

Memorandum

TAB 120

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 11-12, 2011

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

From: NORMA ORTEGA
Chief Financial Officer

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Division Chief
Transportation Programming

Subject: **PROPOSITION 1B LETTER OF NO PREJUDICE**
RESOLUTION LONP1B-A-1011-16

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 the Route 57 Widening between Katella Avenue and the Lincoln Avenue project (PPNO 3829) in Orange County.

ISSUE:

The Route 57 Widening between Katella Avenue and Lincoln Avenue project proposes to add one northbound through lane for mixed-flow traffic, resulting in five northbound mixed-flow lanes and one high-occupancy vehicle lane.

The project is programmed in the Corridor Mobility Improvement Account (CMIA) with \$29,400,000 for Construction Capital and \$5,292,000 for Construction Support. Due to limited Proposition 1B Bond sales, the Orange County Transportation Authority (OCTA) is requesting AB 672 authority to substitute CMIA funds with \$29,400,000 in Measure M2 local sales tax funds in order to keep the project construction on schedule. The OCTA Board of Directors approved the funding commitment on March 14, 2011.

The Department has placed a request on this month's agenda to allocate \$29,400,000 for Construction Capital and \$5,292,000 for Construction Support. It is proposed that the Commission allocate \$5,292,000 in bond proceeds to the Department for Construction Support activities. This would allow the Department to move forward with construction implementation immediately. The Construction capital allocation request would 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 Corridor Mobility Improvement Account in the future. OCTA, 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 OCTA.

RESOLUTION LONP1B-A-1011-16

Resolved, with all conditions stipulated still in effect, the California Transportation Commission hereby approves a Letter of No Prejudice (LONP) for \$29,400,000 for the Route 57 Widening between Katella Avenue and Lincoln Avenue project (PPNO 3829) programmed in, or otherwise funded from, the Proposition 1B Corridor Mobility Improvement Account (CMIA); and

Be it Further Resolved, that the Orange County of Transportation Authority (OCTA) agrees to commit a total of \$29,400,000 of Construction Capital funding, in lieu of CMIA funds, over the course of project construction; and

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

Be it Further Resolved, that the Department agrees to reimburse OCTA if and when additional Proposition 1B funds become available and are allocated to the Department by the Commission.