

State of California  
Business, Transportation and Housing Agency  
Department of Transportation

PROJECT BUSINESS MATTERS  
Extension Request – Contract Award  
Action Item

Prepared By:  
Terry L. Abbott  
Chief  
Division of Local Assistance  
(916) 653-1776

CTC Meeting: December 12-13, 2001

Agenda Item: 2.8b.

*Original Signed By:* \_\_\_\_\_  
ROBERT L. GARCIA  
Chief Financial Officer  
December 1, 2001

**WAIVER REQUEST – CTC RESOLUTION G-01-21**  
**CTC STIP GUIDELINES**  
**SECTION 65 – TIMELY USE OF FUNDS**

**LOCAL STREETS AND ROADS PROJECTS**  
**WAIVER-01-58**

**ISSUE**

Resolution G-01-21, *STIP Guidelines*, adopted by the California Transportation Commission (Commission) on July 12, 2001, stipulates that funds allocated for the construction phase of local grant projects are available for contract award for a period of 12 months from the date of allocation.

The Commission allocated \$945,000 on June 15, 2000, for the Rosecrans/Aviation Widening Project (PPNO 7052). There has been some confusion regarding the lead agency for this project. The lead agency is the City of Hawthorne. The City is requesting a 20-month extension per Resolution G-01-21. The extension would result in a revised contract award deadline of February 15, 2003.

**BACKGROUND**

When the construction funding for this project was originally voted by the Commission, the vote box inadvertently indicated state/federal funding as opposed to state-only funding, as legitimately requested by the agency. This project was grandfathered into the 1998 STIP with approved state-only funding. The funding type was corrected by the Commission at the December 5, 2000 meeting. The agency was informed of the funding correction by the Department of Transportation. Unfortunately, the correction lead to further misunderstanding related to the timely use of funds award deadline, which the City believed was tied to the technical correction date in December 2000. Therefore, this request for a waiver to the contract award deadline is being submitted after the original award deadline of June 2001 has passed. Aside from these issues, the City has experienced unforeseen delays beyond their control that justify their request for a time extension.

Delivery of the project has been delayed by two major factors. The first involves the right of way acquisition. This task has taken longer than expected due to complications caused by difficult negotiations with several property owners. One property owner has requested an updated appraisal and property survey and another has requested additional information regarding the impact of construction on their property. The City, through its right of way agent, Los Angeles County,

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continues to work with the property owners toward an equitable and fair resolution of this property acquisition process. The second involves an oil pipeline relocation. The City continues negotiations with Chevron Oil Company towards reaching an agreement for payment to Chevron for oil pipeline relocation work. Chevron holds prior rights to the right of way on which the pipelines are located. The major issues have been addressed and the City is currently waiting for Chevron's response to its latest revision of the agreement. These issues are delaying the project award.

### **RECOMMENDATION**

The Department of Transportation recommends approval of this request.