete the CON phase for the SHOPP Roadway Preservation project. The Department has experienced unexpected delays in completing construction.

The project is located near Willits, from north of West Road to south of Haehl Creek Bridge. The project will rehabilitate pavement, drainage systems, replace concrete median barrier, and upgrade guardrail, signs, lighting, and transportation management system elements.

Additional time is needed due to several unforeseen issues encountered during construction. There have been challenges with grinding and paving, storm damage, and repeated impacts to safety barriers, which slowed construction progress. Extended negotiations have resulted due to disagreements over pavement smoothness requirements, which have since been resolved. This has led to additional discussions with the contractor and has delayed construction. Geologically unstable ground has caused movement beyond what was anticipated, and previously sealed cracks performed on this project have expanded and allowed water to seep into voids, requiring additional repairs. Adding to construction delays, excessive debris has collected in drainage locations near the recently installed median barrier. This blocked water flow and led to water pooling, requiring corrective work to restore proper drainage. In addition, two major winter storms in late 2025 and early 2026, caused significant drainage and pavement damage, resulting in further repair efforts. Due to these storms, hydrology issues along with approximately 400 feet of additional pavement are being analyzed for remediation. The analysis is still underway and this may trigger additional work.

At this time, the Department is closely monitoring expenditures and anticipates completing the project and addressing the discussed issues with available contingency funds.

Therefore, the Department is requesting a 7-month time extension to allow sufficient time to complete construction activities from May 31, 2026 to December 31, 2026.

Project Number: 3  
Applicant: Department of Transportation  
County: Sacramento  
District: 03  
PPNO: 5865  
EA: 2H130  
Route: 5  
Allocation Amount: \$2,650,000  
Phase: CON/CON Support  
Allocation Date: 03/17/2022  
Allocation Resolution: FP-21-60  
Award Date: 07/19/2022  
Number of Months Requested: 8 Months  
Extended Deadline: 01/31/2027  
Department Recommendation: Support

### **SHOPP Roadside Preservation project**

The Department requests an 8-month time extension to complete the CON phase for the SHOPP Roadside Preservation project. The Department has experienced unexpected delays in completing construction. At the time of allocation, the project received an additional 10 months beyond the 36-month TUF deadline.

The project is located in the city of Sacramento, from south of Broadway to south of R Street Underpass. The project will replace and rehabilitate existing vegetation and irrigation to restore damaged landscape and improve the aesthetic quality of the roadway.

Additional time is needed to address an unforeseen 8-month delay that occurred during construction after an underground communication line was severed. Utility conflict maps properly identified the fiber optic line location, but the contractor inadvertently caused damage while excavating for a planned irrigation line. A no-cost change order was issued to fix the line, however production rates on the remaining work were affected. Contract administration and negotiations for this change order added approximately two months. In addition, electrical procurement and material delivery has taken longer than anticipated, needing five additional months, and one more month is expected for installation of the remaining work. These combined factors were outside the Department's control and have impacted the construction completion schedule.

Therefore, the Department is requesting an 8-month time extension to allow sufficient time to complete construction activities from May 31, 2026 to January 31, 2027.

Project Number: 4  
Applicant: Department of Transportation  
County: Monterey  
District: 05  
PPNO: 2855  
EA: 1K080  
Route: 1  
Allocation Amount: \$749,000  
Phase: CON/CON Support  
Allocation Date: 05/19/2022  
Allocation Resolution: FP-21-77  
Award Date: 03/02/2023  
Number of Months Requested: 8 Months  
Extended Deadline: 03/31/2027  
Department Recommendation: Support

### **SHOPP Major Damage Preservation project**

The Department requests an 8-month time extension to complete the CON phase for the SHOPP Major Damage Preservation project. The Department has experienced unexpected delays in completing construction. At the time of allocation, the project received an additional 4 months beyond the 36-month TUF deadline.

The project is located near Big Sur, at Pfeiffer Canyon (Bridge No. 44-0060). The project proposes to upgrade planting and erosion control for environmental mitigation efforts, for project EA 05-1J130.

The project received its allocation in May 2022, was awarded in March 2023, and started construction in April 2023. The contractor completed the planting and mitigation efforts, however there were issues with the plant establishment work. Additional time to complete construction is necessary due to unforeseen issues that were encountered during construction. The project site is located south of the Rocky Creek Bridge slip out emergency project. In March 2024, the slip out caused a highway closure preventing access to the project site during several months of the PEP. Although the access has been restored, the contractor has failed to meet contractual obligations with vegetation control, required irrigation, replacement of failed plantings, and site debris maintenance. Since April 2024, the contractor has been non-responsive, the Department has provided ample opportunity for corrective compliance actions, and the contractor has stopped communications and cannot be reached. Additionally, the contractor's listed phone number is no longer in service.

Given the inability to communicate with the contractor for approximately one year now and since this is a Division of Procurement and Contracts awarded contract, a different contract will need to be issued to complete the work under a new agreement to meet the existing permit requirements. The requested time extension will provide time for contract cancellation, move the project into closeout, and develop a new Plans, Specifications, and Estimate package for a minor B project to complete the remaining plant establishment work.

Therefore, the Department is requesting an 8-month time extension to allow sufficient time to complete construction activities from July 31, 2026 to March 31, 2027.