

Memorandum

Tab 87

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 20, 2014

Reference No.: 2.8d.
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Bruce Roberts, Acting Chief
Division of Rail and Mass
Transportation

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT REIMBURSEMENT FOR
LOCALLY PROPOSITION 116 BOND PROGRAM PROJECTS,
WAIVER 14-38**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve a 20 month extension for the period of project reimbursement, to March 31, 2016, for the Orange County Metrolink Fiber Optics Installation project.

ISSUE:

In April 2010, the Commission approved Resolution BFP-09-03 allocating a total of \$12,300,000 to the Orange County Transportation Authority (OCTA) for the Orange Metrolink Fiber Optics Installation project. A third party contract was awarded on January 21, 2011 and the project was completed by the deadline. However, the OCTA was unable to close out the project and submit final invoices within the 180 days allowed, due to a delay in obtaining an approved Indirect Cost Allocation Plan (ICAP) from the Federal Transit Administration (FTA). Indirect costs incurred for Fiscal Years 2011-12 and 2012-13 require FTA's approval prior to submittal of final invoices to the Department.

An extension would allow for OCTA to settle pending claims and work with the Department to process reimbursement requests for related project costs. It is uncertain how long it will take the FTA to approve the ICAP rates for these two years; therefore, a 20 month extension to March 31, 2016 is being requested.

BACKGROUND:

Current Proposition 116 Guidelines stipulate that a local agency has 180 days after project acceptance to make the final payment to the contractor or vendor, prepare the final report of expenditure, and submit the final invoice to the Department for reimbursement. 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.