

**DEPARTMENT OF TRANSPORTATION**  
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**CORRESPONDENCE 1**  
*page 1 of 2*



*Flex your power!  
Be energy efficient!*

February 19, 2008

Mr. Jeff Grover, Supervisor  
County of Stanislaus – District 3  
1010 10<sup>th</sup> Street, Suite 6500  
Modesto, CA 95354

The Honorable Ferrell Jackson  
Mayor of City of Oakdale  
280 North Third Avenue  
Oakdale, CA 95361

Dear Supervisor Grover and Mayor Jackson:

It was a pleasure to meet with you and others on February 15, 2008, to discuss the Oakdale Bypass and the plans for the North County Corridor project.

The California Department of Transportation (Department) previously committed \$91 million of Interregional Transportation Improvement Program (ITIP) funds to the Oakdale Bypass project in 2004. Since that time, traffic patterns in Stanislaus County have changed and the region has indicated that an alternative project may better serve the county's needs. Under the authority of the resolution approving the 2006 State Transportation Improvement Program (STIP) Augmentation last June, the California Transportation Commission redirected \$22,169,000 of ITIP funds from the Oakdale Bypass project with the proviso that funding would be restored when a viable replacement project was identified by the region. The Department understands the proposed North County Corridor project is being developed as a replacement for the Oakdale Bypass project. As we discussed, this project is in the early stages of development, and it would be premature to fund it in the 2008 STIP cycle.

The Department, however, remains committed to working with the region on a corridor solution, and intends to commit ITIP funds in the 2010 STIP cycle for up to \$91 million in capital money for an ITIP-eligible North County Corridor project segment. The Department fully supports the formation of a corridor joint powers authority to implement this work, and appreciates your efforts to secure a countywide sales tax measure or other funding source to fully fund this project. In addition, we understand that we also need to resolve the issue of the payment of support costs, and look forward to working with you to reach a resolution on this matter.

Supervisor Grover and Mayor Jackson  
February 19, 2008  
Page 2

If you have any questions please do not hesitate to contact Kome Ajise, District 10 Director, at (209) 948-7973.

Sincerely,

A handwritten signature in black ink that reads "Will Kempton". The signature is written in a cursive, slightly slanted style.

WILL KEMPTON  
Director

- c: John Chalker, Chairman, California Transportation Commission
- Kirk Lindsey, Commissioner, California Transportation Commission
- John Barna, Executive Director, California Transportation Commission
- Vince Harris, Executive Director, Stanislaus Council of Governments
- Jim Niskanen, Acting City Manager, City of Modesto
- Steven Hallam, City Manager, City of Oakdale
- Kome Ajise, District 10 Director, Department of Transportation
- Cindy McKim, Chief Financial Officer, Department of Transportation