

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 29-30, 2008

Reference No.: 2.8b.(2) – **REVISED**
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Earl Seaberg
Acting Division Chief
Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR LOCALLY-ADMINISTERED STIP PROJECTS, PER RESOLUTION G-06-08 WAIVER-08-34**

RECOMMENDATION:

The 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 **\$13,004,000** 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	County of Lake Lake County PPNO: 01-3036A Kelseyville Main Street TE	\$179,000	04/10/2008 FP-07-66 6 months 04/30/2009 Support
<p>The County of Lake (County) is requesting a six-month extension to the period of contract award for the construction phase of the Kelseyville Main Street TE project. The County experienced delays obtaining right of way certification necessary to authorize construction funds. Prior to requesting Commission approval for construction allocation, the County began surveying the project. Due to the lack of survey monuments in the area, the County experienced a two-month delay surveying the project to determine the exact right of way locations and to define the amount of right of way needed. The final amount of right of way was authorized in May 2008. The County purchased the required parcels by the end of July 2008. The Board of Supervisors approved the right of way certification on August 5, 2008. The Request for Authorization to Proceed (E-76) was submitted to the Department on August 12, 2008. The FHWA authorized the E-76 on September 15, 2008.</p> <p>The County plans to begin advertising by October 2008, opening bids by December 2008, and awarding the contract by February 2009. The County requests an additional two months to cover contingencies related to the contract award, such as having bids coming in too high or incomplete and having to re-advertise. The County is requesting a six-month time extension to April 30, 2009.</p>			
2	City of Yuba City Sutter County PPNO: 03-3134 Bridge Street Reconstruction TE	\$700,000	05/29/2008 FP-07-73 6 months 05/31/2009 Support
<p>The City of Yuba City (City) is requesting a six-month extension to the period of contract award for the construction phase of the Bridge Street Reconstruction Transportation Enhancement (TE) project. The City experienced delays coordinating the design and construction of the Bridge Street Reconstruction TE project to blend well with an ongoing adjacent Plumas Street project, which had several setbacks due to construction issues outside the City's control. The adjacent Plumas Street project was delayed due to utility issues that resulted in contract change orders. The City has finalized plans, specifications, and estimates consistent with the requirements of the TE program, as well as the adjacent Plumas Street project. The project's schedule requires a minimum of 30 days to advertise the project and open bids, a minimum of 15 days for the City to put the award of the contract on the local agenda, and a minimum of 7 days to obtain approval to award the contract. The City submitted a Request for Authorization to Proceed (E-76) to the Department on September 15, 2008. The City did not receive E-76 authorization by the close of the federal fiscal year due to the lack of obligation authority.</p> <p>The Department recently received obligation authority and is working with the City to authorize the E-76 prior to the 08/09 FTIP adoption. If the project receives E-76 authorization by the end of October 2008, and is included in the 08/09 FTIP, the city plans to begin advertising by November 2008, opening bids by January 2009, and awarding the contract by February 2009. However, if the E-76 is not authorized by the end of October 2008 and the project is not included in the 08/09 FTIP, the City may need to submit an FTIP amendment to be reprogrammed into the 08/09 FTIP, which takes two to three months. In this case, the City plans to begin advertising by February 2009, opening bids by April 2009, and awarding the contract by May 2009. The City is requesting a six-month extension to May 31, 2009.</p>			

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

Project #	Applicant County PPNO Project Description Reason for Project Delay	Extension Amount Construction Only	Allocation Date Resolution Number Number of Months Requested Extended Deadline CT Recommendation
3	County of Kern Kern County PPNO: 06-8700 7 th Standard Road Improvement	\$11,200,000	06/26/2008 FP-07-81 6 months 06/30/2009 Support
<p>The County of Kern (County) is requesting a six-month extension to the period of contract award for the construction phase of the 7th Standard Road Improvements project. The County has been actively negotiating with property owners for acquisition of right of way and slope easements; however, the County is experiencing delays due to difficulty reaching a consensus with the property owners. If the County and the property owners do not come to terms of an agreement or execute a Right of Entry, the County may not be able to upgrade the Right of Way Certification from a level three to a level two. A level two certification is required to open bids and award the contract. Without the upgrade to certification two, the County could advertise the project, but could not open the bids and would not be able to award a construction contract. As a result, the County may not be in position to meet its contract award deadline.</p> <p>The project was originally scheduled to be approved by the Board of Supervisors on September 30, 2008, be advertised on October 6, 2008, open bids on November 19, 2008, and award the contract on December 9, 2008. The County anticipates extending the advertising period from November 2008 to February 2009, opening bids in February 2009, and awarding the contract by April 2009. The County requests an additional two months to account for contingencies during the award process due to bid protests, high bids, or no bids. The County is requesting a six-month time extension to June 30, 2009.</p>			
4	City of Pasadena Los Angeles County PPNO: 07-3424 Playhouse District Streetscape TE	\$925,000	04/10/2008 FP-07-66 2 months 12/31/2008 Support
<p>The City of Pasadena (City) is requesting a two-month extension to the period of contract award for the construction phase of the Playhouse District Streetscape Transportation Enhancement (TE) project. The City is experiencing delays due to legal issues raised by a local electrical union. Because this project involves street lighting work, the International Brotherhood of Electrical Workers (IBEW) union insists that the City include specific language in their specifications to ensure that the low bidder has the appropriate licenses and requirements to do any electrical work on the project. This issue was initially raised at the July 2007 City Council meeting. The Council was about to award a similar project when the IBEW arrived and contested the prospective bidder. The City's public works staff began meeting with the city attorney within days after the July 2007 Council meeting to discuss if it was necessary to add language to the specifications for the Playhouse District Streetscape TE project. In April 2008, at the time the City requested construction allocation, much of the verbiage to be included in the specifications had been resolved. Within the last six months, this verbiage has been reviewed between the City Attorney's office and the public works staff; however, neither side has been able to come to an agreement about the final contract language.</p> <p>The City is presently advertising the project in anticipation that the final contract language will be resolved by the time bids are opened. The City anticipates opening bids by October 2008 and awarding the contract by November 2008. The City requests an additional month to cover contingencies related to the contract award, such as having no bids or having to reject bids because they are too high or incomplete. The City is requesting a two-month time extension to December 31, 2008.</p>			
5	San Joaquin Regional Transit District San Joaquin County PPNO: 10 K656 Mall Transfer Enhancements TE	\$375,000	04/10/2008 FP 07-66 3 months 01/31/2009 Support
<p>The San Joaquin Regional Transit District (SJRTD) is requesting a three month extension to the period of contract award for the construction phase of the Mall Transfer Enhancements Transportation Enhancement (TE) project. The SJRTD experienced delays in completing the paperwork for Disadvantaged Business Enterprises and Right of Way certification. This caused a delay in obtaining authorization from the FHWA to proceed with construction. The complete Request for Authorization to Proceed (E-76) was submitted to the Department on August 14, 2008. The FHWA authorized the E-76 on August 14, 2008. The SJRTD began advertising the project on August 25, 2008, opened bids on September 24, 2008, and anticipates awarding the contract by October 2008. In case the low bid is protested, the SJRTD requests one month to evaluate the protest, one month to re-issue the invitation for bids, and one month to evaluate bids and award the contract. The SJRTD is requesting a three month time extension to January 31, 2009.</p> <p align="center">WITHDRAWN PRIOR TO MEETING.</p>			