

# Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 22-23, 2011

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

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Subject: **PROPOSITION 1B LETTER OF NO PREJUDICE**  
**RESOLUTION LONPIB-A-1011-19**

## **RECOMMENDATION:**

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve a Letter of No Prejudice (LONP), authorized under Assembly Bill (AB) 672, for Segment 2 (from Contra Loma Boulevard to Lone Tree Way, PPNO 0192H) of the State Route 4 East Widening project in Contra Costa County.

## **ISSUE:**

Segment 2 (from Contra Loma Boulevard to Lone Tree Way, PPNO 0192H) of the State Route 4 East Widening project will widen the mainline from four to eight lanes.

The project is programmed in the Corridor Mobility Improvement Account (CMIA) with \$19,300,000 for Construction Capital and \$5,900,000 for Construction Support. In addition, \$9,984,000 in State Local Partnership Program (SLPP) funds are also programmed for Construction Capital. Due to limited Proposition 1B Bond sales, the Contra Costa Transportation Authority (CCTA) is requesting AB 672 authority to substitute the CMIA and SLPP funds with \$29,284,000 in Contra Costa County's Measure J ½ cent sales tax funds in order to keep the project construction on schedule. The CCTA Board of Directors approved this funding commitment on May 18, 2011.

A concurrent allocation request has been placed on this month's agenda to allocate \$29,284,000 (\$19,300,000 CMIA and \$9,984,000 SLPP) for Construction Capital and \$5,900,000 CMIA for Construction Support for this project. The Department recommends that the Commission allocate \$5,900,000 in bond proceeds for Construction Support activities; this would allow the Department to move forward with construction implementation immediately. The Department also recommends that the Construction capital allocation request be placed 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 CMIA in the future. CCTA, as the applicant agency for this project, is requesting an LONP so that the Department can implement the construction phase of the project on

schedule. When and if Proposition 1B funds become available and are allocated to the Department by the Commission, the Department will reimburse CCTA.

**RESOLUTION LONP1B-A-1011-19**

Resolved, with all conditions stipulated still in effect, the California Transportation Commission hereby approves a Letter of No Prejudice (LONP) for \$29,284,000 for Segment 2 (from Contra Loma Boulevard to Lone Tree Way, PPNO 0192H) of the State Route 4 East Widening project programmed in, or otherwise funded from, the Proposition 1B Corridor Mobility Improvement Account (CMIA) and State Local Partnership Program (SLPP); and

Be it Further Resolved, that the Contra Costa County Transportation Authority (CCTA) agrees to commit a total of \$29,284,000 of Construction Capital funding, in lieu of CMIA and SLPP funds, over the course of project construction; and

Be it Further Resolved, that CCTA understands the risks involved with committing local funds in lieu of CMIA, as reimbursement is dependent on future availability of CMIA and SLPP funding; and

Be it Further Resolved that the California Department of Transportation (Department) agrees to reimburse CCTA if and when additional Proposition 1B funds become available and are allocated to the Department by the Commission.