

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 24-25, 2020

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(7), Action Item

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Division of Rail and Mass Transportation

Subject: **REQUEST TO EXTEND PROJECT DEVELOPMENT EXPENDITURES FOR A
LOCALLY ADMINISTERED SB 1 - LOCAL PARTNERSHIP PROGRAM (LPP)
PROJECT PER LPP GUIDELINES
WAIVER 20-50**

ISSUE:

Should the California Transportation Commission (Commission) approve a 20-month time extension for the project development expenditures for the Local Partnership Program (LPP) Formulaic Santa Clara Valley Transit Authority (VTA) Capitol Expressway LRT Extension (Eastridge Alum Rock), Rail project (PPNO 04-2174E), in Santa Clara County, to February 28, 2022, per LPP Guidelines?

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the Commission approve a 20-month time extension for the project development expenditures for the LPP Formulaic Santa Clara Valley Transit Authority (VTA) Capitol Expressway LRT Extension (Eastridge Alum Rock) Rail project (PPNO 04-217AE), in Santa Clara County, to February 28, 2022.

BACKGROUND:

On June 28, 2018, the Capitol Expressway LRT Extension (Eastridge Alum Rock), Rail project was approved allocation under Resolution LPP-A-1718-10. The project was allocated for \$9,442,000 for the Right-of-Way (R/W) phase.

In the years between the approval of the project environmental document and VTA proceeding with utility relocation and R/W acquisition, neighborhood concerns regarding the traffic impacts of the at-grade alignment escalated to where the VTA Board directed an aerial alignment. The change from an at-grade alignment to an aerial alignment triggered a Supplemental

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to enhance California’s economy and livability”*

Environmental Impact Report (SEIR), which requires additional updates and an extension of the Preliminary Engineering (PE) to June 2019. In addition, the PE and utility relocation design also influenced the property acquisition documents and resulted in an extension of the R/W phase; this ongoing phase for property acquisition and utility relocations are anticipated to be completed by February 2022.

Other ongoing activities factoring into this time extension are related to Pacific Gas and Electric (PG&E) financial circumstances which are affecting the relocation of the transmission towers that are within the scope of the project, as well as challenges related to COVID-19 shelter-in-place. The COVID-19 delay challenges in utility and R/W activities include:

- VTA needs to acquire properties through the eminent domain process which requires court action. VTA was informed that there is a severe backlog in the court system at this time.
- Utility companies, such as PG&E who had prior challenges due to financial conditions are further affected by the shelter-in-place and the delays pushed the relocation work into the fire season for PG&E.
- There is also joint trench work that requires several utilities to coordinate. The shelter-in-place has affected the coordination activities and field verification work.
- Material procurements are affected due to supply chain disruptions.

Therefore, VTA respectfully requests a 20-month extension for the project development expenditures in the R/W phase to February 28, 2022.

Current LPP Guidelines, adopted by the Commission, stipulate that funds that are programmed for all components of local grant projects or for Department construction costs are available for allocation only until the end of the fiscal year identified in the LPP. However, under the adopted Interim Timely Use of Funds policy, under Resolution G-20-56, an extension can be requested for up to 20-months for each delivery milestone, where permissible by statute, to address impacts to project delivery as a result of the COVID-19 pandemic.