

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 14-15, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(5), Action Item

Prepared By: Jeffrey Wyly, Chief (Acting)
Division of Mass Transportation

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT EXPENDITURE FOR A LOCALLY-ADMINISTERED MULTI-FUNDED SENATE BILL 1 TRADE CORRIDOR ENHANCEMENT PROGRAM AND FEDERAL EARMARK FUNDING RAIL PROJECT, PER TCEP GUIDELINES WAIVER 26-70**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project development expenditure for the locally-administered multi-funded Senate Bill 1 (SB 1) Trade Corridor Enhancement Program (TCEP) and Federal Earmark Funding Rice Avenue & Fifth Street Grade Separation project (PPNO 4961), in Ventura County, for the time period as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the Commission extend the period of project development expenditure for the locally-administered multi-funded SB 1 TCEP and Federal Earmark Funding Rice Avenue & Fifth Street Grade Separation project (PPNO 4961), in Ventura County, for the time as identified in the attachment.

BACKGROUND:

In June 2018, the Commission approved \$8,000,000 for the Right of Way (RW) phase and \$5,929,000 for the Plans, Specifications, and Estimate phase of the locally-administered multi-funded SB 1 TCEP and Federal Earmark Funding Rice Avenue & Fifth Street Grade Separation project (PPNO 4961). In December 2018, an allocation amendment was approved to reduce the Federal Discretionary funds from \$1,523,000 to \$1,500,000. In December 2019, a supplemental allocation of

\$15,500,000 for the RW phase was approved. As part of the supplemental RW phase allocation request, the Commission approved an additional 72 months beyond the 24 months, for a RW phase last expenditure date of June 30, 2026.

In May 2024, the Commission approved an allocation of \$75,900,000 for the Construction phase. As part of the allocation request, the Commission approved an additional 27 months beyond the 36-month Timely Use of Funds (TUF) deadline, for a total of 63 months.

Current TCEP Guidelines stipulate that the agency implementing a project component request a time extension if the project cannot be completed within the specified timeline. Under the TUF policy, an extension can be requested for up to 12 months for each delivery milestone, where permissible by statute. The attachment describes the details of the project and the explanation for the delay.

Attachment

Time Extension/Waiver – Project Development Expenditure
Multi-Funded TCEP and Federal Earmark Funding

Project Number: 1
Applicant: City of Oxnard
County: Ventura
District: 07
PPNO: 4961
Allocation Amount: \$8,000,000
Remaining Balance: \$3,372,107
Phase: Right of Way
Allocation Date: 06/28/2018
Allocation Resolution: TCEP-A-1718-01 and FP-17-79
Number of Months Requested: 43 Months
Extended Deadline: 01/31/2030
Department Recommendation: Support

Rice Avenue & Fifth Street Grade Separation project

The City of Oxnard requests a 43-month time extension for the period of project development expenditure for the Right of Way (RW) phase of the Rice Avenue & Fifth Street Grade Separation project. The project has experienced unexpected delays during the RW phase.

The project will construct a 6-lane bridge to elevate Rice Avenue over Fifth Street/State Route 34 and the Union Pacific railroad tracks.

On April 19, 2024, the RW Certificate was completed; 18 properties have been acquired, while 4 properties are currently in condemnation proceedings. This involves on-going negotiations, court hearings, and legal agreements. One of the four condemnation properties, Santa Elena Farms, was acquired by a Possession and Use Agreement (PUA) between the Department and the property owner, which was executed on August 23, 2023. The other three condemnation properties were acquired by Resolution of Necessity; settlement negotiations and final judgements are expected to be completed by the end of June 2028.

The PUA requires the Department to reimburse Santa Elena Farms for dust mitigation throughout the Construction (CON) phase. The agreement also requires the Department to reimburse the property owner for agricultural impacts, lost rental income, and crop-related losses incurred during the CON phase. Furthermore, the agreement stipulates that the final settlement for the Santa Elena Farms property will be resolved upon completion of the CON phase. To ensure compliance with the PUA between the Department and Santa Elena Farms, the City of Oxnard is requesting an additional 43 months to complete the RW phase.

This RW phase extension will align with the CON phase Last Expenditure Date (LED) of January 31, 2030, which is critical to ensure compliance with all the terms and conditions of the PUA and avoid potential liability to the Department and the project schedule. The RW phase is currently 78 percent complete and expected to be 100 percent complete by the CON phase LED.

The Department's District 7 staff and attorneys are working to resolve on-going litigation with the properties in condemnation proceedings through the Ventura County court system. The approval of the 43-month time extension will enable the Department to progress the condemnation proceedings concurrently during the CON phase. This extension is necessary to meet all the terms and conditions of the Santa Elena Farms PUA and to provide the time needed to litigate and compensate the property owners for the remaining parcels of land required for this project.

Therefore, the City of Oxnard is requesting a 43-month time extension for the period of project development expenditure to finalize the RW phase from June 30, 2026 to January 31, 2030.