

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 25-26, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8a.(12), Action Item

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

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT ALLOCATION FOR A STATE-ADMINISTERED SENATE BILL 1 LOCAL PARTNERSHIP PROGRAM (FORMULAIC) PROJECT, ON THE STATE HIGHWAY SYSTEM, PER LPP (FORMULAIC) GUIDELINES WAIVER 26-115**

### **ISSUE:**

Should the California Transportation Commission (Commission) extend the period of project allocation for the State-Administered Senate Bill 1 (SB 1) Local Partnership Program (LPP) (Formulaic) SR-91 Improvement Project between La Palma Avenue and SR-55 (Segment 2) (PPNO 4570C), in Orange 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 allocation for the State-Administered SB 1 LPP (Formulaic) SR-91 Improvement Project between La Palma Avenue and SR-55 (Segment 2) (PPNO 4570C), in Orange County, for the time period as identified in the attachment.

### **BACKGROUND:**

The Department will be unable to request an allocation of funds by the June 30, 2026 deadline. The attachment shows the details of the project and an explanation for the delays that have resulted in this time extension request.

Current SB 1 LPP (Formulaic) Guidelines adopted by the Commission stipulate that funds programmed for all components of local grant projects are available for allocation only until the end of the fiscal year programmed. The Commission may approve a waiver to the timely use of funds deadlines, one-time only, for up to 12 months.

Attachment

**Time Extension/Waiver – Project Allocation  
Senate Bill 1 Local Partnership Program (Formulaic)**

Project Number: 1  
Applicant: Department of Transportation  
County: Orange  
District: 12  
PPNO: 4570C  
Allocation Amount: \$6,641,000  
Phase: Construction Support  
Number of Months Requested: 12 Months  
Extended Deadline: 06/30/2027  
Department Recommendation: Support

**SR-91 Improvement Project between La Palma Avenue and SR-55 (Segment 2)**

The Department requests a 12-month time extension for the period of project allocation for the Construction (CON) Support phase of the SR-91 Improvement Project between La Palma Avenue and SR-55 (Segment 2). The Orange County Transportation Authority (OCTA), as the implementing agency for the Right of Way (RW) phase, experienced delays in completing the RW Certification.

This project is a vital regional effort designed to improve traffic flow by adding an eastbound lane, widening the Santa Ana River bridge, and modernizing the Glassell Street/Kraemer Boulevard and Tustin Avenue interchanges. Delays in finalizing the land acquisition process were primarily attributed to prolonged negotiations with the Orange County Flood Control District (OCFCD). OCTA first became aware of the issue in late January 2026, when the Department informed OCTA that the RW Certification required an amended RW contract with OCFCD. These administrative revisions required updates to the project's technical plans to comply with current standards, which in turn shifted the schedule for bidding and awarding construction contracts.

In addition, the project is currently undergoing a mandatory review by the United States Federal Highway Administration (FHWA) concerning a specific industrial property located within the project limits. This project includes a total of 12 parcels, of which 10 have been successfully solved. The remaining two parcels are still pending resolution; one requires FHWA review of a "3W" (workaround) and the other remains under extended negotiation with OCFCD. To ensure the project remains on track, the Department is utilizing the 3W strategy to allow construction to proceed safely in unaffected areas while final property access issues are resolved. Because this process requires rigorous federal oversight to ensure compliance with all legal and property rights requirements, the review and approval timeline is more extensive than originally anticipated.

Over the past three and a half months, OCTA has worked closely with OCFCD and the Department on this issue. Concurrently, the RW Certification remains under FHWA review. Should FHWA identify any significant concerns requiring additional resolution, the process could be extended an additional 10 to 12 months.

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