

# Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 22, 2015

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

From: NORMA ORTEGA  
Chief Financial Officer

Prepared by: Rihui Zhang, Chief  
Division of Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR LOCALLY-ADMINISTERED STIP PROJECTS, PER RESOLUTION G-13-07 WAIVER-15-01**

## **RECOMMENDATION:**

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve the request by the City of Atascadero (City) to extend the period of contract award for the Route 41 Multi-Purpose Pathway to the Park project (PPNO 05-2376), for three months from December 31, 2014, to March 31, 2015.

## **ISSUE:**

On June 25, 2014, the Commission approved Resolution FP-13-66, allocating \$526,000 for construction of the Route 41 Multi-Purpose Pathway to the Park Project. The City was unable to award the contract award prior to the award deadline of December 31, 2014, due to unforeseen bid complications.

## **BACKGROUND:**

The City advertised the project in September 2014 and opened the bids in October 2014. The City received three-bids. The two lowest bidders did not meet the Disadvantaged Business Enterprise requirements. The third lowest bid was 21 percent higher than the engineer's estimate. The City cancelled all the bids due to the lack of additional funds to bridge the difference.

The City has revised the project plans to help keep bids close to the funding amounts. The City re-advertised the project on November 7, 2014, and bids were opened on December 18, 2014. The lowest bidder met financial and Disadvantaged Business Enterprise goals. The City will take the contract to City Council for award by the beginning of February. The City is requesting an additional month in case of protest. Therefore, a three-month time extension is being requested through March 31, 2015.

Current STIP Guidelines, Resolution G-13-07, adopted August 6, 2013, stipulate that the agency implementing a project request a time extension if the project will not be awarded within six months of the allocation. The Commission may approve waivers to the timely use of funds deadline one time only for up to 20 months in accordance with Government Code Section 14529.8.