

# Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 18-19, 2016

Reference No. 2.8d.  
Action Item

From: NORMA ORTEGA  
Chief Financial Officer

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Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT EXPENDITURES FOR ONE LOCALLY-ADMINISTERED ON-SYSTEM STIP PROJECT, PER STIP GUIDELINES WAIVER-16-22**

## **RECOMMENDATION:**

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) extend the period of project development expenditures for the Downtown Hoopa Traffic Enhancement project (PPNO 2262), for the period of 20 months, to February 28, 2018.

## **ISSUE:**

The Hoopa Valley Tribe (Tribe) is requesting a 20-month extension to the period of project development expenditures on the Downtown Hoopa Traffic Enhancement project (PPNO 2262), in Humboldt County. A total of \$475,000 programmed in State Transportation Improvement Program (STIP) has been allocated to the Tribe; however, the funds will not be fully expended by the June 30, 2016 deadline. The Department concurs with the Tribe's request for an extension.

## **BACKGROUND:**

The Downtown Hoopa Traffic Enhancement project was allocated on May 21, 2014 under Resolution FP-13-54. In order for the Tribe to begin work and get reimbursed by the Department, a cooperative agreement must be executed prior to work being done. Because the Tribe is a federally recognized independent nation, a standard cooperative agreement was not appropriate and a special agreement was needed between the Tribe and the Department. Delays in the development of a cooperative agreement, in turn, has led to the inability of the Native American tribe to expend the funds.

When the project was initially programmed, the complexity and time consuming nature in developing an agreement between the Tribe and the Department was not adequately anticipated; no similar agreement had ever been developed for a tribe administering a STIP project on the State Highway System.

By the time the project was allocated, the agreement process had already begun with discussions between representatives from the State and the Tribe. Since the project falls within State right-of-way; however, additional Department functional units needed to be involved. All parties recognized the importance of achieving an agreement that could set precedence on future projects.

Upon allocation, the Federal approval process was initiated with the Federal Highway Administration (FHWA), but could not be completed without an agreement between the Department and the Tribe. Once an agreement had been reached, the Federal approval process had to be re-initiated, further delaying the project.

The cooperative agreement has now been executed between the Department and the Tribe and approved by the FHWA, which will allow the Tribe to begin work on the project. A time extension for expenditures of 20 months is now needed to complete environmental work.

Current STIP Guidelines 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.