

STAFF REPORT

TO: TTAC

SUBJECT: Construction Contract Award 6-Month Deadline

MEETING DATE: April 5, 2007 **AGENDA ITEM:** 7

STAFF CONTACT: Brittany Odermann

RECOMMENDATION:

Receive update on the California Transportation Commission (CTC) decision to change the construction contract award deadline from 12 months to 6 months for projects in the STIP and STIP-TE programs. Discuss local agency concerns and issues in meeting this deadline to provide feedback to CTC staff.

DISCUSSION:

At the June 2006 CTC meeting the Commission passed a resolution making permanent a six-month contract award deadline for project construction phase allocation. The Commission allocates funds for a construction project with the condition that the funds be encumbered by award of a contract within 6 months of the allocation.

Extensions of the six-month award deadline are considered and granted on a case-by-case basis by request of the sponsoring agency. Extensions are only considered when extraordinary or unforeseen circumstances beyond the control of the agency have occurred and the number of months requested must be directly attributed to the period of delay incurred by the circumstance. The maximum allowable time extension is 20 months and requests must be received by Caltrans 60 days prior to the six-month deadline. Since passage of this resolution many project sponsors across the state have expressed concern over the shortened timeframe to award construction contracts. CTC staff is exploring the issues associated with the new deadline per a request from the Regional Transportation Planning Agencies (RTPA) group. At the last RTPA meeting CTC staff requested that a small committee convene to discuss such issues. This is an opportunity for project sponsors to voice their concerns and search for solutions to problems they are having in meeting this deadline. If issues persist the Commission may reconsider the 6-month deadline.

Please direct any questions, concerns, or issues you might have to SBCAG staff. SBCAG staff will provide feedback to the committee members for their consideration.