

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 25-26, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8b.(6), Action Item

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

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR A TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM COMPONENT, PER TIRCP ALLOCATION POLICY WAIVER 26-137**

### **ISSUE:**

Should the California Transportation Commission (Commission) extend the period of contract award for the Transit and Intercity Rail Capital Program (TIRCP) (2023:22) Santa Cruz Zero Emission Intercity Transit Service Expansion Project (Integrated Ticketing) component (PPNO CP128C), in Santa Cruz County, for the time period as identified in the attachment?

### **RECOMMENDATION:**

The California Department of Transportation recommends that the Commission extend the period of contract award for the TIRCP (2023:22) Santa Cruz Zero Emission Intercity Transit Service Expansion Project (Integrated Ticketing) component (PPNO CP128C), in Santa Cruz County, for the time period as identified in the attachment.

### **BACKGROUND:**

In June 2025, the Commission allocated \$375,000 for the Construction phase of the TIRCP (2023:22) Santa Cruz Zero Emission Intercity Transit Service Expansion Project (Integrated Ticketing) component (PPNO CP128C). The responsible agency has been unable to award the contract per the Timely Use of Funds (TUF) policy.

The current TIRCP Allocation Policy stipulates that the agency implementing a project request a time extension if the contract will not be awarded within six months of allocation. Under the TUF policy, an extension can be requested for up to 20 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 – Contract Award  
Transit and Intercity Rail Capital Program**

Project Number: 1  
Applicant: Santa Cruz Metropolitan Transit District  
County: Santa Cruz  
District: 05  
PPNO: CP128C  
Allocation Amount: \$375,000  
Phase: Construction  
Allocation Date: 06/27/2025  
Allocation Resolution: TIRCP-2425-74  
Number of Months Requested: 6 Months  
Extended Deadline: 12/31/2026  
Department Recommendation: Support

**(2023:22) Santa Cruz Zero Emission Intercity Transit Service Expansion Project  
(Integrated Ticketing)**

The Santa Cruz Metropolitan Transit District (SCMTD) requests a 6-month time extension for the period of contract award for the Construction (CON) phase of the (2023:22) Santa Cruz Zero Emission Intercity Transit Service Expansion Project (Integrated Ticketing) component. At the time of allocation, the project received an additional six months for contract award, changing the Timely Use of Funds deadline to June 30, 2026. SCMTD has experienced unexpected delays in awarding the contract for the CON phase.

This project will replace outdated fareboxes to accommodate the mainly non-cash transit passengers and implement Cal-ITP ticketing services.

SCMTD's joint procurement efforts with Monterey-Salinas Transit District (MST) have caused a delay in awarding the contract. In July 2025, SCMTD partnered with Marin County Transit District for procurement. However, due to proposals coming in higher than available funding, SCMTD shifted to the joint procurement with MST later that month. MST initiated a two-step procurement process, beginning with the issuance of a Request for Information (RFI), followed by the issuance of a Request for Proposals (RFP). MST opened the RFI in July 2025 and expressions of interest were due in September 2025. MST evaluated the submissions between the fall of 2025 and January 2026. Based on the information gathered through the RFI, MST issued the RFP in January 2026, with proposals due in March 2026. MST and SCMTD made joint presentations with respondents in April 2026 and are currently evaluating proposals with the goal of executing the contract by July 2026.

Therefore, SCMTD is requesting a 6-month time extension for the period of contract award for the CON phase from June 30, 2026 to December 31, 2026.