

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 25-26, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(2), Action Item

Prepared By: Dee Lam, Chief  
Division of Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT  
EXPENDITURE FOR A LOCALLY-ADMINISTERED STATE TRANSPORTATION  
IMPROVEMENT PROGRAM PROJECT, OFF THE STATE HIGHWAY SYSTEM,  
PER STIP GUIDELINES  
WAIVER 26-108**

### **ISSUE:**

Should the California Transportation Commission (Commission) extend the period of project development expenditure for the locally-administered State Transportation Improvement Program (STIP) Smithneck Road Rehabilitation and Bike Path project (PPNO 3213), in Sierra 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 STIP Smithneck Road Rehabilitation and Bike Path project (PPNO 3213), in Sierra County, for the time period as identified in the attachment.

### **BACKGROUND:**

In June 2024, the Commission allocated \$650,000 for the locally-administered STIP Smithneck Road Rehabilitation and Bike Path project (PPNO 3213) identified in the attachment. The responsible agency is unable to complete the phase within the expenditure period. The attachment describes the details of the project and the explanations for the delays.

Current STIP Guidelines, adopted by the Commission stipulate that funds programmed for all components of local grant projects are available for expenditure only until the end of the second Fiscal Year following the year of allocation. The Commission may approve a waiver to the timely use of funds deadline, one-time only, for up to 20 months.

Attachment

**Time Extension/Waiver – Project Development Expenditure  
State Transportation Improvement Program**

Project Number: 1  
Applicant: Sierra County  
County: Sierra  
District: 03  
PPNO: 3213  
Allocation Amount: \$650,000  
Remaining Balance: \$618,530  
Phase: Plans, Specifications, and Estimate  
Allocation Date: 06/27/2024  
Allocation Resolution: FP-23-112  
Number of Months Requested: 20 Months  
Extended Deadline: 02/29/2028  
Department Recommendation: Support

**Smithneck Road Rehabilitation and Bike Path project**

Sierra County (County) requests a 20-month time extension for the period of project development expenditure for the Plans, Specifications, and Estimate (PS&E) phase of the Smithneck Road Rehabilitation and Bike Path project. The County experienced unforeseen delays due to historical and environmental permitting delays.

The project proposes to rehabilitate the roadway, including traffic paint and signs as necessary.

During cultural resources investigations in July 2024, an archaeological site was identified within the Area of Potential Effect. Additional investigations were completed in November 2024 in coordination with local Tribal representatives, and testing results were submitted to the Department in March 2025. After discussions with the District's cultural resources staff from March through September 2025, the project team agreed that revising the roadway improvement scope to avoid the resource was the preferred approach. The County subsequently updated the preliminary road rehabilitation plans in accordance with the Department's direction.

In September 2025, the Department requested revisions to the cultural reports and the development of an Environmentally Sensitive Area (ESA) Action Plan under Section 106 of the National Historic Preservation Act. The County submitted revised reports and the new ESA Action Plan in December 2025 and updated them again in January 2026 in response to District comments. District staff forwarded the reports to the Department's Division of Environmental Analysis, Cultural Studies Office (CSO) in February 2026. The reports were further revised in March 2026 based on CSO comments, and the County received a signed NEPA Categorical Exclusion (CE) for the project in late April 2026. The Right of Way Certification was also completed in late April 2026.

The archaeological discovery and resulting Section 106 coordination substantially extended the environmental review process and delayed the completion of the PS&E phase. This delay aligned the project schedule with an unfavorable bidding window, when the number of interested and available bidders is limited, a particular challenge for a rural county with limited resources.

The remaining services within the County's PS&E consultant contract include: completion of pre-construction Aerially Deposited Lead testing, delayed due to late snowfall in Spring 2026 and now expected in July 2026; preparation of final bid documents to incorporate any updates to federal regulations prior to advertisement; advertisement and bid support anticipated in November 2027; preparation of conformed construction drawings and the resident engineer's information package expected in January 2028; and construction engineering services, including a pre-construction meeting, anticipated in February 2028. A significant portion of the project's funding is programmed for Fiscal Year 2027–28 and is not available within the current allocation window. Several remaining tasks under the PS&E contract, including bid support and conformed construction drawings, are dependent on the allocation of construction funding, which is anticipated in August 2027. The requested extension is needed to allow the County to complete the remaining project development, ready to list, and bidding activities. The 20-month duration of the extension request is controlled by the availability of the programmed construction funding. The County needs additional time to complete the remaining activities while aligning project delivery with the availability of programmed funding.

Therefore, the County is requesting a 20-month time extension for the period of project development expenditure for the PS&E phase from June 30, 2026 to February 29, 2028.