

State of California  
Business, Transportation and Housing Agency  
Department of Transportation

PROJECT BUSINESS MATTERS  
Request for Waiver – Project Completion  
Action Item

Prepared by:  
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CTC Meeting: May 2-3, 2001

Agenda Item: 2.8c.(3)

*Original Signed by* \_\_\_\_\_

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Chief Financial Officer  
May 1, 2001

**TIME EXTENSION REQUEST – CTC RESOLUTION G-99-25**  
**GUIDELINES FOR ALLOCATING, MONITORING AND AUDITING OF**  
**FUNDS FOR LOCAL ASSISTANCE PROJECTS**

**INTERREGIONAL IMPROVEMENT PROGRAM**  
**WAIVER-01-27**

**ISSUE**

Resolution G-99-25, *Guidelines for Allocating, Monitoring and Auditing of Funds for Local Assistance Projects*, adopted by the California Transportation Commission (Commission) on August 18, 1999, stipulates that the funds must be expended by the end of the second fiscal year following the fiscal year in which the funds were allocated.

The Department of Transportation (Department) is requesting a 16-month time extension, from June 30, 2001 to October 31, 2002, for \$1,866,939 remaining from the initial allocation of \$2,000,000 for the San Diego Area Maintenance Facility to be located in National City. The right-of-way and environmental work has been delayed because the owner of the property, Pacific Steel, Inc. (a foreign company), is in the process of selling the business located on the property. The Department and Amtrak are communicating with the Burlington Northern Santa Fe (BNSF) Railroad to enter into an operating agreement for an alternate adjacent site owned by BNSF. The 16-month time extension is needed to ensure funds remain available to complete the right-of-way and environmental work.

**RECOMMENDATION**

The Department of Transportation requests the Commission approve this time extension request from June 30, 2001 to October 31, 2002.

**BACKGROUND**

The Commission approved \$2,000,000 under Resolution MFP-98-14 from the State Highway Account, December 2, 1998. This prior allocation is currently only 10% spent. The Department is working with Amtrak to acquire a right of entry in order to perform a Phase II Environmental either with the cooperation of Pacific Steel or through a court order. The Department has also sent a letter of support on behalf of Amtrak to the BNSF outlining benefits for joint use of its site. Additionally, the Department identified possible relocation properties for Pacific Steel. To resolve these issues, a 16-month time extension is needed.