

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: September 6-7, 2006

Reference No.: 2.8e.
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT REIMBURSEMENT PER RESOLUTION G-99-25, GUIDELINES FOR ALLOCATING, MONITORING, AND AUDITING OF FUNDS FOR LOCAL ASSISTANCE PROJECTS WAIVER-06-36**

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Waiver-06-36, for a 3-month post fact extension request to September 30, 2006, for the City of Los Angeles (City) Metro Blue Line Right-of-Way Landscaping project described below.

ISSUE:

On March 30, 2000, the Commission allocated \$1,400,000 to the City of Los Angeles for the Metro Blue Line Right-of-Way Landscaping project (PPNO 8004) programmed in the State Transportation Improvement Program (STIP) Transportation Enhancement Activities program. The project was completed within the timeframe allowed under Commission policy. The City is requesting an extension to the period for project reimbursement, through September 2006, to submit the final close-out package and obtain reimbursement of the remaining balance of \$329,000.

BACKGROUND:

Resolution G-99-25, Guidelines for Allocating, Monitoring, and Auditing of Local Assistance Projects, adopted by the Commission on August 18, 1999, stipulates the local agency has 180 days after contract acceptance to make the final payment to the contractor or vendor, and submit the final invoice to the Department for reimbursement.

The City awarded the construction contract within 12-months and expended the funds within the 36 month time period following the award of the construction contract. Furthermore, the City accepted the construction contract within the required deadline and billed for the majority of the allocated funds. However, submission of the final close-out package was delayed primarily due to staffing changes.

Compiling the various costs including design and construction management costs from different City departments significantly delayed the submittal of the close-out package. The City has met all other guideline time frames except for the final period of reimbursement. The City is requesting an extension through September 2006, to submit the close-out package and obtain reimbursement of the remaining balance of \$329,000.