

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 10, 2014

Reference No.: 2.8c.
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rihui Zhang, Chief
Division of Local Assistance

Subject: **POST FACT REQUEST TO EXTEND THE PERIOD OF PROJECT COMPLETION FOR
LOCALLY-ADMINISTERED STIP PROJECT, PER RESOLUTION G-13-07
WAIVER 14-47**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) consider the time extension request by the San Bernardino Associated Governments (SANBAG) to extend the period of project completion deadline for the North Milliken Grade Separation project (PPNO 08-1116) for 20 months from November 4, 2013, to June 30, 2015.

ISSUE:

On July 1, 2010, the Commission approved Resolution STIP1B-A-0910-006, allocating \$45,089,000 for the construction of the North Milliken Grade Separation Project. SANBAG was unable to complete the project construction prior to the deadline of November 3, 2013, due to litigation between the utility company and Union Pacific Railroad (Railroad). As a result, the project is only partially completed. In addition, SANBAG's internal tracking system did not flag the Timely Use of Funds (TUF) deadline for November 2013.

BACKGROUND:

This project will construct a grade separation (rail over highway) along the Alameda Corridor East on North Milliken Avenue located between Guasti and Airport Drive in the City of Ontario. Presently the Railroad is considering a change in the number and configuration of sets of tracks, which affects the existing Kinder-Morgan Petroleum Pipe Line (Pipe Line) in the project area. A lawsuit between the Railroad and Pipe Line will decide the number and configuration of tracks. Since the lawsuit has not been settled, it has delayed SANBAG's requirement to fund certain project improvements. By extending the contract acceptance time, SANBAG will be able to fund and make the necessary changes to the project.

In 2013, SANBAG's internal tracking system did not flag the TUF deadline for the North Milliken Grade Separation Project in November 2013. In response to this error, SANBAG has developed a new process to monitor TUF deadlines to improve project tracking. Therefore, SANBAG is requesting a 20-month time extension from November 4, 2013, to June 30, 2015.

Current STIP Guidelines stipulate that a local agency has up to 36 months from the time of contract award to accept the contract. The local agency has 180 days after the contract acceptance to prepare and submit the final invoices and reports to the Department. The Guidelines further stipulate that the Commission may approve a waiver to the project completion deadline one time only for up to 20 months in accordance with Section 14529.8 of the Government Code.