

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 7-8, 2004

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

From: ROBERT L. GARCIA
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Ref: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD PER RESOLUTION
G-03-19, FOR LOCAL STIP PROJECTS
WAIVER-03-40**

ISSUE:

The California Transportation Commission (Commission) allocated construction funds totaling \$14,784,000 for two projects in Los Angeles County, as shown on the attachment. The responsible agencies have been unable to award the contracts and do not anticipate awarding the contracts by the deadline. The attachment shows the details of the projects and the delays that have resulted in the extension requests. The responsible agencies request extensions, and the planning agency concurs.

RECOMMENDATION:

The Department of Transportation's recommendations are shown on the attachment.

BACKGROUND:

Resolution G-03-19, State Transportation Improvement Program (STIP) Guidelines, adopted by the Commission on December 11, 2003, stipulates that funds allocated for the construction phase of local grant projects are available for contract award for a period of 12 months from the date of allocation. The Guidelines further 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 – Contract Award
Local Streets and Roads Projects
Program Year 2003/2004**

Project #	Applicant County	Extension Amount By Component (\$ in thousands)	Number of Months Requested
	PPNO	E&P	Extended Deadline
	Project Description	PS&E	CT Recommendation
	Reason for Project Delay:	R/W	
		CON	
		Total	
1	Alameda Corridor – East Construction Authority Los Angeles	\$0 \$0 \$0	6 months 11/22/2004
	PPNO: 2318 Ramona Blvd. Grade Separation – Phase I	\$5,551 \$5,551	Support – meets STIP guidelines
<p>At the time of allocation, the estimated date for contract award was December 18, 2003. Following the allocation, design changes were necessary based upon Union Pacific Railroad (UPRR) design review comments to incorporate an additional bridge abutment for UPRR’s future expansion capability and a steel girder bridge for the existing track. The redesign effort extended the design phase of the project, extending the right-of-way and construction schedules. The project is now scheduled to advertise in April 2004. This makes it likely that the contract award deadline of May 22, 2004 will not be met. Consequently, the Authority is requesting a 6-month extension of the contract award deadline. This will allow enough time in case additional unforeseeable problems arise during the right-of-way certification and/or bid and award process.</p>			
2	City of El Segundo Los Angeles	\$0 \$0	18 months 11/22/2005
	PPNO: 2377 Douglas Street Gap Closure / Grade Sep. & Intermodal Fac.	\$0 \$9,233 \$9,233	Support – meets STIP guidelines
<p>At the time of the construction allocation, design and environmental clearance was complete and the project was ready to bid pending right-of-way certification. This certification was anticipated in November 2003. Unfortunately, the right-of-way certification has been delayed for 12 months due to the following:</p> <ul style="list-style-type: none"> • It was initially estimated that a total of twenty documents were involved for property acquisitions, easements and cooperative agreements. As design progressed and further discussions with property owners and utility agencies were held, a total thirty-five documents were identified as needed to provide right-of-way certification, resulting in approximately twice the originally anticipated effort. • Several changes to the design resulting from right-of-way discussions with property owners and utility agencies resulted in delays to finalize the right-of-way documents and for the County to make formal offers. (The Los Angeles County Department of Public Works was retained by the City to provide right-of-way certification and acquisition services.) • Subsequent to commencement of discussions with property owners in April 2003, one property was sold. The tenant of this property also changed. Negotiations had to be restarted with the new owners and tenant, and final agreement is pending close of escrow. An additional unforeseen factor was the discovery of a parking agreement between this property and the neighboring property, which resulted in additional discussions with the neighboring property owner. • After completion of the final design, the Burlington Northern – Santa Fe Railroad required that the project include connection of its existing Y-branch track to the temporary shoo-fly track. This had not been brought up in previous design review. This connection impacted one of the Railroad’s tenants, resulting in additional right-of-way work. • In November 2003, one abutting property owner required that certain vibration sensitive operations of their facility be relocated to an alternate site for the duration of the project construction. This requirement has necessitated the negotiation of a relocation agreement, which was not anticipated during the initial discussions with the property owner. <p>The City of El Segundo estimates that these delays amount to approximately a 12-month delay in the project. Also, an additional 6 months may be needed to allow for eminent domain proceedings in a contested and difficult situation. Therefore, the City is requesting an 18-month extension of the contract award deadline.</p>			