

## Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: September 6-7, 2006

Reference No.: 2.8b.(1)  
Action Item

From: CINDY McKIM  
Chief Financial Officer

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Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR ONE SHOPP PROJECT, PER FY 2005-06 STIP/SHOPP ALLOCATION PLAN CRITERIA WAIVER-06-34**

### **RECOMMENDATION:**

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Waiver-06-34, extending the period of contract award for six months, to March 31, 2007, for the Water Quality Drainage Improvement SHOPP project (PPNO 5702B) on Route 267 in Placer County.

### **ISSUE:**

For Project PPNO 5702B, the Department will not be able to meet the contract award deadline of six months established under the FY 2005-06 STIP/SHOPP Allocation Plan and Criteria. In March 2006, \$3,253,000 was allocated for construction of a drainage improvement project. The project was advertised April 24, 2006 and was scheduled for bid opening June 28, 2006. The bids were rejected because the low bid was 54% over the Engineer's Estimate. The Department is currently re-scoping the project to stay within the allocated amount. Ready-to-List is scheduled for December 15, 2006. Bid opening target is February 28, 2007, with award by March 11, 2007. The Department is requesting an award extension of six months, and Commission approval of the extension request is needed in order to re-advertise and award the project.

### **BACKGROUND:**

In accordance with the Commission's FY 2005-06 STIP/SHOPP Allocation Plan and Criteria, the deadline to award contracts for the projects allocated in March 2006, is September 30, 2006. The Department is requesting an extension for contract award as authorized under the allocation plan.

At its July 2005 meeting, the Commission adopted the FY 2005-06 STIP/SHOPP Allocation Plan and Criteria, which limited FY 2005-06 allocations to projects ready to proceed to construction within six months. The FY 2005-06 STIP/SHOPP Allocation Plan and Criteria also requires the receiving agencies to request a time extension if the project will not be awarded within the six months.

Resolution G-03-19, State Transportation Improvement Program (STIP) Guidelines, adopted by the Commission on December 11, 2003, stipulates that funds allocated for Department construction 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 a waiver to the contract award deadline one time only for up to 20 months in accordance with Section 14529.8 of the Government Code.