

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 26-27, 2011

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

From: NORMA ORTEGA
Chief Financial Officer

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Division Chief
Transportation Planning

Subject: **PROPOSITION 1B-LETTER OF NO PREJUDICE**
RESOLUTION LONP1B-A-1112-13

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 Trade Corridors Improvement Fund (TCIF) Project 45, Iowa Avenue Grade Separation (PPNO 1121).

ISSUE:

The Riverside County Transportation Commission (RCTC) and the City of Riverside (City) request AB 672 authority to substitute \$13,000,000 TCIF funds for Project 45, Iowa Avenue Grade Separation (Iowa Avenue) with \$6,000,000 of City funds and \$7,000,000 of federal Congestion Mitigation Air Quality (CMAQ) funds in order to keep the project construction on schedule. The commitment of the \$7,000,000 local federal funds from the programming agency, RCTC, was made at its August 22, 2011 meeting. The City will pursue the federal authorization of the CMAQ funds from the Federal Highway Administration. The City Council certified the resolution of the \$6,000,000 City funds on August 23, 2011.

The project was adopted in the TCIF Program by the Commission on April 10, 2008. The City is seeking concurrent approval of a project Baseline Amendment, to update the project schedule and funding plan at the October 2011 Commission meeting. Also, an allocation request has been placed on this month's agenda to allocate \$13,000,000 TCIF funds for the construction component. Should a full allocation of TCIF Bond funding not be available at the time of the meeting, the City requests that this LONP be approved so that the project can be advertised and proceed to construction by February 2012.

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.

The Iowa Avenue project will grade separate the mainline of the Burlington Northern Santa Fe Railway Company San Bernardino Subdivision at Iowa Avenue in the city of Riverside. The completed project will enhance goods movement and rail line reliability and improve vehicle circulation and public safety.

RESOLUTION LONP1B-A-1112-13

Be it Resolved, with all conditions stipulated still in effect, that the California Transportation Commission hereby approves a Letter of No Prejudice (LONP) for Project 45, Iowa Avenue Grade Separation (PPNO 1121) programmed in, or otherwise funded from, the Proposition 1B Trade Corridors Improvement Fund (TCIF), and

Be it Further Resolved, that the City of Riverside (City) 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 the City shall report to the California Department of Transportation within four months following LONP approval on progress in executing agreements and third-party contracts needed to execute the work.