

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 25-26, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(3), 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 SENATE BILL 1 TRADE
CORRIDOR ENHANCEMENT PROGRAM PROJECT, OFF THE STATE HIGHWAY
SYSTEM, PER TCEP GUIDELINES
WAIVER 26-127**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project development expenditure for the locally-administered Senate Bill 1 (SB 1) Trade Corridor Enhancement Program (TCEP) Grant Line Road Safety and Freight Mobility Project (PPNO 5490), in Sacramento County, for the time period as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission extend the period of project development expenditure for the locally-administered SB 1 TCEP Grant Line Road Safety and Freight Mobility Project (PPNO 5490), in Sacramento County, for the time period as identified in the attachment.

BACKGROUND:

In January 2024, the Commission allocated \$3,000,000 for the locally-administered SB 1 TCEP Grant Line Road Safety and Freight Mobility Project (PPNO 5490). The responsible agency was unable to complete the phase within the expenditure period. The attachment describes the details of the project and the explanation for the delays. The respective agency requests an extension, and the planning agency concurs.

Current SB 1 TCEP 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 12 months.

Attachment

**Time Extension/Waiver – Project Development Expenditure
Trade Corridor Enhancement Program**

Project Number: 1
Applicant: Capital Southeast Connector JPA
County: Sacramento
District: 03
PPNO: 5490
Allocation Amount: \$3,000,000
Remaining Balance: \$3,000,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 01/26/2024
Allocation Resolution: TCEP-A-2324-08
Number of Months Requested: 12 Months
Extended Deadline: 06/30/2027
Department Recommendation: Support

Grant Line Road Safety and Freight Mobility Project

The Capital Southeast Connector JPA (Agency) requests a 12-month time extension for the period of project development expenditure for the Plans, Specifications, and Estimate (PS&E) phase of the Grant Line Road Safety and Freight Mobility Project. The Agency experienced delays due to the project receiving additional federal funds for improvement.

The project proposes to reconstruct and widen the road and the mining conveyor structure to meet current geometric standards and accommodate the approved general plan buildout. The project will also construct a new signalized intersection with turn lanes at the mining plant entrance.

In 2024, the Agency was awarded a \$25 million federal Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant to fund improvements along Grant Line Road between Chrysanthy Boulevard and White Rock Road. As a result of this award, the project limits expanded beyond what was originally approved in the Senate Bill 1 (SB 1) Trade Corridor Enhancement Program (TCEP) programming. To address this change, the Agency conducted a detailed assessment of project phasing and value-engineering options to ensure the federal funds could be fully leveraged while maintaining consistency with the SB 1 TCEP-funded PS&E effort. This additional evaluation period was essential to establish a project scope that maximizes the federal investment and reflects planning adjustments; however, it also contributed to schedule delays. Once the final project scope was established, the Agency further assessed multiple phasing and scope alternatives to determine the most effective strategy for delivering the RAISE-funded improvements while continuing to seek additional construction funding. The Agency has now finalized a clear scope of work and defined project limits that align with the RAISE grant and support efficient progression of the PS&E phase.

The project has advanced into the final design phase. Remaining work includes completing the final engineering design within the established limits, continuing Right of Way coordination, resolving utility conflicts, and preparing the final PS&E package. The Agency expects to draw down the remaining SB 1 TCEP funds during this period. Approximately 12 months are needed to complete the outstanding work, finalize the PS&E, and align remaining SB 1 TCEP expenditures with the updated project schedule. For these reasons, the Agency needs additional time to complete the PS&E phase for the finalized project scope and ensure synchronization of SB 1 TCEP funds with the current delivery schedule.

Therefore, the Agency is requesting a 12-month time extension for the period of project development expenditure for the PS&E phase from June 30, 2026 to June 30, 2027.