

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 19-20, 2010

Reference No. 2.8d.(3)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
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Transportation Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT EXPENDITURES FOR LOCALLY-ADMINISTERED ON-SYSTEM STIP PROJECTS, PER STIP GUIDELINES WAIVER-10-27**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) extend the period of project expenditure for two locally-administered on-system projects for the time periods specified on the attached document.

ISSUE:

The attached document identifies two projects totaling \$8,547,000 programmed in the 2008 State Transportation Improvement Program (STIP) in Fiscal Year 2007-08. The implementing agencies will not have been expended by the June 30, 2010 deadline. The attachment shows the details of the projects and the explanation for the delays. The project sponsors have requested an extension, and the regional planning agencies concur.

BACKGROUND:

Current STIP Guidelines stipulate that funds programmed for project development and Right of Way are available for expenditure only until the end of the second fiscal year after the fiscal year in which the STIP funds were allocated. The Commission may approve a waiver to the timely use of funds deadline for allocation one time only for up to 20 months in accordance with Section 14529.8 of the Government Code.

Attachment

Time Extension/Waiver – Project Expenditure Deadline
 Locally-Administered STIP Projects on the State Highway System

Dist-Co-Rte Implementing Agency PPNO Project Description	Program/Year Extension Amount By Component (\$ in thousands) PA&ED (Project Approval & Environmental Document) PS&E (Plans, Specifications and Estimates) R/W (Right of Way) CON (Construction) TOTAL	Number of Months Requested Extended Deadline CT Recommendation
1 03-Pla-28 Placer County PPNO: 03-4679	RIP / 07-08 \$0 \$3,439 \$0 \$0 \$3,439	20 months 02/28/2012
<p>Placer County is requesting a 20-month extension for the period of expenditure for the State Route 28 Kings Beach Commercial Core Improvement project. Located in the Lake Tahoe Basin, the project would need to comply with not only State and Federal regulations, it also needs to comply with environmental regulations from the Tahoe Regional Planning Agency (TRPA). During the preparation of the Environmental Impact Study (EIS), a group of citizens filed a lawsuit over concerns about the project in October of 2008. This led to a nine month delay before the lawsuit was subsequently dropped in July of 2009. Although an initial Environmental Impact Statement (EIS) had been certified by TRPA and the California Environmental Quality Act has been certified by Placer County, litigation concerns prompted TRPA to require a supplementary EIS. This has further added roughly a nine month delay to getting final Environmental Clearance under the National Environmental Policy Act (NEPA), which is now complete. Additionally, Placer County was unable to award the PS&E contract due to these delays and had to re-advertise the consultant contract which has caused further delays. Currently, the California Department of Transportation is responding to additional concerns by another citizen's group and although there is a potential for a NEPA lawsuit, it is anticipated that 20 months will be enough time to finalize PS&E.</p>		
2 03-Sac-5 City of Sacramento PPNO: 03-3L42	RIP / 07-08 \$0 \$0 \$5,108 \$0 \$5,108	20 months 02/28/2012
<p>The city of Sacramento is requesting a 20-month extension for the period of Right of Way expenditure for the SR-5 Cosumnes River Boulevard Interchange project. Right of Way (R/W) was allocated in February 2008 and at that time, seven properties needed to be acquired. In the Fall of 2008, appraisals for the seven properties were completed and written offers were submitted to the property owners by that winter. To date, three of the acquisitions have been completed but four properties, whose owners did not accept offers, are still needed. It has been determined that new appraisals, written offers and another round of negotiations are needed before these four properties can be acquired. R/W is funded from not only RIP funds but from local funds as well. To date, much of the RIP funding has been expended however, roughly \$1,000,000 remains unexpended. It is anticipated that an additional 20 months will be enough time to complete the R/W acquisitions including any settlements and lawsuits.</p>		