

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: February 24-25, 2010

Reference No.: 2.1c.(10)  
Action Item

From: NORMA ORTEGA  
Chief Financial Officer

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Program Manager  
Proposition 1B

Subject: **PROPOSITION 1B LETTERS OF NO PREJUDICE**  
**RESOLUTION LONP1B-A-0910-02**

## **RECOMMENDATION:**

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve a Letter of No Prejudice (LONP), available under Assembly Bill 672, for the three projects identified on the attached spreadsheet.

## **ISSUE:**

Due to limited State/Local Partnership Program (SLPP) funds available from Proposition 1B bond sales, the Orange County Transportation Authority (OCTA) and the City of Hanford are requesting AB 672 authority to substitute SLPP funds with other funds for construction of their programmed projects in order to keep the projects on schedule. The OCTA project (EA 402824L) will widen the intersection of Imperial Highway and Associated Road to provide a second left turn lane and add a fourth westbound lane on Imperial Highway. The City of Hanford project (EA 4C2944L) will widen 11<sup>th</sup> Avenue between Hume Avenue and Houston Avenue from two to four lanes and provide on street parking.

Due to limited Corridor Mobility Improvement Account (CMIA) funds available from Proposition 1B bond sales, the San Joaquin Council of Governments (SJCOG) is requesting AB 672 authority to substitute CMIA funds with other funds for construction of the I-205 Auxiliary Lane Project in order to keep the project on schedule. The SJCOG project (PPNO 10-1111) will construct eastbound and westbound auxiliary, acceleration and deceleration lanes at various locations.

The agencies further request that the projects remain on the Delivered But Not Allocated List for consideration when additional Proposition 1B bond funds become available.

## **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 State and Local Partnership Program and Corridor Mobility Improvement Account in the future.

**RESOLUTION LONP1B-A-0910-02**

Resolved, with all conditions stipulated still in effect, the California Transportation Commission hereby approves a Letter of No Prejudice (LONP) for two projects programmed in, or otherwise funded from, the Proposition 1B State/Local Partnership Program (SLPP), and one project funded from the Corridor Mobility Improvement Account (CMIA) in accordance with the attached project list; and

Be it Further Resolved, that each agency understands that they proceed its own risk, as reimbursement is dependent on future availability of SLPP and CMIA funding; and

Be it Further Resolved, that the project component covered by an approved LONP should be ready to proceed to contract award (or equivalent) once the LONP is approved; and

Be it Further Resolved, that the agency shall report to the Department within four months following LONP approval on progress in executing agreements and third-party contracts needed to execute the work.

Attachment

REQUESTS FOR LETTERS OF NO PREJUDICE  
(ASSEMBLY BILL 672)

Reference No: 2.1c.(10)  
February 24-25, 2010  
Attachment

<b>Program</b>	<b>Agency</b>	<b>DL* Project Number</b>	<b>Project</b>	<b>Total Project Cost</b>	<b>LONP Amount</b>	<b>Alternate Fund Source</b>
SLPP	City of Hanford	81	11th Avenue Widening/Reconstruction Project, Hume Avenue to Houston Avenue	\$ 1,448,000	\$ 500,000	Gas Tax
SLPP	Orange County Transportation Commission	89	Brea Imperial Highway and Associated Road Smart Road Project	\$ 1,900,000	\$ 200,000	Measure M
CMIA	San Joaquin Council of Governments	62	I-205 Auxiliary Lanes	\$ 13,006,000	\$ 6,788,000	Measure K
<b>Totals</b>				<b>\$ 16,354,000</b>	<b>\$ 7,488,000</b>	

\*DL = Delivered But Not Yet Allocated List (Reference No. 4.13)