

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 25-26, 2003

Reference No.: 2.8b.(3)  
Action Item

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Local Assistance

Ref: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD PER RESOLUTION  
G-01-21, FOR LOCAL STREETS AND ROADS PROJECTS  
WAIVER-03-13**

## **ISSUE:**

The California Transportation Commission (Commission) allocated construction funds totaling \$1,170,000 for the two projects shown on the attached list. The implementing agencies have been unable to award the contracts and do not anticipate awarding the contracts by their respective deadlines. The attachment shows the details of each project and the delays that have resulted in the extension requests. The project sponsors request extensions, and the planning agencies concur.

## **RECOMMENDATION:**

The Department of Transportation's recommendations are shown on the attachment.

## **BACKGROUND:**

Resolution G-01-21, STIP Guidelines, adopted by the 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 guidelines further stipulate that the Commission may approve waivers to the contract award deadline one time only for up to 20 months in accordance with Section 14529.8 of the Government Code.

Attachment

Time Extension/Waiver – Contract Award  
Item 2.8b.(3) – Local Streets and Roads Projects  
Program Year 2002/2003

Project #	Applicant County	Extension Amount By Component (\$ in thousands)	Number of Months Requested
	PPNO Project Description	E&P PS&E R/W CON Total	Extended Deadline  CT Recommendation
	<b>Reason for Project Delay:</b>		
1	City of Willits Mendocino	\$0 \$0 \$0 \$254 <b>\$254</b>	3 months  09/12/2003  Support – meets STIP guidelines
	<p>This project represents a partnership between the California Western Railroad and the City of Willits, with the City acting as implementing agency. Construction funds for this project were allocated in June 2002. After allocation, the railroad began experiencing severe financial difficulties, culminating in a filing of bankruptcy in December 2002. Adding to the difficulties, the City suffered the loss of its City Manager, who had been heavily involved in this project, when he passed away in January 2003.</p> <p>The City has been trying to secure an alternative source of funding for the portion of the construction costs the railroad was to contribute (\$36,000). Several alternatives have been considered, so far to no avail. The City requests this extension in order to attempt to fully fund the project. If that fails, the City plans to scale down the project slightly and award a contract utilizing the STIP funding only. This project is critical to the City of Willits, not only to provide needed intermodal facilities, but also to encourage economic development in the area. Therefore, the City requests a 3-month extension of the deadline to award a contract.</p>		
2	County of Inyo Inyo	\$0 \$0 \$0 \$916 <b>\$916</b>	3 months  09/26/2003  Support – meets STIP guidelines
	<p>Since there are federal funds in the project, there are DBE requirements for the project. However, the Annual Goal Information for the FFY 2002/2003 DBE Program was not completed until recently. The required advertising and comment period still must occur before the DBE Program can be adopted by the County. The approved DBE Program is not expected to be in place until June 2003.</p> <p>One of the objectives of this project was to address subsurface groundwater under two of the project roads. Unfortunately, the extent of the subsurface groundwater was much greater than anticipated, and several more of the project roads were affected. As a result, it was more difficult to characterize the extent of the groundwater and to consider methods of removing the groundwater. Consequently, the completion of plans and specifications was delayed.</p> <p>Due to these delays, the County requests a 3-month extension of the deadline for contract award.</p>		