

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 11-12, 2011

Reference No.: 2.8b.(2)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Denix D. Anbiah
Division Chief
Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR LOCALLY-ADMINISTERED STIP PROJECTS, PER RESOLUTION G-06-08 WAIVER-11-23**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) extend the period of contract award for the time periods identified for each project on the attached document.

ISSUE:

The Commission allocated \$4,424,000 for the construction of the two locally-administered State Transportation Improvement Program (STIP) projects identified on the attachment. The responsible agencies have been unable to award the contracts within six months of allocation. The attachment describes the details of the projects and the explanations for 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	Sacramento County Sacramento PPNO 03-3199C Freedom Park Drive Enhancements, TE	\$2,600,000	11/04/2010 FP-10-12 12 Months 05/31/2012 Approve
<p>The County of Sacramento (County) is requesting a 12-month extension to the period of contract award for the Freedom Park Drive Enhancements TE project. The County is experiencing delays due to a delay in approval of the right of way certification and a potential state budget impacts to local matching funds.</p> <p>The construction allocation was approved on November 4, 2010. The County was proceeding with the right of way acquisition process for the project and anticipated receiving right of way certification by December 15, 2010. The right of way certification was approved February 3, 2011, and the Authorization to Proceed (E-76) was approved on March 7, 2011. The County began advertising the project in March 2011. The delays have pushed the scheduled contract award date into May 2011 which is very close to the STIP award deadline of May 31, 2011. If no bids are received or if bids must be rejected, additional time will be required to re-advertise the project and receive new bids. This process will require a minimum of eight weeks.</p> <p>In addition to the right of way delays, there is a potential for the state budget to impact the local matching funds. The local match for the construction phase of this project includes Redevelopment Funds made available through the Sacramento Housing and Redevelopment Agency (SHRA). The California State Legislature (Legislature) is considering the Governor's proposal to eliminate redevelopment agencies in the state and redirect the redevelopment funds to other items in the Fiscal Year 2011-12 State budget. SHRA has advised the County that if this proposal is adopted by the Legislature and Governor, the redevelopment funds allocated to this project to finance the local match could be eliminated. If these funds are delayed or removed from the project, it will be necessary to delay the award of the contract to provide the County and SHRA time to secure alternate sources of funding for the local match. The County anticipates that it could take up to several months in order to access impacts to other transportation programs and to secure required approvals from the Sacramento County Board of Supervisors and other affected agencies.</p> <p>The County requests a 12-month time extension to May 31, 2012, to allow time for unforeseen bidding issues and allow time to find alternate funding sources due to the possibility of loss of local match funds.</p>			
2	Imperial County Imperial PPNO 11-0520B Dogwood Road Widening	\$1,824,000	07/01/2010 FP-09-55 2 Months 06/30/2011 Approve
<p>The County of Imperial (County) is requesting a two-month extension to the period of contract award for the Dogwood Road Widening project. The County has experienced delays in the right of way phase.</p> <p>The right of way work to be completed at the project location required utility adjustments and relocations which were completed by the Imperial Irrigation District. The County is working with the Union Pacific Railroad (UPRR) for the railroad crossing adjustments and relocations. UPRR sent the County an agreement for the County's review and approval prior to the UPRR completing the work. The Imperial County Counsel reviewed the agreement and had questions on some of the task responsibilities. The County has since completed the review of the agreement and is ready to move forward with the UPRR in order to have the railroad improvements completed simultaneously to those proposed by the County.</p> <p>Dogwood Road is a major arterial roadway. Any detour or lane closure on this roadway must be limited due to the high volume of traffic and truck traffic. It is in the region's best interest to complete the railroad adjustments and the roadway improvements simultaneously. The UPRR had notified the County that the work estimate needed to be updated and because the UPRR design of the railroad crossing had not been completed, it was not feasible to publish specifications and advertise for this project. The special provisions from the UPRR must be included in the bid specifications for the project so that the construction company that is awarded the bid is aware of special circumstances regarding UPRR facilities. The updated bid estimate was completed the week of March 7, 2011, and the Imperial County Board of Supervisors reviewed the bid estimate on March 22, 2011. The County expects to open bids on April 29, 2011, and anticipates awarded the project by June 30, 2011.</p>			