

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 30-July 1, 2010

Reference No.: 2.8d.(2)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

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Mass Transportation

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT
EXPENDITURES FOR LOCALLY-ADMINISTERED STIP PROJECTS,
PER STIP GUIDELINES
WAIVER-10-37**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve a 20-month extension request for the period of project development expenditure, to February 29, 2012, for the Modoc Transportation Center project (PPNO 2449).

ISSUE:

The Commission approved Resolution MFP-07-17 allocating \$150,000 to the Modoc County Transportation Commission (MCTC) for the Modoc Transportation Center project. Subsequently, given the State's budget difficulties in recent years, MCTC has been unable to begin environmental work due to the uncertainty of future State funding. In response to Commission staff recommendations for the 2010 STIP, MCTC has agreed to reprogram future funding to outer years to coincide with the revised project schedule. In addition, MCTC has been evaluating their options to deliver this project at a substantially lower cost than previously anticipated. This includes MCTC being involved in continuous negotiations with other local government agencies to co-locate within a single campus and proportionately share the costs.

A 20-month extension to the period of project development expenditures to extend the deadline to February 29, 2012, is being requested.

BACKGROUND:

Current State Transportation Improvement Program guidelines stipulate that funds allocated for local project development must be expended by the end of the second fiscal year following the fiscal year in which the funds were allocated. 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.