

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 29-30, 2016

Reference No. 2.8a.(3)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Bruce De Terra, Chief
Division of Transportation
Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT ALLOCATION FOR STATE-ADMINISTRATED STIP PROJECT, PER STIP GUIDELINES WAIVER 16-25**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) extend the period of project allocation for 18 months for the State administrated Betty Drive Interchange project (PPNO 6423) in Tulare County, on the State Highway System.

ISSUE:

Currently, a total of \$5,000,000 in Regional Improvements Program funds are programmed for construction support for the Betty Drive Interchange project in Fiscal Year 2015-16. Construction Capital is locally funded for \$40,000,000.

The last remaining requirement is an executed Construction and Maintenance (C&M) agreement with the Union Pacific Railroad (UPRR). Once the C&M agreement is executed, right of way will be certified and the project will be ready to list. The Department has been working with UPRR for over a year and there has been no commitment from UPRR on a timeframe to approve the agreement, although UPRR anticipates execution soon. Considering the uncertainty of UPRR and their unwillingness to commit to a date, the Department is requesting an 18-month time extension in order to execute the agreement with UPRR.

BACKGROUND:

Current STIP Guidelines, Resolution G-13-07, stipulate that funds programmed for all components of local grant projects or Department construction and construction support costs are available for allocation only until the end of the fiscal year identified in the STIP. The Commission may approve a waiver to the timely use of funds deadline for allocation one time only for up to 20 months in accordance with Section 14529.8 of the Government Code.