

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 26-27, 2011

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

From: NORMA ORTEGA
Chief Financial Officer

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Subject: **PROPOSITION 1B LETTER OF NO PREJUDICE**
RESOLUTION LONPIB-A-1112-11

RECOMMENDATION:

The California Department of Transportation recommends the California Transportation Commission (Commission) approve a Letter of No Prejudice (LONP), authorized under Assembly Bill (AB) 672, for TCIF Project 56 - I-10/Cherry Avenue Interchange Improvement project (PPNO 0137T) in San Bernardino County.

ISSUE:

This project will replace the existing Cherry Avenue Interchange. This stretch of I-10 is one of the most congested freeway segments in San Bernardino, and more capacity is needed to support reliable and timely distribution of mainline truck traffic to and from growing logistics-related land uses in the area. Inadequate capacity for freight at the interchanges chokes local roads, inhibits emergency vehicles, and degrades air quality. Once completed, these improvements will relieve such congestion.

Currently \$30,773,000 Trade Corridor Improvement Fund (TCIF) for Construction Capital is programmed to this project. The project, which is ready for construction, was placed on the Delivered-But-Not-Yet-Allocated List at the June 2011 Commission Meeting. Due to limited Proposition 1B Bond sales, San Bernardino Associated Governments (SANBAG) is requesting AB 672 authority to substitute the TCIF funds with \$23,000,000 in Regional Surface Transportation funds, \$3,000,000 in Congestion Mitigation and Air Quality (CMAQ) funds, and \$4,773,000 in Measure I funds in order to keep the project moving forward. The SANBAG Board of Directors approved this funding commitment on September 7, 2011

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-1112-11

Resolved, with all conditions stipulated still in effect, the California Transportation Commission (Commission) hereby approves a Letter of No Prejudice (LONP) for \$30,773,000 for Trade Corridor Improvement Fund (TCIF) Project 56 – I-10/Cherry Avenue Interchange Reconstruction project programmed in, or otherwise funded from, the Proposition 1B TCIF program and

Be it Further Resolved, that San Bernardino Associated Governments 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 should be ready to proceed to contract award once the LONP is approved; and

Be it Further Resolved, that San Bernardino Associated Governments, 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.