

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 24-25, 2020

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(3), Action Item

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

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT EXPENDITURES FOR
LOCALLY-ADMINISTERED STIP PROJECTS ON THE STATE HIGHWAY
SYSTEM, PER STIP GUIDELINES
WAIVER 20-46**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project expenditures for two locally-administered projects, programmed in the State Transportation Improvement Program (STIP)?

RECOMMENDATION:

The California Department of Transportation (Department) recommends the Commission extend the period of expenditures for two locally-administered projects, programmed in the STIP as specified in the attachment.

BACKGROUND:

These agencies will not be able to expend the allocated funds by the June 30, 2020 deadline. The attachment shows the details of the projects and the explanations for the delays. The project sponsors are requesting time extensions for the period of project expenditure.

Current STIP Guidelines, adopted by the Commission, stipulate that funds programmed for Project Development and Right of Way are available for expenditure only until the end of the second fiscal year after the fiscal year in which the STIP funds were allocated. The Commission may approve a waiver to the timely use of funds deadline for expenditure one-time only for up to 20 months in accordance with Section 14529.8 of the Government Code.

Attachment

*“Provide a safe, sustainable, integrated and efficient transportation system
to enhance California’s economy and livability”*

**Time Extension/Waiver – Project Expenditure
Deadline Locally-Administered STIP Projects**

Project Number: 1
Applicant: Calaveras County
County: Calaveras
District: 10
PPNO: 3067
Fund Type: RIP
Extended Amount: \$2,466,000
Phase: Design
Number of Months Requested: 18 Months
Extended Deadline: 12/31/2021
Department Recommendation: Support, 18 Months

Wagon Trail Realignment

The Wagon Trail Realignment project is proposed to improve 5 miles along State Route 4 in Calaveras County (County). The Commission approved an allocation of \$2,466,000 in Regional Improvement Program (RIP) funds in October 2017 for Design.

The approval of the Federal Authorization to Proceed (E-76) was delayed impacting finalizing the program supplement which is needed prior to executing a contract. The delay was due to the change in Department staffing. The Department has made and is making additional program improvements to eliminate these delays in the future. In addition, there was an audit requirement for projects over \$1 million that was not anticipated prior to the commencement of the contract. The County procured a consultant after the lengthy delays. The current COVID-19 work environment has impacted the ability of the consultant to complete Design before the deadline due to the limited access to project files and software.

Therefore, the County is requesting an 18-month time extension to complete Design and fully expend the RIP funds by December 31, 2021.

Project Number: 2
Applicant: City of Modesto
County: Stanislaus
District: 10
PPNO: 9460A
Fund Type: RIP
Extended Amount: \$4,336,000
Phase: Right of Way
Number of Months Requested: 20 Months
Extended Deadline: 02/28/2022
Department Recommendation: Support, 20 Months

Pelandale Ave Phase II

The Pelandale Avenue Interchange Reconstruction Phase II project in the city of Modesto on State Route 99, proposes to reconstruct the interchange and construct an auxiliary lane. The Commission approved an allocation of \$4,336,000 in RIP funds in October 2017 for Right of Way. At this time, the work is ongoing in acquiring commercial property and relocating utilities.

The project start date was delayed by more than six months after the allocation as a result of the E-76 and cooperative agreement not being approved and processed timely. In addition, the complexity of coordination and communication with business owners and franchisees has required additional time. The coordination with the franchise has been a challenge for many years, requiring the project to be phased. The construction of Phase I and the follow-up negotiation to complete the interchange have brought new issues forward in the current business climate and further concerns by the businesses of the impacts to the commercial businesses of the full interchange improvement with Phase II and how they can be mitigated. The current COVID-19 work environment has further complicated completion and execution of the necessary Right of Way agreements and negotiations since some businesses are closed and communication has slowed the approvals of documents.

Therefore, the City of Modesto requests a 20-month time extension to complete and expend RIP Right of Way funds by February 28, 2022.