



**BOARD OF DIRECTORS  
FEBRUARY 28, 2008**

**SUBJECT:** LACMTA'S SPONSORSHIP OF THE I-5 TRUCK LANES

**ACTION:** APPROVE SPONSORSHIP OF THE I-5 TRUCK LANES PROJECT FOR THE TRADE CORRIDOR IMPROVEMENT FUNDING PROGRAM

**RECOMMENDATION**

For the purpose of pursuing a Proposition 1B Trade Corridor Improvement Fund (TCIF) grant of \$55 million, approve LACMTA's sponsorship of the I-5 truck lanes project consistent with the commitment from the Golden State Gateway Coalition to provide the required \$55 million match and to provide all additional funding necessary if the project experiences a cost increase. (Commitment letter from Golden State Gateway Coalition to be distributed under separate cover).

**ISSUE**

Proposition 1B provides \$2 billion statewide to fund trade corridor related goods movement infrastructure projects through the TCIF. The I-5 truck lanes from State Route 14 to Calgrove in the City of Santa Clarita, at a total cost of \$110 million, have been placed within the lower priority Tier 2 project list of the Southern California Consensus TCIF Working Group's application for the TCIF program. Subsequent to filling out and submitting the TCIF application, Caltrans District 7 informed us that they cannot serve as a project sponsor for the I-5 truck lanes project. The Golden State Gateway Coalition and Caltrans District 7 have both requested that we serve as the TCIF project sponsor.

**POLICY IMPLICATIONS**

If approved, the I-5 truck lanes will be the only project sponsored by us. Within the context of the TCIF program, project sponsors are financially responsible for providing the 50 percent match, any potential cost overruns and must deliver the project within the specified scope. The Golden State Gateway Coalition has committed the local match required for the project and committed to providing additional funding required to meet any unanticipated cost overruns. Caltrans is committed to actively work with the funding partners to manage the scope of the project to fit within the budget.

The California Transportation Commission will require agreements at the outset of the project that clearly define the scope of work. Since this project is in the unfunded strategic portion of the Long Range Transportation Plan (LRTP), other sources of funds outside of the LRTP must be available to meet any cost increases to protect the required project scope. Any TCIF grant award will be jeopardized if cost increases are not met and/or the final project scope is inconsistent with the original competitive grant award.

## OPTIONS

LACMTA could reject Caltrans' request regarding project sponsorship. However, this option is not recommended since the project cannot compete for TCIF funding without a project sponsor and Caltrans District 7 is unable to serve in that capacity.

## FINANCIAL IMPACT

There is no impact to LACMTA's budget as a result of the sponsorship. LACMTA will have no financial responsibility for the project as indicated in this report and in commitments from the Golden State Gateway Coalition and Caltrans. There are minor grant execution and accounting costs associated with sponsorship that will be covered within current and anticipated staffing and budget.

## DISCUSSION

I-5 is a major north/south freeway and serves as a local and regional truck route. Within the project area, I-5 serves as a gateway to and from the Los Angeles basin to central and northern California. The project will add two truck climbing lanes in the southbound and one truck climbing lane in the northbound direction between SR-14 and Calgrove. Implementation of the project will reduce existing and future traffic congestion, air pollution and generally improve freeway operations within the project limits.

The project is one of fifteen Los Angeles County projects submitted by the Southern California Consensus TCIF Working Group and one of five projects submitted as part of Los Angeles County's lower priority Tier 2 list. LACMTA's approval of project sponsorship will enable the project to compete for TCIF funding and will leverage \$55 million in private sector sources toward the project.

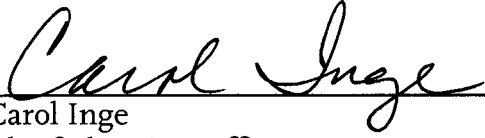
## NEXT STEPS

Upon Board approval, LACMTA will formally notify the California Transportation Commission (CTC) of its sponsorship of the project. It is anticipated that the CTC will finalize its TCIF recommendations in April 2008.

**ATTACHMENT**

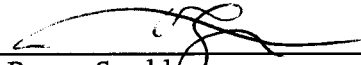
- A. Golden State Gateway Coalition commitment letter will be forwarded under separate cover.

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