

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 14-15, 2026

From: STEVEN KECK, Chief Financial Officer

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

Prepared By: James R. Anderson, Chief
Division of Financial Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT ALLOCATION FOR
LOCALLY-ADMINISTERED STATE TRANSPORTATION IMPROVEMENT
PROGRAM PROJECTS, ON THE STATE HIGHWAY SYSTEM, PER STIP
GUIDELINES
WAIVER 26-55**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project allocation for three locally-administered State Transportation Improvement Program (STIP) 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 allocation for three locally-administered STIP projects, for the time periods as identified in the attachment.

BACKGROUND:

The agencies will be unable to request an allocation of funds by the June 30, 2026 deadline. The attachment provides project details and explanation for the delays.

Current STIP Guidelines adopted by the Commission stipulate that funds programmed for all components of local grant projects, as well as Department construction and construction support costs, are available for allocation only until the end of the fiscal year identified in the STIP. The Commission may approve a one-time waiver to the timely use of funds deadlines for a period of up to 20 months, as detailed in the attachment.

Attachment

**Time Extension/Waiver – Project Allocation
State Transportation Improvement Program**

Project Number: 1
Applicant: City of Chico
County: Butte
District: 03
PPNO: 2309
Allocation Amount: \$6,300,000
Phase: Construction
Number of Months Requested: 12 Months
Extended Deadline: 06/30/2027
Department Recommendation: Support

Eaton Road/State Route 99 Southbound Roundabout project

The City of Chico (City) requests a 12-month time extension for the period of project allocation for the Construction (CON) phase of the Eaton Road/State Route 99 Southbound Roundabout project.

The project has experienced a delay due to unforeseen project design changes that became necessary as a result of District 3 input and approval of revised design parameters. The project's initial design was developed under the assumption that the adjacent State Route (SR) 99/Eaton Road Overcrossing would remain in place. Accordingly, the proposed roundabout was designed to match existing profile elevations to accommodate the retained structure. This approach was reviewed and coordinated through multiple design reviews with District 3 staff.

In March 2025, District 3 informed the project team that replacement of the adjacent SR 99 Overcrossing had been programmed, with construction anticipated within the next 5 to 10 years. As a result, the roundabout design was required to account for the future bridge replacement needed to address existing vertical clearance deficiencies. This new requirement necessitated a substantial redesign of the project's vertical profile to ensure long-term compatibility with the future structure. Determining an acceptable and compatible profile required extensive coordination by the design consultant to establish future bridge design parameters and obtain District 3 approval prior to proceeding with the roundabout redesign. This process required approximately eight months to complete and was essential for the project to resume progress consistent with its original scope and intent.

The additional 12 months requested reflects the time needed to update the Draft Project Report and the California Environmental Quality Act (CEQA) – Initial Study / Mitigated Negative Declaration, both of which were directly impacted by the redesign. Given that these changes were driven by newly identified Department requirements beyond the project team's control, the requested time extension is necessary to complete the project in compliance with applicable requirements.

Therefore, the City is requesting a 12-month time extension for the period of project allocation for the CON phase from June 30, 2026 to June 30, 2027.

Project Number: 2
Applicant: Contra Costa Transportation Authority
County: Contra Costa
District: 04
PPNO: 0521L
Allocation Amount: \$25,000,000
Phase: Construction
Number of Months Requested: 20 Months
Extended Deadline: 02/29/2028
Department Recommendation: Support

Innovate 680 Coordinated Adaptive Ramp Metering (CARM) project

The Contra Costa Transportation Authority (CCTA) requests a 20-month time extension for the period of project allocation for the CON phase of the Innovate 680 Coordinated Adaptive Ramp Metering (CARM) Project.

The project is intended to supplement the Department Traffic Operation Systems (TOS) project (PPNO 2321B) by enhancing ramp metering operations along northbound Interstate 680. At the time of STIP programming, the project scope extended from Alcosta Boulevard to Olympic Boulevard, just south of SR 24.

In late 2024, CCTA secured \$49 million in funding from the National Infrastructure Project Assistance (Mega) program under the Infrastructure Investment and Jobs Act for the CON phase of the project. With this additional funding, the project limits were extended approximately five miles north of Willow Pass Road. CCTA has coordinated with the Department to complete the CEQA/National Environmental Policy Act revalidation for the extended scope. The Plans, Specifications, and Estimate (PS&E) work is ongoing and fully coordinated with the TOS project.

CCTA has been working with the Federal Highway Administration (FHWA) to execute the Mega funding agreement. However, due to FHWA changes in administration, CCTA has experienced significant delays in obtaining review, approval and execution of the agreement. CCTA has been coordinating with FHWA, both District and Headquarters staff, for the past two years. At this time, while CCTA has made progress on the funding agreement and relevant forms and documentation with FHWA staff, CCTA is still waiting for execution of the funding agreement to allocate the Mega funding. CCTA has not been given an anticipated date of agreement approval and execution. Both Mega and STIP funds are needed to establish a complete funding plan for the CON phase.

Given the uncertainty regarding the timing of the Mega funding agreement execution with FHWA, CCTA is requesting additional time.

Therefore, CCTA is requesting a 20-month time extension for the period of project allocation for the CON phase from June 30, 2026 to February 29, 2028.

Project Number: 3
Applicant: City of Fremont
County: Alameda
District: 04
PPNO: 0023P
Allocation Amount: \$3,000,000
Phase: Construction
Number of Months Requested: 12 Months
Extended Deadline: 06/30/2027
Department Recommendation: Support

I-880/Decoto Road Interchange Modernization project

The City of Fremont (City) requests a 12-month time extension for the period of project allocation for the CON phase of the I-880/Decoto Road Interchange Modernization project.

The project has experienced approximately nine months of cumulative delay during the Project Approval and Environmental Document (PA&ED) and PS&E phases. These delays were due to a longer than expected review time with District 4 staff, as well as unforeseen site conditions requiring additional analysis. Unexpected geotechnical concerns raised by the Department staff during structural review required multiple redesigns to the proposed pedestrian undercrossing and interchange bridge widening work. This includes the need for additional deep core soil analysis to evaluate potential liquefaction concerns and to develop alternate foundation design approaches for widening the existing overpass bridge structure to accommodate the proposed pathway. In addition, delays were encountered during coordination with the Alameda County Flood Control District related to the negotiation of an ongoing maintenance agreement for a connector path leading to the interchange, which is required for Right of Way Certification.

Therefore, the City is requesting a 12-month time extension for the period of project allocation for the CON phase from June 30, 2026 to June 30, 2027.