

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 9-10, 2008

Reference No.: 2.8b.
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Rachel Falsetti
Acting Division Chief
Transportation Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR STATE HIGHWAY SYSTEM PROJECTS, PER RESOLUTION G-06-08 WAIVER-08-12**

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Waiver-08-12, extending the period of contract award by six months, to November 31, 2008, for the new Inland Empire Transportation Management Center (TMC) project located in the city of Fontana in San Bernardino County. (PPNO 08-0401X, EA 377041).

ISSUE:

On November 8, 2007, the Commission allocated \$21,647,000 for this State Highway Operation and Protection Program (SHOPP) project. In accordance with Resolution G-06-08, the deadline to award contracts for projects allocated on November 8, 2007, is May 31, 2008. The Department will not be able to meet the deadline for this project and is requesting a time extension for the period of contract award. The project is currently scheduled to be advertised in September 2008 and awarded in November 2008.

BACKGROUND:

This project could not be awarded due to a technicality in the State Budget that does not allow the use of future year federal funds until the start of the new fiscal year. The 2007 Budget Act appropriations for Specialty Facilities (303) did not include federal reimbursement authority. The project utilizes federal CMAQ and Demo funds for construction that cannot be legally obligated (accessed) until the passage of the 2008-2009 fiscal year budget.

In June 2006, the Commission adopted Resolution G-06-08, making the six-month period to award a permanent requirement under the STIP Guidelines.