

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 30-July 1, 2010

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

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **PROPOSITION 1B LETTER OF NO PREJUDICE**
RESOLUTION LONP1B-A-0910-04

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve a Letter of No Prejudice (LONP), available under Assembly Bill (AB) 672, for the Willow Road Extension Phase 2 project (PPNO 4745).

ISSUE:

Due to unavailability of State-Local Partnership Program (SLPP) funds, San Luis Obispo County is requesting AB 672 authority to substitute \$1,000,000 of programmed SLPP construction funds with County Road Improvement Fees in order to keep the Willow Road Extension Phase 2 project on schedule.

The project will extend Willow Road in Nipomo from Hetrick Road to Thompson Avenue and construct a new interchange on Route 101.

San Luis Obispo County further requests that the project remain on the Delivered But Not Allocated List for consideration when additional SLPP funds become available.

A concurrent allocation of \$10,000,000 Regional Improvement Program funds is also being requested.

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 SLPP in the future.

RESOLUTION LONP1B-A-0910-04:

Resolved, with all conditions stipulated still in effect, the California Transportation Commission hereby approves a Letter of No Prejudice (LONP) for the Willow Road Extension Phase 2 project (PPNO 4745) programmed in, or otherwise funded from, the Proposition 1B State-Local Partnership Program (SLPP); and

Be it Further Resolved, that San Luis Obispo County understands that they proceed at their own risk, as reimbursement is dependent on future availability of SLPP 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 San Luis Obispo County 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.