

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 15-16, 2026

From: STEVEN KECK, Chief Financial Officer

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

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

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT COMPLETION FOR
A STATE-ADMINISTERED STATE TRANSPORTATION IMPROVEMENT
PROGRAM PROJECT, ON THE STATE HIGHWAY SYSTEM, PER STIP
GUIDELINES
WAIVER 26-195**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project completion for the State-Administered State Transportation Improvement Program (STIP) I-5 North Coast Corridor HOV Extension, Phase 1, Carlsbad Seg, Package 3 (CMGC) project (PPNO 0615I), in San Diego 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 completion for the State-Administered STIP I-5 North Coast Corridor HOV Extension, Phase 1, Carlsbad Seg, Package 3 (CMGC) project (PPNO 0615I), in San Diego County, for the time period as identified in the attachment.

BACKGROUND:

In August 2023, the Commission allocated \$39,063,000 for the Construction phase of the State-Administered I-5 North Coast Corridor HOV Extension, Phase 1, Carlsbad Seg, Package 3 (CMGC) project (PPNO 0615I). The project was awarded in October 2023. In accordance with the STIP Guidelines (Guidelines), the deadline to complete Construction Contract Acceptance for projects awarded in October 2023 is October 2026. Because the Department will not meet this deadline, the Department is requesting a time extension to complete construction. The attachment shows the details of the project and the delays that have resulted in the time extension request.

Current Guidelines stipulate that the agency implementing a project request a time extension if the project will not be completed within 36 months after award. 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 Completion for
State Transportation Improvement Program**

Project Number: 1
Applicant: Department of Transportation
County: San Diego
District: 11
PPNO: 0615I
EA: 2T359
Route: 5
Allocation Amount: \$39,063,000
Phase: Construction and Construction Support
Allocation Date: 08/17/2023
Allocation Resolution: FP-23-17
Award Date: 10/20/2023
Number of Months Requested: 13 Months
Extended Deadline: 11/30/2027
Department Recommendation: Support

**I-5 North Coast Corridor HOV Extension, Phase 1, Carlsbad Seg, Package 3 (CMGC)
project**

The Department requests a 13-month time extension to complete the Construction (CON) phase for the I-5 North Coast Corridor HOV Extension, Phase 1, Carlsbad Seg, Package 3 (CMGC) project. The Department has experienced unexpected delays in completing construction. This project was combined with a State Highway Operation and Protection Program (SHOPP) project EA 43041 for construction under EA 2T36U. This is a Construction Manager/General Contractor (CMGC) project.

The project is in the city of Carlsbad from Palomar Airport Road to State Route 78. The project proposes to construct community enhancements: a soundwall and plant establishment.

Currently, the project is open to traffic, with construction work nearly completed. The original construction contract included a 1-year Plant Establishment Period (PEP), followed by an Extended Plant Establishment (EPE) phase intended to satisfy environmental commitments and permit requirements for the coastal area. However, the EPE work experienced approximately over one year of delay due to several factors, including coordination needed among multiple regulatory agencies, the timing requirements associated with biological and habitat restoration, and the need to align environmental mitigation activities with seasonal planting and monitoring windows. The EPE requirements stem from the North Coast Corridor (NCC) Public Works Plan, which was approved by the California Coastal Commission (CCC) and is required under the United States Fish and Wildlife Service (USFWS) Biological Opinion. These obligations include re-vegetation of native habitats, restoration of temporary wetland impacts, invasive species control, irrigation and maintenance of planted slopes. Additionally, coordination is required with multiple regulatory agencies, including the United States Army Corps of Engineers (USACE), California Department of Fish and Wildlife (CDFW), USFWS, the Regional Water Quality Control Board (RWQCB), and the CCC. Extending the PEP ensures these environmental mitigation

measures are implemented as intended and prevents gaps that may compromise the habitat recovery.

Although the PEP and EPE requirements were established in the NCC Public Works Plan and the USFWS Biological Opinion, the specific timing and sequencing of the EPE contract shifted due to circumstances outside the Department's control. The project team anticipated that the EPE contract would immediately follow the PEP; however, the EPE contract encountered about one year of delay. Because the EPE is a separate follow-up project and not part of the primary construction contract, the main contract could not simply extend plant maintenance under its original timeline without an approved time extension. In addition, the delay can be attributed to the regulatory sequencing and coordination across several environmental agencies. The project's re-vegetation and mitigation requirements are governed by multiple entities, including the CCC, USFWS, USACE, CDFW, and the RWQCB. These requirements involve re-vegetation of over 86 acres of cut/fill slopes near lagoons and open spaces, salvage and replacement of rare plants from coastal sage scrub and similar habitats, three years of plant establishment and maintenance activities, and strict controls on invasive species, irrigation levels, stormwater routing, and sensitive habitat protection per Executive Order 13112. While the initial PEP was planned, the gap created by the delayed EPE contract resulted in additional unplanned work for the original construction contract. Maintaining plant establishment for an additional 13 months ensures that the project is in full compliance with all the environmental mitigation requirements. This additional work can be directly tied to meeting the multi-agency permit conditions rather than construction scope growth.

The Department has been working diligently with the CMGC to minimize delays, however, the circumstances causing the schedule impact are outside the Department's control. The timing of the EPE contract was required by multiple permitting agencies, creating a compliance gap that the original construction contract has to cover temporarily. Despite proactive coordination and efforts to keep environmental commitments on track, the regulatory sequencing and multi-agency requirements necessitate additional time to ensure uninterrupted plant establishment and full adherence to environmental permit conditions until the delayed EPE contract can begin. There is a concurrent time extension request for CON completion for the SHOPP project EA 43041 on this month's Commission agenda.

Therefore, the Department is requesting a 13-month time extension to allow sufficient time to complete construction activities from October 31, 2026 to November 30, 2027.