

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: November 7-8, 2007

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

From: CINDY McKIM
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR LOCALLY-ADMINISTERED STIP PROJECTS, PER RESOLUTION G-06-08 WAIVER-07-26**

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Waiver-07-26 extending the period of contract award for the time periods identified for each project on the attached document.

ISSUE:

The Commission allocated \$5,160,000 for the construction of four State Transportation Improvement Program (STIP) projects identified on the attachment. The responsible agencies have been unable to award the contracts and do not anticipate awarding the contracts by the deadlines. The attachment describes the details of the projects and the explanations of the delays. The respective agencies request extensions, and the planning agencies concur.

BACKGROUND:

In June 2006, the Commission adopted Resolution G-06-08, which requires the agency implementing a project to request a time extension if the project will not be awarded within six months of the allocation. STIP Guidelines 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.

Attachment

Time Extension/Waiver – Project Contract Award Deadline
 Local Streets and Roads Projects

Project #	Applicant County PPNO Project Description Reason for Project Delay	Extension Amount <i>Construction Only</i>	Allocation Date Resolution Number Number of Months Requested Extended Deadline CT Recommendation
1	City of Weed Siskiyou County PPNO: 02-2291 Siskiyou Way and Alamo Avenue Rehabilitation	\$2,340,000	06/07/2007 FP-06-101 5 months 05/31/2008 Support
<p>The City of Weed (City) is requesting a five-month extension to the period of contract award for the Siskiyou Way and Alamo Avenue Rehabilitation project. The City is experiencing delays in receiving the required coordination between the Union Pacific Railroad (UPRR), Central Oregon Pacific Railroad (CORP), and the Public Utilities Commission (PUC).</p> <p>The scope of the project includes construction around an at-grade railroad crossing at Alamo Drive, which is owned by the UPRR and leased to the CORP. Per PUC guidelines, the UPRR, CORP, and PUC must agree to the project before the City can begin construction. The City has submitted an advance copy of the application for a PUC General Order 88-B permit, and is coordinating the design details at the crossing with the CORP, after which concurrence of the UPRR will be obtained.</p> <p>The City began coordination with the CORP and UPRR on August 1, 2007, and originally scheduled eight weeks for coordination with the CORP and UPRR and six weeks for PUC review and permitting of the project. The CORP and UPRR have already had eight weeks and a formal agreement to the project has not been received by the City.</p> <p>When the CORP provides a formal concurrence on the project, the City will need to obtain UPRR's approval and concurrence. When both the CORP and UPRR have concurred, the PUC must approve and concur with the project. The City hopes to receive railroad concurrence by the end of January 2008. However, it is unknown how long the coordination with the CORP and UPRR will actually take to be completed. When all three entities have concurred and agree with the project and the PUC General Order (88-B) permit is issued, the City will need eight weeks to advertise, open bids, and award a contract. The City anticipates receiving PUC approval of the General Order (88-B) permit application by March 15, 2008. The City expects to begin advertising on March 18, 2008, opening bids on April 21, 2008, and awarding a construction contract by May 15, 2008.</p>			
2	City of Redding Shasta County PPNO: 02-2306 South Bonnyview Widening	\$1,658,000	06/07/2007 FP-06-101 6 months 06/30/2008 Support
<p>The City of Redding (City) is requesting a six-month extension to the period of contract award for the South Bonnyview Widening project. The City has experienced a five month delay due to right of way issues and in receiving authorization from FHWA for Highway Safety Improvement Program (HSIP) funds.</p> <p>The project requires acquisition of easements on 17 parcels and all have been acquired except for one parcel whose owners refuse to settle the transaction. The City adopted a resolution of necessity regarding this property to initiate eminent domain proceedings and filed a subsequent motion with the court to obtain possession of the property prior to the trial date in which compensation will be established. The hearing to determine order of possession occurred on September 24, 2007, and the court ruled in favor of the City. The City expects to have possession of the parcel by November 7, 2007.</p> <p>In addition, the City was awarded a federal grant in the amount of \$810,000 under the Highway Safety Improvement Program (HSIP) in late July 2007. The City received an approved Request for Authorization to Proceed (E-76) from FHWA on September 14, 2007.</p> <p>The City was unable to begin advertising until the right of way issue was settled and the HSIP funds were authorized. Now that the court has ruled in favor of the City and the HSIP funds have been authorized, the City will begin a two-month advertisement period in November 2007 and anticipates opening bids in January 2008. If there are any unforeseen issues with the bids, the City will need to re-advertise the project. The City would need to re-advertise for two months and would open bids in March 2008.</p>			

Time Extension/Waiver – Project Contract Award Deadline
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3	County of Inyo Inyo County PPNO: 09-5052 Mustang Mesa Resurfacing	\$970,000	06/07/2007 FP-06-101 3 months 03/31/2008 Support
<p>The County of Inyo (County) is requesting a three-month extension to the period of contract award for the Mustang Mesa Resurfacing project.</p> <p>A three-month extension will allow time to revise the design and finalize the Plans, Specifications & Estimate (PS&E) phase of the project. During the pavement investigation, complex grading, drainage, and subgrade issues were identified and will result in the need for additional engineering preparation that was not originally anticipated. As a result, the finalization of the PS&E phase has been delayed so that the issues may be fully addressed.</p> <p>A three-month time extension will also allow the County time to re-advertise the project in the event that unreasonable bids or no bids are received during the first advertisement period. Recent County experience indicates that frequently no bids or excessively high bids are submitted for complex construction projects. Prices for construction materials have been much higher than anticipated and contractors are reluctant to mobilize to Inyo County because of increased fuel and per diem costs. Additionally, input from contractors bidding on recent projects indicates that prices might be higher for bids opening in the fall because of the uncertainty of weather conditions and the potential need for a winter shutdown. A winter shutdown has the potential to increase costs because of right of way delays and asphalt price fluctuations. The ability to re-advertise the project may result in increased response and more competitive bids from contractors.</p> <p>The County anticipates finalizing the PS&E phase by October 26, 2007, and receiving County Board approval of the design by November 6, 2007. When the design is approved, the County anticipates beginning a one-month advertising period on November 12, 2007, and opening bids on December 13, 2007. If the County receives excessively high bids or does not receive any bids, the re-advertisement period is expected to begin on January 8, 2008, and end on February 29, 2008. The County anticipates awarding a construction contract on March 11, 2008.</p>			
4	City of Riverbank Stanislaus County PPNO: 10-0019E Decorative Waterfall and Landscaping	\$192,000	06/07/2007 FP-06-104 6 months 06/30/2008 Support
<p>The City of Riverbank (City) is requesting a six-month extension to the period of contract award for the Decorative Waterfall and Landscaping TE project. Since June 2007, the City has experienced turnover of the Director of Public Works and other key staff working on the design of the project. Due to the staff turnover, work on the final design of the project has been delayed. The City expects to have the staffing issues resolved by March 2008.</p> <p>The City is currently in the process of finalizing the plans for this project and expects to be finished by December 31, 2007; the plans will be submitted to the Department for review in early January 2008. When the plans are finalized, the City will submit the Request for Authorization to Proceed (E-76). The City estimates that the E-76 should be approved by FHWA by March 1, 2008. The City will advertise the project for one month upon approval of the E-76 and anticipates opening bids in April 2008. The City will need one month to review bids. The City anticipates awarding a construction contract by June 2008.</p>			