

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 25, 2012

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

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Denix D. Anbiah
Division Chief
Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR LOCALLY-ADMINISTERED STIP PROJECTS, PER RESOLUTION G-06-08 WAIVER-12-02**

RECOMMENDATION:

The California Department of Transportation recommends the California Transportation Commission (Commission) extend the period of contract award for the time periods identified for each project, with the contingency as described on the attached document.

ISSUE:

The Commission allocated \$366,000 for the construction of the two locally-administered State Transportation Improvement Program (STIP) projects in the City of Lindsay (City), identified on the attachment. The City has been unable to award the contracts within six months of allocation. The attachment describes the details of the projects and the explanations for the delays. The City is requesting extensions, and the planning agency concurs.

BACKGROUND:

In June 2006, the Commission adopted Resolution G-06-08, which requires the agency implementing a project to request a time extension if the project will not be awarded within six months of the allocation. STIP Guidelines 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 – Project Contract Award Deadline
 Local Streets and Roads Projects

| Project # | Applicant County PPNO Project Description Reason for Project Delay | Extension Amount <i>Construction Only</i> | Allocation Date Resolution Number Number of Months Requested Extended Deadline CT Recommendation |
|--|---|--|--|
| 1 | City of Lindsay Tulare County PPNO 06-D022 Government Center Plaza, TE | \$199,000 | 06/23/2011 FP-10-38 20 Months 08/31/2013 Approve with Contingency |
| <p>The City of Lindsay (City) is requesting a 20-month extension to the period of contract award for the Government Center Plaza TE project. The City has experienced delays in obtaining approval of the Authorization to Proceed with Construction (E-76) and contract advertisement issues. The reason for the delay is the same as for Project 2, below.</p> <p>In response to findings identified in the City’s most recent Single Audit, the Department is conducting its own audit investigation and has informed the City that no further federal authorization or reimbursement will be authorized by the Department until the Department receives the results of its own audit investigation and determines if any further corrective actions are required by the City. The Department auditors were scheduled to meet City officials and conduct a field review during the last week of November 2011. The Department anticipates completing a preliminary report in January 2012.</p> <p>The Department has informed the City that it is willing to recommend approval of a 20-month time extension for the period of contract award for this project. However, it is difficult to predict how much time will be required to resolve any findings, if they are identified in the report. The Department is proposing the maximum time allowed for the extension in order to provide flexibility. The City may advertise and award once the Department removes all sanctions and processes the E-76.</p> | | | |
| 2 | City of Lindsay Tulare County PPNO 06-6567 Tulare Road Pedestrian Safety Bollards, TE | \$167,000 | 06/23/2011 FP-10-38 20 Months 08/31/2013 Approve with Contingency |
| <p>The City of Lindsay (City) is requesting a 20-month extension to the period of contract award for the Tulare Road Pedestrian Safety Bollards TE project. The City has experienced delays in obtaining approval of the Authorization to Proceed with Construction (E-76) and contract advertisement issues. The reason for delay is the same as for Project 1, above.</p> <p>In response to findings identified in the City’s most recent Single Audit, the Department is conducting its own audit investigation and has informed the City that no further federal authorization or reimbursement will be authorized by the Department until the Department receives the results of its own audit investigation and determines if any further corrective actions are required by the City. The Department auditors were scheduled to meet City officials and conduct a field review during the last week of November 2011. The Department anticipates completing a preliminary report in January 2012.</p> <p>The Department has informed the City that it is willing to recommend approval of a 20-month time extension for the period of contract award for this project. However, it is difficult to predict how much time will be required to resolve any findings, if they are identified in the report. The Department is proposing the maximum time allowed for the extension in order to provide flexibility. The City may advertise and award once the Department removes all sanctions and processes the E-76.</p> | | | |