

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 25-26, 2008

Reference No.: 2.1a.(6)
Action Item

From: CINDY McKIM
Chief Financial Officer

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Transportation Programming

Subject: **TCRP LETTER OF NO PREJUDICE (LONP) APPROVAL
RESOLUTION TL-07-02**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Resolution TL-07-02 for two AB 1335 Letters of No Prejudice (LONPs) totaling \$38,000,000 for the Alameda County Congestion Management Agency (ACCMA).

ISSUE:

The Department and ACCMA are requesting LONPs for the following TCRP projects:

- TCRP Project #4 – Route 680; add northbound and southbound HOV lane over Sunol Grade. LONP for \$20,000,000 to use local half-cent sales tax funds in lieu of TCRP funds for Construction.
 - In order to qualify for the LONP, designate the ACCMA as a co-applicant agency for Construction.
- TCRP Project #31 – Route 580; construct eastbound HOV lane from Tassajara Road/Santa Rita Road to Vasco Road in Alameda County. LONP for \$18,000,000 to use Federal Demonstration (Demo) and Regional Measure 2 funds in lieu of TCRP funds for Construction.

BACKGROUND:

Government Code Section 14556.33 allows an applicant agency, that is either a regional or local entity, to seek approval of a LONP. If approved by the Commission, the LONP allows the applicant agency to expend its own funds for any component of the transportation project, and seek allocation and reimbursement from the Traffic Congestion Relief Fund in future years.

Project #4:

The overall corridor project will add northbound and southbound High Occupancy Vehicle (HOV) lanes on Route 680 over Sunol Grade from Milpitas to Route 84, ramp metering from Jacklin Road to Stoneridge Drive, and auxiliary lanes at various locations in Santa Clara and Alameda Counties.

Due to limited TCRP funds authorized in the Fiscal Year (FY) 2007-08 State budget, the ACCMA is requesting AB 1335 authority to substitute \$20,000,000 in TCRP funds with local sales tax funds for construction of this project in order to keep the project on schedule. The ACCMA expects to request allocation and a proportional reimbursement in structured repayment over two years beginning in FY 2010-11 as illustrated below:

(x\$1,000s)

FY 2010-11	FY 2011-12	Total
\$10,000	\$10,000	\$20,000

Project #31:

The project is to construct eastbound and westbound HOV lanes on I-580 from west of Tassajara Road in Pleasanton to east of Vasco Road in Livermore. The project will be delivered in two stages, eastbound followed by the westbound direction.

Due to limited TCRP funds authorized in the FY 2007-08 State budget, the ACCMA is requesting AB 1335 authority to substitute \$18,000,000 in TCRP funds with federal and regional measure funds for construction of this eastbound project in order to keep the project delivery on schedule. While the ACCMA can utilize these locally controlled federal, state and local funds currently programmed to the 580 westbound HOV CMIA project, the structured repayment of the LONP is necessary to meet the cashflow needs of that project. The ACCMA expects to request reimbursement based upon the following proposed schedule:

(x\$1,000s)

FY 2009-10	FY 2010-11	Total
\$10,000	\$8,000	\$18,000

RESOLUTION:

Resolved, with all conditions stipulated still in effect, the California Transportation Commission hereby approves two Letters of No Prejudice (LONP) totaling \$38,000,000 to the Alameda County Congestion Management Agency (ACCMA), and designates ACCMA as co-applicant of TCRP Project #4, with the understanding that the agency proceeds at its own risk, as reimbursement is dependent on availability of TCRP funding.