

# Memorandum

**To:** CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

**CTC Meeting:** August 11-12, 2010

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

**From:** NORMA ORTEGA  
Chief Financial Officer

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Local Assistance

**Subject:** TRADE CORRIDORS IMPROVEMENT FUND-LETTER OF NO PREJUDICE  
RESOLUTION LONP1B-A-1011-02

## **RECOMMENDATION:**

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve a Letter of No Prejudice (LONP), available under Assembly Bill (AB) 672 for the Kraemer Boulevard Undercrossing project (TCIF Project 38).

## **ISSUE:**

The Orange County Transportation Authority (OCTA) requests AB 672 authority to substitute the programmed \$22,642,000 Trade Corridors Improvement Fund (TCIF) funds with OCTA Measure M2 local sales tax funds to keep the project on schedule due to the unavailability of Proposition 1B TCIF funds.

The project is programmed under the TCIF Program of Projects, adopted by the Commission on April 10, 2008, and is scheduled to begin construction on February 11, 2011. The project will grade-separate Kraemer Boulevard from the Burlington Northern Santa Fe (BNSF) Railway. The project will provide benefits to vehicle and truck traffic traveling on Kraemer Boulevard by eliminating delays and traffic congestion associated with the current at-grade crossing. Safety benefits are also provided through the elimination of conflicts between trains operating in the BNSF rail corridor and vehicles traveling on Kraemer Boulevard.

A concurrent environmental action has been submitted for Commission approval.

## **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 TCIF program in the future.

**RESOLUTION LONP1B-A-1011-02**

Resolved, with all conditions stipulated still in effect, that the Commission hereby approves a Letter of No Prejudice (LONP) for the Kraemer Boulevard Undercrossing project (TCIF Project 38) programmed in, or otherwise funded from, the Proposition 1B Trade Corridors Improvement Fund (TCIF); and

Be it Further Resolved, that Orange County Transportation Authority (OCTA) understands that they proceed at their own risk, as reimbursement is dependent on future availability of TCIF 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 OCTA 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.