

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 20-21, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(1), Action Item

Prepared By: Jaime Espinoza, Chief (Acting)
Division of Financial Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT
EXPENDITURE FOR STATE HIGHWAY OPERATION AND PROTECTION
PROGRAM PROJECTS, ON THE STATE HIGHWAY SYSTEM, PER SHOPP
GUIDELINES
WAIVER 26-168**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project development expenditure for four State Highway Operation and Protection Program (SHOPP) projects, for the time periods as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the Commission extend the period of project development expenditure for four SHOPP projects, for the time period as identified in the attachment.

BACKGROUND:

In August 2023 and October 2023, the Commission allocated \$8,587,000 in project development support for four SHOPP project phases listed in the attachment. In accordance with SHOPP Guidelines (Guidelines), the deadline to complete the Plans, Specifications, and Estimate (PS&E) phase for the projects allocated in August 2023 and October 2023, is August 31, 2026 and October 31, 2026, respectively.

Current Guidelines stipulate that the implementing agency request an expenditure time extension if the project phase will not be completed within 36 months of allocation for the PS&E phase. The Commission may approve waivers to the timely use of funds deadline, one-time only, for up to 20 months.

Attachment

**Time Extension/Waiver – Project Development Expenditure for
State Highway Operation and Protection Program**

Project Number: 1
Applicant: Department of Transportation
County: Glenn
District: 03
PPNO: 3790
EA: 0J500
Route: 32
Allocation Amount: \$1,860,000
Remaining Balance: \$204,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 08/17/2023
Allocation Resolution: FP-23-16
Number of Months Requested: 19 Months
Extended Deadline: 03/31/2028
Department Recommendation: Support

SHOPP Roadway Preservation project

The Department requests a 19-month time extension for the period of project development expenditure for the Plans, Specifications, and Estimate (PS&E) phase of the SHOPP Roadway Preservation project. The Department experienced unexpected delays in completing this project's preconstruction phase.

This project is located near Orland and Hamilton City, from Interstate 5 to Butte County line. The project proposes to rehabilitate pavement, drainage systems, and upgrade pedestrian facilities.

The project reached Ready-to-List (RTL) status in June 2026, however the current PS&E phase allocation is planned for August 2027 to align with the Department's SHOPP rebalancing efforts and programming timelines. The Department will need to update all plans and specifications to adhere to new standards prior to resubmitting an updated Funds Request. The Department will need the PS&E phase to remain active until March 2028 in order to achieve Contract Approval.

Therefore, the Department is requesting a 19-month project development expenditure time extension to allow enough time to complete the PS&E phase through award from August 31, 2026 to March 31, 2028.

Project Number: 2
Applicant: Department of Transportation
County: Mono
District: 09
PPNO: 2648
EA: 37460
Route: 395
Allocation Amount: \$695,000
Remaining Balance: \$214,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 08/17/2023
Allocation Resolution: FP-23-16
Number of Months Requested: 7 Months
Extended Deadline: 03/31/2027
Department Recommendation: Support

SHOPP Roadway Preservation project

The Department requests a 7-month time extension for the period of project development expenditure for the PS&E phase of the SHOPP Roadway Preservation project. The Department experienced unexpected delays in completing this project's preconstruction phase.

This project is located near Bridgeport, from south of State Route (SR) 182 to Buckeye Road. The project proposes to rehabilitate pavement, upgrade pedestrian facilities, drainage systems, and replace guardrail. This project received approved supplemental funds for the PS&E phase at the June 2025 Commission meeting.

The project was moved into Fiscal Year 2026-27 during the winter of 2026 to align with the Department's SHOPP rebalancing efforts and programming timelines. The project RTL date was delayed until June 2026 to ensure document readiness for allocation at the August 2026 Commission meeting. The time extension request provides sufficient time for allocation of the Construction (CON) phase, bidding, and the award process. The current schedule was adopted at the March 2026 Commission meeting and has not changed.

Therefore, the Department is requesting a 7-month project development expenditure time extension to allow enough time to complete the PS&E phase through award from August 31, 2026 to March 31, 2027.

Project Number: 3
Applicant: Department of Transportation
County: Kern
District: 09
PPNO: 2654
EA: 37520
Route: 14
Allocation Amount: \$2,200,000
Remaining Balance: \$195,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 08/17/2023
Allocation Resolution: FP-23-16
Number of Months Requested: 20 Months
Extended Deadline: 04/30/2028
Department Recommendation: Support

SHOPP Roadway Preservation project

The Department requests a 20-month time extension for the period of project development expenditure for the PS&E phase of the SHOPP Roadway Preservation project. The Department experienced unexpected delays in completing this project's preconstruction phase.

This project is located near Mojave, from north of Silver Queen Road to north of SR 58. The project proposes to rehabilitate roadways, install Transportation Management System (TMS) elements, upgrade pedestrian facilities, replace bridge railing, and enhance highway worker safety.

The project was moved to 2027-28 to align with the Department's SHOPP rebalancing efforts and programming timelines. Significant coordination efforts are necessary due to the involvement of railroads (RR), a State Bridge crossing over RR, and two at-grade crossings. In spring of 2025, after field meetings with RR representatives, major design changes were requested that were not previously identified. This resulted in additional required engineering work, which consists of eight RR property acquisitions. These types of acquisitions typically take longer due to extended RR review processes and Right of Way coordination. Additional time is needed to complete these design revisions, obtain the RR parcels, finish RTL, and allow allocation of the CON phase, advertising, and award in the revised construction schedule. RTL is scheduled for September 2027, and the CON phase allocation is anticipated in December 2027.

Therefore, the Department is requesting a 20-month project development expenditure time extension to allow enough time to complete the PS&E phase through award from August 31, 2026 to April 30, 2028.

Project Number: 4
Applicant: Department of Transportation
County: Orange
District: 12
PPNO: 2982
EA: 0S080
Route: 22
Allocation Amount: \$3,832,000
Remaining Balance: \$253,000
Phase: Plans, Specifications, and Estimate
Allocation Date: 10/19/2023
Allocation Resolution: FP-23-39
Number of Months Requested: 5 Months
Extended Deadline: 03/31/2027
Department Recommendation: Support

SHOPP Mobility project

The Department requests a 5-month time extension for the period of project development expenditure for the PS&E phase of the SHOPP Mobility project. The Department experienced unexpected delays in completing this project's preconstruction phase.

This project is located near the cities of Santa Ana and Orange, from east of Cambridge Street to SR 55, and also at the Orange Maintenance Station at 691 South Tustin Street. The project proposes to upgrade and install new TMS elements, construct guardrail, reconstruct buildings at the Orange Maintenance Station, construct bicycle and pedestrian improvements, install Zero Emission Vehicle chargers, and construct stormwater treatment Best Management Practices.

The project was moved into 2026-27 to align with the Department's SHOPP rebalancing efforts and programming timelines. RTL is anticipated in August 2026 to ensure document readiness for an allocation at the August 2026 Commission meeting. The time extension request provides sufficient time for allocation of the CON phase, bidding, and the award process. The delay will not impact future phases.

Therefore, the Department is requesting a 5-month project development expenditure time extension to allow enough time to complete the PS&E phase through award from October 31, 2026 to March 31, 2027.