

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: November 8-9, 2006

Reference No.: 2.8b.(2) - **REVISED**
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR LOCALLY-ADMINISTERED STIP PROJECTS, PER FISCAL YEAR 2005-06 STIP/SHOPP ALLOCATION PLAN AND CRITERIA WAIVER-06-41**

CTC ACTION TAKEN: All extension requests were approved as requested except Project #12 (Contra Costa), which was approved for four months only.

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Waiver-06-41 extending the period of contract award for the time periods identified for each project on the attached document.

ISSUE:

The Commission allocated \$2,262,000 for the construction of the 12 projects identified on the attachment. The responsible agencies have been unable to award the contracts and do not anticipate awarding the contracts by the deadlines. The attachment describes the details of the projects and the explanation of the delays. The respective agencies request extensions, and the planning agencies concur.

BACKGROUND:

Resolution G-03-19, State Transportation Improvement Program (STIP) Guidelines, adopted by the Commission on December 11, 2003, stipulates that funds allocated for the construction phase of local grant projects are available for contract award for a period of 12 months from the date of allocation. The Guidelines further 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.

In July 2005, the Commission adopted the Fiscal Year (FY) 2005-06 STIP/SHOPP Allocation Plan and Criteria, which limited FY 2005-06 allocations to projects ready to proceed to construction within six months. The FY 2005-06 STIP/SHOPP Allocation Plan and Criteria also requires the receiving agencies to request a time extension if the project will not be awarded within the six months.

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 (\$ in thousands) <i>Construction Only</i> | Allocation Date Resolution Number Number of Months Requested Extended Deadline CT Recommendation |
|-------------|--|---|--|
| 1 through 9 | City of Avenal Kings PPNO: 6-8588 Kern Street Reconstruction | \$139 <i>and</i> | 04/27/2006 FP-05-79 4 months 02/28/2007 |
| | City of Avenal Kings PPNO: 6-8589 Kern Street Reconstruction | \$180 <i>and</i> | Support |
| | City of Avenal Kings PPNO: 6-8590 Ventura Street Reconstruction | \$176 <i>and</i> | |
| | City of Avenal Kings PPNO: 6-8592 Union Avenue Reconstruction | \$262 <i>and</i> | |
| | City of Avenal Kings PPNO: 6-8593 Freemont Street Reconstruction | \$139 <i>and</i> | |
| | City of Avenal Kings PPNO: 6-8594 Shasta Street Reconstruction | \$143 <i>and</i> | |
| | City of Avenal Kings PPNO: 6-8595 Whitney Street Reconstruction | \$113 <i>and</i> | |
| | City of Avenal Kings PPNO: 6-8597 Third Avenue Reconstruction | \$166 <i>and</i> | |
| | City of Avenal Kings PPNO: 6-8598 Orange Street Reconstruction | | |
| | <p>The City of Avenal (City) is requesting a four-month time extension for nine road reconstruction projects totaling \$1,457,000. Since the projects are similar and located in the same vicinity, the City has combined these nine projects into one project for efficiency in advertising and awarding a contract. The City is currently completing the Plans, Specifications, and Estimates (PS&E), and anticipates awarding the contract in February 2007.</p> | | |
| | <p>The City programmed these projects and requested the allocations in Fiscal Year (FY) 2002-03; however, due to the lack of State funds, these projects were reprogrammed in each of the last three fiscal years. The City requested the allocations again at the February 2006 Commission meeting, but the project s were placed on the Pending Allocations List. By the time the projects were allocated in April 2006, the construction cost had increased to \$29.00 per square yard from the original estimate of \$12.50 per square yard in FY 2002-03. Also, the construction cost had increased by approximately \$500,000 to meet the Americans with Disabilities Act requirements. It took the City four months to identify the additional funding required, resulting in a four-month delay for the project. The City currently has the funds available but cannot meet the October 2006 deadline. The City is requesting a four-month time extension to complete the PS&E, advertise, and award the contract.</p> | | |

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| 10 | City of San Joaquin Fresno PPNO: 6-B002D Main Street Landscaping | \$231 | 04/27/2006 FP-05-73 8 months 06/30/2007 Support |
| <p>This project was programmed into the 2003-04/2005-06 Federal Transportation Improvement Program (FTIP) as five separate projects. The City of San Joaquin (City) combined the five projects into one construction project because the type of work was relatively the same for all five projects, and the City was likely to receive a more favorable bid for the combined project than if the five projects were bid separately. The combined project had four different funding sources (CMAQ, RSTP, SR2S and TE) in addition to the City's local match. Due to the complexity of the project, the City had difficulties completing the Request for Authorization to Proceed with Construction (E-76) package. The Department received the E-76 package on August 16, 2006, returned it for various corrections, and received the completed package on September 1, 2006. However, as the agency had previously been notified, the completed package needed to be received by August 11, 2006 for the Department and FHWA to be able to process it in Federal Fiscal Year 2005-06. Since the City submitted the E-76 package too late, the City needs to reprogram the project into the 2006-07/2008-09 FTIP. It will take the City and the Council of Fresno County Governments (COFCG) approximately three months to identify a project that can be removed from the COFCG FTIP and replaced by the City's construction project in order to provide funding. It will take another three months to complete a formal amendment to the 2006-07/2008-09 FTIP, one month to submit the E-76 and obtain approval, one month for advertising and bidding, and one month to prepare the award agenda for the city council. The City now anticipates awarding the contract in June 2007. The City is requesting an eight-month extension to the period of contract award.</p> | | | |
| 11 | City of Willits Mendocino PPNO: 1-4081T Rehabilitation of East Building of Willits Train Station | \$232 | 06/08/2006 FP-05-86 6 months 06/30/2007 Support |
| <p>The project was delayed for the following two primary reasons: (1) extended negotiations with the third party owner of the train depot, the Sierra Railroad Company (SRC), and (2) effect of storm damage repair projects on staff commitments.</p> <p>When the project to rehabilitate the historic Willits Train Depot was initially proposed, the depot facility was owned by the California Western Railroad Company (CWRC). The CWRC filed for bankruptcy in late 2002. The SRC purchased the assets out of bankruptcy in March 2004, and commenced operations in May 2004. Prior to requesting the construction allocation, City of Willits (City) staff worked with SRC to bring them up to date on the project's history and details. When the City requested the allocation, the City assumed that all issues had been resolved and the project was ready to proceed immediately. However, the process to select an architect took longer than anticipated because the SRC had incorrectly assumed that it could choose the architect on its own. After several weeks of negotiations, the City and the SRC were able to reach an agreement regarding the architect. The City completed the plans in mid-October 2006.</p> <p>In December of 2005, the City began to experience flood conditions that exceeded high water marks going back several decades. Governor Arnold Schwarzenegger proclaimed a state of emergency for the area as a result of the heavy rains in December 2005 to January 2006. Subsequently, the disaster event declaration was extended through April 2006, as storm and flood conditions continued. The City sustained substantial flood damage as a result of the continuous heavy rains. While the City was able to make many repairs on an emergency basis, many other repairs are ongoing. Flooding; as well as the subsequent repairs, oversight, and the volumes of paperwork associated with the Federal Emergency Management Agency (FEMA) reimbursement process; have added to the City's delays.</p> <p>The City completed the plans in mid-October 2006 and anticipates awarding the contract in June 2007. The City is requesting a six-month time extension to the period of contract award.</p> | | | |

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|---|---|---|--|
| 12 | Contra Costa County Contra Costa PPNO: 4-2011T Reliez Valley Road Pedestrian Path | \$342 | 07/20/2006 FP-06-07 6 months Approved for 4 months only. 07/31/2007 05/30/2007 Support |
| <p>The County of Contra Costa (County) had originally included a pedestrian bridge in the plans and specifications for Reliez Valley Road Pedestrian Path project. After the funds were allocated, the County determined that it would be more economical to utilize retaining walls and a pedestrian walkway rather than a bridge. The County changed the plans and specifications to incorporate this more economical alternative, which does not change the scope of the project. In general, the original scope was to construct a walkway at the back of roadway shoulder, which would require installation of an approximate 300 foot long prefabricated steel pedestrian bridge to span over a steep down-slope embankment. To eliminate the expense of the pedestrian bridge, it was determined that through the use of retaining walls, the traffic could be slightly shifted to create sufficient room to accommodate the proposed walkway. This change required additional time that had not been anticipated. The City received approval of the Authorization to Proceed with Construction in October 2006. The County currently anticipates advertising the project in November 2006 and awarding the contract before March 2007. The County is requesting a six -month time extension to allow for any unexpected complications in the award process.</p> | | | |