

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 25-26, 2008

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

From: CINDY McKIM
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR ONE LOCALLY-
ADMIMISTERED STIP PROJECT ON THE STATE HIGHWAY SYSTEM, PER
RESOLUTION G-06-08
WAIVER-08-24**

RECOMMENDATION:

On behalf of the City of Modesto, the Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Waiver-08-24, extending the period of contract award for six months, to January 31, 2009, for widening of State Route 219 (PPNO 9940B, EA 10-0N0001) in the city of Modesto.

ISSUE:

On January 10, 2008, the Commission allocated \$2,770,000 for this State Transportation Improvement Program (STIP) project. In accordance with Resolution G-06-08, the deadline to award contracts for projects allocated on January 10, 2008, is July 31, 2008. The City of Modesto will not be able to meet the deadline and is requesting a time extension for the period of contract award.

BACKGROUND:

Commencing July 1, 2008, the San Joaquin Valley will be operating under an interim Federal Transportation Improvement Program (FTIP). Under an interim FTIP, the City of Modesto's share of federal demonstration funds will not be available until November 2008. This project is currently short \$2,240,000 in federal demonstration funds due to interim FTIP constraints. With such a shortfall, the City of Modesto is not in a position to bid this project until the 2009 FTIP is adopted in November 2008 or a proposed STIP amendment to exchange the federal demonstration funds for STIP RIP funds is approved. A six-month time extension will allow the City of Modesto to advertise and award the project once the 2009 FTIP is adopted. In light of the current bidding environment, this delay is not expected to result in a cost increase to the project.

In June 2006, the Commission adopted Resolution G-06-08, making the six-month period to award a permanent requirement under the STIP Guidelines.