

MEMORANDUM

TAB 127

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 25-26, 2024

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8b.(8), Action Item -**YELLOW REPLACEMENT ITEM**

Prepared By: Dee Lam, Chief
Division of Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR A TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM COMPONENT, PER TIRCP ALLOCATION POLICY WAIVER 24-12**

ACTION UPDATE: *Revision to the original deadline and the number of months requested.*

ISSUE:

Should the California Transportation Commission (Commission) extend the period of contract award for the Transit and Intercity Capital Program (TIRCP) (2023:20) Eastridge to BART Regional Connector (EBRC) (Regional Connector) component (PPNO CP126), in Santa Clara County, for the time period as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission extend the period of contract award for the TIRCP (2023:20) Eastridge to BART Regional Connector (EBRC) (Regional Connector) component (PPNO CP126), in Santa Clara County, for the time period as identified in the attachment.

BACKGROUND:

In August 2023, the Commission allocated \$46,593,000 for the TIRCP (2023:20) Eastridge to BART Regional Connector (EBRC) (Regional Connector) component (PPNO CP126). The responsible agency has been unable to award the contract within six months of allocation, per the Timely Use of Funds (TUF) policy.

The current TIRCP Allocation Policy stipulates that the agency implementing a project component requests a time extension if the project component will not be completed within the specified timeline. In accordance with the TIRCP Allocation Policy, the deadline to award contracts for projects allocated in August 2023 is February 2024. Under the TUF policy, an extension can be requested for up to 20 months for each delivery milestone, where permissible by statute.

“Provide a safe and reliable transportation network that serves all people and respects the environment.”

In December 2023, a 12-month time extension was approved for the Local Partnership Program (LPP) (Formulaic) funds of the Eastridge to BART Regional Connector (EBRC) Transit project, under Waiver 23-179. LPP funds only allow up to a 12-month time extension, so the TIRCP funds must be held to that timeline for their Timely Use of Funds. The attachment describes the details of the project component and the explanation of the delay.

Attachment

**Time Extension/Wavier – Contract Award
Transit and Intercity Capital Program**

Project Number: 1
Applicant: Santa Clara Valley Transportation Authority
County: Santa Clara County
District: 4
PPNO: CP126
Allocation Amount: \$46,593,000
Phase: Construction
Allocation Date: 08/17/2023
Allocation Resolution: TIRCP-2324-16
Number of Months Requested: 10 Months
Extended Deadline: December 31, 2024
Department Recommendation: Support

(2023:20) Eastridge to BART Regional Connector (EBRC) (Regional Connector)

The Santa Clara Valley Transportation Authority (SCVTA) requests a 10-month time extension for the period of contract award for the Construction (CON) phase of the (2023:20) Eastridge to BART Regional Connector (EBRC) (Regional Connector) component. SCVTA has experienced unexpected delays in awarding the contract.

In August 2023, the Commission approved an allocation of \$46,593,000 for the (2023:20) Eastridge to BART Regional Connector (EBRC) (Regional Connector) component. The awarded scope of work for the project includes the construction of the 2.4-mile extension from Alum Rock light rail station to the Eastridge Transit Center. The scope includes two new stations and two traction power substations.

SCVTA opened bids for the EBRC component on July 25, 2023, and initially planned to close bids on October 12, 2023. However, SCVTA moved the bid close out date to October 26, 2023, and then to November 2, 2023, as the project had not received any bids. As of November 2, 2023, SCVTA received three bids for the project. The lowest bid was 39 percent higher than the engineer's estimate, potentially due to increase in the cost of materials and labor. To cover the cost increase, SCVTA is currently looking for additional funding opportunities. SCVTA is also anticipating a high number of bid protests since the project has over 500-bid items. SCVTA needs additional time to secure funding to cover the cost increase, address bid protests, and/or re-bid the project.

Therefore, SCVTA is requesting a 10-month time extension for the period of contract award for the CON phase from February 29, 2024 to December 31, 2024.