

**TRANSPORTATION COMMITTEE VOTING MEMBERS WILL RECEIVE A UNIQUE PANELIST LINK BY EMAIL.
PLEASE USE THIS LINK TO PARTICIPATE IN THIS MEETING.**



Pursuant to Assembly Bill 361 and the findings made by CVAG, this meeting will only be conducted via video/teleconferencing.

TRANSPORTATION COMMITTEE MEETING AGENDA

**MONDAY, NOVEMBER 7, 2022
10:00 a.m.**

INSTRUCTIONS FOR PUBLIC PARTICIPATION

Members of the public may use the following link:
<https://us02web.zoom.us/j/81696200760?pwd=WUKzdDhyOTlwU1JWWStyWVRyeFhCdz09>
Password: 414011

One Tap Mobile: +16699009128,,81696200760#
Dial In: +1 669 900 9128
Webinar ID: 816 9620 0760
Password: 414011

***This will provide listening access and ability to address the
Transportation Committee when called upon.***

IF YOU ARE UNABLE TO CONNECT VIA DIAL IN OPTION, PLEASE CALL 760-346-1127.

Public comment is encouraged to be emailed to the Transportation Committee prior to the meeting at cvag@cvag.org by 5:00 p.m. on the day prior to the committee meeting.
Comments intended to be read aloud should be no more than 300 characters.

**THIS MEETING IS HANDICAPPED ACCESSIBLE.
ACTION MAY RESULT ON ANY ITEMS ON THIS AGENDA.**

**UNLESS OTHERWISE STATED, ALL ACTION ITEMS WILL BE PRESENTED TO THE
EXECUTIVE COMMITTEE FOR FINAL APPROVAL.**

1. **CALL TO ORDER** – Chair Steven Hernandez, Mayor, City of Coachella

2. **ROLL CALL**

A. **Member Roster**

P5

3. **PUBLIC COMMENTS ON AGENDA ITEMS**

This is the time and place for members of the public to address the Transportation Committee on agenda items. At the discretion of the Chair, comments may be taken at the time items are presented. Please limit comments to three (3) minutes.

4. **CHAIR / EXECUTIVE DIRECTOR ANNOUNCEMENTS**

5. **CONSENT CALENDAR**

A. **Approve the August 29, 2022 Transportation Committee Meeting Minutes**

P6

B. **Adopt Policy 22-01, formalizing Transportation Uniform Mitigation Fee program compliance requirements**

P10

6. **DISCUSSION / ACTION**

A. **Next Steps for the Arts and Music Line** – Jonathan Hoy

P13

Recommendation: Authorize the Chair and/or Executive Director to:

1. Take the necessary steps accept \$36.483 million in Active Transportation Program Funding, conditional on approval by the California Transportation Commission; and
2. Execute Amendment No. 2 to the agreement with Albert A. Webb Associates for a not to exceed amount of \$1,060,000, including 10 percent contingency; and authorize the Executive Director and/or Legal Counsel to make clarifying changes/revisions before execution

B. **Federal and State Legislative Advocacy in 2023** – Emmanuel Martinez

P19

Recommendation: Review the transportation section of the draft 2023 Federal and State Legislative Platform and provide feedback regarding priorities and positions outlined in the document

C. **Formula Funding Distribution with Riverside County Transportation Commission**
– Jonathan Hoy

P35

Recommendation: Authorize the Executive Director to negotiate a Memorandum of Understanding (MOU) between Riverside County Transportation Commission (RCTC) and the Coachella Valley

Association of Governments (CVAG) to outline certain formula funding distributions between RCTC and CVAG as follows:

Measure A

- 1) Distribute Measure A funds as directed in the Measure A Ordinance and Expenditure Plan approved by Riverside County voters in 2002;

Local Transportation Fund Planning

- 2) Distribute Local Transportation Fund (LTF) Planning funds to CVAG following the RCTC-adopted distribution formula;

State Transportation Improvement Program

- 3) Distribute State Transportation Improvement Program (STIP) funds consistent with the 1998 Memorandum of Understanding (MOU) with Western Riverside Council of Governments (WRCOG) and CVAG;
- 4) Revise STIP Planning, Programming, and Monitoring (PPM) distribution to CVAG from a set dollar amount to the Coachella Valley percentage share of taxable sales applied to annual STIP PPM allocation amounts following the procedures contained herein;

Local Partnership Program Formula

- 5) Distribute Local Partnership Program (LPP) Formula funds to CVAG for the eastern county share of taxable sales; and
- 6) Coordinate with CVAG leading up to each LPP Formula cycle to communicate the eastern county LPP Formula share balance and determine if there is an eligible eastern county project on which to program the funds

D. Next Steps for the Interstate 10/ Monroe Street Interchange Project – Jonathan Hoy P42

Recommendation: Authorize CVAG regional transportation funding in the amount of \$30,847,500 for the Interstate 10/ Monroe Street Interchange Project in order to unlock additional funding sources and direct the Executive Director to work with the Riverside County Transportation Commission (RCTC) to allocate additional Local Partnership Program (LPP) formula funds and Surface Transportation Block Grant (STBG) funding for the project

E. Reimbursement Agreement for Jefferson Street Widening (Avenue 38 to Sun City Boulevard) – Eric Cowle P46

Recommendation: Approve the Reimbursement Agreement with the City of Indio for the Jefferson Street Widening Project (Avenue 38 - Sun City Boulevard), providing a not-to-exceed amount of \$225,000 in regional funding for the Preliminary Design and Environmental Studies (PS&E) Phase

F. Construction Contract and Next Steps for CV Sync – Phase II – Eric Cowle P61

Recommendation: Authorize the Executive Director to:

1. Execute a construction contract with Crosstown Electrical & Data, Inc., for a not-to-exceed amount \$86,704,608.80 for Phase II of CV Sync, and authorize the Executive Director and/or Legal Counsel to make clarifying changes to the contract before execution; and
2. Work with the Riverside County Transportation Commission to allocate additional federal Congestion Management and Air Quality (CMAQ) funds to Phase II of the regional Traffic Signal Synchronization Project (CV Sync)

7. INFORMATION

- a) Status of I-10 Interchange Projects P80
- b) CVAG Regional Arterial Program – Project Status Report P81

- c) Bicycle/Pedestrian Safety Program – Project Status Report P82
- d) Transportation Committee Attendance Roster P83
- e) Regional Early Action Planning (REAP) 2.0 Program Overview and Next Steps P84
- f) SB 535 and California Climate Investments - Tribal Designation P86
- g) Regional PM10 Street Sweeping Efficiency and Effectiveness Study P89

8. PUBLIC COMMENTS ON NON-AGENDA ITEMS

This is the time and place for members of the public to address the Transportation Committee on items of general interest within the purview of this committee. Please limit comments to two (2) minutes.

9. ANNOUNCEMENTS

Due to the holidays, the next meeting of the **Transportation Committee** will be held on Monday, January 9, 2022, at 11:00 a.m. via Zoom webinar. Please note the new time.

The next meeting of the **Executive Committee** will be held on Monday, December 5, 2022, at 4:30 p.m. via Zoom webinar.

10. ADJOURNMENT

ITEM 2A**TRANSPORTATION COMMITTEE
ROSTER**

Transportation Committee Members	
Agua Caliente Band of Cahuilla Indians	Jessica Norte Tribal Councilmember
City of Blythe	Joseph DeConinck Vice Mayor
City of Cathedral City	Raymond Gregory Councilmember
City of Coachella	Steven Hernandez, Chair Mayor
City of Desert Hot Springs	Scott Matas Mayor
City of Indian Wells	Dana Reed, Vice Chair Mayor
City of Indio	Elaine Holmes Councilmember
City of La Quinta	Robert Radi Councilmember
City of Palm Desert	Jan Harnik Mayor
City of Palm Springs	Dennis Woods Councilmember
City of Rancho Mirage	Ted Weill Councilmember
County of Riverside	V. Manuel Perez Supervisor
	Mark Lancaster Director of Transportation
Ex-Officio/Non-Voting Members	
SunLine Transit (Ex Officio)	Lauren Skiver General Manager

ITEM 5A

**TRANSPORTATION COMMITTEE
MINUTES OF MEETING
AUGUST 29, 2022**



The audio file for this committee meeting can be found at <http://www.cvag.org/audio.htm>

1. CALL TO ORDER

The Transportation Committee meeting was called to order by Chair Steven Hernandez, City of Coachella, on Monday, August 29, 2022 at 10 a.m. via Zoom videoconference, which was pursuant to Assembly Bill 361 and the findings made by CVAG.

2. ROLL CALL

A roll call was taken, and it was determined that a quorum was present.

MEMBERS/ALTERNATES PRESENT

Tribal Councilmember Jessica Norte
Vice Mayor Joseph DeConinck
Councilmember Raymond Gregory
Mayor Jan Harnik
Mayor Steven Hernandez, Chair
Mayor Scott Matas
Mayor Dana Reed, Vice Chair
Councilmember Elaine Holmes
Councilmember Kathleen Fitzpatrick
Councilmember Dennis Woods
Councilmember Ted Weill
Transportation Director Mark Lancaster

AGENCY

Agua Caliente Band of Cahuilla Indians
City of Blythe
City of Cathedral City
City of Palm Desert
City of Coachella
City of Desert Hot Springs
City of Indian Wells
City of Indio
City of La Quinta
City of Palm Springs
City of Rancho Mirage
County of Riverside

MEMBERS/ EX OFFICIOS ABSENT

Lauren Skiver (Ex Officio member)

SunLine Transit Agency

3. PUBLIC COMMENTS ON AGENDA ITEMS

None.

4. CHAIR/ EXECUTIVE DIRECTOR ANNOUNCEMENTS

Chair Steven Hernandez commented and Blythe Vice Mayor Joseph DeConinck commented on the recent storm damage to Interstate 10 east of the Coachella Valley, and praised the efforts of Caltrans to repair and reopen the highway.

5. CONSENT CALENDAR

IT WAS MOVED BY COUNCILMEMBER TED WEILL AND SECONDED BY COUNCILMEMBER RAYMOND GREGORY:

- A. **APPROVE THE JUNE 6, 2022 TRANSPORTATION COMMITTEE MEETING MINUTES**
THE MOTION FOR CARRIED UNANIMOUSLY.

COUNCILMEMBER NORTE	AYE
VICE MAYOR DECONINCK	AYE
COUNCILMEMBER GREGORY	AYE
MAYOR HERNANDEZ	AYE
MAYOR MATAS	AYE
MAYOR REED	AYE
COUNCILMEMBER HOLMES	AYE
COUNCILMEMBER FITZPATRICK	AYE
MAYOR HARNIK	AYE
COUNCILMEMBER WOODS	AYE
COUNCILMEMBER WEILL	AYE
DIRECTOR LANCASTER	AYE

6. **DISCUSSION / ACTION**

- A. **Presentation: Seven Dirty Little Secrets of CVAG's Transportation Program – Tom Kirk**

The Chair acknowledged members of the Executive Committee who were in attendance: Indio Mayor Waymond Fermon and La Quinta Mayor Linda Evans. Executive Director Tom Kirk presented the staff report, including both project and program highlights.

Member discussion ensued. No action was taken on this informational item.

- B. **Design and Engineering Services for the Western Coachella Valley Flooding and Blowsand Projects – Phase One – Jonathan Hoy**

Jonathan Hoy presented the staff report. Brief member discussion ensued, including noting the importance of stakeholder engagement.

IT WAS MOVED BY MAYOR SCOTT MATAS AND SECONDED BY MAYOR DANA REED TO AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICE AGREEMENT WITH MICHAEL BAKER INTERNATIONAL (MBI) TO PROVIDE DESIGN, ENGINEERING AND ENVIRONMENTAL SERVICES FOR THE WESTERN COACHELLA VALLEY FLOODING AND BLOWSAND PROJECTS – PHASE ONE

THE MOTION FOR CARRIED UNANIMOUSLY.

COUNCILMEMBER NORTE	AYE
VICE MAYOR DECONINCK	AYE
COUNCILMEMBER GREGORY	AYE
MAYOR HERNANDEZ	AYE
MAYOR MATAS	AYE
MAYOR REED	AYE
COUNCILMEMBER HOLMES	AYE
COUNCILMEMBER FITZPATRICK	AYE
MAYOR HARNIK	AYE
COUNCILMEMBER WOODS	AYE
COUNCILMEMBER WEILL	AYE
DIRECTOR LANCASTER	AYE

C. Amendment No. 2 to the Reimbursement Agreement for the Avenue 48 between Van Buren Street and Dillon Road Widening Project – Eric Cowle

Mr. Hoy presented the staff report. Brief member discussion ensued.

IT WAS MOVED BY MAYOR STEVEN HERNANDEZ AND SECONDED BY MAYOR DANA REED TO APPROVE AMENDMENT NO. 2 TO THE REIMBURSEMENT AGREEMENT BETWEEN CVAG, THE COUNTY OF RIVERSIDE AND THE CITY OF COACHELLA FOR THE AVENUE 48 BETWEEN VAN BUREN STREET AND DILLON ROAD WIDENING PROJECT, ADDING AN AMOUNT NOT TO EXCEED \$3,450,000, WITH CVAG'S SHARE OF \$2,587,500, FOR THE CONSTRUCTION PHASE AND EXTENDING THE TIME TRIGGER TO COMMENCE CONSTRUCTION TO AUGUST 31, 2023; AND AUTHORIZE THE EXECUTIVE DIRECTOR AND/OR LEGAL COUNSEL TO MAKE CLARIFYING CHANGES BEFORE EXECUTION

THE MOTION FOR CARRIED UNANIMOUSLY.

COUNCILMEMBER NORTE	AYE
VICE MAYOR DECONINCK	AYE
COUNCILMEMBER GREGORY	AYE
MAYOR HERNANDEZ	AYE
MAYOR MATAS	AYE
MAYOR REED	AYE
COUNCILMEMBER HOLMES	AYE
COUNCILMEMBER FITZPATRICK	AYE
MAYOR HARNIK	AYE
COUNCILMEMBER WOODS	AYE
COUNCILMEMBER WEILL	AYE
DIRECTOR LANCASTER	AYE

D. Election of Transportation Committee Officers – Tom Kirk

Mr. Kirk opened the election and solicited a call for nominees. Mayor Reed and Councilmember Weill nominated Mayor Hernandez for re-election as Chair. Mayor Harnik and Mayor Hernandez nominated Mayor Reed for re-election as vice chair. There were no other nominees.

IT WAS MOVED BY MAYOR JAN HARNIK AND SECONDED BY COUNCILMEMBER RAYMOND GREGORY TO REELECT THE OFFICERS OF THE TRANSPORTATION COMMITTEE – CHAIR STEVEN HERNANDEZ AND VICE CHAIR DANA REED – FOR FISCAL YEAR 2022/2023.

THE MOTION FOR CARRIED UNANIMOUSLY.

COUNCILMEMBER NORTE	AYE
VICE MAYOR DECONINCK	AYE
COUNCILMEMBER GREGORY	AYE
MAYOR HERNANDEZ	AYE
MAYOR MATAS	AYE
MAYOR REED	AYE
COUNCILMEMBER HOLMES	AYE
COUNCILMEMBER FITZPATRICK	AYE
MAYOR HARNIK	AYE
COUNCILMEMBER WOODS	AYE

7. **INFORMATION**

- a. Status of I-10 Interchange Projects
- b. CVAG Regional Arterial Program – Project Status Report
- c. Bicycle/Pedestrian Safety Program – Project Status Report
- d. Transportation committee Attendance Roster
- e. Feedback from Members on the Continued Use of Virtual Meetings

These items were placed in the agenda for member information. At a member's request, Mr. Kirk provided additional details on the survey that was conducted to solicit feedback on virtual meetings.

8. **PUBLIC COMMENTS ON NON-AGENDA ITEMS**

None.

9. **ANNOUNCEMENTS**

The next meeting of the **Transportation Committee** will be held on Monday, November 7, 2022, at 10:00 a.m. via Zoom webinar.

The next meeting of the **Executive Committee** will be held on Monday, September 26, 2022, at 4:30 p.m. via Zoom webinar.

10. **ADJOURNMENT**

There being no further business, Chair Hernandez adjourned the meeting at 10:49 a.m.

Respectfully submitted,

Erica Felci
Assistant Executive Director

ITEM 5B

Coachella Valley Association of Governments Transportation Committee November 7, 2022



Subject: Transportation Uniform Mitigation Fee Program Compliance Requirements

Contact: Peter Satin, Regional Planner (psatin@cvag.org)

Recommendation: Adopt Policy 22-01, formalizing Transportation Uniform Mitigation Fee program compliance requirements

Background: The Transportation Uniform Mitigation Fee (TUMF) was established in 1989 as a one-time impact fee charged on all new development occurring within the CVAG region, and is intended to compliment revenue generated through Riverside County's Measure A sales tax. Measure A was originally approved by voters as a dedicated transportation project funding source in 1989 and then again in 2002, and will remain in effect until 2039 unless voters choose to extend it. In the Coachella Valley, Measure A funds are disbursed by the Riverside County Transportation Commission (RCTC) according to the following breakdown:

- Fifty-percent to CVAG for highways and regional arterial projects;
- Thirty-five-percent to local jurisdictions for streets and roads; and
- Fifteen-percent to public transit.

CVAG uses its portion of Measure A funding alongside revenues generated by the TUMF program for regional projects identified in the Transportation Project Prioritization Study (TPPS). Costs for these projects are shared with the member jurisdiction in whose municipality the project takes place, and the cost sharing proportion is dictated by CVAG Policy 13-03. This policy encourages jurisdictions to continuously participate in regional programs by requiring that, in order to be eligible for the maximum allocation of CVAG regional transportation funds, local jurisdictions participate in both the TUMF program and the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP) as implemented and administered by the Coachella Valley Conservation Commission (CVCC). CVAG is thus able to incentivize participation in regional transportation and conservation programs to better ensure their success.

Local jurisdictions receive their allotment of Measure A funds directly from RCTC, but only after CVAG certifies their ongoing compliance with the TUMF program. This certification is provided to RCTC ahead of each fiscal year. In practice, compliance with the TUMF program has entailed adherence to the fee schedule and calculation methods as outlined in the current TUMF Handbook, and remitting TUMF collections and associated permit information to CVAG by the 20th day of the month following the month in which the fees were collected. While these are longstanding practices followed by member jurisdictions, CVAG staff is recommending they be formalized by adopting Policy 22-01, which clearly identifies the criteria that must be met to be compliant with the TUMF program.

Participation in the CVMSHCP as a requirement of the TUMF program mirrors the similar requirement for regional transportation funding eligibility as described in Policy 13-03. Specifically, adherence to the CVMSHCP entails

...endorsing the Permit Application, signing the Implementing Agreement and complying with all CVMSHCP requirements therein, charging and collecting the CVCC approved Local Development Mitigation Fee (LDMF) and following the policies duly adopted and amended by CVCC, including CVCC's Joint Project Review clarifying memorandum adopted during its June 10, 2021 Commission meeting.

This would bring CVAG's TUMF program in line with its regional transportation program, and would further ensure the success of the Coachella Valley's cooperative planning efforts.

An approved agreement allows CVAG to provide staffing for the CVCC to implement the CVMSHCP. Through the course of these duties, CVAG staff compile an annual report for presentation to the CVCC every April, and which summarizes local agency compliance with the CVMSHCP. Upon acceptance of the CVMSHCP annual report by the CVCC, CVAG staff would transmit the compliance summary to the Transportation Committee ahead of RCTC's certification request.

Currently, all member jurisdictions participating in the TUMF program are also compliant with the CVMSHCP and no further action is required. If Policy 22-01 is adopted, these requirements will be applied during the certification period for Fiscal Year 2022/2023 and added to the TUMF Handbook for circulation to member agency staff.

Fiscal Analysis: There is no direct cost to adopting this policy.

Attachment: CVAG Policy 22-01

CVAG Policy Number 22-01

Transportation Uniform Mitigation Fee (TUMF) Program Requirements

CVAG is responsible for administering the Transportation Uniform Mitigation Fee (TUMF) program for the Coachella Valley. The TUMF was established in 1989 as a one-time impact fee charged on all new development occurring within the CVAG region, and is intended to compliment revenue generated through Riverside County's Measure A sales tax. In the Coachella Valley, Measure A funds are disbursed by the Riverside County Transportation Commission (RCTC) according to the following breakdown:

- Fifty-percent to CVAG for highways and regional arterial projects;
- Thirty-five-percent to local jurisdictions for streets and roads; and
- Fifteen-percent to public transit.

CVAG uses its portion of Measure A funding alongside revenues generated by the TUMF program for regional projects identified in the Transportation Project Prioritization Study (TPPS). Costs for these projects are shared with the member jurisdiction(s) based on the project's location, and the cost sharing proportion is dictated by CVAG Policy 13-03.

Local jurisdictions receive their allotment of Measure A funds directly from RCTC, but only after CVAG certifies their ongoing compliance with the TUMF program. This certification is provided to RCTC ahead of each fiscal year. CVAG is adopting Policy 22-01 to provide transparency to member jurisdictions regarding what must be met to be considered compliant with the TUMF program. These criteria better align regional and local Measure A eligibility and incentivize participation in regional planning efforts. Requirements for the TUMF program are:

- Implementation of the impact fee schedule recommended by the CVAG Executive Committee, adherence to the TUMF calculation methods as described in the approved TUMF Handbook, and collection of fees prior to issuing a building or similar permit;
- Remittance of collected fees to CVAG by the 20th of the month following the month in which they were collected. Failure to remit collections in a timely manner may result in the charging of interest, as approved by the CVAG Executive Committee on November 26, 1990;
- Submission of permit information, in a format specified by CVAG, for all eligible TUMF developments by the 20th of the month following the month in which the permit was issued. Information pertaining to exempt developments that would otherwise be subject to TUMF shall also be transmitted; and
- Participation in the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP) as administered by the Coachella Valley Conservation Commission (CVCC) by endorsing the Permit Application, signing the Implementing Agreement and complying with all CVMSHCP requirements therein, charging and collecting the Local Development Mitigation Fee as approved by CVCC, and following the policies duly adopted and amended by CVCC, including CVCC's Joint Project Review clarifying memorandum adopted during its June 10, 2021 meeting.

ITEM 6A

Coachella Valley Association of Governments Transportation Committee November 7, 2022



STAFF REPORT

Subject: Next Steps for the Arts and Music Line

Contact: Jonathan Hoy, Director of Transportation (jhoy@cvag.org)

Recommendation: Authorize the Chair and/or Executive Director to:

1. Take the necessary steps accept \$36.483 million in Active Transportation Program Funding, conditional on approval by the California Transportation Commission; and
2. Execute Amendment No. 2 to the agreement with Albert A. Webb Associates for a not to exceed amount of \$1,060,000, including 10 percent contingency; and authorize the Executive Director and/or Legal Counsel to make clarifying changes/revisions before execution

Background: On October 20, 2022, California Transportation Commission (CTC) staff announced the recommended projects for Cycle 6 of the Active Transportation Program (ATP), a highly competitive pot of funding for bike and pedestrian projects. CVAG was recommended to receive \$36.483 million for the Arts & Music Line, a 15-mile project that largely extends along Avenue 48 in the Cities of La Quinta, Indio and Coachella. The project provides safe routes to local schools and embraces the use of bold color schemes, innovative lighting and artwork to create not only a safe and inviting route but also a destination in and of itself. It includes two connections to CV Link – the valleywide multi-modal pathway now under construction – and a connection to the polo grounds, which is home to the world-renowned Coachella and Stagecoach art and music festivals.

The project is one of 67 projects in the statewide component that are eyed to receive \$853.52 million from the 2023 Active Transportation Program. The grant awards are recommendations by CTC staff. The projects, along with recommendations for the small urban and rural projects, will be presented to the California Transportation Commission for approval when they meet in Riverside on December 7-8, 2022. The Arts and Music Line is, by far, the largest project being recommended out of Riverside County. CTC staff has also recommended \$300,000 for a mobility plan in the unincorporated community of Desert Edge and nearly \$8.2 million for three different projects in the City of Jurupa Valley.

Projects are scored on a 100-point scale; projects that don't get funded in the statewide round are then considered for funding in the Metropolitan Planning Organization (MPO) round, where there are fewer dollars to spread out across the state. Early estimates indicate Riverside County will receive another \$14 million. For the Coachella Valley, that allocation process includes additional scoring and recommendations by the Riverside County Transportation Commission and the Southern California Association of Governments. Based on the scores released by the CTC, the City of Desert Hot Springs proposal to make safe routes to school improvements along Hacienda

Avenue will be a strong contender for funding in the MPO round. The City had requested \$8.422 million for construction.

CVAG's Arts and Music Line funding is also requested for the construction phase of the project. Based on the proposed scope of work, the project is expected to start construction in early 2025. In anticipation of this construction funding, CVAG staff is recommending an amendment to the existing contract with Albert A Webb Associates contract to incorporate the required National Environmental Policy Act (NEPA) review process, and the design changes proposed in the Cycle 6 application.

CVAG's contract with Webb was first authorized as part of the Bicycle and Pedestrian Safety Program, which provides funding for getting regional ATP projects "shelf ready" for future grant opportunities. In September 2019, CVAG's Executive Committee approved staff's recommendation that CVAG hire Webb Associates to complete preliminary engineering, environmental analysis, and final design work for on the Arts and Music Line, as well as regional design guidelines for bike and pedestrian projects valley-wide. In September 2021, the CVAG Executive Committee authorized a no-cost extension to extend Webb's contract through December 2022.

CVAG previously submitted applications for the Arts & Music Line in both Cycle 4 and Cycle 5 of the state's Active Transportation Program, with Webb Associates assisting in Cycle 5. In both cycles, the project was short of the cut-off for the statewide round and was left in the position of having to turn down partial funding in as much as \$7.7 million in the Metropolitan Planning Organization (MPO) round because it would have put too much strain on the local and regional resources to accept that award and fill the funding gap.

In preparing for Cycle 6, CVAG staff used the remaining contingency in Webb Associates' contract to modify the proposed project to secure the greatest possible points on the application. The proposed project will construct approximately 9 miles of protected bicycle facilities (Class 1 and 4) along Avenue 48, Van Buren Street, and Dillon Road; more than six miles of Class 2 and 3 school spurs that directly connect the project to 11 disadvantaged schools; provides significant separation and protection for people walking along the project corridors; includes bicycle signals, raised and/or recessed bike/pedestrian crossings, and bicycle signal indicators; and services more than 19 existing affordable housing communities in the area.

In addition to these capital improvements, the project will implement a bike to school program. This program consists of a bike/walk train program, encouraging students to walk or bike together to school; a walking/biking route map – accessible by paper or smartphone, via a QR code; and a bicycle rodeo program that promotes an outdoor skills course where students can practice bicycle safety.

The original contract with Webb Associates only included the analysis needed to address California Environmental Quality Act (CEQA). However, the pot of funding that CVAG has been recommended to receive includes federal dollars, which triggers the need for additional NEPA-level work.

Given CVAG's committee schedule for the remainder of 2022, CVAG staff is recommending a contract approval in anticipation of the CTC's vote in December 2022. CVAG staff is also recommending the Executive Director be authorized to take any steps necessary to accept the funding.

Fiscal Analysis: The original contract for Webb Associates was for a not-to-exceed amount of \$2,731,897. Amendment No. 1 provided no additional costs but extended the date. Amendment No. 2 will further extend the contract term until December 31, 2024. It also increases the contract amount by an additional \$1,060,000. Funding is being split on the 75 percent/25 percent funding formula that is standard for regional projects.

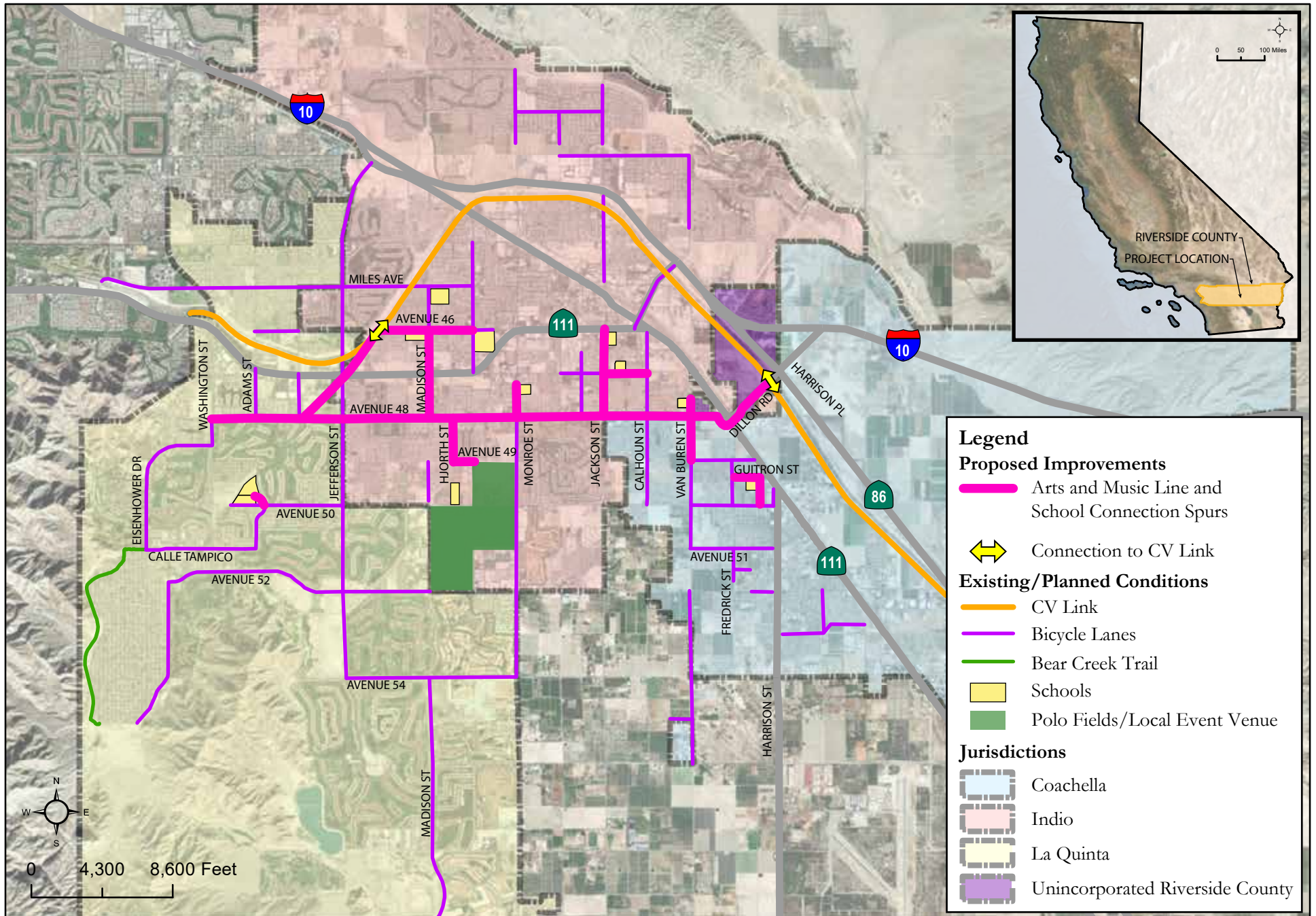
Because the Arts and Music Line's local share spans more than one jurisdiction, the approved reimbursement agreements split the 25 percent local share based on the length of the project in each jurisdiction. Consequently, the local share has been split with the City of La Quinta covering 25%, City of Indio covering 67% and the City of Coachella covering the remaining 8%. CVAG staff is working with member jurisdictions to revise the agency reimbursement agreements to account for the additional \$1,060,000, and present to the Executive Committee for approval when it meets on December 5, 2022.

Looking ahead, CVAG staff will continue to look for additional funding opportunities for the construction costs. Staff will also work with its member jurisdictions to address cost-sharing of the local share of the construction phase, allowing them to budget for future fiscal years. However, those cost sharing agreements will likely move forward closer to the start of construction and/or an awarding of a contract.

Finally, staff would like to note the return on investment of the Bicycle and Pedestrian Safety Program and CVAG Committees' support of using local and regional funding to position projects for future grant opportunities. During Cycle 5 of the state's ATP, the City of Cathedral City's regional connector project scored the highest at the MPO level for Riverside County and construction was fully funded at \$4.4 million.

Attachments:

1. Project Location Map
2. Amendment No. 2



**AMENDMENT NUMBER TWO
to the
ALBERT A. WEBB ASSOCIATES
PROFESSIONAL ENGINEERING AND ENVIRONMENTAL SERVICES AGREEMENT
for the
COACHELLA VALLEY ART AND MUSIC LINE**

This **AMENDMENT NUMBER TWO** is made and entered into this 5th day of December 2022, by and between the **Coachella Valley Association of Governments**, a California joint powers agency (**CVAG**), and **Albert A. Webb Associates (Consultant)**, and is made with reference to the following background facts and circumstances. All other terms and conditions shall remain the same as stated in the original Agreement dated November 18, 2019, for the Coachella Valley Art and Music Line project.

1. **This Amendment Number Two extends the term of the contract to December 31, 2024.**
2. **This Amendment Number Two authorizes Albert A. Webb Associates to provide additional services in accordance with the attached scope of services for a not-to-exceed amount of \$1,060,000.00.**

Original Contract	November 18, 2019	\$2,731,897.00
Amendment Number One	September 27, 2021	No Cost
Amendment Number Two	December 5, 2022	<u>\$ 1,060,000.00</u>
Total Contract not-to-exceed		\$3,791,897.00

IN WITNESS WHEREOF, the parties hereto have caused this **Amendment Number Two** to be executed by their duly authorized representatives on this date:

**COACHELLA VALLEY ASSOCIATION
OF GOVERNMENTS**

ALBERT A. WEBB ASSOCIATES

By: _____
Tom Kirk, CVAG Executive Director

By: _____
Dilesh Sheth, Senior V.P.

Date: _____

Date: _____

Albert A. Webb Associates – Arts & Music Line Amendment No. 2
Additional Scope of Services and Compensation

Additional Scope	Description	Additional Budget
Additional Field Survey		\$ 30,000.00
NEPA	New Scope	\$ 170,000.00
Additional Geotechnical Work		\$ 20,000.00
Artist Assistance	Changes	\$ 50,000.00
Drainage	Additional work for CVWD	\$ 40,000.00
Street Design	Design changes	\$ 100,000.00
Intersection	Design changes	\$ 60,000.00
CVWD	Additional efforts to satisfy the staff	\$ 100,000.00
Streetlight	Design changes	\$ 30,000.00
Structural Design	Detailed Design needed	\$ 80,000.00
Legal and Plats	New Scope	\$ 60,000.00
Right of Way Acquisition	New Scope	\$ 150,000.00
Outreach		\$ 50,000.00
Project Management and Meetings		\$ 120,000.00
		\$ 1,060,000.00

ITEM 6B

Coachella Valley Association of Governments Transportation Committee November 7, 2022



STAFF REPORT

Subject: Federal and State Legislative Advocacy in 2023

Contact: Emmanuel Martinez, Senior Programs Manager (emartinez@cvag.org)

Recommendation: Review the transportation section of the draft 2023 Federal and State Legislative Platform and provide feedback regarding priorities and positions outlined in the document

Background: In February 2022, CVAG's Executive Committee adopted its first Federal and State Legislative Platform to help guide CVAG's legislative advocacy work in Washington and Sacramento. As part of a legislative strategy, the legislative platform is integral to engaging and advocating on key issues as it provides direction on key issue areas of importance to CVAG. Because this document outlines key positions on issue areas both at the state and federal level, staff and advocacy teams are able to monitor and track priority issues for CVAG and expedite engagement. As such, this allows staff and lobbyist to advance work on issues with adopted positions without having to wait for the next committee meeting to seek approval or guidance. This is an important benefit of adopting a legislative platform, as it allows CVAG to efficiently and effectively engage even when priority issues move rapidly through the legislative process.

The legislative platform is divided into various issues areas, including transportation, energy and environment, homeless and affordable housing and public safety. For the Transportation Committee, staff is seeking comments and feedback pertaining to the transportation section. The platform will be presented to all of CVAG's committees so that each may provide input on the section pertinent to their jurisdiction. Ultimately, this process will help ensure the platform is comprehensive and well vetted before it is considered by the Executive Committee for adoption.

Although there are some changes to the platform, such as tracking emerging programs, there is not significant variability over a one-year period. The key updates include stronger and clearer language related to protecting local control and decision-making regarding use of local funds and project prioritization; opposition efforts that aim to eliminate to decrease capacity enhancement transportation projects; new language related to the Inflation Reduction Act programs for active transportation and support for continued and increased funding for said programs; and monitoring implementation of the California Action Plan for Transportation Infrastructure. The platform also reinforces CVAG's longstanding policy of supporting regular train service between Los Angeles and the Coachella Valley, particularly the CV Rail project led by the Riverside County Transportation Commission (RCTC). In terms of funding flexibility, it supports sub-regional funding mechanisms to provide agencies within Riverside County, such as RCTC, the same flexibility that has been established for other counties via AB 1413, as well as to support policies that clarify RCTC's powers and authorities. Having flexibility with revenue streams is critical to further the projects goals of CVAG, particularly at a time when traditional and ongoing state and federal funding sources have decreased. In addition, the platform includes language in support

for regional agencies to continue to be allowed to conduct meetings electronically via Zoom videoconference or other virtual platforms, similar to what has existed under AB 361. As a regional agency that requires participation from various local jurisdictions and the county, public meetings held electronically help to increase access and participation by its members. From an environmental standpoint, electronic meetings help to also reduce vehicle miles travelled, reducing the carbon footprint in comparison to in-person meetings. This flexibility has demonstrated support as a result of the survey conducted by CVAG on the topic and has generally received broad support. CVAG staff and lobbyists have vetted the draft platform and anticipate the majority of issues in 2022 to carryover to 2023, especially during a biennial state legislative session. To ensure adequate coverage and informed engagement, CVAG's advocacy strategy will be to continue to coordinate with all of CVAG's member agencies, Riverside County Transportation Commission, Southern California Association of Governments and the County of Riverside.

With adoption, CVAG staff anticipates continuing the momentum that was started during the 2022 legislative cycle. This included CVAG opposing legislation that would have required local and state funds for capacity enhancing projects and other similar projects to adhere to the state's climate goals. In 2022, the Executive Committee voted to oppose AB 2237 and 2438, authored by Assemblymember Laura Friedman, Chair of the Assembly Transportation Committee, and AB 1778, authored by Assemblymember Christina Garcia. Collectively, these bills proposed changes that would have usurped local decision-making regarding prioritization of transportation projects, including projects funded by local transportation funds such as Measure A. Although all three bills are dead, AB 2438 made it to the Governor's desk, where it was vetoed. As part of the advocacy, CVAG staff coordinated with Riverside County Transportation Commission (RCTC) and sent opposition letters to these measures. Despite these bills not advancing, staff and lobbying team anticipate similar efforts to continue into next legislative cycle.

CVAG staff and state lobbying team, the Politico Group, also closely monitored the Active Transportation Program and the potential for augmentation of the program for Cycle 5. As detailed in a separate staff report, the Arts and Music Line – which extends largely along Avenue 48 in the Cities of La Quinta, Indio and Coachella – is being recommended for nearly \$36.5 million. In announcing its recommendations, the California Transportation Commission staff noted that Cycle 6 funded more projects than previous cycles thanks to a one-time, \$1.049 billion augmentation. Without the augmentation, state officials said only 23 projects would have been recommended for funding in the statewide component instead of the 67 that have been recommended. CVAG staff will continue to track the Active Transportation Program, which continues to be one of the most competitive programs in the state and advocate for additional funds to help address the backlog of competitive projects.

Additionally, broadband will be an issue to continue to actively engage on behalf of CVAG. In November 2021, the Governor announced the Coachella Valley as one of the initial 18 projects throughout the state for middle-mile infrastructure. The State is also making significant investments in last-mile planning and capital improvement projects. The Local Agency Technical Assistance Grant is currently still accepting applications. CVAG is submitting an application to plan for last-mile projects region-wide, while the Cities of Palm Springs and Indio have already submitted applications. Once this funding exhausted, the state will move to open the grant program for last-mile capital projects.

Lastly, staff would note having a presence in Sacramento is important amid a changing of the guard. In the state legislature, 26 Assemblymembers and Senators have opted to not seek re-election this year. Another seven senators are termed out. In effect, the 2023 legislative cycle will include a significant number of new members. This is an important dynamic to monitor as it can impact the type of bills that are introduced in the upcoming session. It will also may require increased educational efforts to new members on priority committees for CVAG, such as transportation. CVAG staff and lobbying team will

monitor the final results, which will help to determine approaches to elevate CVAG's projects and legislative priorities.

At the federal level, the \$737 billion recently enacted Inflation Reduction Act (IRA) provides a number of programs of interest to CVAG. These programs collectively comprise a significant investment in clean energy and climate adaptation programs, which total \$369 billion in addition to the \$4 billion for Western Drought Resiliency. Specifically, the IRA invests \$10 billion in home energy efficiency with a strong focus on low-income households. It also invests, among other related items, \$3 billion in the Environmental and Climate Just Block Grants Program, to address environmental and public health concerns related to pollution and climate change. Related to the Department of Transportation, the IRA invests \$3.2 billion to support safe, affordable transportation projects that increase connectivity, including improving access to pedestrians and bicyclists. CVAG's federal lobbyist, The Ferguson Group, is working with CVAG staff to closely monitor the development and implementation of IRA related programs to identify competitive funding opportunities for CVAG's programs.

In addition, it is anticipated that congressionally directed spending requests will continue to be a mechanism to secure funds for priority projects. In 2022, CVAG submitted a request to Congressman Ruiz and Senator Padilla and Senator Feinstein for pre-construction dollars related to the flooding and blowsand project. However, the request did not move forward given that shovel ready projects were prioritized over those in the planning phases. Nonetheless, the City of Desert Hot Springs' request for \$2.5 million to construct two new bridges over low-water crossings has been included in the Transportation, Housing and Urban Development spending bill for Fiscal Year 2023. These bridges are proposed along Indian Canyon Drive and will help mitigate the impacts of flooding and blowsand. Also, advocacy will continue in support of the City of Indio's \$1.5 million for the Interstate 10 (I-10) and Monroe Street Interchange Project, which is also included in the THUD spending bill FY 2023. If awarded, these funds will help reconstruct and widen the Monroe Street interchange on the I-10 freeway and the Coachella Valley Stormwater Channel on the Whitewater River to accommodate additional through lanes, turn lanes and connections to CV Link. As such, continued advocacy will be important to ensure the earmark remains in the bill until final passage.

Also related to flooding and blowsand, CVAG staff and the City of Palm Springs are partnering on a Hazard Mitigation Grant application to address flooding and blowsand along Indian Canyon. CVAG staff applied to the Notice of Interest solicited by the California Office of Emergency Services for the Indian Canyon flooding and blowsand project and was selected to move forward to a full sub-application to the state. The state will then review project submittals and select projects to include in their application to FEMA. As the process unfolds, it may be necessary for both CVAG's federal and state lobbyists to engage and assist in advocating for the Indian Canyon flooding and blowsand project.

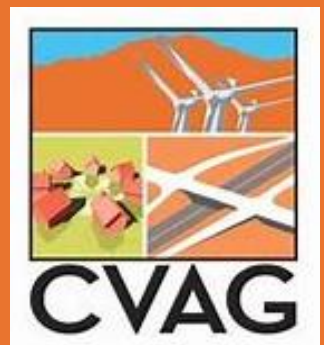
Fiscal Analysis: There are no additional costs to CVAG for updating the 2023 Federal and State Legislative Platform. Advocacy efforts are covered under existing contracts with the Ferguson Group in Washington and the Politico Group in Sacramento, California

Attachment: Draft 2023 Federal and State Legislative Platform

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

2023 Federal and State Legislative Platform

Adopted:



Coachella Valley Association of Governments

The Coachella Valley Association of Governments (CVAG) is a council of governments in the Coachella Valley and eastern Riverside County that funds and delivers transportation projects, operates regional programs and coordinates government services in order to improve and address issues of regional significance. CVAG's activities include, but are not limited to, improving the regional transportation system, providing services to the chronically homeless and promoting the use of green energy and sustainability. CVAG's membership includes 10 cities, the County of Riverside and four Indian tribes. As an organization committed to addressing issues of common interest and concern of its member agencies, CVAG strives to implement regional programs and policies that advance a better quality of life and balanced growth for residents, businesses and tourists of Central and Eastern Riverside County.

The legislative platform will guide the tracking and analysis of priority legislative, budget, regulatory, and administrative issues at the federal and state levels. It will assist in providing staff and lobbyists guidance on policy-related matters that may impact the operation and implementation of the various programs and services offered by CVAG. This document will facilitate the development of a federal and state strategy and focused action plan to address the needs and priorities of CVAG and its member jurisdictions.

**Agua Caliente Band of Cahuilla
Indians**

City of Blythe

Cabazon Band of Mission Indians

City of Cathedral City

City of Coachella

City of Desert Hot Springs

City of Indian Wells

City of Indio

City of La Quinta

City of Palm Desert

City of Palm Springs

City of Rancho Mirage

County of Riverside

**Torres Martinez Desert Cahuilla
Indians**

**Twenty-Nine Palms Band of
Mission Indians**

CVAG

**73-710 Fred Waring Drive
Suite 200**

Palm Desert, CA 92260

Tel: 760-346-1127

www.cvag.org

Key Categories



TRANSPORTATION

Reliable, sustainable and safe multimodal transportation infrastructure is a top priority for the Coachella Valley Association of Governments as it strives to support the transportation needs of current and future residents and visitors.



ENERGY

Supporting and securing funding for clean energy and energy efficiency initiatives that reduce our carbon footprint, improve air quality, and increase climate resiliency for our member agencies and our residents.



ENVIRONMENTAL

Conservation of the Coachella Valley's natural resources and maintaining and growing our rich and abundant wildlife is a focus of CVAG and our members.



BROADBAND

Deployment of middle-mile infrastructure that can facilitate a high-speed last-mile broadband network for beneficial use among CVAG's residents, businesses, and members is key to the success and vitality of CVAG and the communities it serves.



HOMELESS AND AFFORDABLE HOUSING

Addressing the dual challenges of homelessness and development of affordable housing through regional solutions is critical to ensuring a high quality of life in the Coachella Valley.



PUBLIC SAFETY

Maintaining a safe and secure community, free of crime, while ensuring clean and engaging public spaces, is essential to maintaining vibrant and growing business and residential communities.

FEDERAL

Transportation

Bridges, Regional Arterials and Improved Access

- Support regional efforts for the Coachella Valley-San Geronio Pass Rail Corridor Service (CV Rail), including funding opportunities to advance the preferred alternative, to support alternate transportation modes and better connect desert communities and attractions with Los Angeles, Orange County and the Inland Empire.
- Support actions by the Riverside County Transportation Commission, the Federal Railroad Administration and the California Department of Transportation that advance CV Rail.
- Support advocacy efforts by the Facilitate Equitable Deals Task Force to improve coordination and collaboration with Union Pacific Railroad (FED-UP).
- Support outside funding for CVAG's priority projects as outlined in the Transportation Project Prioritization Study (TPPS), including interchanges along the Interstate 10 corridor and State Highway Route 86, in order to reduce the burden on regional and local funds.
- Support legislative and regulatory efforts that increase funding for the expansion and improvement of regional arterial projects that improve public safety, encourage economic development, ease traffic congestion, and reduce air quality and environmental impacts.
- Support efforts by Riverside County Transportation Commission, San Diego Association of Governments and the San Bernardino Association of Governments, to reduce congestion and increase mobility to and from the CVAG region, including increased funding for bypass roads, bridges and transportation improvements in the pass area.
- Support Congressionally directed spending requests for transportation projects in the Coachella Valley and in eastern Riverside County.
- Support increased funding for Tribal nations in the Coachella Valley for implementation of regional transportation projects.
- Support efforts that expand public transportation opportunities in the City of Blythe, including increased transit.
- Support National Environmental Policy Act (NEPA) reform to expedite and streamline environmental review and project delivery for transportation projects.
- Support efforts that dedicate funding for goods movements projects, including grade separation projects, in eastern Riverside County.
- Oppose efforts that decrease local control and decision-making regarding local revenue sources, including, but not limited to, Measure A sales tax revenue and the Transportation Uniform Mitigation Fee (TUMF).
- Oppose efforts that would divert revenue derived from transportation sources to non-transportation related projects or activities.
- Oppose efforts to eliminate or decrease use of state and local transportation funds for capacity enhancement projects and monitor one-size-fits-all approaches regarding their use.

- Monitor implementation of programs in the federal Infrastructure Investment and Jobs Act (2021 Infrastructure Bill) and the Inflation Reduction Act of 2022 (IRA 2022), such as the Bridge Investment Program, and support funding for existing programs such as the Highway Bridge Program and the Transportation Infrastructure Financing Innovation Act (TIFIA) Program.
- Monitor regulatory and legislative changes to the Federal Highway Administration's Congestion Mitigation and Air Quality (CMAQ) Improvement Program and oppose efforts that impose additional requirements on, or decrease funding for, CVAG or its member agencies.
- Monitor efforts that would make changes to the Clean Air Act and associated transportation programs to meet nonattainment or maintenance requirements.
- Monitor potential replacement mechanisms for the federal gasoline excise tax.

Active Transportation

- Support policies and programs that provide funds for regional projects identified in CVAG's Active Transportation Plan.
- Advocate for increased federal funding to the state's Active Transportation Program, including opportunities to augment the program through the Reconnecting Communities and the Neighborhood Access and Equity grant programs.
- Monitor legislative and regulatory activity related to new mobility devices, such as scooters and automated vehicles, to ensure adequate safety compatibility with active transportation systems.

Intelligent Transportation Systems

- Identify and pursue funding opportunities that support, expand or leverage intelligent transportation systems, including CVAG's synchronization (CV Sync) traffic signal program.
- Monitor legislative and regulatory changes to funding sources for intelligent transportation systems, including the Congestion Mitigation and Air Quality program, and oppose efforts to decrease funding for non-attainment areas.

Energy and Environment

- Support legislation and programs that invest in projects that achieve environmental benefits, including improved air and water quality, water and energy conservation, and urban greening and heat mitigation initiatives in the region.
- Support programs that fund implementation of the Coachella Valley Multiple Species Habitat Conservation Plan and that support habitat restoration in the Coachella Valley.
- Support Salton Sea Authority efforts related to Salton Sea projects and legislation that provides funding for the restoration and revitalization of the Salton Sea, including the Phase One: 10 Year Plan.
- Support legislation that facilitates environmentally sensitive renewable energy development at the Salton Sea Known Geothermal Resource Area, including lithium extraction.

- Support legislation that provides funding for electric vehicle infrastructure and incentives for early adoption of electric vehicles.
- Monitor federal legislative, regulatory, and administrative activities that may impact the Coachella Valley Multiple Species Habitat Conservation Plan and the Desert Renewable Energy Conservation Plan.
- Monitor legislative and regulatory actions that may impact Property Assessed Clean Energy programs.
- Identify programs and support legislation that provides funding for clean energy, energy efficiency, decarbonization and green building programs.
- Monitor and support funding opportunities for wildlife crossing structures to increase habitat connectivity and decrease wildlife-vehicle collisions in areas where populations are fragmented by highways and interstates.
- Support policies and funding that expand access for rooftop solar to households of all incomes. Monitor issues related to Net Energy Metering and initiatives that impact availability and affordability of rooftop solar.

Broadband

- Support and advocate for funding for open access middle-mile infrastructure to facilitate last-mile connections and leverage existing networks and construction projects to build networks, when possible.
- Support efforts and funding that prioritize connectivity to unserved and underserved communities and community anchor institutions.
- Support and identify programs that support middle-mile and last-mile broadband infrastructure and that leverage dig-once opportunities such as CVAG's CV Sync project.
- Monitor actions by the Federal Communications Commission related to broadband and implementation of the broadband investments as authorized in the 2021 infrastructure Bill.

Homeless and Affordable Housing

- Identify and advocate for opportunities for CVAG's member agencies to secure funding that assists in building affordable housing and increasing housing opportunities for low-, moderate-, and workforce housing.
- Monitor and support programs and funding for CVAG's CV Housing First program and regional solutions to addressing homelessness.

Public Safety

- Identify, monitor and support legislation that provides funding for operations, maintenance, and updates to early earthquake warning systems.
- Identify funding opportunities for member jurisdictions to mitigate and reduce the incidents of green waste fires.

- Monitor legislation and administrative actions related to race, diversity and inclusion policies as it pertains to law enforcement.
- Monitor and support funding opportunities that will assist in the reduction of the spread of COVID-19 and other public health and safety concerns, to assist public entities in their response.

STATE

Fighting for Fairness and Funding

- Support legislative efforts that improve funding opportunities for the Coachella Valley in the state's Cap-and-Trade program and oppose policies that disproportionately disadvantage the CVAG region to compete for funding.
- Support policies that allow for a diverse set of social equity metric measuring tools to qualify and compete for Cap-and-Trade funded programs including, but not limited to, household income and the AB 1550 low-income definition and oppose efforts that would limit use to, or increase reliance on, the CalEnviroScreen in grant programs.
- Support legislative efforts, regulation and guidance that allows for virtual public meetings to continue for regional agencies, such as AB 361, to facilitate access to meetings and allow for increased efficiencies and effectiveness in conducting public meetings while also reducing vehicle miles traveled.
- Support legislative and regulatory changes to the Transformative Climate Communities program to allow eligible and qualifying planning grant recipients to also be eligible and qualify to apply for implementation grants.
- Support policy changes to funding programs that use the CalEnviroScreen tool that would broaden eligible competitive areas and that better reflect the diversity in the Coachella Valley.
- Oppose legislative and regulatory actions that utilize CalEnviroScreen and high-housing density criteria, which favor large urban centers, to determine allocation of state grant funds and would decrease funding competitiveness for areas such as the Coachella Valley.
- Oppose program guidelines that use transit-oriented development standards, such as the Affordable Housing and Sustainable Communities program, that disproportionately favor large urban centers and do not reflect the reality of growth and development in the Coachella Valley, therefore decreasing funding opportunities for the CVAG region.
- Advocate for policy changes that allow for regional variances related to transit quality, transit frequency and density related to housing-oriented development, to allow the CVAG region better compete for funding in the state's Cap-and-Trade program.

Transportation

Bridges, Regional Arterials and Improved Access

- Support regional efforts to increase passenger rail service between Los Angeles and the Coachella Valley, including funding opportunities and actions by the Facilitate Equitable Deals task force to improve coordination and collaboration with Union Pacific Railroad (FED-UP).
- Support legislation that increases funding opportunities for bridges, interchanges and regional arterials in the Coachella Valley.
- Support efforts by the California Department of Transportation, Riverside County Transportation Commission, San Diego Association of Governments and the San Bernardino Association of Governments, to implement congestion projects identified in the Inland Empire Multimodal Corridor

Plan that increase mobility to and from the CVAG region, including increased funding for bypass roads, bridges and transportation improvements in the pass area.

- Support California Environmental Quality Act (CEQA) reform to expedite and streamline project delivery for transportation projects.
- Support and advocate for actions that increase transportation resources in the City of Blythe and local Tribal Nations, to address historic underinvestment and improve mobility, economic development opportunities and quality of life.
- Monitor the state's road charge pilot program and other potential replacement mechanisms for the state gasoline excise tax.
- Monitor legislative changes to Senate Bill 1 (Statutes 2017); oppose efforts to divert funding to non-transportation related uses, such as housing, or otherwise qualifying eligibility of SB 1 funds on non-transportation related goals and objectives.
- Monitor implementation of the California Action Plan for Transportation Infrastructure (CAPTI) and opposed policies that decrease funding opportunities for the Coachella Valley.
- Oppose legislative changes that create or strengthen a nexus between the availability of transportation funding and local jurisdictions' ability to meet their requirements under the Regional Housing Needs Assessment (RHNA) numbers.
- Oppose legislative or regulatory policies that decrease local decision-making authority regarding use of local funds for priority transportation projects.
- Monitor legislation that would increase voter approval thresholds for the creation, extension, or increase of local transportation tax measures and support regional efforts by RCTC to clarify their authorities and establish diversified and flexible funding sources such as those created in other counties via AB 1413 that allow sub-regional funding mechanisms to advance local priority projects.

Active Transportation

- Support increased funding for the Active Transportation Program (ATP) to address the backlog of applications and increase the program's funding capacity.
- Support increased investment in active transportation infrastructure as a component of other state-funded transportation programs that increase access and opportunities for walking, biking, and complete streets that connect the multimodal transportation system.
- Support policies and programs that promote increased use of active transportation infrastructure and systems.
- Support efforts that streamline project delivery, build local capacity such as additional technical assistance, and provide increased flexibility to innovate and strategically invest funds to meet local needs.
- Oppose legislative, regulatory, and administrative efforts to score ATP applications on non-transportation related criteria, such as housing-related policies, CalEnviroScreen and policies which would hinder low density areas like the Coachella Valley and the City of Blythe.
- Oppose changes to the ATP that would decrease CVAG's competitiveness, such as the elimination of leveraged funding and other categories that are advantageous to CVAG and its members jurisdictions.

Intelligent Transportation Systems

- Support programs that leverage technology to improve mobility, increase goods movement efficiency, reduce emissions and help to mitigate environmental impacts.
- Identify state programs and funding that supplement CVAG's CV Sync project.
- Monitor legislation that incorporates innovative technologies into the state transportation system, such as zero or near-zero emission vehicles, autonomous vehicles, and small electric mobility devices that improve transportation accessibility, efficiency and reduce environmental impacts.

Energy and Environment

- Support legislative and regulatory efforts to increase the flexibility of funding programs from the California Air Resources Board's Cap-and-Trade Program to ensure the Coachella and Palo Verde Valleys get their fair share, including taking into account regional variances related to growth, housing, and greenhouse gas (GHG) reduction strategies.
- Support increased investments of the state GHG reduction funds toward transportation projects to reduce transportation related GHG emissions.
- Support investments in Cap-and-Trade funded programs, such as the Clean Vehicle Rebate Program, Single-Family Energy Efficiency, and Low-income Weatherization programs.
- Advocate for changes in the CalEnviroscreen mapping tool that reflect the socio-economic realities of the diverse communities in the Coachella Valley and Palo Verde Valleys, or the use of alternative tools such as household income.
- Support policies that ensure criteria for defining disadvantaged communities and environmental justice areas accurately represent eastern Riverside County, including those that mirror AB 1550 community mapping, in order to ensure the region can compete for funding opportunities.
- Support policies, programs, and funding for electric vehicle charging infrastructure and increased use of electric vehicles in the region.
- Support efforts that provide necessary resources for implementation of the Coachella Valley Multiple Species Habitat Conservation Plan as well as resources for desert communities to prepare and adapt to changing climate and natural disasters, such as the Climate Resiliency programs.
- Support funding for programs that support local planning and response measures to extreme heat events, including nature-based solutions, to protect critical infrastructure, habitat and public health and safety.
- Support legislation that provides funding for the restoration and revitalization of the Salton Sea to limit regional impacts to air quality, wildlife habitat, and health of communities, including the Phase One: 10 Year Plan.
- Support efforts at the Salton Sea that facilitate economic development, such as lithium extraction.

- Monitor actions related to the 1934 Agreement of Compromise between Imperial Irrigation District and the Coachella Valley Water District and support Coachella Valley Energy Commission efforts to achieve a permanent service option and governance structure between Coachella Valley stakeholders and IID post-2033.
- Identify programs and support legislation that provides funding for clean energy, energy efficiency, decarbonization, and green building programs.
- Monitor legislative and regulatory efforts related to vehicle electrification and building decarbonization that would add new requirements to local governments, including Title 24 building standards.
- Monitor implementation of the state's climate resiliency efforts and efforts related to environmental justice communities and AB 617 (Statutes of 2017) emission reduction funding programs.
- Support policies and funding that expand access for rooftop solar to households of all incomes. Monitor issues related to Net Energy Metering and initiatives that impact availability and affordability of rooftop solar.

Broadband

- Support funding and implementation of the Coachella Valley's middle-mile broadband project and the programs to assist with last-mile connections that bridge the digital divide in the Coachella Valley.
- Monitor legislative and regulatory actions related to SB 156 (Statutes of 2021) and related actions by the California Department of Technology and the Office of Broadband and Digital Literacy.
- Monitor the California Middle-Mile Advisory Committee and its recommendations regarding implementation of middle-mile infrastructure.
- Monitor the California Public Utilities Commissions proceedings related to broadband infrastructure implementation, such as Rulemaking (R.) 20-09-001 and Rulemaking proceeding, R.20-08-021.

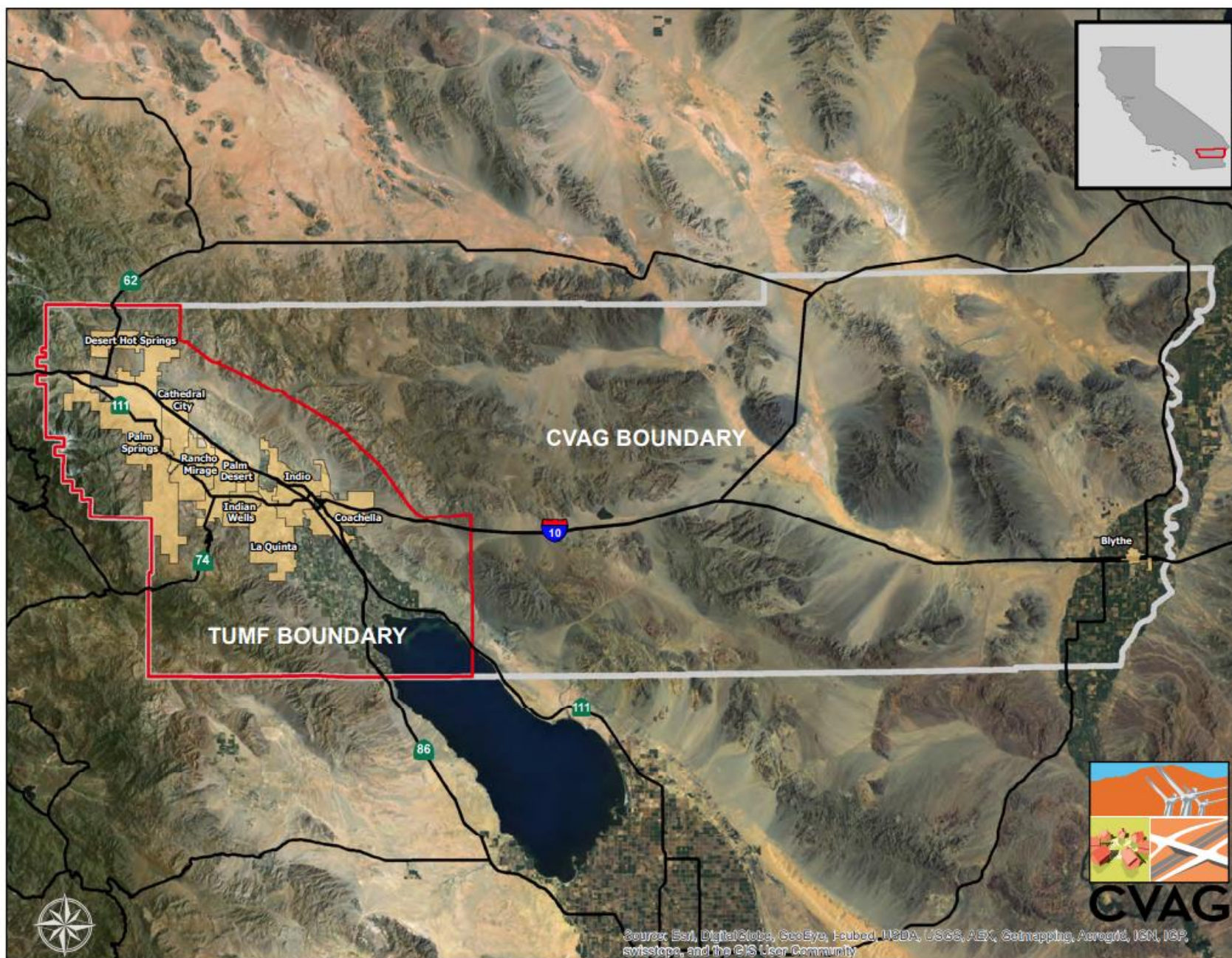
Homelessness and Affordable Housing

- Support increased investment in, and creation of, programs that assist local governments, counties and regional collaborations to address the challenges associated with homelessness.
- Support legislative efforts that allow for sustainable financing options, as outlined in CVAG's Regional Early Action Plan (REAP) and member jurisdictions' Local Early Action Plans (LEAP), in order to address housing shortages and provide affordable housing options.
- Support efforts by Lift to Rise to establish the Coachella Valley Housing Catalyst Fund to increase housing production in the Coachella Valley and create homeownership opportunities for low- and very low-income families, permanent supportive housing for the homeless and address unpermitted mobilehome park issues.
- Support CEQA reform to streamline the delivery of housing projects.
- Monitor the Affordable Housing and Sustainable Communities Program and advocate for increased flexibility and changes that ensure a greater share of funding is available to areas that don't have Transit Oriented Developments (TOD) and thereby more accurately account for unique community characteristics and growth patterns in the Coachella Valley.

- Support the extension of state-funded solutions, including Project RoomKey and Project HomeKey, with an emphasis on ensuring those investments are used in the Coachella Valley.
- Support legislative efforts that would allow local jurisdictions to implement, if they choose, programs and ordinances that require unsheltered individuals to accept housing solutions and treatment solutions.
- Support efforts to establish homeless courts that can help local jurisdictions provide additional solutions and services for homeless individuals.
- Support legislative efforts that would allow local jurisdictions to implement, if they choose, programs and ordinances that increase the available housing units and/or require unsheltered individuals to accept housing solutions and treatment solutions so long as there are adequate housing units available.

Public Safety

- Support programs and policies that provide funding for the CVAG region to obtain, enhance, operate, maintain and update early earthquake warning systems.
- Monitor legislation and executive orders related to the COVID-19 pandemic and other public health and safety emergencies and support programs that provide assistance to negatively impacted communities in the Coachella Valley.
- Monitor legislation impacting race, diversity, and inclusion policies as it pertains to local law enforcement.



ITEM 6C

Coachella Valley Association of Governments Transportation Committee November 7, 2022



STAFF REPORT

Subject: Formula Funding Distribution with Riverside County Transportation Commission

Contact: Jonathan Hoy, Director of Transportation (jhoy@cvag.org)

Recommendation: Authorize the Executive Director to negotiate a Memorandum of Understanding (MOU) between Riverside County Transportation Commission (RCTC) and the Coachella Valley Association of Governments (CVAG) to outline certain formula funding distributions between RCTC and CVAG as follows:

Measure A

- 1) Distribute Measure A funds as directed in the Measure A Ordinance and Expenditure Plan approved by Riverside County voters in 2002;

Local Transportation Fund Planning

- 2) Distribute Local Transportation Fund (LTF) Planning funds to CVAG following the RCTC-adopted distribution formula;

State Transportation Improvement Program

- 3) Distribute State Transportation Improvement Program (STIP) funds consistent with the 1998 Memorandum of Understanding (MOU) with Western Riverside Council of Governments (WRCOG) and CVAG;
- 4) Revise STIP Planning, Programming, and Monitoring (PPM) distribution to CVAG from a set dollar amount to the Coachella Valley percentage share of taxable sales applied to annual STIP PPM allocation amounts following the procedures contained herein;

Local Partnership Program Formula

- 5) Distribute Local Partnership Program (LPP) Formula funds to CVAG for the eastern county share of taxable sales; and
- 6) Coordinate with CVAG leading up to each LPP Formula cycle to communicate the eastern county LPP Formula share balance and determine if there is an eligible eastern county project on which to program the funds

Background: CVAG and the Riverside County Transportation Commission have had a longstanding and productive partnership to improve the regional arterial network. As detailed below, the partnership has included a number of agreements. However, not all funding sources have been formalized. CVAG and RCTC staffs have coordinated to address that moving forward in order to formalize an updated memorandum of understanding between agencies.

Measure A

In 1988, Riverside County voters approved a half-cent sales tax measure dedicated to transportation improvements in Riverside County. On June 26, 1989, RCTC and CVAG entered into an agreement detailing that CVAG is responsible for administering the Transportation Uniform Mitigation Fee (TUMF) Program and that CVAG will advise RCTC with respect to various policies and procedures, including: Measure A maintenance of effort requirements, disbursements of Measure A funds, priorities and funding for highway programming, and regional arterial transportation programming. On December 12, 1990, the agreement was amended to specify that CVAG determines how Measure A funds in the Coachella Valley are allocated.

In 2002, Riverside County voters approved the extension of Measure A for 30 years from 2009 to 2039. The 2002 Measure A Ordinance included an Expenditure Plan and Transportation Improvement Plan specifying how Measure A funding is to be distributed in the Coachella Valley:

- 1) Highways and Regional Arterials: 50% for state highways and regional road improvements (priorities as determined by CVAG's Transportation Project Prioritization Study);
- 2) Local Streets and Roads: 35% returned to cities and the county (distributed 50% on proportionate dwelling units and 50% on Measure A revenues generated in each jurisdiction) – managed by RCTC; and
- 3) Specialized and Public Transit: 15% to improve and expand public transit and specialized transportation services – managed by RCTC.

The Measure A Ordinance and Expenditure Plan requires that RCTC return funds to each geographic area proportionate to the funds generated in each area (share of taxable sales).

Local Transportation Fund (LTF) Planning

The LTF established in state law by the Transportation Development Act (TDA) is funded through a quarter of one cent of the state's 7.25 percent sales tax (based on point of sale and returned to source). LTF funds are used to fund transportation planning, operations, and capital projects. LTF funding is distributed by the California Department of Tax and Fee Administration to counties on a pro rata basis, pursuant to Section 99233.2 of the TDA, providing up to 3 percent of annual revenues to fund transportation planning and programming efforts. RCTC, as the regional transportation planning agency, is legally responsible for apportioning the LTF funds. The TDA requires one half of these LTF funds be allocated for planning activities/studies specifically within the Western Riverside County and the Coachella Valley areas as determined by RCTC. It also requires that planning be done in conformance with the Regional Transportation Plan (RTP). The Western Riverside Council of Governments (WRCOG) and CVAG, in conjunction with SCAG, are responsible for subregional planning efforts that implement and are in conformance with the RTP/Sustainable Communities Strategy.

Other LTF allocations, such as those for transit and rail operations and capital projects, are approved by RCTC toward the end of each fiscal year. Bicycle and pedestrian facilities are also funded by LTF and are part of the biennial SB 821 Call for Projects which is open to all cities and the county.

The distribution formula for LTF Planning funds, as most recently confirmed by RCTC in October 2014, is as follows:

Planning Agency	Percentage
RCTC	15
WRCOG	55
CVAG	30
Total	100

At the time, the percentages were set as a way to address the fact that CVAG, not RCTC, does the planning for regional arterial projects in the Coachella Valley through its Transportation Project Prioritization Study (TPPS).

State Transportation Improvement Program (STIP)

In June 1998 – after the passage of Senate Bill (SB) 45 in 1997, which created the STIP – RCTC, WRCOG, and CVAG entered into an MOU for distributing STIP funds. The intention is for STIP funds to be distributed consistent with how Measure A funds are distributed throughout the county, with the apportionment shares being updated every two years to remain current. The MOU has RCTC distribute STIP funds based on the most recent fiscal year taxable sales by geographic area used for Measure A allocations. In eastern Riverside County, STIP funding decisions are made by CVAG.

RCTC policy also allows up to 2% of available STIP programming to be designated for PPM. PPM activities include, but are not limited to, development of Project Study Reports, preparation of planning studies, and work to deliver STIP-funded projects. Because STIP programming varies in every two-year STIP cycle, PPM amounts are not constant. To provide some consistency budgeting revenues and expenditures related to STIP PPM, several years ago RCTC and CVAG staff agreed upon a set PPM amount of approximately \$49,000 that CVAG received annually to cover staff time.

Local Partnership Program (LPP) Formula

In April 2017, the California State Legislature passed and Governor Jerry Brown signed into law SB 1, increasing funding for transportation in California by approximately \$5 billion annually. Included in SB 1 is a new funding program, LPP, funded at \$200 million annually. LPP is designed to reward and incentivize local and regional agencies to go to voters for approval of fees and taxes for which the revenues are dedicated solely to transportation.

The California Transportation Commission (CTC), which has implementing authority for the LPP, has adopted guidelines for administration of LPP funds. Most recently, the CTC adopted guidelines for the LPP in August 2022 whereby \$20 million is set-aside each year for incentives to newly eligible agencies. The remaining \$180 million annually is distributed to eligible agencies 60% via formula while the remaining 40% is made available competitively. LPP Formula funds must be matched with at least 50% matching funds.

In the current formula funding cycle, covering fiscal years (FY) 2024 through 2025, Riverside County is receiving \$7,044,000 annually by formula. This amount may change over the course of the cycle, particularly if the \$20 million of incentive funds are not needed (resulting in an increase) and/or if more eligible agencies are added to the distribution (resulting in a decrease).

LPP Formula funds can be utilized by preparing a formal nomination package as outlined in the CTC adopted guidelines for the LPP. The current guidelines dictate that nomination packages include a cover letter, fact sheet, project description, background, purpose, and need, project scope, status, and benefits, maps, performance metrics including benefit cost assessment, cost estimate and sources disclosure, delivery plan and risk analysis, electronic project programming request form, and state highway system project assessment form (if applicable). Once the LPP Formula funds have been programmed by the CTC, RCTC must submit an allocation request through Caltrans Local Assistance two months prior to when RCTC needs the funds to be available for expenditure.

RCTC's eligibility to receive LPP Formula funds is a direct result of Riverside County voters in 2002 approving the continuation of Measure A sales tax. Because this half-cent tax is collected throughout the entirety of Riverside County, LPP Formula funds received in Riverside County should be utilized in both the western and eastern areas of the county.

Proposed Distribution of Funding

Based on discussions between agencies, CVAG and RCTC staff have reached a consensus on a breakdown of funding sources to ensure equitable share for the Coachella Valley. The following details how each would be addressed in an MOU.

Measure A

RCTC will continue to distribute Measure A funds as directed in the Measure A Ordinance and Expenditure Plan approved by Riverside County voters in 2002.

LTF Planning

RCTC will continue to distribute LTF Planning funds to CVAG following RCTC-adopted distribution formula.

STIP

RCTC will continue to distribute STIP funds consistent with the 1998 MOU with WRCOG and CVAG.

However, as CVAG's responsibilities for project development, regional coordination, and project delivery continue to expand, staff believes the STIP PPM distribution should be revised. Commission and CVAG staff discussed CVAG's anticipated upcoming PPM activities and are recommending the methodology for distributing STIP PPM be revised from the fixed amount used previously to a collaborative annual process. Commission staff are responsible for preparing department budgets in February every year. It is proposed that every February, Commission Planning and Programming staff communicate to CVAG staff the amount of STIP PPM RCTC will request allocation from the CTC in the upcoming fiscal year. CVAG staff will determine how much STIP PPM it anticipates the agency will need depending on CVAG activities planned in the upcoming fiscal year. If an amount less than the Coachella Valley's percentage share of taxable sales is requested, the balance will be tracked and carried forward to the next fiscal year. In the

event CVAG is carrying a balance and there is no STIP PPM to allocate in any given fiscal year, the balance will be carried forward until the STIP is positive again and there are PPM funds to set aside.

Staff recommends RCTC revise STIP PPM distribution to CVAG from a set dollar amount to the Coachella Valley percentage share of taxable sales applied to annual STIP PPM allocation amounts following the aforementioned procedures.

LPP Formula

Following the precedent set by the 1998 MOU, staff is recommending RCTC distribute LPP Formula funds to CVAG and the Palo Verde Valley based on the share of taxable sales in eastern county in the fiscal year for which LPP Formula funds are made available.

Table 1 illustrates the funding received/anticipated to be programmed by RCTC from the inception of LPP through the current cycle ending in FY 2023.

Table 1. LPP Formula funding received by RCTC FY 2018 - 2023

Fiscal Year	Riverside County
	Formula Share
2017/2018	\$6,810,000
2018/2019	6,810,000
2019/2020	7,042,000
2020/2021	6,495,000
2021/2022	6,856,000
2022/2023	6,495,000
TOTAL	\$40,508,000

The administrative burden of preparing LPP Formula nominations and submitting programming and allocation requests is extensive. These are just the requirements for programming and allocating the funds. The LPP guidelines provide further requirements for how long agencies have to spend the funds, depending on the project phase the funds are being utilized on, invoicing, and close-out.

Table 2 illustrates how LPP Formula funds would be distributed based on share of taxable sales in Riverside County.

Table 2. LPP Formula funding distribution in Riverside County by share of taxable sales

Fiscal Year	Riverside County Formula Share	% of Western County Taxable Sales	Western County LPP Formula \$	% of Eastern County Taxable Sales	Eastern County LPP Formula \$
2017/2018	\$6,810,000	77.30%	\$5,263,898	21.12%	\$1,506,070
2018/2019	6,810,000	77.62%	5,286,211	21.84%	1,487,615
2019/2020	7,042,000	78.00%	5,492,577	21.49%	1,513,319
2020/2021	6,495,000	78.12%	5,355,689	21.45%	1,470,508
2021/2022	6,856,000	78.14%	5,075,391	21.42%	1,391,170
2022/2023	6,495,000	80.03%	5,197,949	19.49%	1,265,876
2023/2024*	7,044,000	TBD	5,637,313	TBD	1,372,876
2024/2025*	7,044,000	TBD	5,637,313	TBD	1,372,876
2025/2026**	7,044,000	TBD	5,637,313	TBD	1,372,876
2026/2027**	7,044,000	TBD	5,637,313	TBD	1,372,876
TOTAL	\$68,684,000	TBD	\$54,220,968	TBD	\$14,126,060

**Formula share amounts are estimates and will be finalized once taxable sales share percentages are available following each fiscal year. **Formula share amounts are estimates based on the current formula share and will be updated by the CTC prior to adoption of the next cycle.*

To date, RCTC has programmed the entire share of Riverside County's LPP Formula funds on projects in western county, as seen in Table 3.

Table 3. Riverside County LPP Formula programming through FY 2022/23

Project	LPP Formula Programmed
71/91 Interchange	\$2,000,000
Pachappa Underpass	4,272,000
Temescal Canyon Rd Widening	7,300,000
I-215/Placentia Avenue Interchange	21,250,000
Mid County Pkwy Construction Contract 3	5,686,000
TOTAL	\$40,508,000

With the administrative burden of programming, allocating, and requesting reimbursement of LPP Formula funds in mind, staff is recommending that leading up to each LPP Formula cycle, RCTC and CVAG staff coordinate on how to program the funds in the upcoming cycle. It is of note that LPP Formula shares in the CTC's program cannot roll over or be combined outside of a cycle. As such, if CVAG proposes to program LPP Formula funds on a project, CVAG (or other designated lead agency) will submit its draft project nomination for the upcoming cycle to RCTC no less than three months before the upcoming cycle begins. RCTC will review the draft project nomination prior to consenting to CVAG (or other designated lead agency) submitting the nomination directly to the CTC for programming. In each LPP Formula programming cycle, CVAG (or other designated lead agency) must demonstrate the intention to allocate the programmed

LPP Formula funds by December of the first programming year. This is intended to ensure RCTC has sufficient time to reprogram the funds if CVAG cannot so as to avoid any loss of funding to Riverside County. If LPP Formula funds must be reprogrammed to avoid loss of funding, the CVAG share originally programmed will be tracked for potential programming in the next LPP Formula cycle.

Ultimately, Commission staff will coordinate with CVAG staff leading up to each LPP Formula cycle to communicate the eastern county LPP Formula share balance and determine if there is an eligible eastern county project on which to program the funds.

Next Steps:

If recommended by the Transportation Committee, CVAG staff will work with RCTC staff to prepare an amended MOU that outlines the formula funding distributions discussed herein.

Fiscal Analysis: As noted above, the proposed MOU would ensure equitable share of various funding sources to the Coachella Valley.

ITEM 6D

Coachella Valley Association of Governments Transportation Committee November 7, 2022



STAFF REPORT

Subject: Next Steps for the Interstate 10/ Monroe Street Interchange Project

Contact: Jonathan Hoy, Director of Transportation (jhoy@cvag.org)

Recommendation: Authorize CVAG regional transportation funding in the amount of \$30,847,500 for the Interstate 10/ Monroe Street Interchange Project in order to unlock additional funding sources and direct the Executive Director to work with the Riverside County Transportation Commission (RCTC) to allocate additional Local Partnership Program (LPP) formula funds and Surface Transportation Block Grant (STBG) funding for the project

Background: CVAG has long been a partner on the Interstate 10/ Monroe Street interchange project since 2007. The project is currently tied in ranking as the region's number one project in the Transportation Project Prioritization Study (TPPS), scoring 15 points. As this project continues to advance toward construction, CVAG staff has been working to secure regional funding for construction of the project.

The interchange was initially funded through the \$10 million Interchange Preparation Fund, which the Executive Committee created in 2007 to support the concept of preparing interchanges for project readiness. The fund had a set of adopted policies, which specify that CVAG pays 100 percent of the costs of the Project Study Report (PSR). This fund was used to prepare the PSR for the project.

On September 26, 2016, the Executive Committee authorized an additional \$1.35 million in funding to cover the Project Approval and Environmental Document (PA&ED) phase of the project; and on December 7, 2020, the Executive Committee authorized \$4,323,900 for the PS&E Phase. Most recently, on November 1, 2021, the Executive Committee added an additional \$4,929,000 of regional funds for the Right of Way phase, allowing the City to expedite construction readiness. The total estimated construction cost is approximately \$89 million.

As the Transportation and Executive Committees have previously discussed as part of CVAG's recent cashflow analysis, construction costs continue to escalate and major state and federal revenue sources are being directed away from capacity enhancing projects. If the Coachella Valley is unable to secure outside funding, then CVAG and its member agencies will have to fund these improvements themselves.

The current cost-sharing policy for regional transportation projects is that, after outside funding sources are factored into the costs – including state and federal resources – then the remaining costs are split 75 percent by CVAG and 25 percent by local jurisdictions. In addition to the I-10/Monroe Street Interchange, there are a number of large and significant projects on the horizon

that require significant funding. As demonstrated on the following funding table, the future interchanges and bridge projects have a combined price tag of nearly \$670 million.

Recently Completed Interchange Projects				Future Interchange/Bridge Projects			
Description	Total	CVAG(Local)	Federal/State	Description	Total	CVAG(Local)	Federal/State
Bob Hope/I-10	\$52,000,000	\$1,495,000	\$50,505,000	Monroe/I-10	\$89,000,000	\$89,000,000	\$7,550,000
Indian Canyon/I-10	\$35,000,000	\$9,000,000	\$26,000,000	Jackson/I-10	\$105,000,000	\$105,000,000	\$0
Palm Dr/Gene Autry/I-10	\$35,000,000	\$6,400,000	\$28,600,000	Portola/I-10	\$110,000,000	\$108,725,000	\$1,275,000
Date Palm/I-10	\$31,400,000	\$4,300,000	\$27,100,000	Avenue 50/SR86	\$40,000,000	\$39,200,000	\$800,000
Jefferson St/I-10	\$71,300,000	\$23,300,000	\$48,000,000	Avenue 50/110	\$50,000,000	\$48,000,000	\$2,000,000
Monterey/I-10	\$10,300,000	\$7,735,097	\$2,564,903	Dillon/SR86	\$65,000,000	\$65,000,000	\$0
Total:	\$235,000,000	\$52,230,097	\$182,769,903	Dillon 1-10	\$65,000,000	\$65,000,000	\$0
				DaVall/I-10	\$145,000,000	\$145,000,000	\$0
				Total:	\$669,000,000	\$664,925,000	\$11,625,000

Based on the current schedule, the I-10/Monroe Street Interchange project will be ready for construction in early 2025. To account for the anticipated construction, CVAG staff has been working closely with Riverside County Transportation Commission (RCTC) staff to identify potential federal, state and regional funding opportunities. As part of these discussions, staff has identified both state and federal funding that could be programmed on this project: Local Partnership Program (LPP) formula funds and Surface Transportation Block Grant (STBG) funds.

Local Partnership Program - Formula

In April 2017, the California State Legislature passed, and Gov. Jerry Brown signed into law Senate Bill 1, increasing funding for transportation in California by approximately \$5 billion annually. Included in SB 1 is a new funding program, LPP, funded at \$200 million annually. LPP is designed to reward and incentivize local and regional agencies to go to voters for approval of fees and taxes for which the revenues are dedicated solely to transportation.

The California Transportation Commission (CTC), which has implementing authority for the LPP, has adopted guidelines for administration of LPP funds. Most recently, the CTC adopted guidelines for the LPP in August 2022 whereby \$20 million is set-aside each year for incentives to newly eligible agencies. The remaining \$180 million annually is distributed to eligible agencies 60% via formula while the remaining 40% is made available competitively. LPP Formula funds must be matched with at least 50% matching funds.

In the current formula funding cycle, covering fiscal years (FY) 2024 through 2025, Riverside County is receiving \$7,044,000 annually by formula. This amount may change over the course of the cycle if the \$20 million of incentive funds are not needed (resulting in an increase) and/or if more eligible agencies are added to the distribution (resulting in a decrease).

The following table illustrates how LPP Formula funds would be distributed based on share of taxable sales in Riverside County.

LPP Formula funding distribution in Riverside County by share of taxable sales

Fiscal Year	Riverside County Formula Share	% of Western County Taxable Sales	Western County LPP Formula \$	% of Eastern County Taxable Sales	Eastern County LPP Formula \$
2017/2018	\$6,810,000	77.30%	\$5,263,898	21.12%	\$1,506,070
2018/2019	6,810,000	77.62%	5,286,211	21.84%	1,487,615
2019/2020	7,042,000	78.00%	5,492,577	21.49%	1,513,319
2020/2021	6,495,000	78.12%	5,355,689	21.45%	1,470,508
2021/2022	6,856,000	78.14%	5,075,391	21.42%	1,391,170
2022/2023	6,495,000	80.03%	5,197,949	19.49%	1,265,876
2023/2024	7,044,000	TBD	5,637,313	TBD	1,372,876
2024/2025	7,044,000	TBD	5,637,313	TBD	1,372,876
2025/2026	7,044,000	TBD	5,637,313	TBD	1,372,876
2026/2027	7,044,000	TBD	5,637,313	TBD	1,372,876
TOTAL	\$68,684,000	TBD	\$54,220,967	TBD	\$14,126,062

To date, RCTC has programmed the entire share of Riverside County's LPP Formula funds on projects in western county. As CVAG and RCTC staffs have been coordinating on a memorandum of understanding, it was identified that, in order to address this in the future, the next two-year cycle FY25/26 to FY26/27 of LPP formula funds of approximately \$14 million could be completely allocated toward the I-10/Monroe Interchange project.

Surface Transportation Block Grant

STBG funds are provided to states by the federal government for transportation projects as authorized in the federal transportation authorization bill, currently the Fixing America's Surface Transportation (FAST) Act. STBG funds are flexible in their use on a variety of transportation projects. Funding is suballocated in California by population after several set-asides at the state level. Riverside County historically has received approximately six percent of available STBG funds for its population share.

The Southern California Association of Governments (SCAG) recently confirmed the FY2021/22 Riverside County share to be \$34.157 million. Using 19.2% population share to calculate CVAG's share of these funds, results in an annual funding estimate of \$6.558 million. Considering the most recent congressional funding authorization will extend the next four years, FY2022/23 to 2025/26, a total of \$26.232 million would be available for the CVAG. With this item, CVAG staff is recommending CVAG advocate to program these funds toward the I-10/Monroe Interchange project.

Fiscal Analysis: To date, the project has secured State Transportation Improvement Program (STIP) funding in an amount of \$7.55 million. The additional \$14 million of LPP and 26.232 million of STBG funding will bring the total state and federal funding to approximately \$47.87 million. However, RCTC staff has indicated that – in order to secure these funds – the project must demonstrate that it can be fully funded in order to ensure the project's timeliness and readiness for construction. CVAG staff is recommending regional transportation funds be allocated to the project in order to cover 75 percent of the remaining costs.

This approach will fully fund the I-10/Monroe Street Interchange for construction as shown in the following table:

I-10/Monroe Street Interchange-Funding Estimate		
Funding Source	Amount	Notes
STIP	\$ 7,550,000	2022 STIP
STBG	\$ 26,232,000	FY22/23 to FY25/26
LPP	\$ 14,088,000	FY17/18 to FY26/27
LOCAL	\$ 10,282,500	41,130,000*.25
CVAG-Regional	\$ 30,847,500	41,130,000*.75
Total:	\$ 89,000,000	

There are sufficient regional transportation funds to cover this project cost. CVAG staff has also coordinated with the City of Indio, which has construction funds identified in its future budgets. If approved, CVAG staff will work to amend any reimbursement agreements and bring them back to the Transportation and Executive Committees.

ITEM 6E

**Coachella Valley Association of Governments
Transportation Committee
November 7, 2022**



STAFF REPORT

Subject: Reimbursement Agreement for Jefferson Street Widening (Avenue 38 to Sun City Boulevard)

Contact: Eric V. Cowle, Transportation Engineer (ecowle@cvag.org)

Recommendation: Approve the Reimbursement Agreement with the City of Indio for the Jefferson Street Widening Project (Avenue 38 - Sun City Boulevard), providing a not-to-exceed amount of \$225,000 in regional funding for the Preliminary Design and Environmental Studies (PS&E) Phase

Background: The City of Indio is requesting regional funding to improve Jefferson Street between Avenue 38 and Sun City Boulevard. The project includes widening the existing two-lane and four-lane roadway to the ultimate General Plan four- and six-lane configurations.

Three components of the proposed Jefferson Street project are included in CVAG's most recent 2016 Transportation Project Prioritization Study (TPPS): Jefferson Street from Avenue 38 to Avenue 39, which is ranked 227th; Jefferson Street from Avenue 40 to 0.27 miles South of Avenue 39, which is ranked 3rd; and Jefferson Street from Sun City Boulevard to Avenue 38, which is included in the unranked, Regional Active Transportation Program (ATP) for bicycle facilities.

The section from Avenue 40 to Avenue 39 ranks 3rd in the 2016 TPPS, placing it well within the top 10 percent of TPPS projects. This section scored maximum points for safety and nearly as high for level of service (LOS), a measure of congestion. A portion of Jefferson Street between Avenue 40 and Avenue 39 has already been widened to its ultimate street configuration to accommodate Shadow Hills High School campus traffic.

The City of Indio conducted a traffic study for the proposed project and determined that by including the lower-ranked segment of Jefferson Street from Avenue 39 to Avenue 38, and extending the project to Sun City Boulevard just south of Avenue 40, the proposed project would bring the entire corridor up to an acceptable level of service and bring all of Jefferson Street north of Interstate 10 to its ultimate General Plan condition.

It is typical to look at the TPPS not only in terms of individual segment ranking, but corridor, sub-corridor or "buildable project" combined segment scores and ranking. The stretch of Jefferson Street from Avenue 38 to Sun City Boulevard would show a weighted average of a top ten percent project. The proposed project also includes bicycle and pedestrian facilities that are consistent with CVAG policy and included in the Regional ATP and ATP Design Guidelines.

CVAG staff is recommending CVAG support the City's request to fund the total preliminary design and environmental study (PS&E) phase of the proposed project.

Fiscal Analysis: The City of Indio estimates that the PS&E phase will cost \$300,000. CVAG's 75 percent regional share of the cost would be for a not-to-exceed amount of \$225,000, and the 25 percent local share is \$225,000. There are sufficient regional transportation funds to cover this phase of the project.

Attachments:

City of Indio request letter

Draft Reimbursement Agreement

Tuesday, August 9, 2022

Jonathan Hoy
Director of Transportation
Coachella Valley Association of Governments
73710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260

Subject: City of Indio – Jefferson Street Widening – Project Programming Request

Dear Mr. Hoy,

The City of Indio respectfully requests funding from Measure A and the Transportation Uniform Mitigation Fee (TUMF) Programs to cover 75% of the project costs to improve Jefferson Street between Avenue 38 and Sun City Boulevard, as prescribed by the Regional Arterial Program Guidelines. Currently, the Jefferson Street consists of one lane in each direction along this corridor except for the section between Avenue 39 and approximately 900ft south of Avenue 39; and south of Avenue 40. The City of Indio proposes to improve this roadway to the ultimate condition with two lanes in each direction north of Avenue 40 and three lanes in each direction south of Avenue 40 and include the appropriate bicycle and pedestrian facility in accordance with the Regional Active Transportation Plan and City General Plan. A map outlining the area of the proposed improvements is included in Attachment 1.

This segment is included in the most current Transportation Project Prioritization Study under two different projects:

- Jefferson Street widening between Avenue 40 and Avenue 39 is currently the 3rd ranked project.
- Jefferson Street widening between Avenue 38 and Avenue 39 is currently the 227 ranked project.
- In addition, the City of Indio proposes to extend the improvements along the west side of Jefferson Street between Avenue 40 and Sun City Boulevard to complete this street segment in the program.

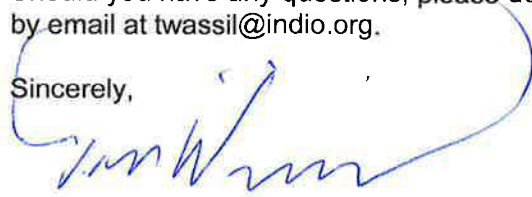
According to the results of a focused traffic study, provided in Attachment 2, the roadway segments along Jefferson Avenue are anticipated to operate at an unacceptable Level of Service (LOS) E based on the daily traffic volumes. In addition, without lane modifications, three of the four intersections in this segment are expected to operate at unacceptable LOS E or F during the AM peak hour.

By expanding the roadway to serve as a four-lane facility between Avenue 38 and Avenue 40 and a six-lane facility south of Avenue 40, the segments and intersections along this portion of Jefferson Boulevard would operate at acceptable LOS on a daily basis and during the AM and PM peak hours.

The preliminary design and environmental studies are expected to cost \$300,000, of which the City requests CVAG fund 75% up to \$225,000. The City of Indio is committed to funding the City's cost of 25% of the project, \$75,000. Once refined right-of-way impacts and construction costs have been established, the City will request an amendment to include these costs.

The City of Indio appreciates your consideration to program 75% of the total design costs up to \$225,000 for this project into the Regional Arterial Program with Measure A and TUMF funding. Should you have any questions, please do not hesitate to contact me by phone at (760) 391-4018 or by email at twassil@indio.org.

Sincerely,



Timothy T. Wassil, PE
Public Works Director
City of Indio

Attachments:

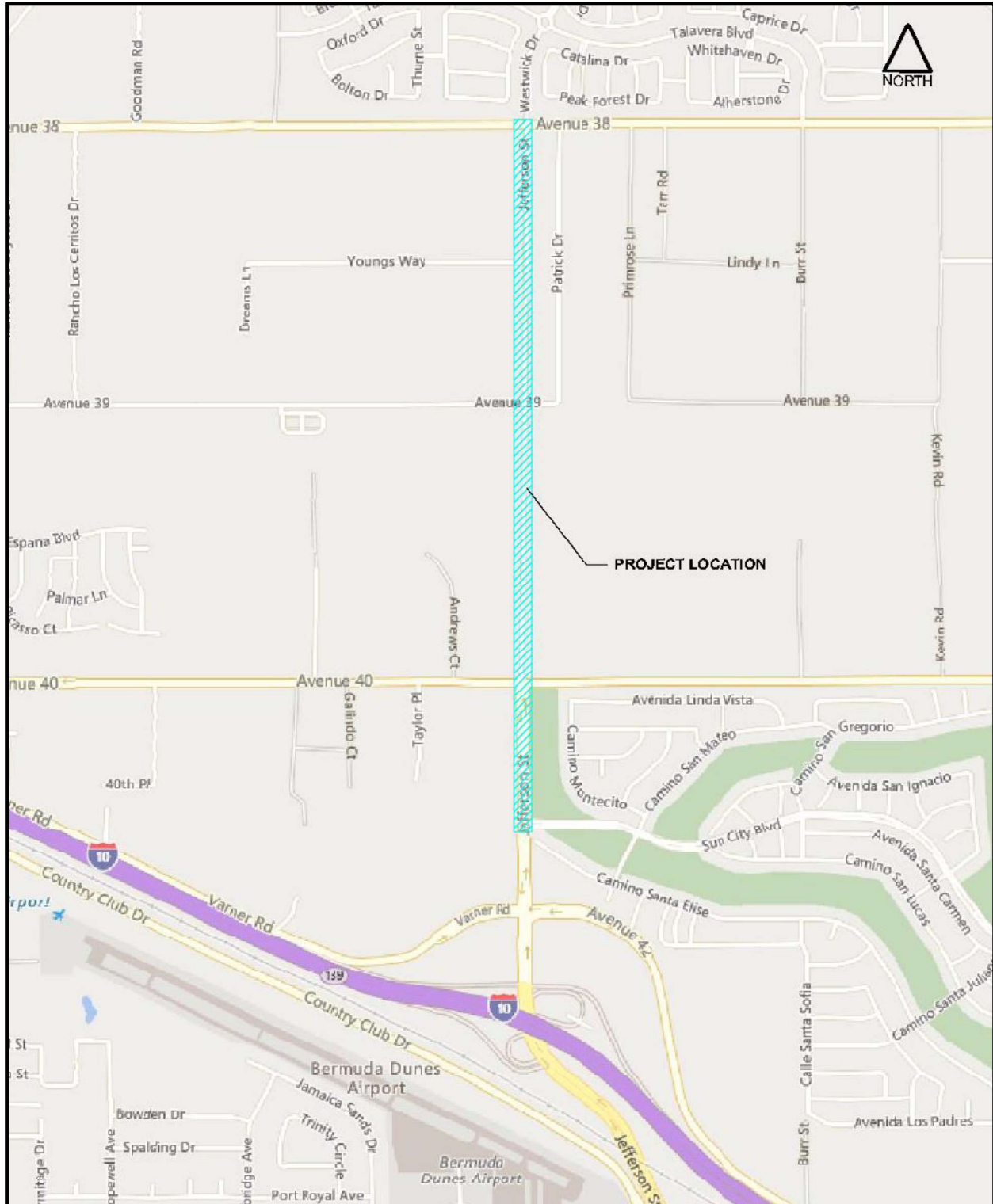
1. Project Location Map
2. Focused Traffic Study

CC:

1. Juan Raya, PE, City Engineer, City of Indio
2. Joshua Nickerson, NAI Consulting, Inc.



FIGURE 1 – PROJECT LOCATION MAP



**AGENCY REIMBURSEMENT AGREEMENT
BY AND BETWEEN CVAG AND THE CITY OF INDIO**

**PRELIMINARY DESIGN AND ENVIRONMENTAL STUDIES (PS&E)
JEFFERSON STREET WIDENING FROM AVENUE 38 TO SUN CITY BOULEVARD**

THIS AGREEMENT is made and entered into this 5TH day of December, 2022, by and between the **City of Indio ("Agency")**, and the **Coachella Valley Association of Governments**, a California joint powers agency, ("**CVAG**"), and is made with reference to the following background facts and circumstances:

RECITALS

The "Coachella Valley Area Transportation Study", a valley-wide study prepared under the auspices of CVAG, has identified various transportation and highway projects and corridors throughout the Coachella Valley to be of regional importance. This project is included in the 2016 Transportation Project Prioritization Study (TPPS) document; and,

Approval of a highway financing measure by the voters of Riverside County in November of 1988, as well as the approval of an extension of Measure A by the voters in November of 2002, has created a source of funds with which to construct such projects; and,

CVAG by agreement with its member agencies and with the Riverside County Transportation Commission ("RCTC"), has been designated as the agency through which such funds are to be conveyed and disbursed for the purpose of completing said regional transportation projects; and,

CVAG Executive Committee, on July 31, 2006, approved the implementation of the amended Transportation Uniform Mitigation Fee "TUMF" Fee Ordinance to increase the collected TUMF Fee, effective January 1, 2007; and,

Under CVAG's policy of funding eligible projects with member jurisdictions, effective January 1, 2007, the responsible jurisdiction(s) will be responsible for paying Twenty-five Percent (25%) of the Project costs (the Local Share), as well as any ineligible project costs, and CVAG will be responsible for Seventy-five Percent (75%) of eligible Project costs (the Regional Share). Historically, the CVAG Regional Share has been paid as a reimbursement to the Jurisdiction, as invoices are submitted and approved.

Agency desires to proceed with the preliminary design and environmental studies (PS&E) phase for the **Jefferson Street widening from Avenue 38 to Sun City Boulevard Project**. **The estimated cost of the Project PS&E is \$300,000. CVAG's share of the Project cost is not-to-exceed \$225,000**, being the maximum approved Regional Share of the Project costs.

NOW, THEREFORE, in consideration of the mutual covenants and subject to the conditions contained herein, the parties do agree as follows:

1. The program embodied in this agreement for the reimbursement of funds by CVAG shall apply only to those regional arterial projects that have heretofore been identified in CVAG's Transportation Project Prioritization Study or specifically authorized by CVAG's Executive Committee. The Project was specifically approved by CVAG's Executive Committee as consistent with the TPPS on 05 December 2022, and is therefore eligible.
2. The Project is generally described as and consists of the following: **preliminary design and environmental studies (PS&E) for Jefferson Street between Avenue 38 and Sun City Boulevard**. These services will hereinafter be referred to as the "Project".
3. The scope of work of the Project is more particularly described in **Exhibit "A"**, entitled "Scope of Services " attached hereto and made a part hereof. The cost estimate for the Project is more particularly described in **Exhibit "B"** - "Estimate of Cost", attached hereto and made a part hereof. The cost estimates include a calculation intended to allow Agency to recover an amount representing the time of its employed staff in working on the Project as well as amount Agency shall pay to outside contractors in connection with the Project. CVAG's cost share for the project will be as shown on Exhibit "B" unless amended pursuant to the provisions of Paragraph 6.

This Agreement shall establish a Time Trigger, which will require that the start of the *Final Design Phase* of the Project must begin by 05 December 2024.

4. It is the agreement between CVAG and Agency that of the total estimated cost of the project will be approximately \$300,000, CVAG' Regional Share will equal \$225,000, and the Local share shall be \$75,000, as well as equal one-hundred percent (100%) of all costs not eligible for reimbursement by CVAG. This Agreement shall establish that CVAG may decline or delay regional funds should it be determined that such action is necessary to maintain a minimum balance of regional funds.
5. Agency agrees to seek reimbursement of only those costs which are eligible for reimbursement by CVAG, as outlined in the CVAG Policies and Procedures Manual for the Regional Arterial Program, as most recently amended.
6. Agency shall be responsible for initial payment of all covered costs as they are incurred. Following payment of such costs, Agency shall submit invoices to CVAG

requesting reimbursement of seventy-five percent of those eligible costs associated with the Project. Each invoice shall be accompanied by detailed contractor invoices, or other demands for payment addressed to Agency, and documents evidencing Agency's payment of the invoices or demands for payment. Agency shall also submit a Project Completion Report, in a form acceptable to CVAG, with each statement. Agency shall submit invoices not more often than monthly and not less often than quarterly.

6.1 Upon receipt of an invoice from Agency, CVAG may request additional documentation or explanation of the Project costs. Undisputed reimbursement amounts shall be paid by CVAG to Agency within thirty (30) days.

6.2 If a post-payment audit or review indicates that CVAG has provided reimbursement to Agency in an amount in excess of One-Hundred Percent of eligible costs, or has provided reimbursement of ineligible Project costs, Agency shall reimburse CVAG for the excess or ineligible payments within thirty (30) days of notification by CVAG.

7. Prior to any final payment to Agency by CVAG, a final report shall be submitted to CVAG by Agency containing a record of all payments made for said Project and the source of funds of all such payments, together with a record of all change orders, cost over-runs, and other expenses incurred. Final payment will thereafter be paid by CVAG in accordance with its rules, regulations and policies concerning project cost determination and expense eligibility.
8. The format used for all bids solicited by Agency for the Project shall require itemization sufficient to allow quantities of each bid item to be easily discernible.
9. The parties agree that should unforeseen circumstances arise which result in new work not covered in Exhibit "A," an increase of any costs over those shown in Exhibit "B," or other changes in the Scope of Work are proposed, CVAG will in good faith consider an amendment to this Agreement to provide for further appropriate reimbursement if the proposed amendment is in accordance with the policies, procedures, and cost determination/expense eligibility criteria adopted by CVAG. Non-substantive changes may be made to this agreement subject to CVAG's General Counsel's approval.
10. Agency shall maintain an accounting of all funds received from CVAG pursuant to this Agreement in accordance with generally accepted accounting principles. Agency agrees to keep all Project contracts and records for a period of not less than three years from the date a notice of completion is filed by the Agency on such Project; or, if the Project is not one as to which a notice of completion would normally be recorded, for three years from the date of completion. Agency shall

permit CVAG, at any reasonable time, upon reasonable notice, to inspect any records maintained in connection with the Project. CVAG shall have no duty to make any such inspection and shall not incur any liability or obligation by reason of making or not making any such inspection.

11. The occurrence of any one or more of the following events shall, at CVAG's option, constitute an event of default and Agency shall provide CVAG with immediate notice thereof.

11.1 Any warranty, representation, statement, report or certificate made or delivered to CVAG by Agency or any of Agency's officers, employees or agents now or hereafter which is incorrect, false, untrue or misleading in any material respect;

11.2 Agency shall fail to pay, perform or comply with, or otherwise shall breach, any obligation, warranty, term or condition in this Agreement or any amendment to this Agreement, or any agreement delivered in connection with the Project; or,

11.3 There shall occur any of the following: dissolution, termination of existence or insolvency of Agency; the commencement of any proceeding under any bankruptcy or insolvency law by or against Agency; entry of a court order which enjoins, restrains or in any way prevents Agency from paying sums owed to creditors.

12. No waiver of any Event of Default or breach by one party hereunder shall be implied from any omission by the other party to take action on account of such default, and no express waiver shall affect any default other than the default specified in the waiver and the waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by one party to or of any act by the other party shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent or similar act.

13. This Agreement is made and entered into for the sole protection and benefit of CVAG and Agency and no third person shall have any right of action under this Agreement.

14. It is the intent of the Agency and CVAG that the Project be represented as being funded by Measure "A"/TUMF funds. All public notices, news releases, and documents shall indicate that the Project is being cooperatively developed by the Agency, RCTC, and CVAG using Measure "A"/TUMF funds. Prior to initiation of on-site construction, Agency agrees to provide at least one "Project Sign" to be

placed in a safe and visible location near the site of construction so that all travelers passing the location have the opportunity to observe who the agencies are that are providing funds for the construction of the Project.

15. This Agreement is for funding purposes only and nothing herein shall be construed so as to constitute CVAG as a party to the construction or in ownership or a partner or joint venturer with Agency as to the Project. The Agency shall assume the defense of, indemnify and hold harmless CVAG, its member agencies, and their respective officers, directors, agents, employees, servants, attorneys, and volunteers, and each and every one of them, from and against all actions, damages, claims, losses and expenses of every type and description to which they may be subjected or put by reason of or resulting from the actions or inactions of the Agency related to the Project or taken in the performance of this Agreement or any agreement entered into by Agency with reference to the Project. CVAG shall assume the defense of, indemnify and hold harmless the Agency, its officers, directors, agents, employees, servants, attorneys, and volunteers, and each of them, from and against all actions, damages, claims, losses, and expenses of every type and description to which they may be subjected or put by reason of or resulting from the actions of CVAG taken in the performance of this Agreement.
16. Agency agrees to include in its contract specifications and bid documents a requirement that all prime contractors shall name CVAG and its member agencies as "also insured" on all liability insurance coverage required by Agency on each contract. Agency will provide a copy of the Insurance Certificate to CVAG, depicting CVAG and its member agencies as "also insureds," within 30 days of signing a contract with the prime contractor.
17. Any dispute concerning a question of fact arising under this Agreement that is not disposed of by voluntary negotiations between the parties shall first be decided by the CVAG Executive Director or designee, who may consider any written or verbal evidence submitted by Agency. This decision shall be issued in writing. However, no action in accordance with this Section shall in any way limit either party's rights and remedies through actions in a court of law with appropriate jurisdiction. Neither the pendency of dispute nor its consideration by CVAG will excuse Agency from full and timely performance in accordance with the terms of this Agreement.
18. Any agency receiving federal funds must have an approved Disadvantaged Business Enterprise program. All recipients of Federal Highway Administration (FHWA) funds must carry out the provisions of Part 26, Title 49 of the Code of Federal Regulations (CFR) which established the Federal Department of Transportation's policy supporting the fullest possible participation of firms owned and controlled by minorities and women in the Department of Transportation programs. Except to the extent that such or other contrary federal regulations may apply, Agency covenants that, by and for itself and all persons claiming under or

through it, there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the performance of this Agreement.

19. Agency warrants that all aspects of the Project shall be undertaken in compliance with all applicable local, state and federal rules, regulations and laws. Agency will execute and deliver to CVAG such further documents and do other acts and things as CVAG may reasonably request in order to comply fully with all applicable requirements and to effect fully the purposes of this Agreement.
20. This Agreement may not be assigned without the express written consent of CVAG first being obtained.
21. Agency, its successors in interest and assigns shall be bound by all the provisions contained in this Agreement.
22. No officer or employee of CVAG shall be personally liable to Agency, or any successor in interest, in the event of any default or breach by CVAG or for any amount with may become due to Agency or to its successor, or for breach of any obligation of the terms of this Agreement.
23. Notwithstanding any other provision herein, CVAG shall not be liable for payment or reimbursement of any sums for which CVAG has not first obtained the necessary and appropriate funding from TUMF and/or Measure "A" monies.
24. No officer or employee of CVAG shall have any personal interest, direct or indirect, in this Agreement; nor shall any such officer or employee participate in any decision relating to this Agreement which effects his or her personal interest or the interest of any corporation, partnership or association in which she or he is, directly or indirectly, interested, in violation of any state, federal or local law.
25. Agency warrants that the funds received by CVAG pursuant to this Agreement shall only be used in a manner consistent with CVAG's reimbursement policy and all applicable regulations and laws. Any provision required to be included in this type of agreement by federal or state law shall be deemed to be incorporated into this Agreement.
26. All notices or other communications required or permitted hereunder shall be in writing and shall be either personally delivered (which shall include delivery by means of professional overnight courier service which confirms receipt in writing, such as Federal Express or UPS); sent by telecopier or facsimile machine capable of confirming transmission and receipt; or sent by certified or registered mail, return receipt requested, postage prepaid to the following parties at the following addresses or numbers:

If to **City of Indio:**

Bryan Montgomery
City Manager
City of Indio
100 Civic Center Mall
Indio, CA 92201
Telephone: (760) 391-4000

If to **CVAG:**

CVAG
73-710 Fred Waring Drive, Suite 200
Palm Desert, CA 92260
Telephone: (760) 346-1127

Notices sent in accordance with this paragraph shall be deemed delivered upon the next business day following the: (i) date of delivery as indicated on the written confirmation of delivery (if sent by overnight courier service); (ii) the date of actual receipt (if personally delivered by other means); (iii) date of transmission (if sent by telecopier or facsimile machine); or (iv) the date of delivery as indicated on the return receipt if sent by certified or registered mail, return receipt requested. Notice of change of address shall be given by written notice in the manner detailed in this paragraph.

27. This Agreement and the exhibits herein contain the entire agreement between the parties, and is intended by the parties to completely state the agreement in full. Any agreement or representation respecting the matter dealt with herein or the duties of any party in relation thereto, not expressly set forth in this Agreement, is null and void.
28. If any term, provision, condition, or covenant of this Agreement, or the application thereof to any party or circumstance, shall to any extent be held invalid or unenforceable, the remainder of the instrument, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
29. In the event either party hereto brings an action or proceeding for a declaration of the rights of the parties, for injunctive relief, for an alleged breach or default, or any other action arising out of this Agreement, or the transactions contemplated

hereby, the prevailing party in any such action shall be entitled to an award of reasonable attorneys' fees and costs incurred in such action or proceeding, in addition to any other damages or relief awarded, regardless of whether such action proceeds to final judgment.

30. Time is of the essence in this Agreement, and each and every provision hereof in which time is an element.
31. This Agreement and all documents provided for herein shall be governed by and construed in accordance with the laws of the State of California. Any litigation arising from this Agreement shall be adjudicated in the courts of Riverside County, Desert Judicial District, State of California.
32. Agency warrants that the execution, delivery and performance of this Agreement and any and all related documents are duly authorized and do not require the further consent or approval of any body, board or commission or other authority.
33. This Agreement may be executed in one or more counterparts and when a counterpart shall have been signed by each party hereto, each shall be deemed an original, but all of which constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized representatives on this date:

ATTEST:

CITY OF INDIO

By: _____
Bryan Montgomery, City Manager

By: _____
Waymond Fermon, Mayor

ATTEST:

CVAG

By: _____
Tom Kirk, Executive Director

By: _____
Steven Hernandez, Chair

EXHIBIT "A"

SCOPE OF SERVICES

**AGENCY REIMBURSEMENT AGREEMENT
BY AND BETWEEN CVAG AND THE CITY OF INDIO**

**PRELIMINARY DESIGN AND ENVIRONMENTAL STUDIES (PS&E)
JEFFERSON STREET WIDENING FROM AVENUE 38 TO SUN CITY BOULEVARD**

The Scope of Services for this Project includes the preliminary design and environmental studies (PS&E) phase for the corridor spanning from Avenue 38 to Sun City Boulevard.

The proposed scope of work for this Project includes design improvements for Jefferson Street to the ultimate condition, ranging from two to four lanes each direction, sidewalks and bike lanes on each side. The intersection traffic signals will be constructed to be consistent with the Regional Traffic Signal Synchronization Master Plan and incorporate best practices consistent with the Regional ATP Design Guidelines.

EXHIBIT "B"

**AGENCY REIMBURSEMENT AGREEMENT
BY AND BETWEEN CVAG AND THE CITY OF INDIO**

**PRELIMINARY DESIGN AND ENVIRONMENTAL STUDIES (PS&E)
JEFFERSON STREET WIDENING FROM AVENUE 38 TO SUN CITY BOULEVARD**

The total estimated cost of the Project's Preliminary Design and Environmental Studies (PS&E) phase is \$300,000.

In accordance with CVAG policy, CVAG agrees to pay 75% of the qualified costs, in this case the estimated as not-to-exceed \$225,000. The Local Share shall be \$75,000 as 25% of the project cost, as well as equal one-hundred percent (100%) of all costs not eligible for reimbursement by CVAG.

The City of Indio as Lead Agency agrees to invoice CVAG for 75% of the eligible project cost.

ITEM 6F

**Coachella Valley Association of Governments
Transportation Committee
November 7, 2022**



STAFF REPORT

Subject: Construction Contract for CV Sync – Phase II

Contact: Eric V. Cowle, Transportation Engineer (ecowle@cvag.org)

Recommendation: Authorize the Executive Director to:

1. **Execute a construction contract with Crosstown Electrical & Data, Inc., for a not-to-exceed amount \$86,704,608.80 for Phase II of CV Sync, and authorize the Executive Director and/or Legal Counsel to make clarifying changes to the contract before execution; and**
2. **Work with the Riverside County Transportation Commission to allocate additional federal Congestion Management and Air Quality (CMAQ) funds to Phase II of the regional Traffic Signal Synchronization Project (CV Sync)**

Background: For years, CVAG has planned for the regional synchronization of traffic signals, the modernization and standardization of hardware and software, and preparation for future intelligent transportation system infrastructure (ITS) in the Coachella Valley. In February 2018, the Executive Committee approved the Master Plan for CV Sync. Through the preparation of that Master Plan, CVAG identified the top three primary corridors – Highway 111, Washington Street and Ramon Road as Phase I. The first phase of construction is nearly complete, with the remaining work focused on completing the software integration phase.

Phase II of CV Sync will continue the major improvement to the transportation infrastructure that will provide more efficient travel times for commuters across the valley and help reduce emissions for better air quality. CVAG has taken a number of actions in order to make progress on this project, including expanding it to 21 corridors across the Coachella Valley, with the exception of the City of Rancho Mirage which is not participating in CV Sync. With this item, CVAG staff is recommending awarding a construction contract that will get Phase II under construction with a Notice to Proceed by the end of this year, resulting in a seamless transition between phases, continued safety improvements and an economic boost to the Coachella Valley.

CV Sync is not a typical, asphalt-and-concrete public works construction project. Instead, it involves highly technical hardware and software systems connected into a world-class, regional network. CVAG's project also lays the foundation for a future smart region. As a result, several key underlying technologies and backbones are being implemented. This requires multiple disciplines and unique skillsets/certifications. There is added complexity as the work zone is often alongside, on or around roadways which must continue to operate safely and facilitate traffic flow. The project blends the skills of civil engineers, traffic engineers, technology specialists, electrical specialists and more. Often overlapping inspections will be required with a unique focus from different disciplines. Together, these skills will be required to oversee, manage, inspect, and complete this technology project.

CVAG's Executive Committee, at its June 27, 2022 meeting, approved a contract amendment with TKE Engineering, Inc (TKE) to provide construction management services for the CV Sync Phase II project. Caltrans issued their formal approval to begin the Phase II construction phase on July 22, 2022.

On three separate days in August 2022, CVAG published a Notice to Bidders for construction of Phase II of CV Sync, including instructions to prospective bidders. The public bid opening date was set for 3 p.m. September 28. The notice was also published on CVAG's website. A mandatory pre-bid meeting was held virtually via Zoom videoconference on August 23, 2022, to explain the project and answer any questions. Six prime contractors were represented in the 27-person meeting. The bid package included:

- BASE BID of Phase II corridors
- ALTERNATE BID ITEM – A1- Portola improvements
- ALTERNATE BID ITEM – A2 – Avenue 44 improvements
- ALTERNATE BID ITEM – A3 – Avenue 50 improvements
- ALTERNATE BID ITEM – B – additional communications on Highway 111
- ALTERNATE BID ITEM – C- additional communications on Washington Street/ Ramon Road
- ALTERNATE BID ITEM – E – miscellaneous signal hardware

Only one bid was received by the September 28 deadline. CVAG staff publicly opened it and read aloud the base bid amount– reflecting the work on Phase II:

Contractor	Base Bid
Crosstown Electrical Data, Inc.	\$86,704,608.80

The six additive alternatives shown above were included in the bid package to allow for the possibility of accelerated progress on the Master Plan, should funding be secured. At this time, CVAG staff is only recommending a contract be awarded for the base bid. CVAG staff is not recommending award of these additive bid alternatives. The six bid alternatives will remain valid for the balance of the contract term. These items may be brought forward to CVAG's committees in the future for consideration when funding is identified.

Alternative Bid Items B and C relate to optional fiber installation. CVAG is working with the California Department of Technology (CDT) to identify the exact route and delivery approach for the state's broadband middle mile installation traversing the Coachella Valley. Once these issues have been resolved, and we determine that there is a clear benefit to executing one of these alternative bid items, CVAG staff will return to the Executive Committee with a recommendation for approval, and the additional work will be added to the contractor's scope. A robust review of the bid proposal was conducted by CVAG staff, the project's design engineer, Advantec, and the project's Construction Manager, TKE. In accordance with state and federal requirements, CVAG established a Disadvantaged Business Enterprise (DBE) goal of 15% for this contract. As part of CVAG's bid analysis, CVAG determined that the apparent low bidder, Crosstown Electrical Data, Inc. (Crosstown), did meet this goal.

Crosstown has 23 years of experience in the industry. They were previously awarded a contract as low bidder for CV Sync Phase I and have performed well on the extremely complex and

unique technology project. Crosstown's contractor license is active and in good standing and is deemed a responsible bidder.

As the prime contractor for Phase I of CV Sync, Crosstown, together with CVAG and the consulting team, have benefitted from a substantial learning curve. In dealing with sub-contractors, diverse vendors, numerous stakeholders including all of the region's jurisdictions and the complex nature of synthesizing the underground construction, traffic hardware and software, and the integration and commissioning of these Intelligent Transportation System elements, Crosstown is well positioned to limit change orders, resolve supply-chain issues and deliver the project on schedule.

On a specialized project of this magnitude, receiving only one bid can be problematic. Anecdotally, the Phase I equipment vendors reported to CVAG staff that they had provided quotes to as many as four prospective bidders. One of the prospective prime contractors actually showed up to the bid opening, even though his firm did not end up submitting a bid.

TKE submitted an extensive bid analysis (attached) that examines the potential reasons for only receiving one bid. Other potential bidders were interviewed after the bid was opened. The reasons for the paucity of bids boiled down to:

- Specialized nature of the technology project;
- Project size that exceeds \$50 million;
- Significant fiber optic projects underway or anticipated nationally;
- Duration of the project, which will last more than two years;
- Uncertainty continued supply chain disruptions; and
- Economic and inflationary uncertainties

While Crosstown's bid for Phase I of CV Sync actually came in below the engineer's estimate, their Phase II bid was 30% higher than the engineer's estimate for Phase II, reflecting actual and anticipated cost increases since May of this year when the estimate was prepared. For example, the conduit that is required to house the fiber optic backbone of the entire project has experienced nearly a 50 percent increase in cost since the Phase I project with similar increases anticipated into the next several years. TKE's analysis provides additional details of the contract cost. The increases over the engineer's estimate can be summarized by rapidly increasing demand for technology-based materials tied to all levels of government trying to modernize their transportation infrastructure, and limited supply of these materials as manufacturers are hamstrung by manufacturing capacity and plagued by supply chain disruptions.

After reviewing the bid documents, contractor status, references, and other bid item analyses, TKE, Advantec and CVAG staff all recommend awarding the construction contract to Crosstown Electrical Data Inc., as they are the lowest responsive bidder. While there was only one bid received, there is a significant risk of cost escalation if the project is re-advertised. Timing is also critical with respect to this phased technology project. CVAG published the "Notice of Intent to Award" the construction contract to Crosstown online on October 31, 2022.

With approval of this contract, CVAG anticipates Phase II construction starting in January 2023 and being completed in the spring of 2025. As Crosstown is the prime contractor for Phase I, the transition into Phase II will be seamless with no interruption in work.

Having implemented regional signal synchronization and ITS technology into the region's top 21 arterial corridors, Phase III of CVAG's ITS Master plan calls for deploying new state-of-the-art

traffic controllers to all of the remaining signalized intersections in the Coachella Valley. Phase III of the overall project is not yet funded.

Fiscal Analysis: The bid from Crosstown Electrical Data Inc. was the only bid received by the deadline. CVAG staff is recommending award of only the base bid at this time, with the total not-to-exceed amount to \$86,704,608.80:

Description	Amount
Base	\$86,704,608.80
Total Obligation:	\$86,704,608.80

CVAG staff and TKE believe the bid amount is reasonable and is consistent with inflationary costs that are being experienced with similar transportation projects recently.

CVAG has secured \$30.866 million in federal Congestion and Air quality (CMAQ) and State Transportation Improvement Program (STIP) funding for the construction of the Phase II improvements. In addition, CVAG has been working with the Riverside County Transportation Commission (RCTC) to identify additional funding. According to RCTC estimates, there is additional CMAQ funds for the Coachella Valley for fiscal years 22/23, 23/24, 24/25 and 25/26. The amount available to be programmed from these additional funds is \$21,308,265. The CMAQ funds can only be utilized on projects that demonstrate they can reduce congestion and improve air quality. The projects also need to meet federal funding requirements. CV Sync project meets these criteria. CVAG staff is recommending the Transportation and Executive Committee direct staff to allocate these additional CMAQ funds to Phase II. If additional CMAQ funding is not programmed, then CVAG would have to use regional funding, such as measure A, to fill the gap.

To date, CVAG staff has not sought local funding for the project as its cost has been largely covered by outside funding sources. The allocation of future CMAQ funding continues that The balance of \$27,775,740.80 of the project costs will be provided by regional Measure A funds, reflecting the leveraging of 68% external funding for this significant and transformative project for the region.

Funding Source	Amount	Percent
CMAQ - Federal	\$30,886,000.00	35.6%
STIP - Federal	\$ 6,734,603.00	7.8%
CMAQ - Additional	\$21,308,265.00	24.6%
CVAG – Local Share	\$27,775,740.80	32.0%
Total	\$86,704,608.80	100%

CVAG staff will continue to seek additional outside funding to leverage into CV Sync Phase II, overall future phases and unfunded bid alternatives. With the implementation of the first two phases of CV Sync, the entire region will benefit from efficiencies of scale, and from the modernization and standardization of hardware and software. Managing these assets through the Regional Traffic Management Center will result in significant cost savings. As CV Sync

transitions from construction to operations and maintenance over the next several years, staff will evaluate additional avenues for the region's jurisdictions to contribute additional funds.

Attachments:

1. Bid Tabulation Summary
2. TKE Recommendation Bid Analysis
3. Phase II Construction Location Exhibit
4. [Contract with Crosstown Electrical & Data, Inc.](#)

Notice of Intent to Award

October 31, 2022

Notice is hereby given that the Coachella Valley Association of Governments (CVAG) intends to award a contract to the following bidder:

Crosstown Electrical & Data, Inc.

The proposed award is the result of the CVAG's Notice to Bidders listed below:

CVAG Regional Traffic Signal Synchronization Project (CV Sync) - Phase II
Federal Aid Project No. CML-6164 (024)
Project No. CV-2022-TSS-01

This notice constitutes compliance with the project specifications and contract documents. Any protests concerning this proposed award must be filed with and received by the Coachella Valley Association of Governments by 5:00 P.M. on **November 5, 2022**.

Coachella Valley Association of Governments
Eric Cowle, Transportation Engineer
73-710 Fred Waring Drive, Suite 200,
Palm Desert, CA 92260,
telephone (760) 346-1127,
electronic mail: ecowle@cvag.org

Attachments:

- Bid Summary

Coachella Valley Association of Governments
Bid Register

Project Name: CVAG Regional Traffic Signal Synchronization Project (TSSP) - Phase 2
Federal Aid Project No. CML-6164 (024)
Project No. CV-2022-TSS-01

Bid Opening Date: September 28, 2022

Time: 3:00 p.m.

Bid No.	Company Name	Received Time	Received By	Comments	Amount
1	Crosstown Electric & Data	2:48 PM	Justin Schlaefli		\$88,424,411.60
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					

Number of Bids Filed by Opening Time: 1

Bids Opened By: Eric Cowle

Title: Transportation Engineer



T K E E N G I N E E R I N G , I N C .

October 21, 2022

Eric Cowle
Transportation Engineer
Coachella Valley Association of Governments

Subject: CV Sync Phase II- Bid Analysis

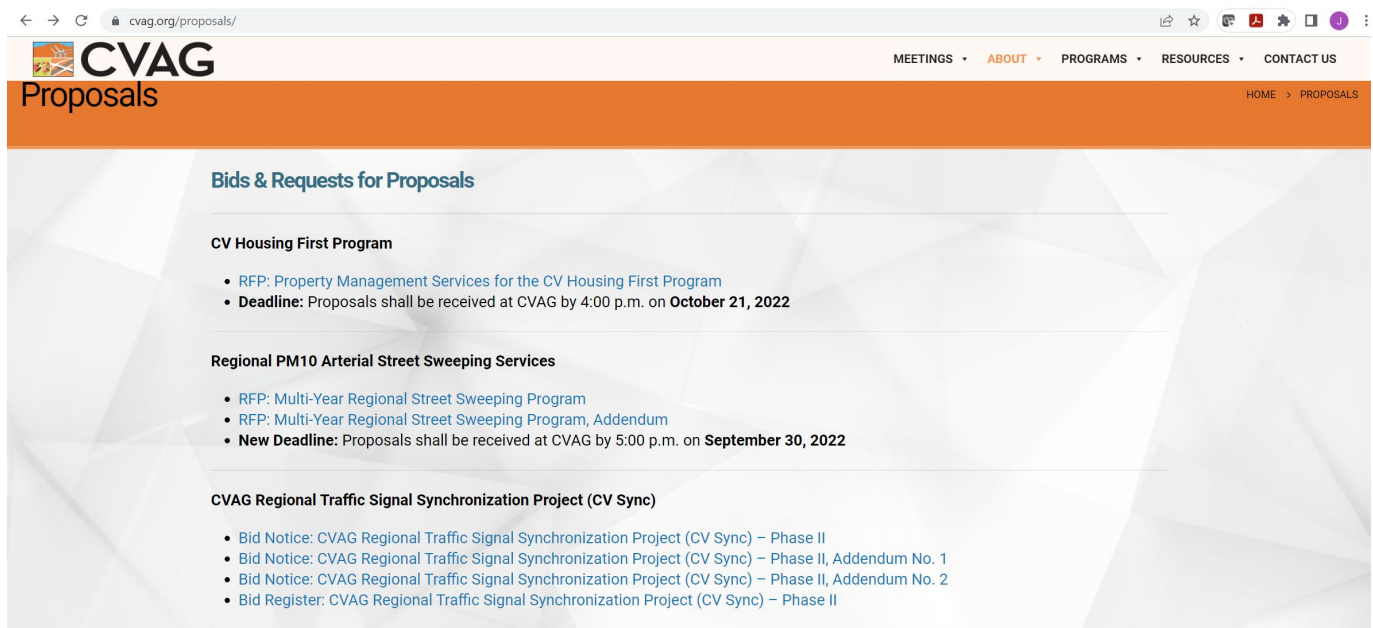
Dear Mr. Cowle,

I have reviewed the bid received from Crosstown Electrical & Data for the CV Sync Phase II project (CML-6164(024)). Below is my discussion of the bid analysis conducted and my recommendation for potential award.

Bid Process:

The Coachella Valley Association of Governments (CVAG) received authorization for construction (E-76) on July 22, 2022 from the Caltrans, Division of Planning, Local Assistance. Upon receipt of authorization, a Bid Request was prepared including Plans and Specifications, Notice to Bidders and Bid advertisement consistent with the Local Assistance Procedures Manual (LAPM). The Plans and Specifications were reviewed for adequacy and contract language was amended to include all required Federal contract provisions including the FHWA-1273 as an attachment. In addition, a Local Agency Advertising Checklist was reviewed and filled out (Exhibit 15-C) and a PS&E checklist (Exhibit 12-D) was reviewed and filled out. Federal prevailing wage rates were downloaded and attached to the bid package.

Upon confirmation that bid documents conformed to the requirements of the LAPM as well as Federal requirements, a bid notice was prepared. The bid notice was uploaded to the CVAG website at the following web address: <https://cvag.org/proposals/> A screen capture of the website is provided below for documentation:



The bid notice was posted on 8/5/22 to the CVAG website with bid documents uploaded to PlaintiffRoom as noted in the bid notice by Monday 8/8/22. In addition, an advertisement was placed in the Desert Sun newspaper. A mandatory pre-bid meeting was held on 8/23/22 via virtual meeting. This meeting was

recorded and is available for the record if needed. The meeting was well attended by prime contractors, vendors and potential subcontractors. The list of attendees is shown below.

Jonathan Hoy	CVAG	jhoy@cvag.org	7602381540	
James Varnes	MSL Electric, Inc.	james@mslelectric.co	(714) 693-4837	Sub-Contractor
Dave Heermance		Crosstown Electrical &	(626) 813-6693	Prime-Contractor
Zachary Hoiting	Western Systems	zhoiting@westernsyst	5033495970	Sub-Contractor
Donald Wang	Western Systems, Inc.	dwang@westernsyste	6264505612	
Rusty Moore	Ferreira Coastal Const	RMoore@FerreiraCon	714-928-7573	Prime-Contractor
Mathew Garcia	MSI TEC	mathewg@msitec.con	949-303-5001	
Venkatesh Jadhav	Yunex Traffic	venkatesh.jadhav@yu	512-517-5872	Prime-Contractor
Jennifer Harvey	NexTech Systems	jharvey@nextechsyste	9259897310	Sub-Contractor
Stephany Bravo	DBX, Inc.	dbxinc@hotmail.com	951-296-9909	Prime-Contractor
Taylor Darby	Comet Electric	taylordarby@cometel	818-262-9205	Prime-Contractor
Bryan Vinson	IndustrialENET	bryan.vinson@industr	9513315815	Sub-Contractor
Tammy Berg	Western Systems	tberg@westernsystem	4254381133	
Steven Teal	Yunex LLC	steven.teal@yunextra	714-497-5043	Prime-Contractor
Marc Porter	Econolite Systems, Inc	mporter@econolite.co	310-418-1663	Sub-Contractor
David Garcia	Elecnor Belco Electric,	davidanthony.garcia@	909-993-5470	Prime-Contractor
Doug McWhorter	Elecnor Belco Electric,	dmcwhorter@elecnor	9514966702	Prime-Contractor
Kenneth	Gustat	Kgustat@westernsyste	7607590963	
Tim Seaman	DBX Inc	charlesdbx@hotmail.c	951-296-9909	Prime-Contractor
Reza Hosseini	Irvine Global Consultin	brhossini@irvinegc.co	949 228-8840	Sub-Contractor
Rodney Mathis	Yunex Traffic	rodney.mathis@yunex	714-397-7608	Prime-Contractor
Maria Perez	Crosstown Electrical &	maria@crosstowndata	626-813-6693	Prime-Contractor
Richard Schmidt	Yunex Traffic	rich.schmidt@yunextr	314-791-6343	Prime-Contractor
Todd Kreter	Iteris	tkreter@iteris.com	949-270-9611	Sub-Contractor
Bryan Elenes	ADVANTEC	belenes@advantec-us	949-861-4999	Prime-Contractor
Robert Paquette	Yunex LLC	robert.paquette@yun	951-784-6600	Prime-Contractor

- On September 8, 2022, an addendum including an addendum to the technical specifications related to alternative bid items, revised plans, a copy of the attendee list for the pre-bid meeting, the powerpoint for the pre-bid meeting and a one week extension to the bid deadline were listed and incorporated into the bid documents via the addendum. On September 19, 2022, an addendum which included the response to questions and updated Federal Prevailing Wage Rates was listed and incorporated into the bid documents. Both addendums were posted to the CVAG website and were included posted with the bid documents for download at the PlanitPlanRoom website.

On September 28, 2022, bids were received at the CVAG offices. Only one bid was received as recorded in the bid register attached. Bid opening procedures followed LAPM requirements including the following:

- As bids are received, they must be logged in and stamped with the time and date.
- The bids must be retained in a secure place until the designated time and place for public opening.
- All bids received in accordance with the terms of the advertisement must be publicly opened and announced either item by item or by total amount.
- If any bid received is not read aloud, the name of the bidder and the reason for not reading the bid aloud must be publicly announced at the bid opening.
- Negotiation with contractors, during the period following the opening of bids and before the award of the contract must not be permitted.

A bid opening checklist was utilized to ensure conformance to required procedures. An initial review of the bid received showed that it was complete and no irregularities were immediately noted. Present for the bid opening were CVAG personnel and representatives of the contractor submitting a bid as well as one vendor and one additional contractor. The bid received was then analyzed as discussed below.

Bid Competition:

According to FHWA recommendations, the following factors should be considered in performing a preliminary assessment as to whether competition was adequate:

- number of bids,
- difference between low bid and engineer's estimate,
- difference between low bid and other bidders,
- spread or variation of all bids,
- type of project and the anticipated competition for this type of work,
- time of year,
- bidding opportunities for similar work with other nearby agencies or jurisdictions (e.g. resurfacing work),
- bidding opportunities with neighboring agencies that may result in temporary material shortages (e.g. large steel fabrication contracts);
- relative availability of subcontractors and specialty subcontractors for the project, and
- potential DBE or good faith effort issues with apparent low bid and other bidders as appropriate.

The quality of competition was evaluated based on the factors above. Several of these factors are explicitly discussed in the bid analysis below. However, with only one bid received, several of the factors do not apply. For example, the difference between the low bid and other bidders and the spread or variation of all bids could not be evaluated. The difference between the low bid and engineer's estimate as well as type of project and competition is discussed below.

As discussed above, there was good attendance at the pre-bid meeting considering the specialized nature of the work and small pool of potential prime contractors with the certifications, experience and capacity to complete a project over \$50 million. It is further noted that there is significant competition with respect to the specialized communications portion of the project due to the number of middle-mile broadband contracts out for bid. In soliciting feedback from some of the potential prime contractors, competition from other projects was specifically noted multiple times. The availability of specialty subcontractors (particularly DBE subcontractors) also limited the pool of bidders. The bid received did exceed the DBE participation goal.

Bid Analysis:

Per the LAPM, a bid analysis is required for projects on the National Highway System (NHS). The bid analysis is the process performed to justify the award or rejection of the bids and should assure that good competition and the lowest possible cost were received. A proper bid analysis better ensures that funds are being used in the most effective manner. A bid analysis also assists the agency in preparing accurate engineering estimates on future projects.

The bid analysis process is an examination of the unit bid prices for reasonable conformance with the engineer's estimated prices. Beyond the comparison of prices, other factors that a bid analysis may consider include:

- Number of bids
- Distribution or range of the bids
- Identity and geographic location of the bidders
- Urgency of the project

- Unbalancing of bids
- Current market conditions and workloads
- Potential for savings if the project is re-advertised
- Comparison of bid prices with similar projects in the letting
- Justification for significant bid price differences
- Other factors as warranted

Each of these factors is discussed below.

Number of Bids:

Only a single bid was received. CML-6164 (024) is phase two of a three phase project. During Phase 1, only three bids were received. Feedback received since the award of Phase 1 indicated that due to the specialized nature of the work, competition was more limited than would be expected of a more typical roadway construction project. The work for phase 2 is similar to phase 1 with specialized work requiring certifications and specialization in Intelligent Transportation Systems (system integration), fiber optic communications (Corning certification) and traffic signal modification (C-10 license and applicable work zone safety and other certifications). This combination of specialties leads to a relatively limited pool of bidders. A review of the Corning certified network of providers (required certification for this project) shows 33 contractors within 200 miles of the project site:

Network of Preferred Installers (NAFTA) Directory

[Change Region or Program](#)

Location (Enter address, state or postal code)
palm desert, ca

Within

100

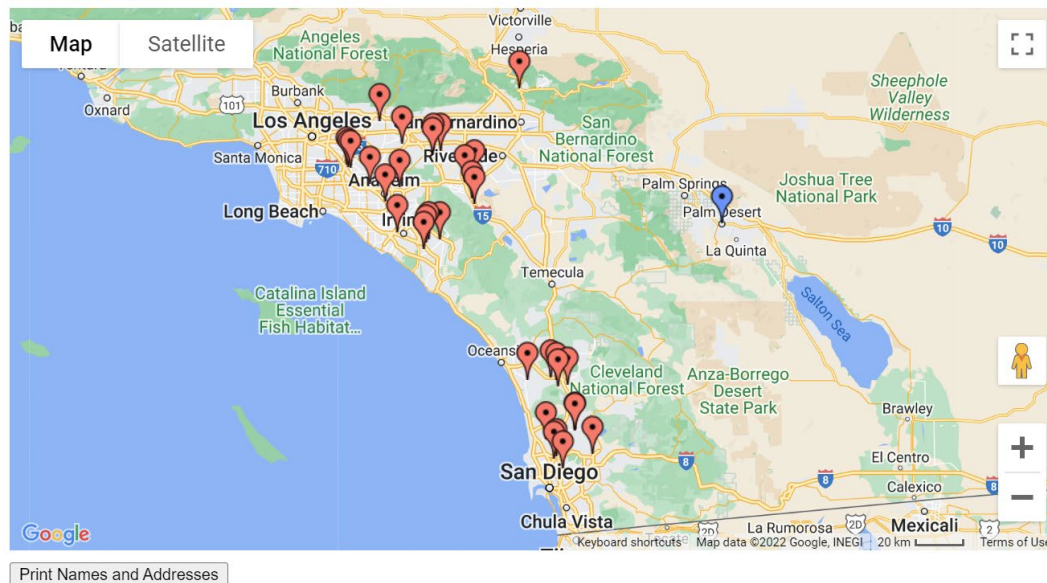
Miles

Search

Local Partners

Name	Distance	Address	Phone
ITI Cabling	58.5 mi	1200 S. Escondido Blvd., Escondido, California 92025	(858) 240-6670
Berg Electric Corp.	59.6 mi	955 Borra Pl., Escondido, California 92029-1020	(760) 746-1003
Baker Electric	60.3 mi	1298 Pacific Oaks Place, Escondido, California 92029	
Tel Tech Plus, Inc. dba TTP-US	60.5 mi	393 Enterprise Street, San Marcos, California 92078	(760) 510-1323
Apple Valley Communications	63.4 mi	21845 US Highway 18, Apple Valley, California 92307-3968	(760) 247-2668
Intellinet Incorporated	64.9 mi	9106 Pulsar Court - Unit H, Corona, California 92880-6967	(951) 277-7669
TechNet Partners, Inc.	65.4 mi	6116 Innovation Way, Carlsbad, California 92009	

Results 1-33 of 33



Importantly, there are no contractors with the required certification within 50 miles of the project site. In addition, the size of the project (greater than \$50 million) greatly limited the number of available bidders. Potential prime contractors who attended the pre-bid meeting were contacted for feedback. They noted

the combination of specialties, size of the job, significant amount of other similar work (particularly fiber), unique requirements of the job, duration of the work, recent supply chain disruptions and inflation concerns led to a feeling that they could not provide a competitive price. This factored into a decision by several prime contractors not to bid and led to a single bid being received.

Distribution or Range of Bids:

As discussed above, there was only a single bid received. As a result, there was no analysis of bid distribution or range of bids. However, the bid was reviewed in light of other projects out for bid and other factors as discussed further below.

Identity and Geographic Distribution of Bidders:

The Prime contractor is headquartered in Irwindale which is approximately 110 miles from CVAG's offices. However, the Prime, Crosstown Electrical & Data, has a yard and an office in Coachella Valley which were established for Phase 1 of the project. They have established a local presence and understand local conditions. Through Phase 1 of the project, they have established relationships and contact with all 11 agencies as well as major stakeholder groups in Coachella Valley. Other potential bidders likewise do business in Coachella Valley including Belco, DBX and Yunex.

Subcontractors likewise have offices in Southern California including Fallbrook, Anaheim, Jurupa Valley and Rancho Cucamonga. It is noteworthy that one subcontractor, Ferreira Construction, was listed as attending the pre-bid meeting as a prime contractor and ultimately teamed up with Crosstown Electrical & Data as a subcontractor.

Urgency of the Project

Project Urgency is relative. However, Phase 1 of the CV Sync project is expected to be completed in Q1, 2023. Should Phase 2 of the CV Sync project be awarded prior to the end of 2022, a notice to proceed could be issued and work would proceed into Phase 2 of the project without interruption. This allows the Construction Management, design engineer and contractor to remain mobilized and deliver the project on-time pursuant to the current schedule. Delaying the project risks some of the funding sources identified. Additionally, the traffic signal and fiber communications industries are seeing significant increases in prices and limited supply availability. In particular, certain materials needed for this project were in short supply and were long-lead items in Phase 1 of the project. This is expected to continue and, in some cases, worsen through the near-term such that delaying the project could create significant risks. In-particular, fiber optic cable was identified as a long-lead item in Phase 1 with limited supply. Phase 2 of the project (subject to this bid) contains significantly more fiber than Phase 1. Of particular concern is the supply of fiber optic cable and certified technicians due to the enormous increase in fiber optic projects currently out for bid and anticipated to bid in the near future. A search of a bid database for California showed 44 solicitations for bids by public agencies in the last 90 days. Additionally, the recently passed infrastructure bill contained \$65 billion for broadband (fiber). Finally, the State of California provided over \$3 billion in funding for middle-mile fiber with projects recently out for bid and beginning construction. Reports of Fiber Optic Cable shortages are widespread in 2022 (<https://arstechnica.com/information-technology/2022/07/global-shortage-of-fiber-optic-cable-threatens-digital-growth/>). Additionally, reports of up to 70% increase in fiber costs have been noted compared to 2021 in some regions: "Europe, India, and China are among the regions most affected by the crunch, with prices for fiber rising by up to 70 percent from record lows in March 2021, from \$3.70 to \$6.30 per fiber km, according to Cru Group, a market intelligence firm". These shortages and price increases as well as anticipated additional competition could increase considerations regarding the urgency of the project necessary to secure materials.

Perhaps the most significant consideration with respect to urgency of the project is the future Phase 3 of the project. As discussed, CV Sync was designed as a three phase project. Phase 1 is anticipated to complete integration/testing/commissioning in Q1 2023. There is a window for Phase 2 completion in 2023/2024. The communications and infrastructure for Phase 3, which is anticipated in 2025 is dependent on the completion of Phase 2. This is a critical consideration that Phase 3 cannot commence or be completed until Phase 2 is completed. In particular, the signal communications network to support signal operations and CV2X connected vehicle communications are dependent on the timely completion of Phase 2 and the sequencing of the work. This impacts timing and efficiency of vehicles, greenhouse gas

emissions, safety and operations of roadways throughout Coachella Valley. As a result of the funding constraints, phased nature of the project and gaps in critical infrastructure, timing of the project is a significant consideration.

Unbalancing of Bids:

Unbalanced bids are one of the factors to review in a bid analysis. The two types of unbalanced bids are as follows:

- A mathematically unbalanced bid is a bid that contains lump sum or unit bid items that do not reasonably reflect the actual costs (plus reasonable profit, overhead costs, and other indirect costs) to construct the item, and
- A materially unbalanced bid is a bid that generates reasonable doubt that award to that bidder would result in the lowest ultimate cost to the government.

To detect mathematical unbalancing, the unit bid items should be evaluated for reasonable conformance with the engineer's estimate and compared with the other bids received. There are no definitive parameters (e.g., an amount or percent of variance from the engineer's estimate) that constitute an unbalanced bid. The degree of unbalancing of a bid may depend on the reason for the unbalancing. Mathematically unbalanced bids, although not desirable, may be acceptable.

The determination of mathematically unbalanced bids may be aided by the use of one of the several computer software packages now available. However, the final decision should not preclude the use of engineering judgment. Care must also be exercised to ensure that unit bids for mobilization do not mask unbalancing. Also, token bids (i.e., bids with large variations from the engineer's estimate) should be considered as mathematically unbalanced bids and further evaluation and other appropriate steps should be taken to protect the public interest.

There may be situations where the quantity of an item could vary due to inaccuracies in the estimating, errors in the plans, changes in site conditions or design, etc. In such situations, the bids should be further evaluated to determine if the low bidder will ultimately yield the lowest cost. If unbalancing creates reasonable doubt that award would result in the lowest ultimate cost, the bid is materially unbalanced and should be rejected or other steps should be taken to protect the public interest.

The bid was examined for unbalancing. One apparent bid error was noticed which is likely the result of a decimal misplacement. This resulted in a bid price which was nearly 1,000% higher than the estimate (bid item 52). The contractor will be consulted to determine whether this was indeed a decimal error which should be corrected prior to award.

The bid is attached to this analysis with a comparison to the engineer's estimate. The bid was 53.16% higher than the engineer's estimate and 33.18% higher than the engineer's estimate plus contingency. Correcting for the apparent decimal error results in a bid which was 50.18% higher than the engineer's estimate.

The attached bid analysis spreadsheet identifies percentage over and under the engineer's estimate. This is useful in examining the bid for unbalancing. FHWA uses an example process for determining unbalanced bids as follows: "An example of a process for determining materially unbalanced is the State of Wisconsin DOT's (WisDOT), which utilizes a bid analysis procedure. Using WisDOT's process, an STA would examine significant items that are mathematically unbalanced (as identified by a certain percentage over or under the engineer's estimated unit price for that item). If it appears that a quantity error may have caused a contractor to unbalance, the STA would examine all significant bid items for quantity errors. If quantity errors are found, the STA would examine the impact on the bidder ranking if corrected quantities had been used. A change in the ranking is an indicator of a materially unbalanced bid. See the following link for additional details: <http://wisconsin.gov/rdwy/cmm/cm-02-10.pdf#cm2-10.2.1>."

The WisDOT process was followed to examine the bid received. This process is outlined below:

3. An item will be considered significantly unbalanced if the difference between the low bidder's unit price and the estimate, expressed as a percent of the estimate, is greater than +50% or is less than -75%.

4. The unbalanced bid analysis must consist of the following steps:

4.1 The estimated unit price for items identified as being significantly unbalanced will be reviewed for correctness. Corrections will be made as needed and the low bidder's unit price will be reevaluated to determine if the item remains significantly unbalanced (see item #3).

4.2 Quantities for items found to be significant to the contract will be checked and verified. Quantities will be determined based upon the bidding documents and the construction methodologies depicted in the plan. These quantities will be used only for the purpose of performing the Unbalanced Bid Analysis.

4.3 Corrected quantities for items known to be in error (see item #3) plus corrected quantities for items significant to the contract will then be multiplied times the unit price bid for each contractor and a gross sum for the contract for each bidder will be calculated.

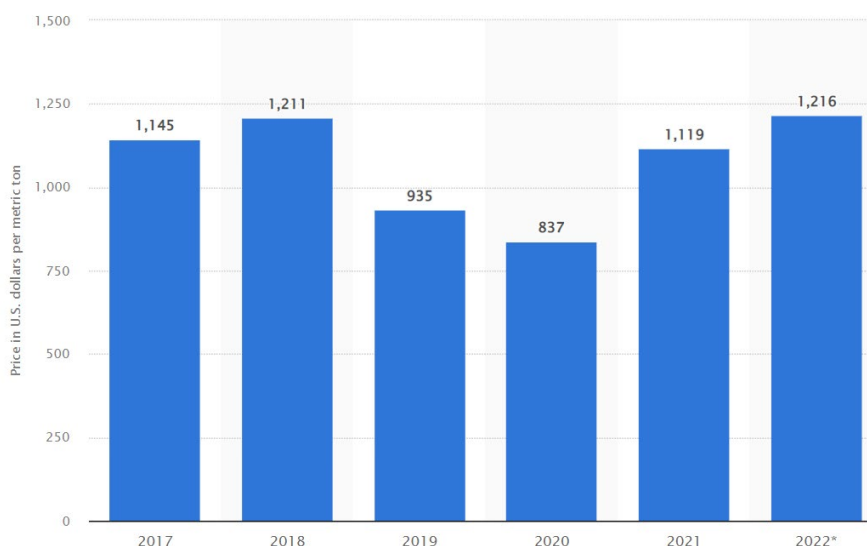
4.4 A comparison of the calculated gross sum totals will be made. If the calculated gross sum for the contract low bid is found to be higher than the calculated gross sum of another bidder, the low contract bid proposal is materially unbalanced. If the calculated gross sum of the contract low bid proposal is found to be less than the calculated gross sum of all other bidders, that bid is not materially unbalanced.

4.5 The comparison procedure explained in 4.4 above will be repeated as necessary using the next low contract bid proposal until a contract bid that is not materially unbalanced is found.

As discussed above, one apparent decimal error was found and corrected as shown on the bid analysis spreadsheet. This resulted in a reduction in bid total of \$1,719,802.80. However, as only one bid was received, this did not impact the bid analysis as discussed below.

Following the procedure outlined in the WisDOT process, the bid was found not to be materially unbalanced due to the receipt of only one bid. According to section 4.4 of the process, if the calculated gross sum of the contract low bid proposal is found to be less than the calculated gross sum of all other bidders, that bid is not materially unbalanced. That is the case with this bid.

The analysis did outline areas of significant unbalancing in multiple bid items. These significantly unbalanced bid items were discussed with the design engineer who prepared the engineer's estimate. It was found that multiple factors impacted the bid received and caused significant differentials in the cost estimate received. For example, Bid Item 7, which includes 3" HDPE conduit came in almost double the engineer's estimate. This accounts for at least \$13,143,423 of the differential from the engineer's estimate which is 42.82% of the total amount by which the bid exceeded the engineer's estimate. From Phase 1, we received warnings from the prime contractor that the cost and availability of materials was increasing rapidly. Research into materials prices for HDPE show the following:



Materials prices alone for HDPE shows a 45.3% increase in the past two years with additional significant escalation in cost anticipated. In addition, gasoline and transport/delivery prices have significantly

increased in the recent past. As a result, prices which were the basis for the engineer's estimate were based on a recent low in materials costs and are compounded by a rebound in demand, rising prices, limited availability and more recent inflationary effects.

No inaccuracies in the quantities of the engineer's estimate were found and no further corrections to the bid on the basis of inaccuracy were included in the bid analysis. Additional discussion of price differences from the engineer's estimate is included below.

Current Market Conditions and Workloads:

As discussed above, several key materials inherent in the bid are experiencing rapid price increases and increasing shortages. In addition, market conditions and workloads have a significant impact on the bid price leading to large variances from the engineer's estimate. Each of these differences was examined. Collectively, it was found that market conditions and workloads are a significant factor impacting the bid.

The current market is experiencing rapid inflation for the cost of labor and materials. The Construction Cost Index for California is tracked by the Department of General Services. The index is shown below:

California Construction Cost Index 2021-2025

Month	2025	2024	2023	2022	2021
January				8151	7090
February				8293	7102
March				8736	7130
April				8903	7150
May				9001	7712
June				8925	7746
July				9110	7892
August				8729	8122
September				8604	7900
October				8712	8080
November					8141
December					8072
Annual % *					13.4%

**Annual Percentage is calculated from December to December.*

According to the index, construction costs increased 13.4% in 2021. Between September and October 2022, the cost index showed an increase of 10.28%. This compares with 2020 and 2019 of 2.8% and 3.6% increases respectively. Reports of inflation are widespread and a contractor must project future

inflation that will impact costs throughout a long duration project such as CV Sync Phase 2. Similar increases in prices are shown in statistics from the U.S. Bureau of Labor Statistics with increases in key components of the project. An example is concrete and cement prices which have increased 17.7% since June 2021.



In addition, items such as pull boxes and electrical components for traffic signals are in short supply and have experienced rapidly increasing prices as infrastructure spending increases.

It was previously noted that there is significant competition currently in the Fiber Optic/Communications market with multiple large projects out to bid or anticipated in the near future with widespread investment in middle-mile Broadband spending as much as \$6.5 billion and beginning in Southern California. The Middle-mile Broadband project recently started construction.



Also as mentioned previously, there are a limited number of contractors in Southern California with the experience and bonding capacity to complete a project with the specialized knowledge and requirements of CV Sync Phase 2. Feedback received from potential prime contractors who attended the pre-bid meeting reinforced this fact. As mentioned, there wasn't a single contractor with a headquarters presence

within 50 miles of the Coachella Valley meeting the project requirements. These facts increased the bid price significantly.

Potential for Savings if the Project is Re-advertised:

Due to the limited pool of available labor and the rapidly increasing costs of materials and labor as well as the competition discussed previously, it is unlikely that there will be significant savings if the project is re-advertised. Recent increases in gas prices (see below) increase the likelihood that re-advertising the project would lead to higher costs. Inflation continues to be high such that as the project is delayed, costs continue to increase. Diesel prices in Riverside County have increased 5.1% in the past month and may increase further leading to greater risk and uncertainty for contractors. In addition, as infrastructure funding continues and competition increases with the allocation of over \$65 billion in fiber optic/broadband work, it is probable that bids would increase if re-advertised. Finally, as a phased project, costs for later phases are likely to increase as well with delays and cost increases anticipated over the next year as inflation continues.

 Riverside 				
	Regular	Mid	Premium	Diesel
Current Avg.	\$5.731	\$5.998	\$6.110	\$6.503
Yesterday Avg.	\$5.785	\$6.057	\$6.173	\$6.540
Week Ago Avg.	\$6.095	\$6.352	\$6.465	\$6.685
Month Ago Avg.	\$5.399	\$5.580	\$5.728	\$6.185
Year Ago Avg.	\$4.447	\$4.635	\$4.760	\$4.568

Comparison of Bid Prices with Similar Projects in the Letting:

Due to the highly specialized nature of this Intelligent Transportation Systems project, it is difficult to find directly comparable bid items. However, an attempt was made to compare to other projects through looking at price indexes for similar materials and work. In addition, outreach to the industry has shown rapidly increasing prices and limited availability across the board for communications and traffic signal work. As a result, it has been reported that multiple recent projects have significantly exceeded the engineer's estimate and/or have been re-advertised. A conversation with representatives of the Middle-Mile Fiber Initiative indicated that bids are coming in over engineer's estimates as well. It is noted that there are 10 active solicitations for Middle-Mile Fiber as of the date of this analysis.

Justification of Significant Bid Price Differences:

Overall justification for significant bid price differences has been previously discussed. To summarize, the limited labor pool, significant inflation, supply chain disruptions and competition from other projects with overlapping skill requirements has led to significant increases in bid prices over the engineer's estimate. These differences are highlighted in the attached bid analysis spreadsheet and have been discussed with the design engineer in order to determine whether price increases are reasonable. As identified in the bid analysis, one bid item had an apparent error. When corrected, the base bid price exceeds the engineer's estimate by 30.59%. Based on the range of price increases for materials and various cost indexes (10-18%) and projecting costs out another 9 months with anticipated additional inflation, it would be expected that the bid price would be at least 25% higher than the engineer's estimate. As noted previously, bid item 7, which is the largest single bid item, came in almost double the engineer's estimate. This accounts for 42.82% of the overall deviation from the engineer's estimate. This was partially explained by a 45.3% increase in prices in the past two years significantly exceeding inflation. The additional increases in labor costs, inflation and risk of price volatility over the relatively long-term of the contract as well as significant

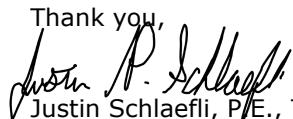
competition for resources and labor in a relatively limited market led to the significant differentials noted. While the majority of bid prices exceeded the engineer's estimate, there were several notable instances of bid prices coming in below the engineer's estimate. However, this is largely accounted for the method of work the contractor may employ. For example, bid item number 63 is a remove and salvage of existing video detection system camera equipment. If the contractor completes this work simultaneous with the installation of the replacement work, the costs to the contractor can be significantly reduced and savings realized. This likely explains the few bid items which were significantly below the engineer's estimate.

Other Factors As Warranted:

In addition to the factors listed above, consideration should be given to the phased approach of this project. With Phase 1 nearing completion, there is a significant learning curve for the contractor and vendors in understanding the project, stakeholders and nature of the existing infrastructure. This project spans eleven jurisdictions and requires careful sequencing and coordination. The prime contractor for Phase 1 was the single bidder for Phase 2. This contractor already has a working relationship with the vendors and has knowledge of the systems which will require integration, upgrade or expansion in Phase 2. This is not an inconsiderable factor in considering the ability to work with the large number of stakeholders involved in this project. Lessons learned from Phase 1 could be applied in Phase 2 in order to limit change orders and project delays. In addition, lead times in mobilizing for the project should be significantly reduced. This could lead to an unquantifiable savings in the future.

Recommendation:

Based on this analysis, it is recommended that the contract be awarded to Crosstown Electrical & Data and that a Public Interest Finding be prepared supporting the award of this contract on the basis of likely cost escalations if re-advertised as well as due to the critical nature of the timing with respect to a phased project.

Thank you,

Justin Schlaefli, P/E., TE

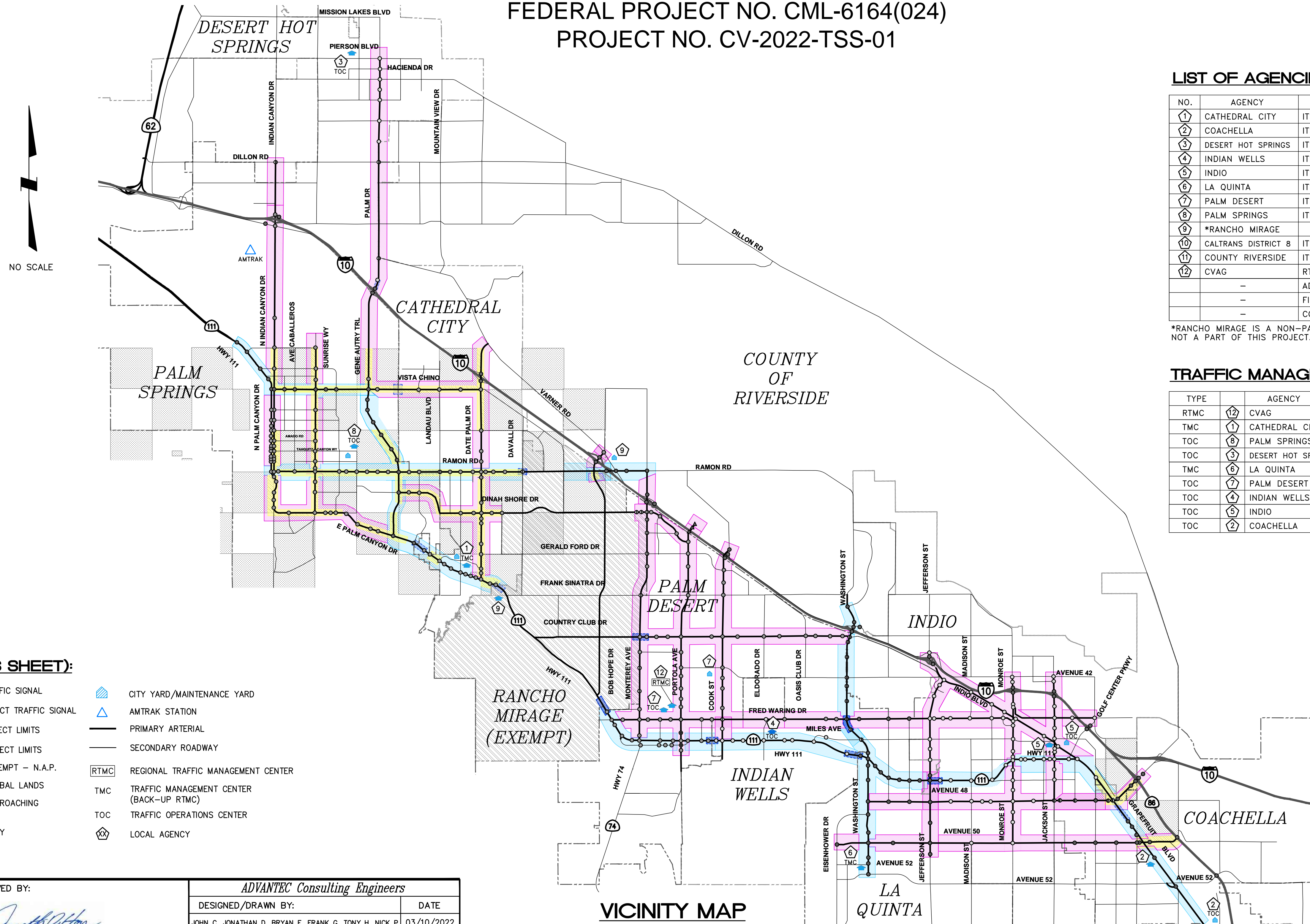
Resident Engineer

TKE Engineering, Inc.

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

INSTALLATION OF INTELLIGENT TRANSPORTATION SYSTEMS FOR REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION (TSS) PROJECT - PHASE II

FEDERAL PROJECT NO. CML-6164(024)
PROJECT NO. CV-2022-TSS-01



LIST OF AGENCIES:

NO.	AGENCY	DESCRIPTION	SHEET No.
1	CATHEDRAL CITY	ITS IMPROVEMENT PLAN	CC-001
2	COACHELLA	ITS IMPROVEMENT PLAN	CO-001
3	DESERT HOT SPRINGS	ITS IMPROVEMENT PLAN	DHS-001
4	INDIAN WELLS	ITS IMPROVEMENT PLAN	IW-001
5	INDIO	ITS IMPROVEMENT PLAN	IN-001
6	LA QUINTA	ITS IMPROVEMENT PLAN	LQ-001
7	PALM DESERT	ITS IMPROVEMENT PLAN	PD-001
8	PALM SPRINGS	ITS IMPROVEMENT PLAN	PS-001
9	*RANCHO MIRAGE	EXEMPT - N.A.P.	
10	CALTRANS DISTRICT 8	ITS IMPROVEMENT PLAN	CT-001
11	COUNTY RIVERSIDE	ITS IMPROVEMENT PLAN	RIV-001
12	CVAG	RTMC	CV-001
	-	ADDITIONAL COMMUNICATIONS	AC-001
	-	FIBER OPTIC ASSIGNMENTS	FO-001
	-	CONSTRUCTION DETAILS	DET-001



*RANCHO MIRAGE IS A NON-PARTICIPATING AGENCY UNDER THIS CONTRACT. NOT A PART OF THIS PROJECT.







TRAFFIC MANAGEMENT CENTERS:

TYPE	AGENCY	LOCATION
RTMC	CVAG	73710 FRED WARING DR
TMC	CATHEDRAL CITY	68-700 AVE. LA LO GUERRERO
TOC	PALM SPRINGS	3200 E. TAHQUITZ CYN WAY
TOC	DESERT HOT SPRINGS	65-950 PIERSON BLVD
TMC	LA QUINTA	78495 CALLE TAMPICO
TOC	PALM DESERT	73510 FRED WARING DR
TOC	INDIAN WELLS	44950 ELDERADO DR
TOC	INDIO	45222 TOWNE STREET
TOC	COACHELLA	53-462 ENTERPRISE WAY

LEGEND (THIS SHEET):

- PROJECT TRAFFIC SIGNAL
- FUTURE PROJECT TRAFFIC SIGNAL
- PHASE I PROJECT LIMITS
- PHASE II PROJECT LIMITS
- PHASE I&II EXEMPT - N.A.P.
- SOVEREIGN TRIBAL LANDS
- CORRIDOR ENCROACHING TRIBAL LANDS
- CITY BOUNDARY
- CITY HALL
- CITY YARD/MAINTENANCE YARD
- AMTRAK STATION
- PRIMARY ARTERIAL
- SECONDARY ROADWAY
- RTMC REGIONAL TRAFFIC MANAGEMENT CENTER
- TMC TRAFFIC MANAGEMENT CENTER (BACK-UP RTMC)
- TOC TRAFFIC OPERATIONS CENTER
- LOCAL AGENCY

 KEEPING THE COACHELLA VALLEY MOVING	APPROVED BY:	ADVANTEC Consulting Engineers	
	 JONATHAN HOY DIRECTOR OF TRANSPORTATION	DESIGNED/DRAWN BY:	DATE
		JOHN C, JONATHAN D, BRYAN E, FRANK G, TONY H, NICK P	03/10/2022
		APPROVED BY:	DATE
		JOHN A. DORADO, RCE No. 74405	03/10/2022

		COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS 73-710 Fred Waring Drive Suite 200 Palm Desert, CA 92260			ADVANTEC Consulting Engineers Traffic + ITS + Communications + Civil + Electrical Tel: (949) 861-4999 Fax: (949) 502-5522 www.advantec-usa.com			REV.	DESCRIPTION	BY:	APP'D:
		 ERIC COWLE TRANSPORTATION PROGRAM MANAGER			 CARLOS A. ORTIZ RCE, NO. 57535						

VICINITY MAP

REV.	DESCRIPTION	BY:	APP'D:
R E V I S I O N S			

ITEM 7a

Coachella Valley Association of Governments Transportation Committee November 7, 2022



STAFF REPORT

Subject: Status of I-10 Interchange Projects

Contact: Gustavo Gomez, Transportation Management Analyst (ggomez@cvag.org)

Recommendation: Information

Background: Attached is the status for Interstate 10 interchange projects as of October 2022:

Completed

- | | |
|---|--|
| 1) Indian Canyon @ I-10 (Mar '12) | 4) Monterey Avenue Ramp @ I-10 (Apr '15) |
| 2) Gene Autry/Palm Drive @ I-10 (Mar '12) | 5) Bob Hope/Ramon @ I-10 (Sep '11) |
| 3) Date Palm Drive @ I-10 (May '14) | 6) Jefferson Street @ I-10: |

Monroe @ I-10

Final environmental document approved by Caltrans. PS&E phase began April 2021 and is ongoing. ROW acquisition funding has been approved by CVAG for City of Indio. A separate item on the Committee's agenda seeks Surface Transportation Block Grant funding.

Jackson @ I-10

Environmental document was approved in September 2021. CVAG approved funding for PS&E. PS&E phase started in May 2022 and work is ongoing.

Avenue 50 @ I-10

PS&E contract underway.

Avenue 50 @ SR 86

PA&ED completed in May 2019. Funding agreement amendment for PS&E and ROW acquisition approved by Executive Committee in September 2020. PA&ED underway.

Dillon Road @ I-10 @ SR 86

PA&ED underway. Caltrans Approved Preliminary Environmental Study (PES) on July 13, 2020.

Portola @ I-10

County completed PS&E, and obtained Caltrans approval to shelve the project in April 2022. Per CVAG approval in June 2022, project being suspended.

Golf Center Parkway @ I-10

PSR on hold.

Da Vall Drive @ I-10

Intersection Control Evaluation submitted to Caltrans.

Fiscal Analysis: Funding for these projects has been budgeted through the project phase indicated and secured through various funding sources. There is no additional fiscal impact.

ITEM 7b
COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Regional Arterial Program - Project Status Report

11/2/2022



Project Description	Lead Agency	CVAG Funded						Status	
		PEng	ENV	PSE	ROW	CON	Through		
Interchanges									
Avenue 50 @ 86S	COA						Environmental	PA & ED underway.	
Avenue 50 @ I-10	COA						PSE	PS&E contract under way.	
Jackson @ I-10	COR						PSE	Final Env Doc approved by Caltrans. PSE underway by MBI. CVAG approved PS&E funds.	
Monroe @ I-10	COR						PSE	Final Env Doc approved by Caltrans. MBI 65% PSE submittal being reviewed. CVAG approved PSE and ROW funds.	
Jefferson @ I-10	COR						Construction	Completed	
Arterial Links									
Ave. 50 (Calhoun St. to Harrison St)	COA						Construction	PA/ED completed. PS&E under way.	
Ave. 48 (Van Buren St to Dillon Road widening)	COA						ROW	Final design and ROW underway. CVAG approved Construction funds.	
Date Palm Drive from I-10 to Varner	CC						PSE	Phase II is completed. The final design for Phase III in underway.	
North Indian Canyon Widening	COR						Construction	Completed. Closing out	
Avenue 50 (Jefferson St to Jackson St)	Indio						Environmental	City procuring consultant.	
Madison Street Widening (Highway 111 to Ave 48)	Indio						ROW	PS&E complete, City moving forwards with ROW.	
Jackson Street Widening (Ave 49 to Ave 52)	Indio						PS&E	Environmental filed on October 2021. PSE & ROW underway.	
Coachella Traffic Signal Conversion	COA						Construction	Completed	
Monterey Ave Corridor (Gerald Ford to Dinah Shore)	RM						Construction	Completed	
Ave. 48 (Jackson St. to Van Buren St.)	COA						Construction	Completed	
Bridges									
Avenue 66 Grade Separation over UPRR	COR						Construction	Awaiting final acceptance for maintenance by Caltrans.	
Avenue 44 Bridge over WWR	Indio						Construction	Enviro cleared. Plans are at 99%. Pending permits from CVWD and Caltrans to clear ROW.	
Avenue 50 Bridge over WWR	COA						PSE	PS&E underway. 35% plan set being reviewed.	
Cathedral Canyon Bridge	CC						Construction	Construction complete. Bridge grand opening celebrated October 6.	
Vista Chino Bridge over WWR	PS						PE	Project is in PE phase. Extensive negotiations with SCE for utility relocation.	
Dune Palms Bridge over WWR	LQ						Construction	City constructing project by advancing HBP funding. City awarded construction contract in Oct 2022.	
South Palm Canyon Bridge over Tahquitz Creek	PS						PSE	In final design. Plans submitted for review.	
East Palm Canyon Drive Bridge over Palm Canyon Wash	PS						PSE	In final design. Plans submitted for review.	
Indian Canyon (Garnet Incl. RR Crossing)	PS						Construction	Project is in bid process.	
Ramon Bridge Widening	PS						Construction	Continuing ROW and utility phase.	
Date Palm Bridge across WWR	CC						Construction	Completed	
Interchange Preparation Fund Projects									
Portola @ I-10	COR						ROW	PS&E completed. Caltrans agreed to shelve. Suspend until funding for ROW, utilities and construction is obtained.	
Golf Center Parkway @ I-10	Indio						PSR	PSR on hold.	
Da Vall Drive @ I-10	CC						PSR	PSR-PDS returned to Caltrans for their review.	
Dillon Road @ I-10, SR86, WWR	COA						PSR	PA&E underway.	
Regional Projects									
CV Sync - Phase 1	CVAG						Construction	Phase I Construction underway on Hwy 111, Ramon & Washington. Integration of Hardware/Software underway.	
CV Sync - Phase 2	CVAG						Construction	Construction bid to be considered by November CVAG Committees.	
Flooding and Blowsand - Phase 1	CVAG						PEng/ENV	CVAG approved Design, Engineering and Environmental funding and contract	

COR=County of Riverside; RM=Rancho Mirage; IW=Indian Wells; PD=Palm Desert; PS=Palm Springs; CC=Cathedral City; COA=Coachella LQ-La Quinta;
 PE = Preliminary Engineering; Env=Environmental; PSE=Plans, Specifications and Estimate; ROW=Right of Way; CON=Construction

ITEM 7c**COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS**

Bicycle & Pedestrian Safety Program - Project Status Report

11/2/2022



Bike & Pedestrian Safety Projects Project Description	Lead Agency	CVAG Funded			Status
		Design	CON	Through	
Palm Drive Signals and Lighting	DHS			Construction	Project completed.
Palm Canyon Intersection Pedestrian Enhancements	PS			Construction	Construction underway.
S. Palm Canyon, E. Palm Canyon Improvements	PS			Construction	Project completed.
Indian Canyon Intersection Pedestrian Enhancements	PS			Construction	Project completed.
Date Palm Sidewalk Gaps	CC			Construction	Project completed.
Calhoun Street Improvements	Indio			Construction	Project completed.
Vista Chino Signals	PS			Construction	Project completed.
Dinah Shore Mid-Block Crossing	CC			Construction	Project completed.
Palm Canyon Crosswalks	PS			Construction	Project completed.
Avenue 48 Bicycle Lanes	Indio			Construction	Project completed.

Project Description	Lead Agency	Grant			Status
		Design	App	CON	
CV Link	CVAG				Construction ongoing in multiple cities. Additional groundbreakings forthcoming.
ATP - Arts & Music Line	CVAG				Under design. CTC recommends ATP Cycle 6 funding, program adoption in Dec.
ATP - DHS CV Link Extension	DHS				Under design.
ATP - Cathedral City Downtown Connectors	CC				In ROW acquisition phase

COR-County of Riverside; RM-Rancho Mirage; IW-Indian Wells; PD-Palm Desert; PS-Palm Springs; CC-Cathedral City; COA-Coachella; LQ-La Quinta; DHS-Desert Hot Springs

ITEM 7d**FY 2022/2023 TRANSPORTATION COMMITTEE ATTENDANCE ROSTER**

			SEPT (Aug									
CVAG JURISDICTION	JUL	AUG	29)	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Blythe	-	-	✓	-		-			-			
Cathedral City	-	-	✓	-		-			-			
Coachella	-	-	✓	-		-			-			
Desert Hot Springs	-	-	✓	-		-			-			
Indian Wells	-	-	✓	-		-			-			
Indio	-	-	✓	-		-			-			
La Quinta	-	-	✓	-		-			-			
Palm Desert	-	-	✓	-		-			-			
Palm Springs	-	-	✓	-		-			-			
Rancho Mirage	-	-	✓	-		-			-			
Riverside County	-	-	✓	-		-			-			
Agua Caliente Band of Cahuilla Indians	-	-	✓	-		-			-			

Absent	
No Meeting	-
Holiday	H
Vacancy	**
In Attendance	✓

ITEM 7e

Coachella Valley Association of Governments Transportation Committee November 7, 2022



STAFF REPORT

Subject: Regional Early Action Planning (REAP) 2.0 Program Overview and Next Steps

Contact: Peter Satin, Regional Planner (psatin@cvag.org)

Recommendation: Information

Background: CVAG has been working to implement two projects that were funded through the first round of the state's Regional Early Action Planning (REAP) grants. CVAG staff has been providing regular updates on its REAP projects to the Homelessness and Executive Committees. This staff report provides an update on the second round of the program – commonly called REAP 2.0 – which aims to build a better nexus between affordable housing development and sustainable transportation. Given this focus, and the related coordination with the Riverside County Transportation Commission (RCTC), CVAG staff is providing an overview to the Transportation Committee.

REAP 2.0 was authorized as part of the mid-year revision of the State of California's Fiscal Year 2021-2022 budget, when the California Legislature passed Assembly Bill 140 and the 2021 California Comeback Plan. This legislation allocated \$600 million to REAP 2.0, designed to build on the success of REAP 2019 while simultaneously expanding the program focus to integrate the State's housing and climate goals through planning and implementation investments. Funding under REAP 2.0 will prioritize transformative planning and implementation activities that 1) accelerate infill development that facilitates housing supply, choice, and affordability; 2) affirmatively further fair housing; and 3) reduce vehicle miles traveled (VMT). Monies made available through REAP 2.0 must be allocated by June 2024 and expended by June 2026.

REAP 2.0 will be administered regionally by Southern California Association of Governments (SCAG), which has been allocated approximately \$246 million for disbursement to eligible applicants. SCAG has developed three programmatic funding areas:

- The first is Early Action Initiatives, which will focus on projects that further SCAG's Sustainable Communities Program, Go Human initiative and Regional Data Platform. It also provides funding to the Subregional Partnership Program 2.0 (SRP 2.0), which is detailed below.
- The second program area is the County Transportation Commission (CTC) Partnership Program. It is designed to facilitate the development of transit and other multimodal services to reduce VMT, with particular emphasis on projects that reduce greenhouse gas emissions in accordance with State goals established by SB 375. Funds will be made available to CTCs based on a competitive application process, and will be administered locally by RCTC.
- Finally, the Programs to Accelerate Transformative Housing (PATH) (formerly the Housing and Supportive Infrastructure Program) will target infrastructure and utility projects that support housing development and preservation, housing trust funds, and technical

assistance to implement eligible projects. Funding under this program will also be based on a competitive application process.

Under SRP 2.0, SCAG will allocate \$23 million to subregional councils of governments on a non-competitive basis – making CVAG eligible for up to \$541,975. In addition to meeting the three REAP 2.0 programmatic criteria listed above, projects proposed for SRP 2.0 funding must also fall under at least one of the following uses:

- Land use planning, related studies, and/or programs that result in implementable/adoptable programs and policies required to meet the programs, projects, and commitments in draft, adopted, and/or compliant 6th cycle Housing Elements;
- Outreach supporting programs, projects, or plans required in draft, adopted, and/or compliant 6th cycle Housing Elements and consistent with SCAG's adopted Racial Equity Action Plan;
- Housing strategies for increasing supply and lasting affordability including strategic planning and/or seed funding for subregional housing trust funds and community land trusts;
- Technical assistance to implement eligible activities and uses; and
- Activities otherwise eligible for PATH.

In order to reserve funding, CVAG submitted a non-specific notice of Intent to Apply for Funding to SCAG. To secure funding, CVAG must submit completed applications by February 10, 2023 alongside governing body approval. Implementation of the regional strategic plan currently being developed as part of the REAP 2019-funded sustainable revenue stream feasibility study would, based on the current guidelines, qualify for SRP 2.0 funding as a strategy for increasing housing supply and lasting affordability, should CVAG choose to continue the project.

Alternatively, CVAG may choose to pass on submitting a project under SRP 2.0. To be frank, administrative challenges coordinating with SCAG on REAP 2019 activities have taken up extensive staff resources, an experience shared by project implementation partners Lift to Rise. Because of these hurdles and the significant administrative steps that have come with REAP, CVAG staff wants to express its reluctance to accepting SRP 2.0 funding. Staff at Lift to Rise, which has been tracking this funding as a potential investment into the Coachella Valley's affordable housing projects, have also expressed reservations about how SCAG will implement REAP 2.0 given the bureaucratic difficulties that have been experienced to date.

CVAG staff will be seeking additional input from the Homelessness Committee before moving forward with next steps. Funds that remain unallocated through SRP 2.0 will be shifted to PATH and will be earmarked for use within the region for which they were originally intended. This means that, should CVAG pass on any portion of the \$541,975, those funds would then be made competitively available under HSIP and prioritized for projects within the CVAG boundary. The guidelines of the PATH program are still being finalized by SCAG.

In addition to the SRP 2.0 funding, CVAG staff has been closely tracking the availability of other REAP 2.0 funding. This includes coordinating with RCTC staff as they prepare a funding application for a variety of projects under the CTC Partnerships Program, including the planning and design of active transportation projects in the Coachella Valley. SCAG is projecting issuing a call for projects under this program in early 2023.

Fiscal Analysis: Should CVAG choose to move forward with an SRP 2.0 application, as much as \$541,975 would be available for eligible projects, including project management and staff time.

ITEM 7f

Coachella Valley Association of Governments Transportation Committee November 7, 2022



STAFF REPORT

Subject: SB 535 and California Climate Investments - Tribal Designation

Contact: Emmanuel Martinez, Senior Programs Manager (emartinez@cvag.org)

Recommendation: Information

Background: The State of California has increasingly relied on mapping tools such as CalEnviroScreen to make determinations on what qualifies as a “disadvantaged community,” which in turn has an impact on how competitive projects are for various funding types. California’s climate investments funded through proceeds from the state’s Cap-and-Trade program are required to provide benefit to disadvantaged communities (most commonly called DACs) throughout the state. The climate investments are authorized by Assembly Bill 32, the California Global Warming Solutions Act of 2006, and Senate Bill 535 and Assembly Bill 1550 are among the ways that help identify and direct funding to DACs. However, it has been CVAG’s position that these maps don’t always reflect the socioeconomic diversity of the region. Since April 2015, the CVAG Executive Committee has authorized its chairman and the CVAG Executive Director to seek administrative or legislative changes in programs that make projects in the Coachella Valley more competitive, particularly as it pertains to the Affordable Housing and Sustainable Communities (AHSC) program.

The California Environmental Protection Agency has recently provided an update to one of those qualifications – SB 535 disadvantaged communities – and the result is that the disadvantaged communities criteria now includes lands under the control of federally recognized tribes. CVAG staff is monitoring the impact of this change, but anticipates it has the positive impact of increasing funding opportunities for Tribal Nations from the State’s climate investments portfolio. Given the number of local tribes and the land under their control in the Coachella Valley, the region should be in a better position to compete for climate investment dollars.

Specifically, SB 535 (statutes of 2012) requires that 25 percent of the cap-and-trade dollars go to projects that provide benefits to DACs, and that a minimum of 10 percent of said funds go to projects directly within DACs. It also states that DACs shall be identified based on geographic, socioeconomic, public health, and environmental hazard criteria. In 2016, AB 1550 increased the percentage of funds that must go to projects within DACs to 25 percent. Additionally, this bill required that an additional 5 percent of fund must go to projects in low-income communities anywhere in the state and that an additional 5 percent go to low-income communities withing half-mile of a DAC as designated by the California Environmental Protection Agency.

SB 535 does not define DACs but rather tells CalEPA how to identify them. To help identify DACs based on the criteria set forth in SB 535, the CalEPA and the Office of Environmental Health Hazard Assessment use the CalEnviroScreen tool. The CalEnviroScreen is a mapping tool that analyzes data on environmental, public health and socioeconomic conditions and helps to identify communities

disproportionately impacted by said criteria, which is in line with SB 535 DAC designation requirements. The CalEnviroScreen uses environmental, health, and socioeconomic information to produce scores for every census tract in the state. However, as it relates to the Coachella Valley, utilizing the CalEnviroScreen tool to determine climate investments has proven unfavorable largely because the majority of census tracts in the Coachella Valley do not fall within the top 25% highest scoring census tracts in the state most affected by various sources of pollution. Only eight census tracts in the CVAG region – located generally in the eastern Coachella Valley and Blythe – qualify in this top 25 percent. The result is that every other census tract either loses points or can't even qualify for large funding opportunities, making them. For that reason, programs that use the AB 1550 low-income designation have generally been more favorable to the Coachella Valley than those that solely rely on the SB 535 designation. CVAG has strongly advocated for increased use of AB 1550 and will continue to do so given the increased funding opportunities it provides.

During late 2021, the CalEPA, the Office of Environmental Health Hazard and Assessment and the California Air Resources Board held a couple of virtual workshops to receive input regarding SB 535 and CalEnviroScreen 4.0. The purpose of the workshops was to ensure the agencies gathered input to update the SB 535 designation to ensure communities that meet the criteria are captured in any new designation.

After workshops were conducted and public input was received, CalEPA released its SB 535 DAC designation update, which went into effect July 1, 2022. Communities qualifying as a DAC include the 25 percent highest scoring census tracts per CalEnviroScreen, including those from the CalEnviroScreen 3.0 version; areas with high amounts of pollution and low-population; and federally recognized tribes, which is the first time in the CalEnviroScreen and SB 535 updates that tribes are included as part of the DAC designation. The CalEPA has reported that data gaps related to Tribal nations has made it difficult to assess pollution burden and population characteristics in the CalEnviroScreen. As a result, Tribal nations have been effectively excluded from Cap-and-Trade related funding despite high levels of poverty, health and environmental burdens. Therefore, because Tribal lands have data gaps and face geographic, socioeconomic, public health and environmental hazards, CalEPA has determined that these factors warrant their DAC designation.

In addition, in order to fully capture all lands under the control of a federally recognized Tribe, CalEPA has established a process by which lands not reflected in the American Indian Areas Related National Geodatabase but under their control can be included in the DAC designation. A Tribe may establish that a particular area of land is under its control by submitting evidence that would provide a reasonable basis for CalEPA to make the determination. A Tribe interested in this process should contact the CalEPA Deputy Secretary for Environmental Justice, Tribal Affairs and Border Relations.

The California Air Resources Board is responsible for providing guidance to agencies administering California Climate Investment programs. Ultimately, the goal of the Climate Investment Programs is to reduce greenhouse gas emissions at least 40 percent below 1990 levels by 2030. The adopted FY 22-23 State Budget approved \$1.069 billion from the Greenhouse Gas Reduction Fund, which funds California's Climate Investment Programs. With the new adopted designation, Tribal nations are eligible to apply to 25 programs funded by cap-and-trade dollars (see full list here: <https://www.caclimateinvestments.ca.gov/funding-for-tribal-governments>). For example, some of the programs that may be of interest include the Affordable Housing and Sustainable Communities (AHSC), Technical Assistance, Training and Workforce Development, Transformative Climate Communities, and the Community Air Grants program to name a few. There are also other programs that are not funded by Cap-and-Trade dollars but that use the SB 535 designation, such as the Clean California Program that is administered by Caltrans and the Wildlife Corridor and Fish Passage Program, administered by the Wildlife Conservation Board.

CVAG staff and state lobbying team will monitor future efforts to modify the SB 535 designation and track funding programs that use SB 535 for determining eligibility. Also, it is important to note that although this new SB 535 designation is a positive change for the Tribes, this change does not help improve the competitiveness for the majority of Coachella Valley jurisdictions. As aforementioned, currently, only parts of the cities of Indio and Coachella are designated as a DAC under SB 535. To help improve the ability for the Coachella Valley as whole to compete for state dollars, the AB 1550 low-income designation is more favorable as that designation is income-based and, as a result, covers additional eligible areas of the Coachella Valley in comparison to SB 535.

Fiscal Analysis: There are no additional costs to CVAG for this report.

ITEM 7g

Coachella Valley Association of Governments Transportation Committee November 7, 2022



STAFF REPORT

Subject: Regional PM10 Street Sweeping Efficiency and Effectiveness Study

Contact: Emmanuel Martinez, Senior Programs Manager (emartinez@cvag.org)

Recommendation: Information

Background: The Regional Street Sweeping program is an air quality program focused on addressing PM10 (particulate matter less than 10 microns) by removing sand and entrained dust from regional streets in the Coachella Valley. Because the Coachella Valley is in non-attainment for PM10, the program is part of the Coachella Valley's State Implementation Plan (SIP) and is a best available control measure. The goal of the program is to improve air quality and public health and safety. By decreasing fugitive PM10 emissions attributed to entrained roadway dust and sand that is pulverized by vehicles and then suspended into the air, Coachella Valley residents and visitors can enjoy cleaner and healthier air. As a result, decreasing the chances of people experiencing respiratory issues or illnesses.

Because street sweeping is an air quality program, CVAG's Energy & Environmental Resources Committee has traditionally reviewed the program and provided recommendations to next steps. In September, the Energy & Environmental Resources Committee and Executive Committees were provided an update on an efficiency and effectiveness of the street sweeping program that was authorized in September 2021 under an agreement with ECORP Consulting, Inc. Because the program has been operating since the 1990s, the efficiency study was designed to evaluate sweeping routes relative to increased traffic areas and growth in and adjacent to the valley's blow sand zone. The study also evaluated service costs, and logistical operational factors to identify the current effectiveness of program and make recommendations to improve its operation. The update and projected next steps are recapped in this staff report for the Transportation Committee's information.

As a starting point, ECORP utilized the original Strategic Street Sweeping study from 1993 on PM10 in the Coachella Valley to determine significant average daily traffic counts (ADT) for intersection and road stretches, both within and adjacent to the Coachella Valley blowsand area. The blowsand area generally stretches along Interstate 10 from the pass area downwind into the Coachella Valley. To review the current state of PM10, ECORP used wind data and meteorological data in combination with the traffic data aforementioned. Additionally, they analyzed monthly data to identify periods of concern, which are periods of high winds and high PM10 concentrations.

Additionally, in collaboration with staffs of all the nine Coachella Valley cities and the County of Riverside, ECORP conducted quantitative and qualitative surveys to analyze costing and service data. The coordination and collaboration with each of the agencies during this process helped to identify areas of concern for each jurisdiction. Data gathered for this analysis also compared street sweeping programs in similar areas and their current best management practices for sweeping in areas with windblown dust. During the study process, CVAG staff and ECORP coordinated with SCAQMD staff to provide updates on the methodology, data collection and pre-liminary findings, to ensure adherence to

SCAQMD's grant requirements. CVAG staff have also consulted with Dr. Emily Nelson, who is an air quality subject matter expert has been instrumental in these efforts.

ECORP presented the study's preliminary findings and recommendations to the Energy & Environmental Resources Committee on September 15. Although the study found the program to be effective in reducing fugitive PM10 emissions, it recommends that roads in the cities of Palm Springs, Rancho Mirage and Indio be included in the program. These additions include Sunrise Way and East Mesquite Avenue in Palm Springs; Da Vall Drive and Los Alamos Road in Rancho Mirage; and Avenue 50 and Madison Street in Indio.

After the study's preliminary findings were presented to E&E committee meeting, the study was submitted to South Coast Air Quality Management District for their final review and comment. CVAG staff, ECORP and Dr. Emily Nelson met with SCAQMD staff to discuss their comments and answer questions. SCAQMD is requesting minor changes to the study that are largely technical in nature. CVAG staff anticipates resubmitting the report to SCAQMD in early November and providing it to CVAG's Energy & Environmental Resources and Executive Committees for finalization. Once approved, CVAG can begin to drawdown funds for years two through five of the grant, which totals \$880,000 or \$220,000 per year.

Concurrently, to ensure the study's findings are included in the street sweeping program, in April 2022, the Executive Committee provided the existing sweeping company, M&M Inc, with a six-month extension. M&M's contract was set to expire on June 30, 2022, and the extension allowed for the study's findings and recommendations to be included in the request for proposals for street sweeping services beginning FY 2023. On August 29, 2022, CVAG began soliciting bids for street services. The bid closed on September 30, 2022 and CVAG received two proposals, one from Clean Street and another from M&M, Inc. A selection committee comprised of staff from the cities of Indio, Coachella, La Quinta, Palm Desert and Rancho Mirage was established to review and score bids. The selection committee unanimously recommended Clean Street to be considered to be awarded the new street sweeping service agreement, and staff will provide this recommendation to the Energy & Environmental Resources Committee when it meets in November. If approved by the Executive Committee on December 5, the contractor will start work in January 2023.

Ultimately, from a broad perspective, the study identifies intersections and roadways which have an increased ADT and are not included in the regional street sweeping program. In addition, any changes to the PM10 concentrations in the Coachella Valley will be included based on current monitoring data and studies. ECORP also conducted a review of current sweeper technology for the study, as well as associated regulatory data, to ensure the sweepers are meeting minimum regulatory requirements and to identify opportunities to use sweepers that exceed minimum requirements, helping to further air quality improvements.

Fiscal Analysis: There is no additional cost to this update.

The Regional PM 10 Street Sweeping Program is funded through various funding sources including Col-Mac (Desert View) funds apportioned to the program by Riverside County, AB 2766 Vehicle Subvention funds received from all nine cities and through the aforementioned grant funds from the SCAQMD. Completion of the efficiency and effectiveness study will allow CVAG to draw down the remaining \$880,000 of the SCAQMD grant funds.