



EXECUTIVE COMMITTEE AGENDA

**MONDAY, JUNE 26, 2023
4:30 p.m.**

**The Penney and Parlour
Desert Island Country Club
71777 Frank Sinatra Dr.
Rancho Mirage, CA 92270**

Public Comment is encouraged to be emailed to the Executive 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.**

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

2. **ROLL CALL**

A. Member Roster

P5

3. **PLEDGE OF ALLEGIANCE**

4. **AGENDA MODIFICATIONS (IF ANY)**

5. **PUBLIC COMMENTS ON AGENDA ITEMS**

This is the time and place for members of the public to address the Executive 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.

6. **CHAIR / EXECUTIVE DIRECTOR ANNOUNCEMENTS**

7. **CONSENT CALENDAR**

A. Approve the June 5, 2023 Executive Committee Meeting Minutes

P6

B. Authorize the updating of the signature cards and signatories for CVAG investments and banking, subject to General Assembly approving the rotation for the 2023/2024 Chair

P14

C. Accept the Transportation Uniform Mitigation Fee (TUMF) Annual and Five-Year Report for Fiscal Year 2021/2022

P15

D. Authorize the Executive Director to execute Amendment No. 12 to the agreement with Alta Planning & Design for a total not-to-exceed amount of \$287,500

P48

E. Authorize the Executive Director to take the necessary steps to execute a contract change order with Crosstown Electric and Data, Inc. that provides for the co-location of City of Indio Broadband fiber with construction of CV Sync Phase II, including executing a reimbursement agreement with the City of Indio to cover all costs associated with the co-location; and to execute similar agreements with other jurisdictions should the opportunity arise

P55

F. Authorize the Executive Director to negotiate and execute a services agreement with Reillyworld to provide janitorial and maintenance services at CVAG office locations for an amount not to exceed \$110,000 from July 15, 2023 through December 2024, with an option for two, one-year extensions at a 3 percent cost of living increase

P57

7.1 **ITEM(S) HELD OVER FROM CONSENT CALENDAR**

8. **DISCUSSION / ACTION**

A. **CVAG Officer Rotation for FY 2023/2024 – Tom Kirk** **P58**

Recommendation: Nominate the representative from the City of Desert Hot Springs to serve as FY 2023/2024 Chair and the representative from the City of Rancho Mirage to serve as FY 2023/2024 Vice Chair

B. **CVAG Fiscal Year 2023/24 Budget – Claude Kilgore** **P60**

Recommendation: Approve Resolution No. 2023-002 adopting CVAG's 2023/2024 Fiscal Year Annual Budget, Salary Schedule, and Allocated Positions

C. **Reimbursement Agreement for Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive) – Jonathan Hoy** **P63**

Recommendation: Approve the Reimbursement Agreement with the County of Riverside as the Lead Agency for the Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive), providing a not-to-exceed amount of \$4,950,000 in regional funding for eligible design and construction costs

D. **Reimbursement Agreement Amendment for the Improvement of Date Palm Drive between Interstate 10 and Varner Road – Jonathan Hoy** **P79**

Recommendation: Approve Amendment No. 1 to the Reimbursement Agreement with the City of Cathedral City for the improvement of Date Palm Drive between Interstate 10 and Varner Road, adding an additional \$516,000 for a total, not-to-exceed cost of \$2,853,000 in regional funds for design and construction

E. **Senate Bill 583 and the Proposed Salton Sea Conservancy – Emmanuel Martinez** **P87**

Recommendation by the Energy & Environmental Resources Committee: Oppose Senate Bill 583 related to establishing the Salton Sea Conservancy, until the legislation is amended and there are further discussions that sort out details and reach a better position collectively for moving forward because of the passion that is shared for the Salton Sea

9. **INFORMATION**

a) Executive Committee Attendance **P90**

b) Transportation Uniform Mitigation Fee (TUMF) Compliance Report **P91**

c) Update on Colorado River Negotiations **P93**

d) Update on the Inland Regional Energy Network **P98**

e) Update on Property Assessed Clean Energy (PACE) Program **P99**

f) Southern California Edison General Rate Case and Imperial Irrigation District Rate Comparison **P101**

g) California Air Resources Board - Advanced Clean Fleets regulation **P103**

10. LEGISLATIVE ITEMS –

a) Update from the League of California Cities – Erin Sasse **P107**

b) Update on the State Budget – Emmanuel Martinez **P110**

11. PUBLIC COMMENTS ON NON-AGENDA ITEMS

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

12. ANNOUNCEMENTS

The next meeting of the **Executive Committee** will be held on Monday, September 25 at 4:30 p.m. at the CVAG Conference Room, 73-710 Fred Waring Drive, Suite 119, Palm Desert, 92260.

The next meeting of the **General Assembly** will be held on Monday, June 26 at 6 p.m. at The Penney & Parlour at Desert Island, 71777 Frank Sinatra Dr, Rancho Mirage, 92270.

13. ADJOURNMENT

ITEM 2A**EXECUTIVE COMMITTEE
2022-2023 ROSTER**

Jurisdiction	Members
City of Palm Springs, Past Chair	Grace Garner Mayor
City of Indio	Oscar Ortiz Mayor
Twenty-Nine Palms Band of Mission Indians	Darrell Mike Tribal Chair
Torres Martinez Desert Cahuilla Indians	Joseph Mirelez Tribal Vice Chair
Cabazon Band of Cahuilla Indians	Brenda Soulliere Tribal Member
Agua Caliente Band of Cahuilla Indians	Reid Milanovich Chairman
City of Indian Wells	Donna Griffith Mayor
City of Cathedral City	Rita Lamb Mayor
City of Palm Desert	Kathleen Kelly Mayor
City of La Quinta	Linda Evans Mayor
City of Blythe	Joseph DeConinck Mayor
County of Riverside	Kevin Jeffries , 1st District Supervisor Karen Spiegel , 2 nd District Supervisor Chuck Washington , 3 rd District Supervisor V. Manuel Perez , 4 th District Supervisor Yxstian Gutierrez , 5 th District Supervisor
City of Rancho Mirage	Ted Weill Councilmember
City of Desert Hot Springs, Vice Chair	Scott Matas Mayor
City of Coachella, Chair	Steven Hernandez Mayor

ITEM 7A

EXECUTIVE COMMITTEE MINUTES OF MEETING JUNE 5, 2023



The audio file for this committee meeting can be found at: <http://www.cvag.org/audio.htm>
Any handouts distributed during the meeting will be placed in the meeting file.

1. CALL TO ORDER

The Executive Committee meeting was called to order by Chair Steven Hernandez, Mayor, City of Coachella, at 4:30 p.m. in the CVAG Conference Room, Suite 119, in Palm Desert. Two videoconferencing locations were provided in the City of Blythe and the County Administrative Building in the City of Riverside.

2. ROLL CALL

A roll call was taken, and it was determined that a quorum was present. Those in attendance were as follows:

MEMBERS PRESENT

Mayor Oscar Ortiz
Tribal Vice Chair Joseph Mirelez
Tribal Chair Reid Milanovich
Mayor Donna Griffith
Mayor Rita Lamb
Mayor Kathleen Kelly
Mayor Linda Evans
Mayor Joseph DeConinck
Supervisor V. Manuel Perez
Supervisor Yxstian Gutierrez

Councilmember Ted Weill
Mayor Scott Matas, Vice Chair
Mayor Steven Hernandez, Chair

AGENCY

City of Indio
Torres Martinez Desert Cahuilla Indians
Agua Caliente Band of Cahuilla Indians
City of Indian Wells
City of Cathedral City
City of Palm Desert (*left at Item 13*)
City of La Quinta
City of Blythe (*via videoconferencing*)
County of Riverside 4th District (*arrived at Item 7.1*)
County of Riverside 5th District (*via videoconferencing, left at Item 8F*)
City of Rancho Mirage
City of Desert Hot Springs
City of Coachella

MEMBERS NOT PRESENT

Mayor Grace Garner
Tribal Chair Darrell Mike
Tribal Member Brenda Soulliere
Supervisor Kevin Jeffries
Supervisor Karen Spiegel
Supervisor Chuck Washington

AGENCY

City of Palm Springs
Twenty-Nine Palms Band of Mission Indians
Cabazon Band of Mission Indians
County of Riverside 1st District
County of Riverside 2nd District
County of Riverside 3rd District

3. PLEDGE OF ALLEGIANCE

Tribal Chair Reid Milanovich led the Executive Committee in the Pledge of Allegiance.

4. AGENDA MODIFICATIONS (IF ANY)

None.

5. PUBLIC COMMENTS ON AGENDA ITEMS

None

6. CHAIR / EXECUTIVE DIRECTOR ANNOUNCEMENTS

Executive Director Tom Kirk announced CVAG will be hosting their annual General Assembly and 50th anniversary on Monday, June 26th at Desert Island's The Penney and Parlour. Registration is now open. Mr. Kirk also announced that direct deposit is now available for committee member's meeting stipends.

Mr. Kirk also reported that the Caltrans District 8 Director Catalino A. Pining III attended CVAG's Transportation Committee meeting earlier this week and gave an update on projects currently in progress along Interstate 10. Caltrans is committed to working together to improve the management and look of the I-10 moving forward.

7. CONSENT CALENDAR

IT WAS MOVED BY MAYOR KELLY AND SECONDED BY COUNCILMEMBER WEILL TO APPROVE THE CONSENT CALENDAR.

- A. Approve the April 24, 2023 Executive Committee Meeting Minutes**
- B. Approve the updates to CVAG's Personnel Rules & Benefits Manual to take effect as of July 1, 2023, consistent with the approved implementation of the Classification and Total Compensation Study and including other clarifying updates**
- C. Rename CVAG's Energy & Environmental Resources Committee to be CVAG's Energy & Sustainability Committee, effective July 1**
- D. Authorize Chair to execute the Agreement with the Coachella Valley Conservation Commission for Administration of the Coachella Valley Multiple Species Habitat Conservation Plan, allowing the total to be paid each fiscal year to be determined by CVAG's adopted budget specific to CVCC, which will be approved by CVCC and CVAG as part of the annual budget processes**

THE MOTION TO CARRIED WITH 13 AYES AND 6 MEMBERS ABSENT.

MAYOR GARNER	ABSENT
MAYOR ORTIZ	AYE
TRIBAL CHAIR MIKE	ABSENT
TRIBAL VICE CHAIR MIRELEZ	AYE
TRIBAL COUNCILMEMBER SOULLIERE	ABSENT
TRIBAL CHAIR MILANOVICH	AYE
MAYOR GRIFFITH	AYE
MAYOR LAMB	AYE

MAYOR KELLY	AYE
MAYOR EVANS	AYE
MAYOR DECONINCK	AYE
SUPERVISOR JEFFRIES	ABSENT
SUPERVISOR SPIEGEL	ABSENT
SUPERVISOR WASHINGTON	ABSENT
SUPERVISOR PEREZ	AYE
SUPERVISOR GUTIERREZ	AYE
COUNCILMEMBER WEILL	AYE
MAYOR MATAS	AYE
MAYOR HERNANDEZ	AYE

7.1 ITEM(S) HELD OVER FROM CONSENT CALENDAR

None.

8. DISCUSSION / ACTION

A. Recognition of the 2023 Used Oil Recycling Poster Contest Winner

Assistant Executive Director Erica Felci introduced the winner of the Used Oil Recycling Poster Contest, Antonio Coloma II, a 3rd grader from the City of La Quinta. Antonio received a bike as the prize. Chair Hernandez congratulated Mr. Colima and his family and invited him to take a picture with the Executive Committee.

No action was taken as this was an information item.

B. Preview of CVAG's Budget for Fiscal Year 2023/2024

Finance Director Claude Kilgore gave a budget process recap and detailed the 2023/2024 Fiscal Year budget. Mr. Kilgore thanked the members of the Administrative/ Personnel Committee and the Finance Committee for their time and input given to the finance department in putting together this budget.

No action was taken as the budget will be presented for approval later in June.

C. Results from the Feasibility Study to Identify a Sustainable Revenue Stream for Affordable Housing and Related Infrastructure

Conservation Program Manager Peter Satin introduced Joe Dieguez from Kosmont, who gave an update of the Regional Early Action Plan (REAP) project and housing and transportation revenue study.

Member discussion ensued regarding the focuses of the study and results.

IT WAS MOVED BY SUPERVISOR PEREZ AND SECONDED BY MAYOR KELLY TO RECEIVE AND AUTHORIZE FOR DISTRIBUTION TO MEMBER AGENCIES THE REGIONAL STRATEGIC PLAN IDENTIFYING A SUSTAINABLE REVENUE STREAM FOR AFFORDABLE HOUSING AND RELATED INFRASTRUCTURE

THE MOTION TO CARRIED WITH 13 AYES AND 6 MEMBERS ABSENT.

MAYOR GARNER	ABSENT
MAYOR ORTIZ	AYE
TRIBAL CHAIR MIKE	ABSENT
TRIBAL VICE CHAIR MIRELEZ	AYE
TRIBAL COUNCILMEMBER SOULLIERE	ABSENT
TRIBAL CHAIR MILANOVICH	AYE
MAYOR GRIFFITH	AYE
MAYOR LAMB	AYE
MAYOR KELLY	AYE
MAYOR EVANS	AYE
MAYOR DECONINCK	AYE
SUPERVISOR JEFFRIES	ABSENT
SUPERVISOR SPIEGEL	ABSENT
SUPERVISOR WASHINGTON	ABSENT
SUPERVISOR PEREZ	AYE
SUPERVISOR GUTIERREZ	AYE
COUNCILMEMBER WEILL	AYE
MAYOR MATAS	AYE
MAYOR HERNANDEZ	AYE

D. Landlord Incentive Program for Increasing Available Units

Assistant Executive Director Erica Felci presented the proposed plan to offer landlord incentives to help secure units for clients in the program.

Member discussion ensued. Staff addressed questions and promised to provide committees with an update on its effectiveness later this year.

IT WAS MOVED BY MAYOR EVANS AND SECONDED BY MAYOR GRIFFITH TO AUTHORIZE THE EXECUTIVE DIRECTOR TO IMPLEMENT A LANDLORD INCENTIVE PROGRAM, WITH ONE-TIME PAYMENTS OF \$600 PER UNIT FOR EXISTING LANDLORDS AND \$1,000 FOR NEW LANDLORDS' FIRST UNIT, AS PART OF THE CV HOUSING FIRST PROGRAM AND EFFORT TO PERMANENTLY HOUSE CV 200 CLIENTS

THE MOTION TO CARRIED WITH 13 AYES AND 6 MEMBERS ABSENT.

MAYOR GARNER	ABSENT
MAYOR ORTIZ	AYE
TRIBAL CHAIR MIKE	ABSENT
TRIBAL VICE CHAIR MIRELEZ	AYE
TRIBAL COUNCILMEMBER SOULLIERE	ABSENT
TRIBAL CHAIR MILANOVICH	AYE
MAYOR GRIFFITH	AYE
MAYOR LAMB	AYE
MAYOR KELLY	AYE
MAYOR EVANS	AYE
MAYOR DECONINCK	AYE
SUPERVISOR JEFFRIES	ABSENT
SUPERVISOR SPIEGEL	ABSENT
SUPERVISOR WASHINGTON	ABSENT
SUPERVISOR PEREZ	AYE

SUPERVISOR GUTIERREZ	AYE
COUNCILMEMBER WEILL	AYE
MAYOR MATAS	AYE
MAYOR HERNANDEZ	AYE

E. Completion of CV Sync Phase I

Transportation Engineer Eric Cowle announced that Phase I of CV Sync is now complete and gave a recap of the work. He also provided an update on Phase II.

Member discussion ensued with Mr. Cowle answering questions.

IT WAS MOVED BY MAYOR KELLY AND SECONDED BY VICE CHAIR MIRELEZ TO AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE THE NECESSARY STEPS TO EXECUTE AND FILE THE NOTICE OF COMPLETION FOR THE CV SYNC- PHASE I CONSTRUCTION PROJECT

THE MOTION TO CARRIED WITH 13 AYES AND 6 MEMBERS ABSENT.

MAYOR GARNER	ABSENT
MAYOR ORTIZ	AYE
TRIBAL CHAIR MIKE	ABSENT
TRIBAL VICE CHAIR MIRELEZ	AYE
TRIBAL COUNCILMEMBER SOULLIERE	ABSENT
TRIBAL CHAIR MILANOVICH	AYE
MAYOR GRIFFITH	AYE
MAYOR LAMB	AYE
MAYOR KELLY	AYE
MAYOR EVANS	AYE
MAYOR DECONINCK	AYE
SUPERVISOR JEFFRIES	ABSENT
SUPERVISOR SPIEGEL	ABSENT
SUPERVISOR WASHINGTON	ABSENT
SUPERVISOR PEREZ	AYE
SUPERVISOR GUTIERREZ	AYE
COUNCILMEMBER WEILL	AYE
MAYOR MATAS	AYE
MAYOR HERNANDEZ	AYE

F. Next Steps for Addressing Climate Change, Emergencies and Sand Storms (ACCESS) on Indian Canyon Drive

Programs Manager Emmanuel Martinez presented on ACCESS project and efforts to secure funding to improve Indian Canyon Drive.

Member discussion ensued with comments of support for the project.

IT WAS MOVED BY MAYOR KELLY AND SECONDED BY MAYOR GRIFFITH TO ENDORSE THE ADDRESSING CLIMATE CHANGE, EMERGENCIES AND SAND STORMS (ACCESS) EFFORT ALONG INDIAN CANYON DRIVE AND OTHER LOW-WATER CROSSINGS AND AUTHORIZE THE EXECUTIVE DIRECTOR TO COMMIT REGIONAL TRANSPORTATION

FUNDING TO MAXIMIZE THE COMPETITVENESS FOR THE 2023 LOCAL TRANSPORTATION CLIMATE ADAPTATION PROGRAM (LTCAP), WITH THE CONDITION THAT ACTUAL EXPENDITURE OF FUNDS WOULD BE DEPENDENT ON SECURING GRANT FUNDING AND FUNDING CONTRIBUTIONS BY LOCAL JURISDICTIONS

THE MOTION TO CARRIED WITH 12 AYES AND 7 MEMBERS ABSENT.

MAYOR GARNER	ABSENT
MAYOR ORTIZ	AYE
TRIBAL CHAIR MIKE	ABSENT
TRIBAL VICE CHAIR MIRELEZ	AYE
TRIBAL COUNCILMEMBER SOULLIERE	ABSENT
TRIBAL CHAIR MILANOVICH	AYE
MAYOR GRIFFITH	AYE
MAYOR LAMB	AYE
MAYOR KELLY	AYE
MAYOR EVANS	AYE
MAYOR DECONINCK	AYE
SUPERVISOR JEFFRIES	ABSENT
SUPERVISOR SPIEGEL	ABSENT
SUPERVISOR WASHINGTON	ABSENT
SUPERVISOR PEREZ	ABSENT
SUPERVISOR GUTIERREZ	AYE
COUNCILMEMBER WEILL	AYE
MAYOR MATAS	AYE
MAYOR HERNANDEZ	AYE

9. INFORMATION

- a) Executive Committee Attendance
- b) Status of I-10 Interchange Projects
- c) CVAG Regional Arterial Program – Project Status Report
- d) Bicycle/Pedestrian Safety Program – Project Status Report
- e) CVAG Quarterly Investment Report
- f) CVAG Schedule of Meetings for Fiscal Year 2023/24
- g) Distributed Energy Resources, Community Solar and Microgrids
- h) Colorado River Negotiations and the Potential Impacts of California
- i) Update on the Inland Regional Energy Network
- j) Net Energy Metering 3.0 and the Implementation of the Solar Billing Plan
- k) Update on Efforts to Regulate Mylar Balloons

- l) Availability of Southern California Edison's Green Rate
- m) School Resource Officers in the Coachella Valley
- n) Coachella Valley Crime Trends
- o) Annual Point-in-Time Count of Homeless Individuals
- p) Member jurisdictions' contributions to CV Housing First
- q) Attendance at CVAG's Standing Committee Meetings

10. LEGISLATIVE ITEMS –

- a) Update on Federal and State Advocacy Efforts
- b) Update from the League of California Cities

Erin Sasse from the League of California Cities provided an update on key legislation.

11. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

12. ANNOUNCEMENTS

The next meeting of the **Executive Committee** will be held on Monday, June 26 at 4:30 p.m. at The Penney & Parlour at Desert Island, 71-777 Frank Sinatra Dr, Rancho Mirage, 92270.

The next meeting of the **General Assembly** will be held on Monday, June 26 at 6 p.m. at The Penney & Parlour at Desert Island, 71-777 Frank Sinatra Dr, Rancho Mirage, 92270.

13. CLOSED SESSION

Pursuant to the provisions of Government Code Section 54956.8, the Executive Committee adjourned to closed session at 5:42 p.m.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: 73-710 Fred Waring Dr., various suites, and 41-550 Eclectic Street, Suite designated as D200D and various suites, City of Palm Desert

CVAG Negotiator: Tom Kirk, Executive Director

Negotiating Parties: City of Palm Desert and Regional Access Project Foundation

Under Negotiation: Price and Terms of Payment

The closed session concluded at 5:55p.m. Chair Hernandez stated that there was no reportable action.

14. **ADJOURNMENT** – Chair Hernandez adjourned the meeting at 5:56 p.m.

Respectfully submitted,
Elysia Regalado, Management Analyst

ITEM 7B

**Coachella Valley Association of Governments
Executive Committee
June 26, 2023**



STAFF REPORT

Subject: Authorization to Update Signature Cards

Contact: Claude T. Kilgore, Director of Finance/ Administration (ckilgore@cvag.org)

Recommendation: Authorize the updating of the signature cards and signatories for CVAG investments and banking, subject to General Assembly approving the rotation for the 2023/2024 Chair

Background: On at least an annual basis, usually due to a change in CVAG's Chair and/or employee turnover, CVAG seeks authorization to update the appropriate signatories and signature cards for CVAG investments. This request supersedes any prior Executive Committee action related to the matter.

With the Executive Committee's approval of the staff recommendation, the signature cards will be updated as follows:

- 1) Bank Signature Cards, County of Riverside Journal Voucher Requests and Wire Transfer Requests, Authorized Persons for the Local Investment Account Fund (LAIF) and California Asset Management Program (CAMP) to the following CVAG employees and CVAG Chair:

Name	Title	Type
As Approved	CVAG Chair	New
Tom Kirk	Executive Director	Existing
Erica Felci	Chief Operating Officer	Existing
Joanna Stueckle	Office Manager	Existing
Claude T. Kilgore	Director of Finance/Administration	Existing

Fiscal Analysis: There is no fiscal impact.

ITEM 7C

Coachella Valley Association of Governments Executive Committee June 26, 2023



STAFF REPORT

Subject: TUMF Annual and Five-Year Report for Fiscal Year 2021/2022

Contact: Peter Satin, Conservation Program Manager (psatin@cvag.org)

Recommendation: Accept the Transportation Uniform Mitigation Fee (TUMF) Annual and Five-Year Report for Fiscal Year 2021/2022

Transportation Committee: Concurred (Meeting of June 5)

Background: The Mitigation Fee Act (Government Code §66006) requires local agencies receiving development mitigation fees in connection with the approval of a development project to deposit those fees in separate accounts based on the purpose for which each fee was adopted, and to annually report to the public the collection and use of the fees in each such account. The Mitigation Fee Act also requires a report every five years as to the unexpended portion of fees in each account. The Transportation Uniform Mitigation Fee (TUMF) Annual and Five-Year Report is prepared each year to satisfy the requirement of the Mitigation Fee Act.

CVAG's TUMF program is comprised of TUMF and Measure A regional arterial funds. The two sources combined generated a total of \$37,659,774 during fiscal year 2021/2022, which represents an 18 percent increase in revenues over fiscal year 2020/2021 (Table 1). Local Measure A funds are received by TUMF-collecting jurisdictions for their local street and road projects in the Coachella Valley, and are determined via a formula quantifying total dwelling units and taxable sales. Dwelling unit data is collected annually from each jurisdiction and is forwarded on to the Riverside County Transportation Commission (RCTC).

Table 1: TUMF program revenues in fiscal year 2021/2022 compared to fiscal year 2020/2021.

<i>Fund</i>	<i>FY 21/22</i>	<i>FY 20/21</i>	<i>Difference</i>	<i>% Difference</i>
<i>TUMF</i>	\$10,360,011	\$6,029,562	\$4,330,449	72%
<i>Measure A</i>	\$27,299,763	\$26,018,189	\$1,281,574	5%
<i>Total</i>	\$37,659,774	\$32,047,751	\$5,612,023	18%

The TUMF program began in fiscal year 1989/1990 and saw a steady increase in local Measure A funding received by CVAG's member jurisdictions until the Great Recession, which began in 2008 and resulted in significant downturns in revenues generated. Since then, revenues from both Measure A funding and TUMF assessments have again begun to climb. The COVID-19 pandemic caused a brief plateau; however, this plateau did not continue into the most recently completed fiscal year. Significant increases in permitted dwelling units and industrial square-footage contributed to the increase in revenue generated over the previous fiscal year.

The report was provided to the Desert Valleys Builders Association for comment. No requests for clarifications or changes were received.

Fiscal Analysis: There is no fiscal impact from receiving and filing the Annual and Five-year Report.

Attachments: TUMF Annual and Five-Year Report for Fiscal Year 2021/2022
DVBA comment letter, April 21, 2023

TRANSPORTATION UNIFORM MITIGATION FEE ANNUAL AND FIVE-YEAR REPORT

FISCAL YEAR 2021-2022



COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS
74-199 El Paseo, Suite 100
Palm Desert, CA 92260

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

Transportation Uniform Mitigation Fee Fiscal Year 2021-2022 Annual Report

CVAG
Transportation Department



Cover photo courtesy of Christopher Parman, City of Cathedral City
Ofelia Bringas Memorial Bridge

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Introduction

In November 1988, Riverside County voters approved Measure A, a one-half cent increase in sales tax over a twenty-year period to be used for transportation purposes. A major factor contributing to the support of Measure A was the “return to source” concept which requires the additional sales tax revenue generated in a specific geographic area be used to finance projects within that same area, and that a new development impact fee, the Transportation Uniform Mitigation Fee (TUMF) be adopted valley wide on all new development. The program has been so successful that, in November 2002, Riverside County voters approved a 30-year extension of Measure A (2009 - 2039). Despite its success, Measure A funds will only contribute a portion of the transportation improvement funding necessary to prevent a potential breakdown of the regional transportation system.

The TUMF program was developed to generate additional funds required for necessary improvements to the regional transportation system. Local jurisdictions may choose not to collect TUMF, however, jurisdictions not collecting TUMF forfeit their share of local Measure A funds to the regional arterial program.

TUMF, like all development impact fees, requires a nexus be demonstrated between the proposed development and the impacts to be mitigated. In TUMF’s case, the assessment is based on the number of vehicle trips new development or site improvements may generate. The most recent nexus study¹, conducted in 2018, determined that by 2040, over one million trips will be added to the Coachella Valley due to novel development. At the same time, a Transportation Project Prioritization Study² (TPPS) was conducted to provide an unbiased, methodological way to provide CVAG direction in determining funding for regional arterials by identifying and ranking discrete segments to be improved.

The 2018 nexus study originally proposed a fee of \$751/trip; however, this fee was reduced to the current \$245/trip after re-evaluating which regional transportation projects would likely be built in the near-term³. With the new revised trip rate, the actual development fees can be calculated for individual land uses. The Institute of Transportation Engineers (ITE) has exhaustively analyzed different land uses with respect to trip generation and publishes the ITE Trip Generation Manual. This manual is the accepted industry standard with respect to trip generation data.

Development occurs within many different land uses. Previously, CVAG had utilized as many as 70 land-use categories and sub-categories. During the most recent nexus study, CVAG’s TUMF Advisory Committee determined that consolidating the land-use categories would simplify the process without impacting the amount of TUMF collected. CVAG has since aggregated all land use categories into twelve general categories.

¹ <https://cvag.org/wp-content/uploads/2021/10/2018-CVAG-Nexus-Report-FINAL-10-17-18.pdf>

² <https://cvag.org/wp-content/uploads/2021/10/CVAG-TPPS-2017-04-27-rev2017-06-26.pdf>

³ The previous trip rate, from 2006, was \$192/trip.

The fees for each category are determined by multiplying the trip rate established in the nexus study by the ITE factor for trips per land use. For example, ITE shows a residential single-family dwelling unit generates, on average, 9.44 trips per day. Hence,

$$\frac{\$245}{\text{trip}} * \frac{9.44 \text{ trips}}{\text{dwelling unit}} = \frac{\$2,312.80}{\text{dwelling unit}}$$

which CVAG has rounded to a final fee assessment of \$2,310 for a single-family residence. CVAG's adopted TUMF policies, as codified in the TUMF Handbook, allow for the consideration of annual adjustments for inflation based on the Consumer Price Index for All Urban Consumers (CPI-U), all items. If approved by CVAG's Executive Committee, these adjustments take place on January 1 of the calendar year following their adoption. In 2022, CVAG applied a 2.1% increase to all fee rates, as described below.

<u>Land-use Category</u>	<u>Assessment Unit</u>	<u>Fee 2021</u>	<u>Fee 2022</u>
Residential			
Single-Family Detached	Dwelling unit	\$2,310	\$2,358
Multi-Family, Mobile Home	Dwelling unit	\$1,330	\$1,358
Nursing/Congregate Care	Dwelling unit	\$495	\$505
Transit Oriented Development	Dwelling unit	15% discount	
Low-Income Housing	Dwelling unit	Exempt	
Non-Residential			
Industrial	1,000 square feet	\$1,215	\$1,240
Office	1,000 square feet	\$2,390	\$2,440
Retail	1,000 square feet	\$6,010	\$6,135
Fuel – Gas	Dispenser	\$8,610	\$8,790
Fuel – Electric	Dispenser	\$91	\$93
Golf Course	Acre	\$920	\$939
Hotel	Room	\$3,510	\$3,583

TUMF works in conjunction with CVAG's allocation of Measure A to fund the CVAG share of regional transportation projects. CVAG apportions 35% of the CVAG share of the cost of each regional transportation project identified in the TPPS to TUMF. The balance is paid with Measure A funds. No portion of a project is funded until sufficient funding to complete the project has been committed. TUMF revenues are applied to the TPPS projects in order of priority, such that a new project will only be funded when sufficient revenues for projects underway are assured. Because the project priorities set out in the TPPS control the order of funding, it also controls generally the approximate timeline for the commencement of each listed project.

Fiscal Year 2021-2022 Summary

The following information pertains to the TUMF fund for the year ending June 30, 2022⁴. There were no interfund transfers or loans from the TUMF Fund. No fees were re-allocated pursuant to Gov Code Section 66001 for sums that remain unspent after five years and for which a date of commencement of the improvement has not been provided.

Fund Balance – July 1, 2021	\$4,762,863
Balance of fees collected (accrual basis) - June 30, 2022	\$10,360,011
Interest earnings from Investment Pool	\$79,580
Refunds	(\$13,956)
Other miscellaneous revenues/receipts	\$83,928
Project costs	(\$7,253,414)
Program management expenditures	(\$457,204)
Projected Fund Balance - June 30, 2022	\$7,561,808

<i>Five Year Test Using First In First Out Method</i>	
<i>Includes fees collected, interest earned, and miscellaneous revenues</i>	
Revenues Collected from Fiscal Year 2017/2018	\$4,321,889
Revenues Collected from Fiscal Year 2018/2019	\$5,053,234
Revenues Collected from Fiscal Year 2019/2020	\$5,077,605
Revenues Collected from Fiscal Year 2020/2021	\$6,278,423
Revenues Collected from Fiscal Year 2021/2022	\$10,511,729
Total Revenue for Last Five Years	\$31,242,881

As of June 30, 2022, \$146,271,255 has been collected by the assessment of TUMF. Taking into account the additional \$24,360,250 in Measure A In-Lieu funds collected, the TUMF program has generated a total of **\$170,631,605** since program inception on July 1, 1989.

⁴ TUMF revenues reported in this Annual Report may differ from revenues reported in CVAG's annual financial statements through a combination of factors, including reporting methodology. Local agency reconciliations after the close of a fiscal year but before issuance of the TUMF Annual Report for that fiscal year may result in receipt of payments being booked to a different fiscal period than the period in which the fee collection is reported. Additionally, contributions to the TUMF fund may be made by CVAG member agencies that do not formally participate in the TUMF program but otherwise benefit from improvements to the regional transportation system. Such payments are here broken out as miscellaneous revenues, but are not attributed to the balance of fees collection.

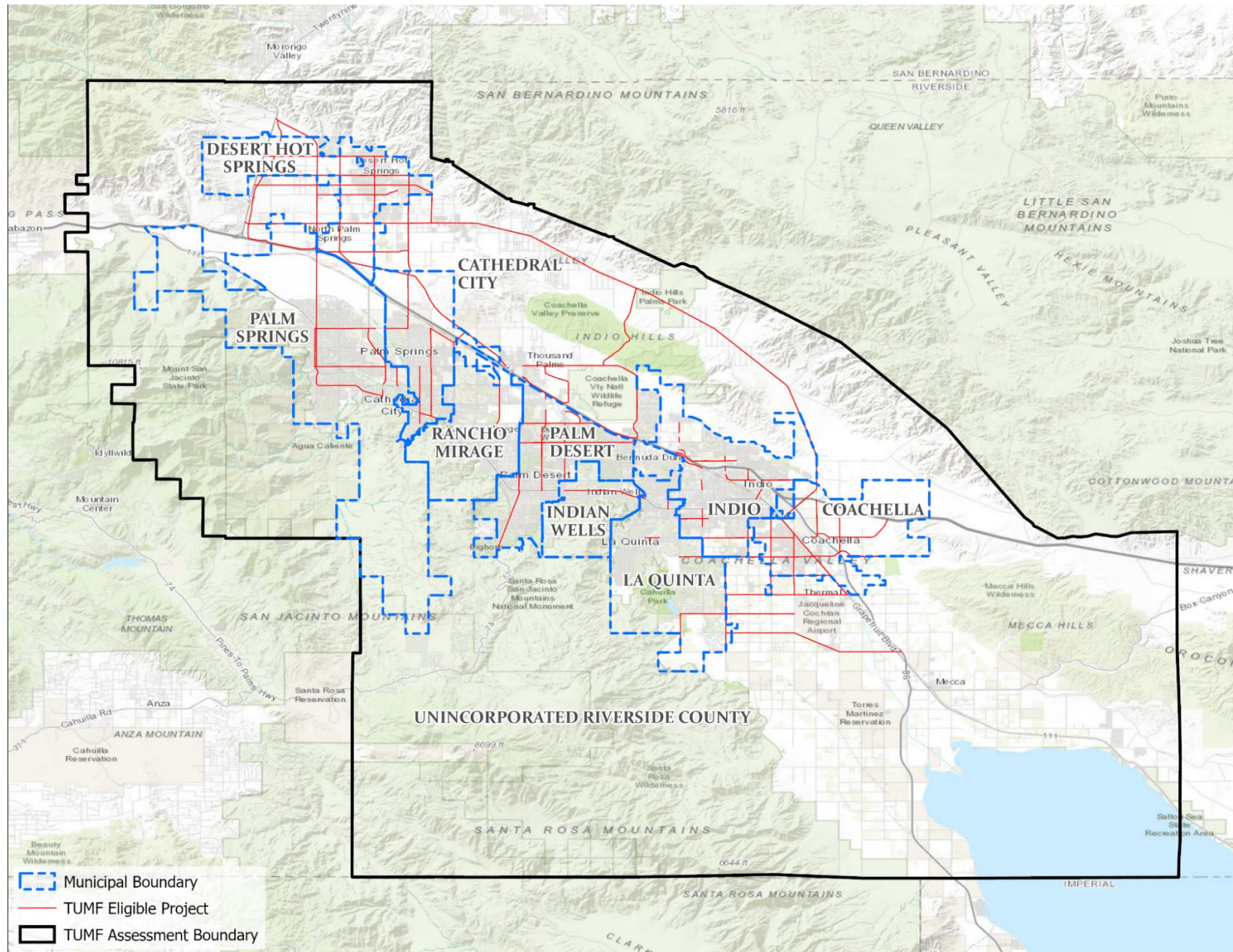


Figure 1: TUMF assessment boundary and participating jurisdictions. Projects eligible for TUMF funding are described more fully in the Transportation Project Prioritization Study, 2018, and are displayed here only for context.

TUMF Collections by Jurisdiction, Fiscal Year 2021-2022

This section sorts TUMF collections for fiscal year 2021-2022 by jurisdiction. As of 2013, each of the regional municipalities within the Coachella Valley, along with the County of Riverside, are participating in CVAG's TUMF program. All TUMF shortfalls have been collected and no in-lieu payments were made during the reporting period.

The total TUMF collected for fiscal year 2021-2022 was \$10,360,011 with 28-percent generated by the City of Indio. An additional \$27,299,763 of Measure A funding was disbursed to CVAG for regional arterial projects.

The monthly collection totals for each jurisdiction are displayed below, along with a breakdown of the land use for which fees were collected. More detailed land use analyses are provided in the following section.

All Jurisdictions

	<i>TUMF 21/22</i>	<i>% FY</i>	<i>Total to Date</i>	<i>% Total</i>
<i>Cathedral City</i>	\$195,342	2%	\$12,616,585	9%
<i>Coachella</i>	\$502,998	5%	\$7,115,464	5%
<i>Desert Hot Springs</i>	\$615,401	6%	\$7,477,733	5%
<i>Indian Wells</i>	\$227,814	2%	\$3,411,827	2%
<i>Indio</i>	\$2,905,959	28%	\$36,400,157	25%
<i>La Quinta</i>	\$1,534,668	15%	\$6,126,296	4%
<i>Palm Desert</i>	\$933,029	9%	\$24,056,387	16%
<i>Palm Springs</i>	\$1,232,562	12%	\$17,098,560	12%
<i>Rancho Mirage</i>	\$554,964	5%	\$12,230,984	8%
<i>Riverside County</i>	\$1,657,275	16%	\$19,737,261	13%
<i>Total TUMF</i>	\$10,360,011	100%	\$146,271,255	100%
<i>Total In Lieu*</i>	\$-		\$24,360,350	
<i>Regional Arterials</i>	\$27,299,763		\$388,670,999	
<i>Total</i>	\$37,659,774		\$559,302,604	

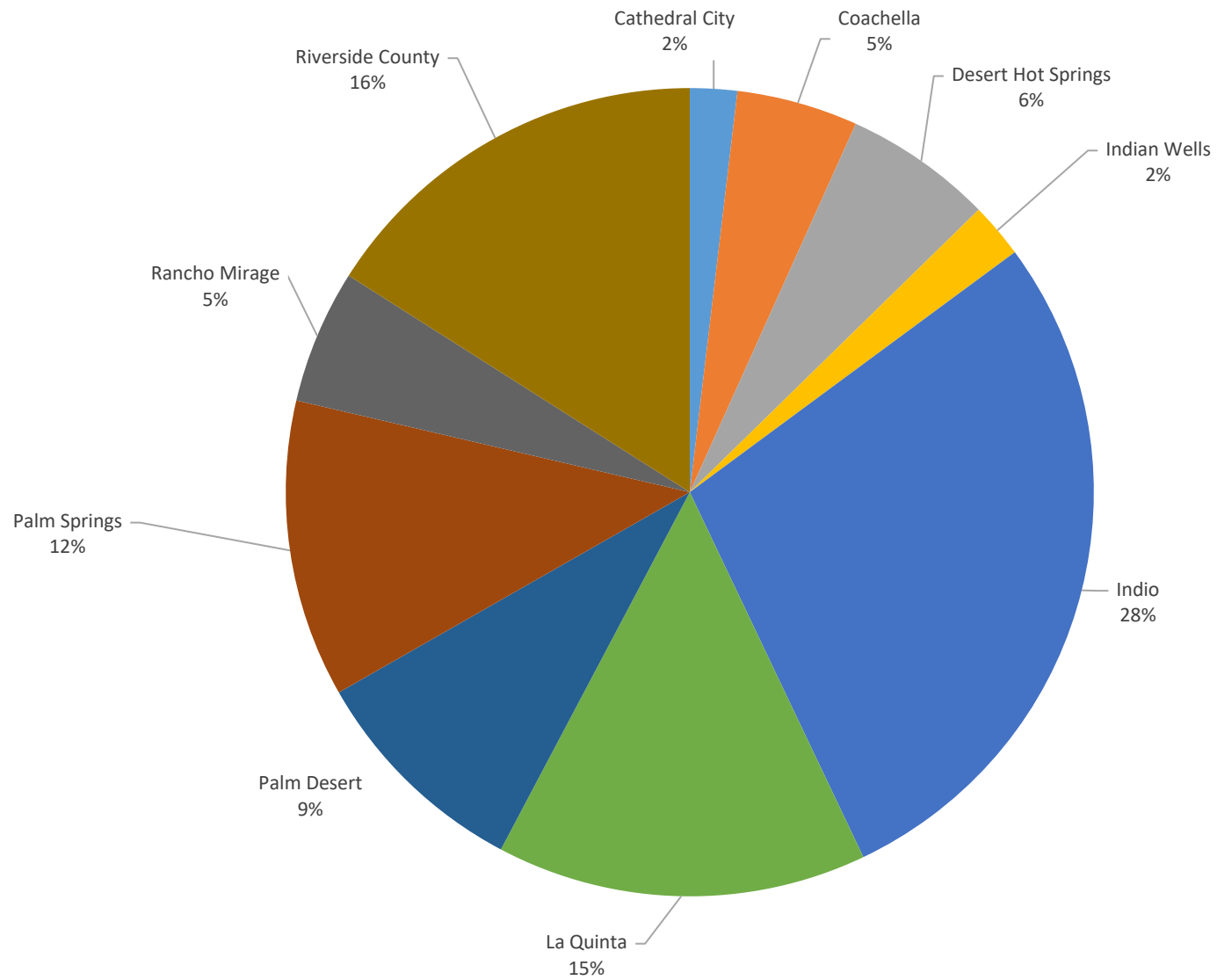


Figure 2: Proportion of total TUMF collections per jurisdiction for fiscal year 2021-2022.

Cathedral City

	<i>Collected</i>	<i>Refunds</i>	<i>Total</i>
<i>Jul</i>	\$61,460	\$0	\$61,460
<i>Aug</i>	\$39,270	\$0	\$39,270
<i>Sep</i>	\$20,831	\$0	\$20,831
<i>Oct</i>	\$0	\$0	\$0
<i>Nov</i>	\$0	\$0	\$0
<i>Dec</i>	\$4,620	\$0	\$4,620
<i>Jan</i>	\$4,620	\$0	\$4,620
<i>Feb</i>	\$6,074	\$0	\$6,074
<i>Mar</i>	\$2,716	\$0	\$2,716
<i>Apr</i>	\$0	\$0	\$0
<i>May</i>	\$27,455	\$0	\$27,455
<i>Jun</i>	\$28,296	\$0	\$28,296
Total	\$195,342	\$0	\$195,342

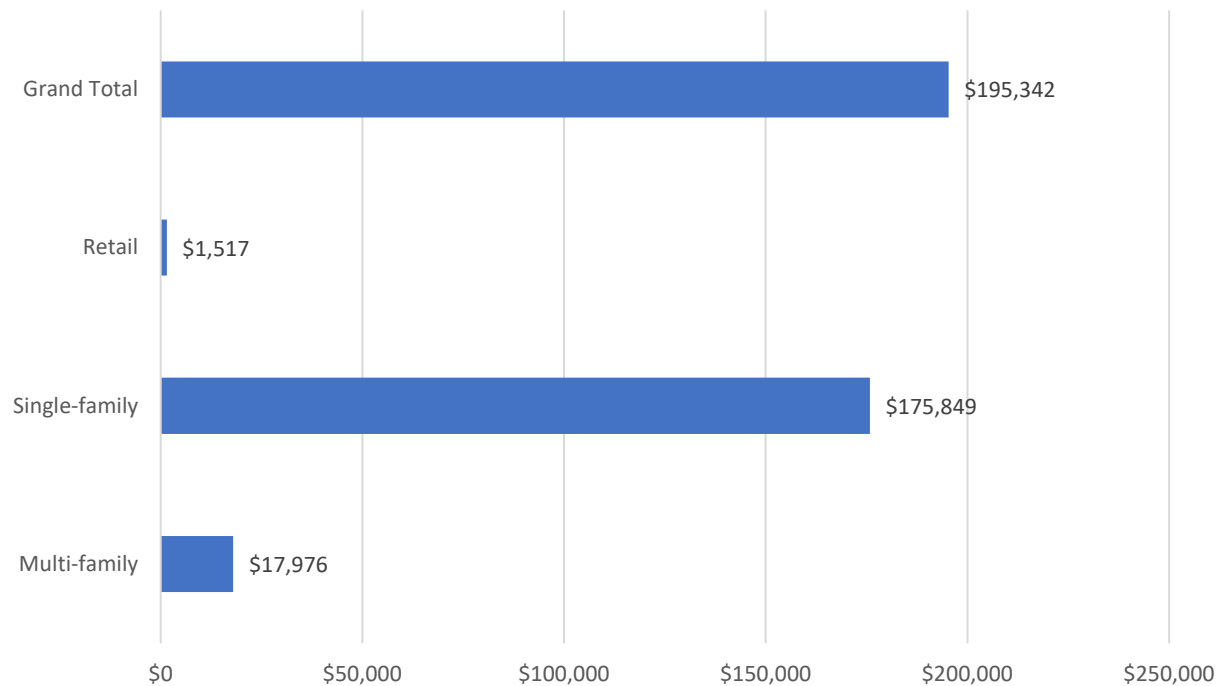


Figure 3: Cathedral City TUMF collections per land use category, fiscal year 2021-2022.

Coachella

	<i>Collected</i>	<i>Refunds</i>	<i>Total</i>
<i>Jul</i>	\$32,340	\$0	\$32,340
<i>Aug</i>	\$48,510	\$0	\$48,510
<i>Sep</i>	\$0	\$0	\$0
<i>Oct</i>	\$0	\$0	\$0
<i>Nov</i>	\$0	\$0	\$0
<i>Dec</i>	\$32,340	\$0	\$32,340
<i>Jan</i>	\$0	\$0	\$0
<i>Feb</i>	\$4,668	\$0	\$4,668
<i>Mar</i>	\$58,845	\$0	\$58,845
<i>Apr</i>	\$58,790	\$0	\$58,790
<i>May</i>	\$152,481	\$0	\$152,481
<i>Jun</i>	\$115,024	\$0	\$115,024
Total	\$502,998	\$0	\$502,998

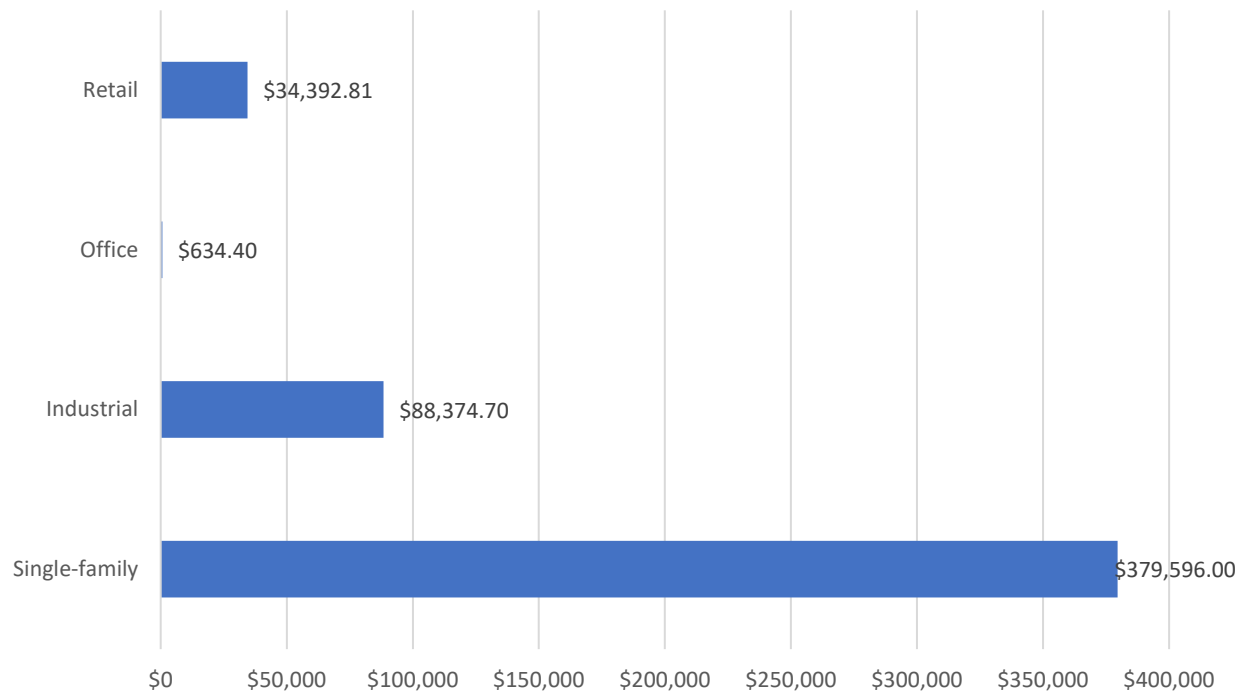


Figure 4: Coachella TUMF collections per land use category, fiscal year 2021-2022.

Desert Hot Springs

	<i>Collected</i>	<i>Refunds</i>	<i>Total</i>
<i>Jul</i>	\$46,200	\$0	\$46,200
<i>Aug</i>	\$16,170	\$0	\$16,170
<i>Sep</i>	\$68,720	\$0	\$68,720
<i>Oct</i>	\$25,410	\$0	\$25,410
<i>Nov</i>	\$43,890	\$0	\$43,890
<i>Dec</i>	\$213,912	\$0	\$213,912
<i>Jan</i>	\$59,921	\$0	\$59,921
<i>Feb</i>	\$12,634	\$2,310	\$10,324
<i>Mar</i>	\$25,938	\$0	\$25,938
<i>Apr</i>	\$60,162	\$0	\$60,162
<i>May</i>	\$33,012	\$0	\$33,012
<i>Jun</i>	\$9,432	\$0	\$9,432
Total	\$615,401	\$2,310	\$613,091

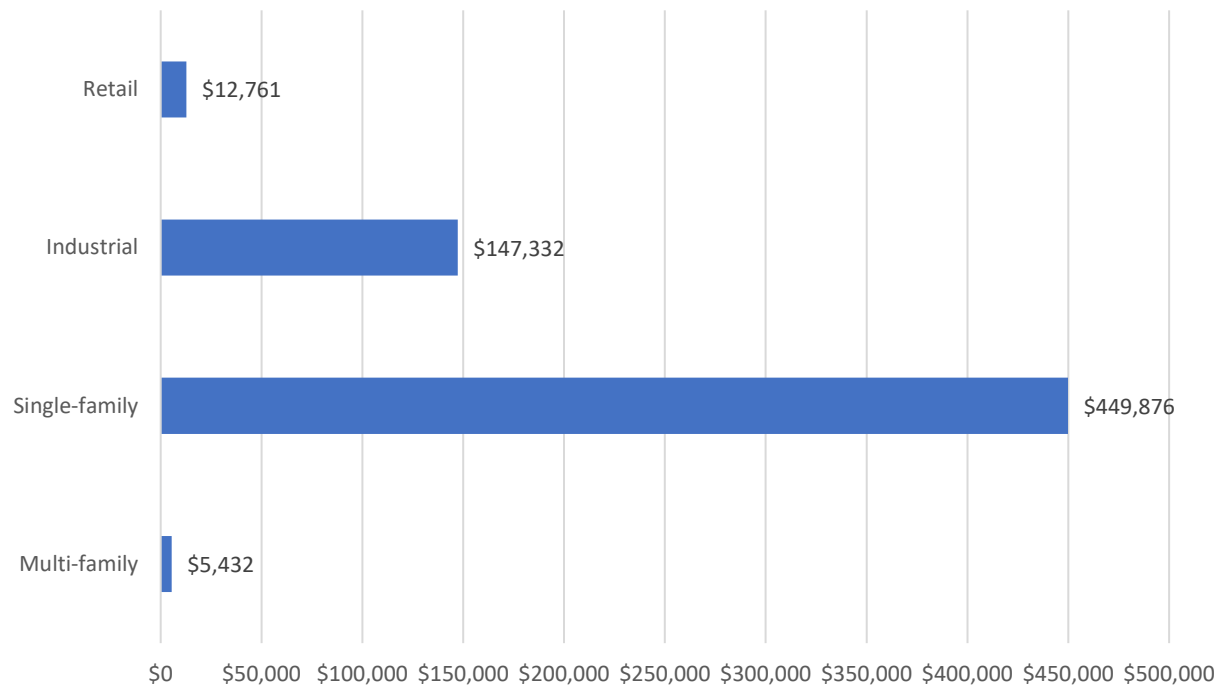


Figure 5: Desert Hot Springs TUMF collections per land use category, fiscal year 2021-2022.

Indian Wells

	<i>Collected</i>	<i>Refunds</i>	<i>Total</i>
<i>Jul</i>	\$4,620	\$0	\$4,620
<i>Aug</i>	\$4,620	\$0	\$4,620
<i>Sep</i>	\$4,716	\$0	\$4,716
<i>Oct</i>	\$0	\$0	\$0
<i>Nov</i>	\$0	\$0	\$0
<i>Dec</i>	\$34,650	\$0	\$34,650
<i>Jan</i>	\$0	\$0	\$0
<i>Feb</i>	\$23,580	\$0	\$23,580
<i>Mar</i>	\$33,012	\$0	\$33,012
<i>Apr</i>	\$35,370	\$0	\$35,370
<i>May</i>	\$35,370	\$0	\$35,370
<i>Jun</i>	\$51,876	\$0	\$51,876
Total	\$227,814	\$0	\$227,814

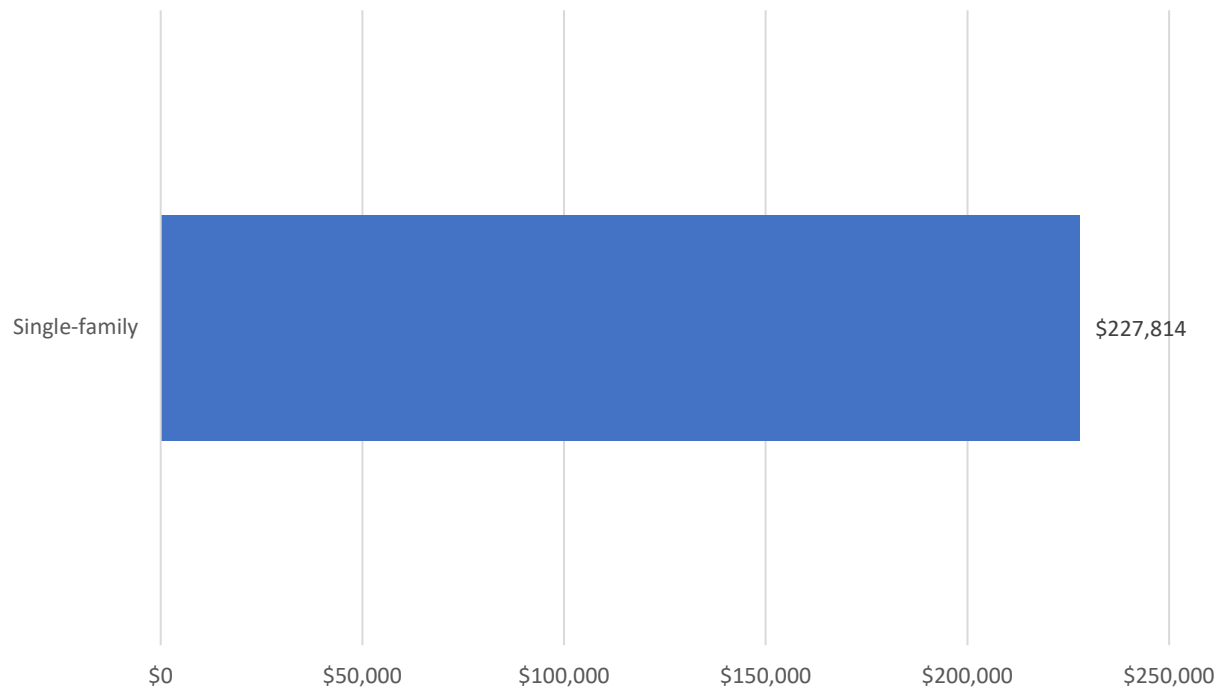


Figure 6: Indian Wells TUMF collections per land use category, fiscal year 2021-2022.

Indio

	<i>Collected</i>	<i>Refunds</i>	<i>Total</i>
<i>Jul</i>	\$181,550	\$0	\$181,550
<i>Aug</i>	\$384,016	\$0	\$384,016
<i>Sep</i>	\$71,706	\$0	\$71,706
<i>Oct</i>	\$477,472	\$0	\$477,472
<i>Nov</i>	\$214,143	\$0	\$214,143
<i>Dec</i>	\$113,224	\$0	\$113,224
<i>Jan</i>	\$212,409	\$0	\$212,409
<i>Feb</i>	\$372,781	\$0	\$372,781
<i>Mar</i>	\$188,640	\$0	\$188,640
<i>Apr</i>	\$185,018	\$0	\$185,018
<i>May</i>	\$271,558	\$0	\$271,558
<i>Jun</i>	\$233,442	\$0	\$233,442
Total	\$2,905,959	\$0	\$2,905,959

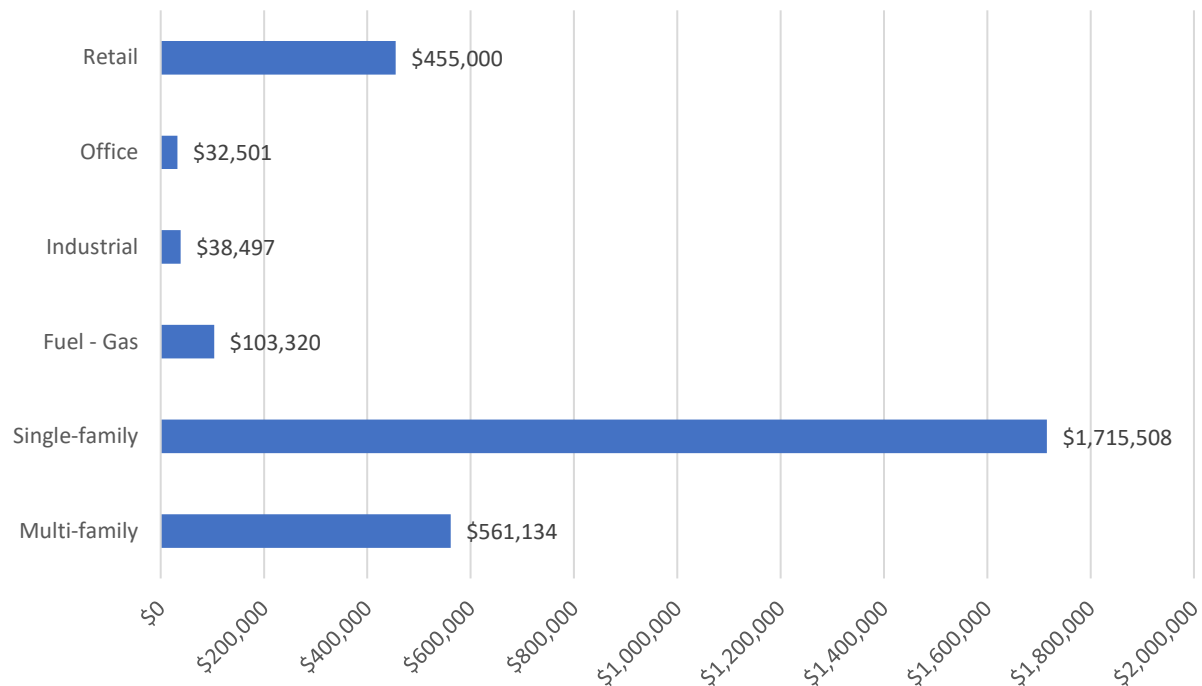


Figure 7: Indio TUMF collections per land use category, fiscal year 2021-2022.

La Quinta

	<i>Collected</i>	<i>Refunds</i>	<i>Total</i>
<i>Jul</i>	\$30,030	\$0	\$30,030
<i>Aug</i>	\$73,515	\$0	\$73,515
<i>Sep</i>	\$105,492	\$0	\$105,492
<i>Oct</i>	\$218,339	\$0	\$218,339
<i>Nov</i>	\$54,214	\$0	\$54,214
<i>Dec</i>	\$97,020	\$0	\$97,020
<i>Jan</i>	\$63,666	\$0	\$63,666
<i>Feb</i>	\$44,802	\$0	\$44,802
<i>Mar</i>	\$256,901	\$0	\$256,901
<i>Apr</i>	\$85,778	\$0	\$85,778
<i>May</i>	\$68,750	\$0	\$68,750
<i>Jun</i>	\$436,161	\$0	\$436,161
Total	\$1,534,668	\$0	\$1,534,668

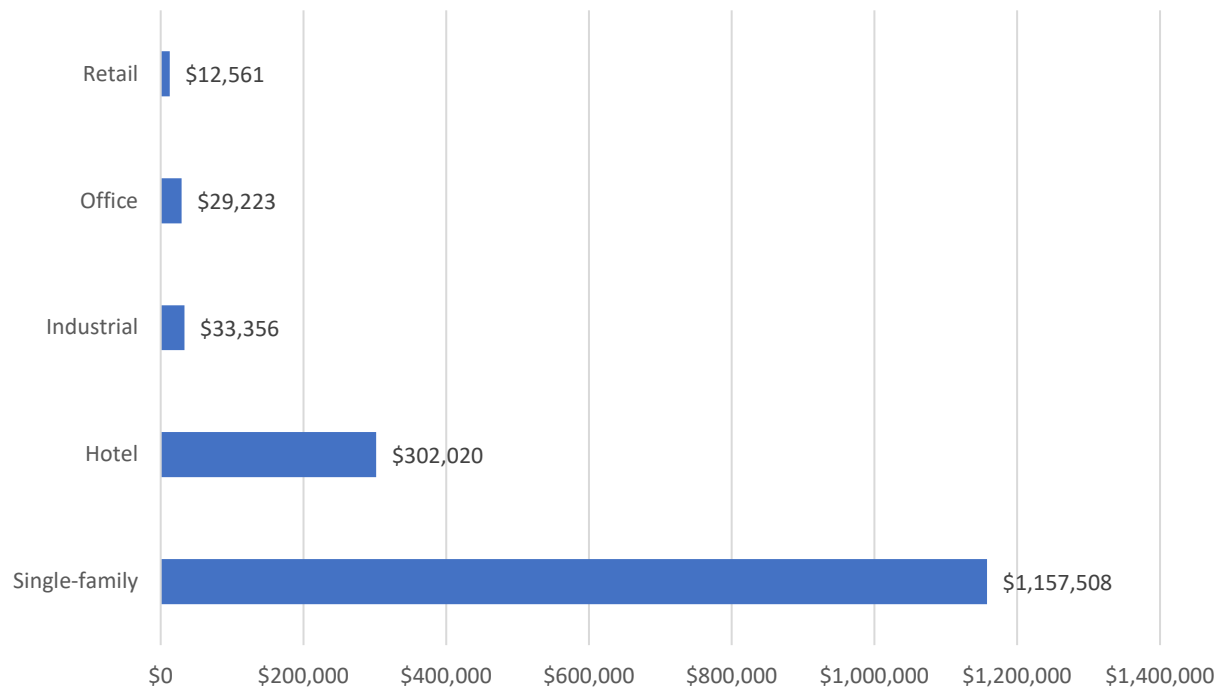


Figure 8: La Quinta TUMF collections per land use category, fiscal year 2021-2022.

Palm Desert

	<i>Collected</i>	<i>Refunds</i>	<i>Total</i>
<i>Jul</i>	\$0	\$0	\$0
<i>Aug</i>	\$75,390	\$0	\$75,390
<i>Sep</i>	\$35,694	\$0	\$35,694
<i>Oct</i>	\$105,216	\$0	\$105,216
<i>Nov</i>	\$28,060	\$0	\$28,060
<i>Dec</i>	\$27,720	\$0	\$27,720
<i>Jan</i>	\$149,595	\$0	\$149,595
<i>Feb</i>	\$4,716	\$0	\$4,716
<i>Mar</i>	\$70,810	\$0	\$70,810
<i>Apr</i>	\$227,158	\$0	\$227,158
<i>May</i>	\$156,479	\$0	\$156,479
<i>Jun</i>	\$52,190	\$0	\$52,190
Total	\$933,029	\$0	\$933,029

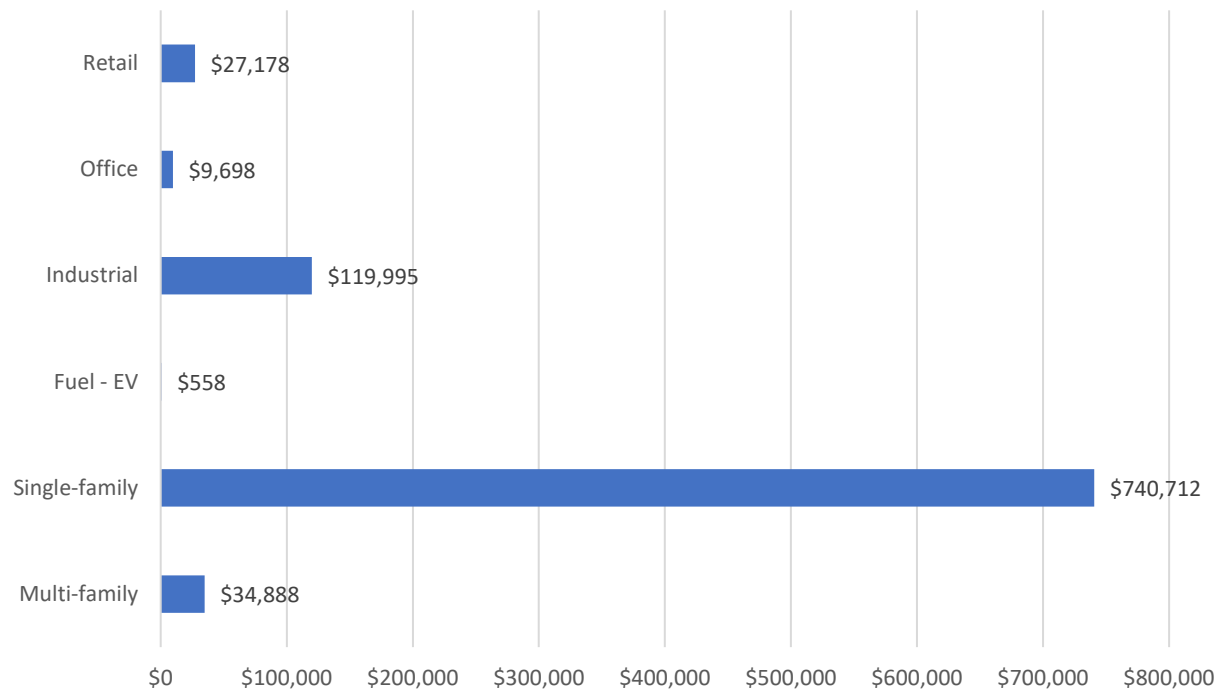


Figure 9: Palm Desert TUMF collections per land use category, fiscal year 2021-2022.

Palm Springs

	<i>Collected</i>	<i>Refunds</i>	<i>Total</i>
<i>Jul</i>	\$47,950	\$0	\$47,950
<i>Aug</i>	\$306,592	\$0	\$306,592
<i>Sep</i>	\$73,010	\$0	\$73,010
<i>Oct</i>	\$64,231	\$0	\$64,231
<i>Nov</i>	\$53,130	\$0	\$53,130
<i>Dec</i>	\$14,019	\$0	\$14,019
<i>Jan</i>	\$37,728	\$0	\$37,728
<i>Feb</i>	\$208,895	\$0	\$208,895
<i>Mar</i>	\$21,010	\$0	\$21,010
<i>Apr</i>	\$344,869	\$0	\$344,869
<i>May</i>	\$24,938	\$0	\$24,938
<i>Jun</i>	\$36,190	\$0	\$36,190
Total	\$1,232,562	\$0	\$1,232,562

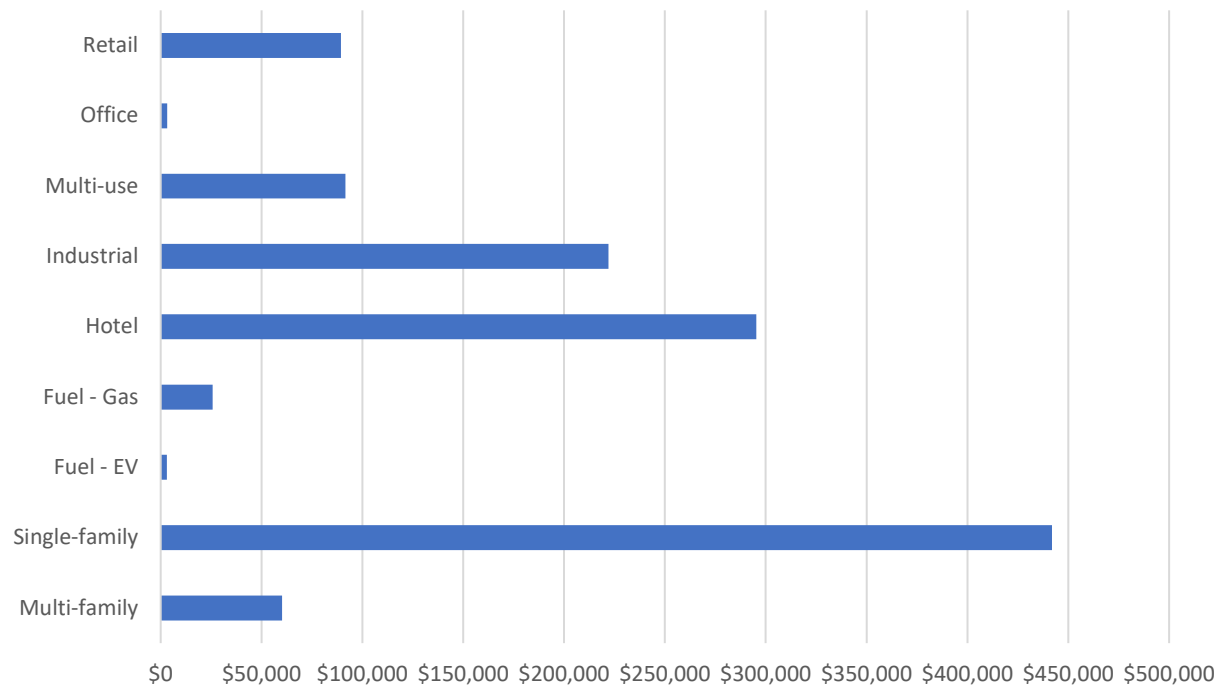


Figure 10: Palm Springs TUMF collections per land use category, fiscal year 2021-2022.

Rancho Mirage

	<i>Collected</i>	<i>Refunds</i>	<i>Total</i>
<i>Jul</i>	\$36,960	\$0	\$36,960
<i>Aug</i>	\$60,060	\$0	\$60,060
<i>Sep</i>	\$64,680	\$0	\$64,680
<i>Oct</i>	\$27,720	\$0	\$27,720
<i>Nov</i>	\$43,890	\$0	\$43,890
<i>Dec</i>	\$66,990	\$0	\$66,990
<i>Jan</i>	\$4,716	\$0	\$4,716
<i>Feb</i>	\$35,370	\$0	\$35,370
<i>Mar</i>	\$87,246	\$0	\$87,246
<i>Apr</i>	\$2,358	\$0	\$2,358
<i>May</i>	\$82,530	\$0	\$82,530
<i>Jun</i>	\$42,444	\$0	\$42,444
Total	\$554,964	\$0	\$554,964

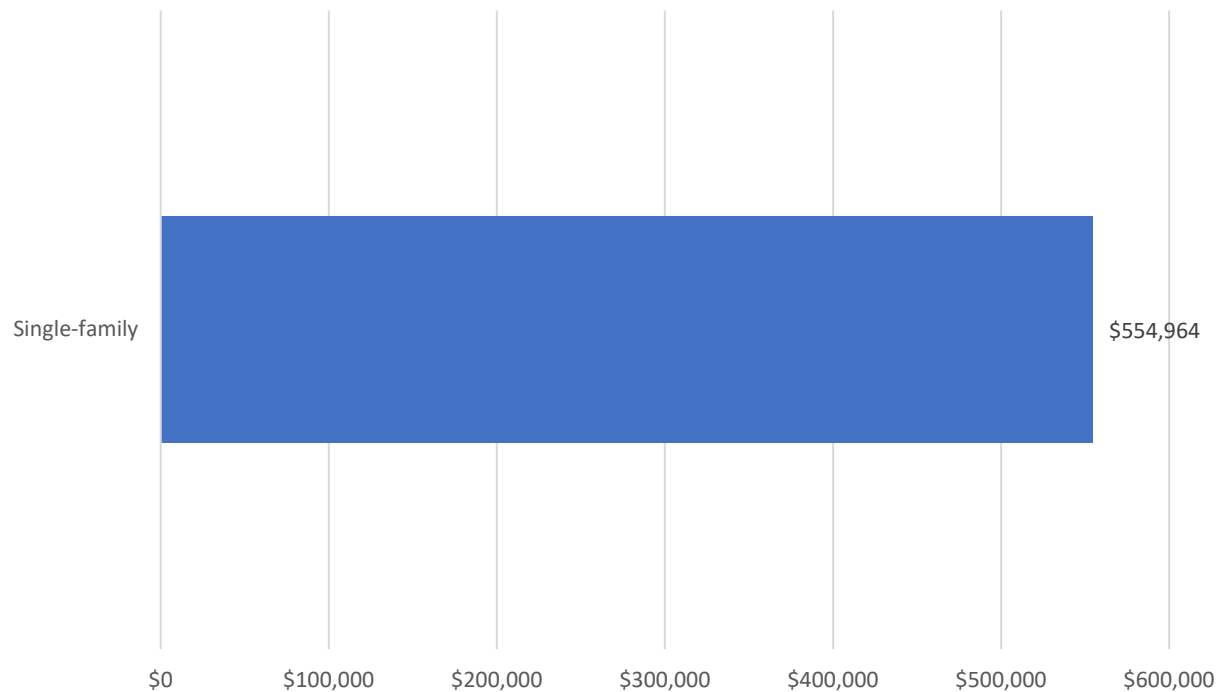


Figure 11: Rancho Mirage TUMF collections per land use category, fiscal year 2021-2022.

Riverside County

	<i>Collected</i>	<i>Refunds</i>	<i>Total</i>
<i>Jul</i>	\$24,411	\$0	\$24,411
<i>Aug</i>	\$33,368	\$2,310	\$31,058
<i>Sep</i>	\$74,141	\$0	\$74,141
<i>Oct</i>	\$39,620	\$0	\$39,620
<i>Nov</i>	\$764,489	\$0	\$764,489
<i>Dec</i>	\$89,511	\$0	\$89,511
<i>Jan</i>	\$4,795	\$0	\$4,795
<i>Feb</i>	\$279,067	\$2,310	\$276,757
<i>Mar</i>	\$96,752	\$4,716	\$92,036
<i>Apr</i>	\$171,705	\$0	\$171,705
<i>May</i>	\$14,148	\$0	\$14,148
<i>Jun</i>	\$65,267	\$2,310	\$62,957
Total	\$1,657,275	\$11,646	\$1,645,629

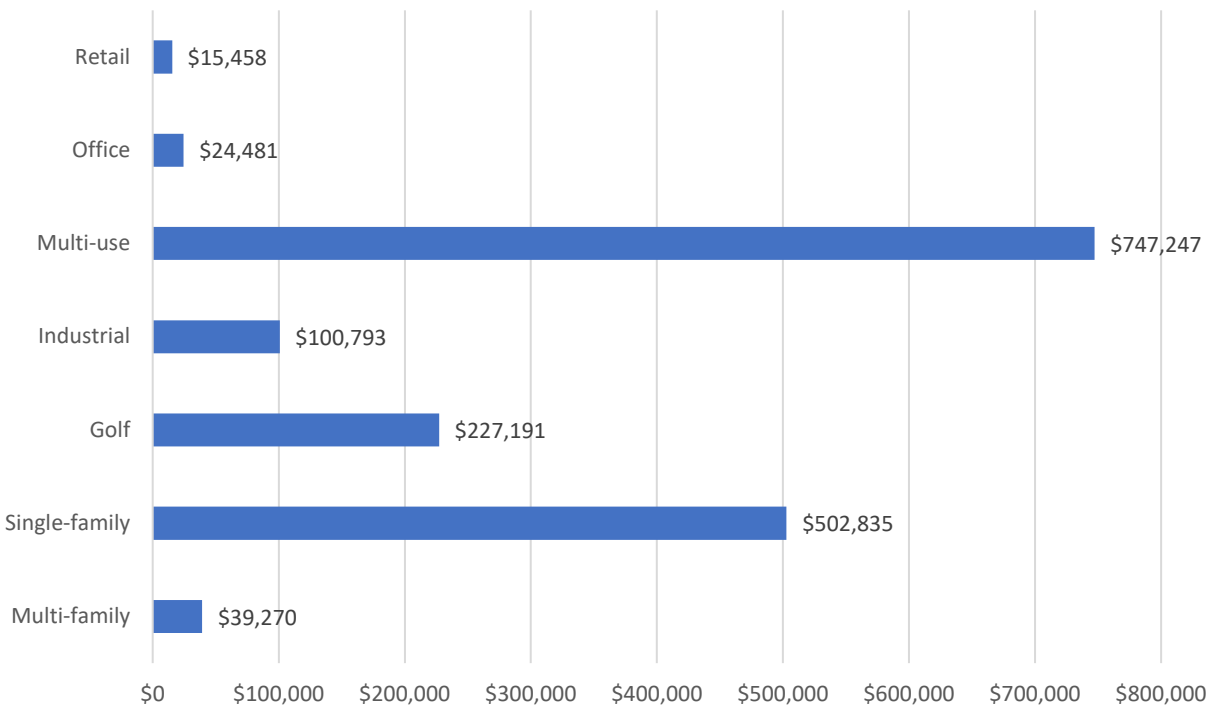


Figure 12: Riverside County TUMF collections per land use category, fiscal year 2021-2022.

TUMF Collections by Land Use Category, Fiscal Year 2021-2022

This section sorts each jurisdiction's TUMF collections into different land use categories. Residential development was by far the dominant source of TUMF revenue, contributing to almost 70-percent of the total collected fees, with the next highest categories being multiple use development and industrial development at 8- and 7-percent, respectively.

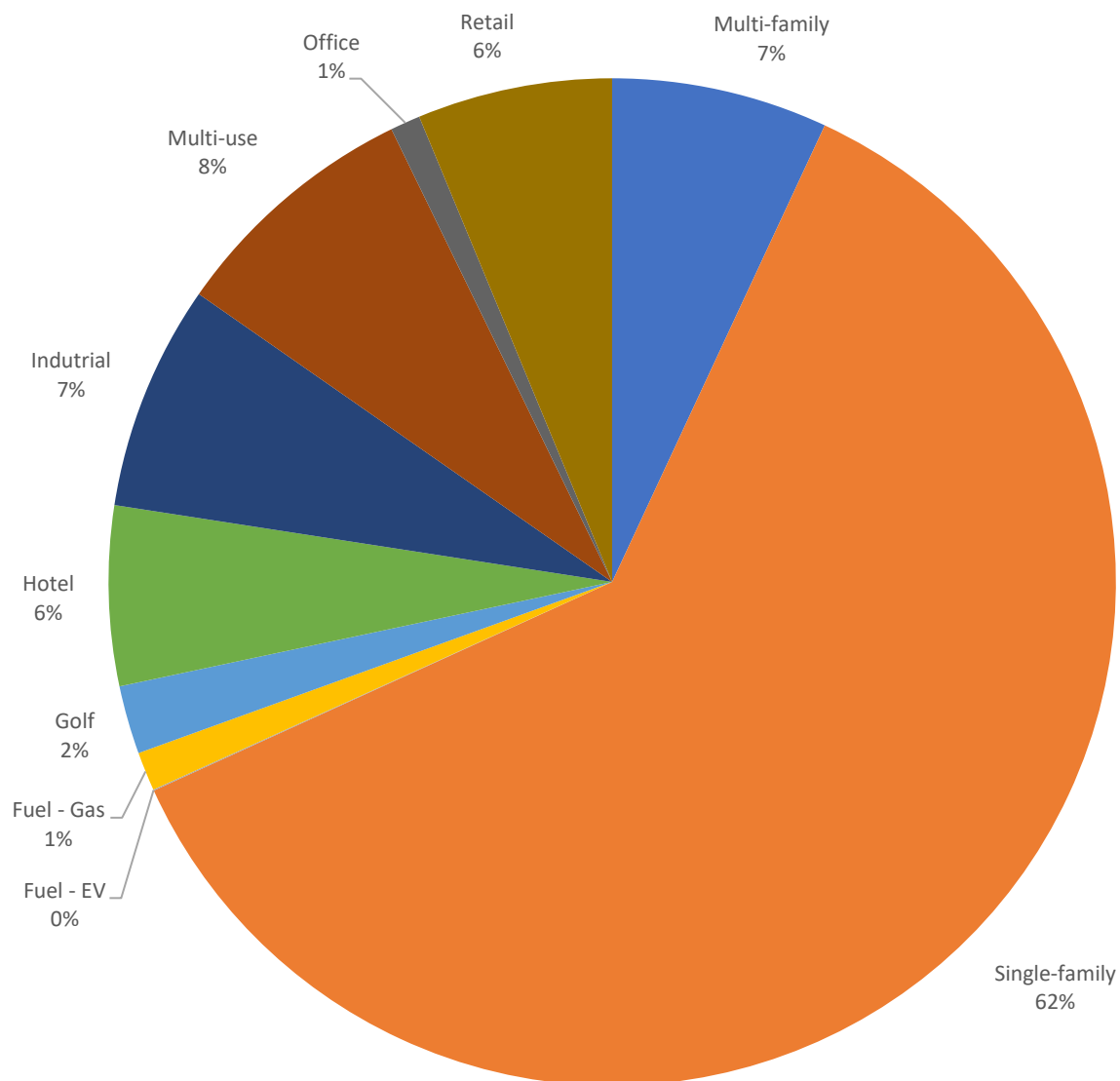


Figure 13: Proportion of total TUMF collections per land use category.

Table 1: TUMF collections per land use.

	<i>Multi-family</i>	<i>Single-family</i>	<i>Industrial</i>	<i>Office</i>	<i>Retail</i>	<i>Fuel - Gas</i>	<i>Fuel - EV</i>	<i>Golf</i>	<i>Hotel</i>	<i>Multi-use</i>
<i>Cathedral City</i>	\$17,976	\$175,849	\$0	\$0	\$1,517	\$0	\$0	\$0	\$0	\$0
<i>Coachella</i>	\$0	\$379,596	\$88,375	\$634	\$34,393	\$0	\$0	\$0	\$0	\$0
<i>Desert Hot Springs</i>	\$5,432	\$449,876	\$147,332		\$12,761	\$0	\$0	\$0	\$0	\$0
<i>Indian Wells</i>	\$0	\$227,814	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Indio</i>	\$561,134	\$1,715,508	\$38,497	\$32,501	\$455,000	\$103,320	\$0	\$0	\$0	\$0
<i>La Quinta</i>	\$0	\$1,157,508	\$33,356	\$29,223	\$12,561	\$0	\$0	\$0	\$302,020	\$0
<i>Palm Desert</i>	\$34,888	\$740,712	\$119,995	\$9,698	\$27,178	\$0	\$558	\$0	\$0	\$0
<i>Palm Springs</i>	\$60,158	\$441,966	\$222,073	\$3,210	\$89,446	\$25,830	\$3,041	\$0	\$295,262	\$91,576
<i>Rancho Mirage</i>	\$0	\$554,964	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Riverside County</i>	\$39,270	\$502,835	\$100,793	\$24,481	\$15,458	\$0	\$0	\$227,191	\$0	\$747,247
Total	\$718,858	\$6,346,628	\$750,421	\$99,747	\$648,312	\$129,150	\$3,599	\$227,191	\$597,282	\$838,824

Table 2: Development units per land use.

	<i>Multi-family</i>	<i>Single-family</i>	<i>Industrial (sq ft)</i>	<i>Office (sq ft)</i>	<i>Retail (sq ft)</i>	<i>Fuel - Gas (dispensers)</i>	<i>Fuel - EV (dispensers)</i>	<i>Golf (ac)</i>	<i>Hotel (rooms)</i>
<i>Cathedral City</i>	11	75	0	0	0	0	0	0	0
<i>Coachella</i>	0	162	71,070	260	5,606	0	0	0	0
<i>Desert Hot Springs</i>	4	202	111,626	0	2,080	0	0	0	0
<i>Indian Wells</i>	0	97	0	0	0	0	0	0	0
<i>Indio</i>	417	1,288	34,510	11,505	75,308	12	0	0	0
<i>La Quinta</i>	0	495	27,439	2,840	2,042	0	0	0	82
<i>Palm Desert</i>	26	316	44,394	5,381	4,826	0	6	0	0
<i>Palm Springs</i>	166	188	237,460	13,674	5,800	12	34	0	124
<i>Rancho Mirage</i>	0	238	0	0	0	0	0	0	0
<i>Riverside County</i>	30	332	622,797	39,463	3,872	0	0	242	0
Total	654	3,393	1,149,295	72,202	99,524	12	25	242	102

Measure A Collections

Jurisdictions participating in the collection of TUMF receive 100% of their local Measure A for street and road projects. The formula for local Measure A distribution involves two variables in equal proportions: 1) dwelling units, and 2) taxable sales. These variables are updated on an annual basis for use beginning July 1st of each fiscal year.

As of June 30, 2022, the cumulative amount of regional Measure A received – \$388,670,999– has exceeded the amount of TUMF collected – \$146,271,255. In all jurisdictions, the cumulative local Measure A received has exceeded the cumulative TUMF collected.

The graphs on the following pages illustrate the comparison on an all-jurisdiction cumulative basis as well as individual jurisdictions by fiscal year.

All Jurisdictions

	<i>TUMF Collections</i>	<i>Measure A Collections</i>
<i>Cathedral City</i>	\$12,616,585	\$38,673,117
<i>Coachella</i>	\$7,115,464	\$11,450,016
<i>Desert Hot Springs</i>	\$7,477,733	\$9,540,110
<i>Indian Wells</i>	\$3,411,827	\$6,270,206
<i>Indio</i>	\$36,400,157	\$38,222,036
<i>La Quinta</i>	\$6,126,296	\$9,103,298
<i>Palm Desert</i>	\$24,056,387	\$66,734,530
<i>Palm Springs</i>	\$17,098,560	\$52,736,881
<i>Rancho Mirage</i>	\$12,230,984	\$22,742,916
<i>Riverside County</i>	\$19,737,261	\$43,554,376
<i>Total</i>	\$146,271,255	\$299,027,486

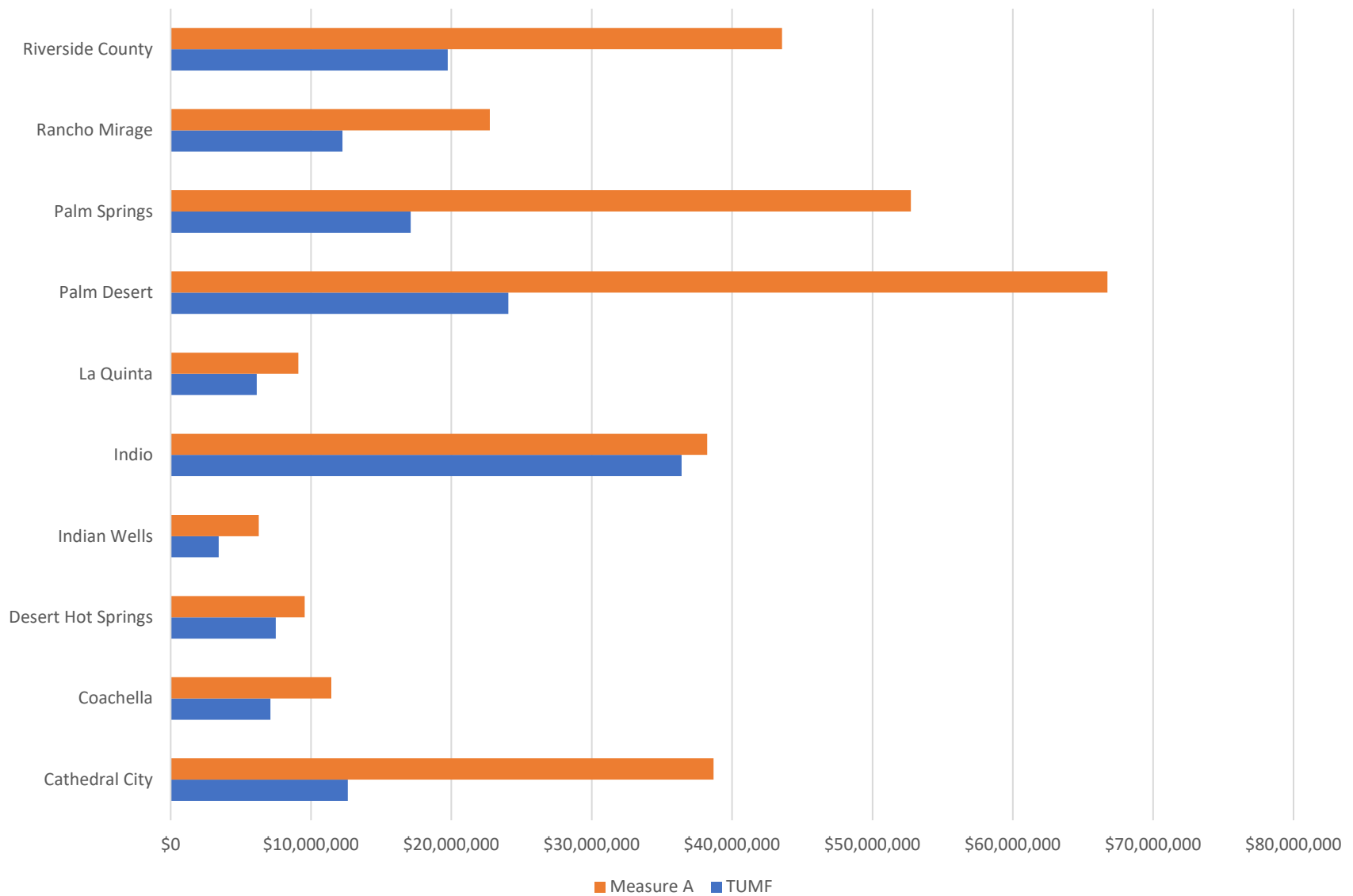


Figure 14: Local Measure A received compared to TUMF collected per jurisdiction, 1989-2022

Cathedral City

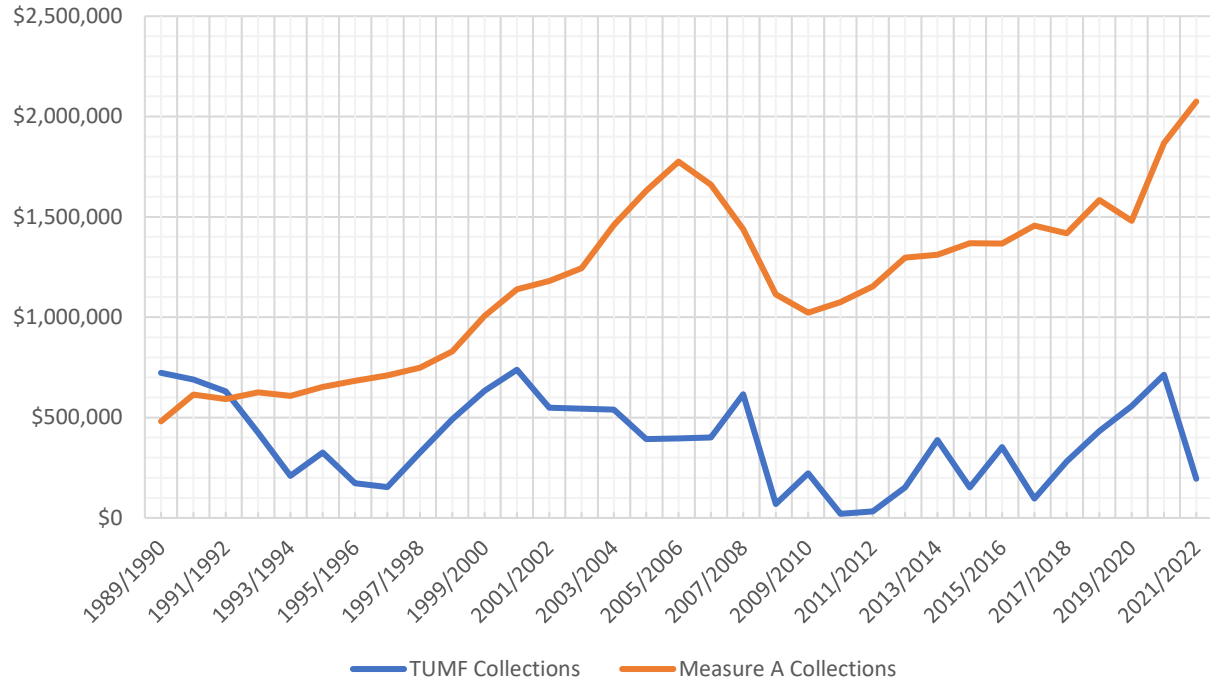


Figure 15: Cumulative TUMF collected by CVAG compared to Measure A funds collected by Cathedral City.

Coachella

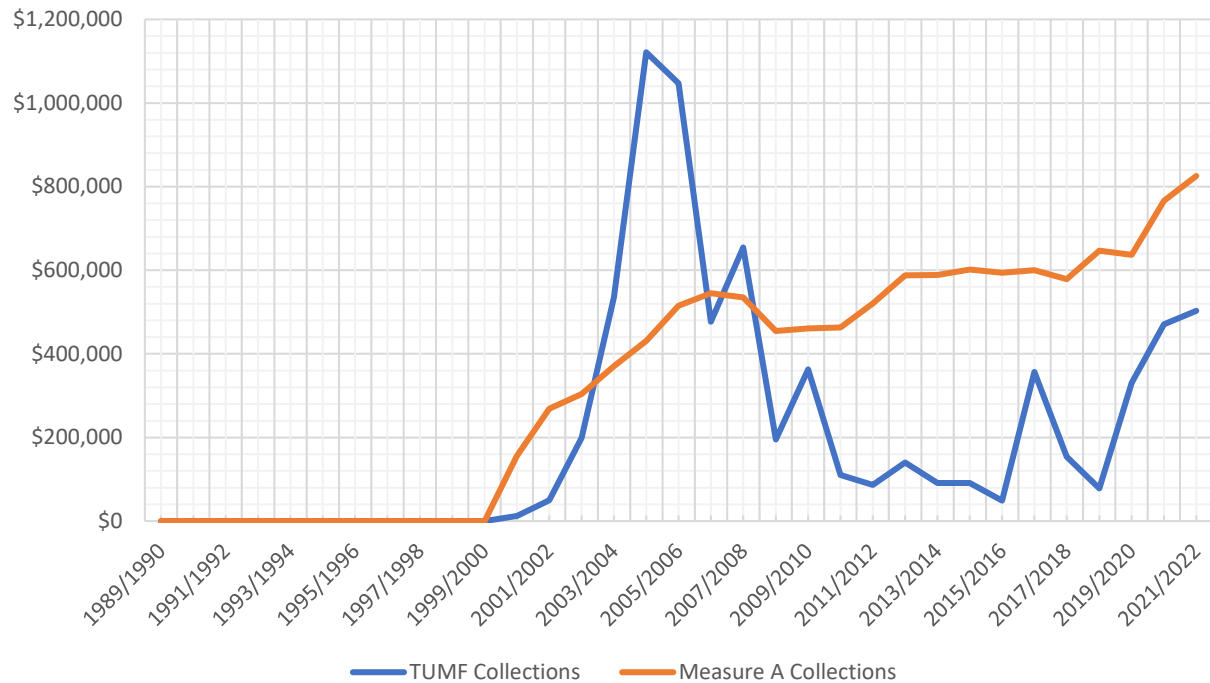


Figure 16: Cumulative TUMF collected by CVAG compared to Measure A funds collected by Coachella.

Desert Hot Springs

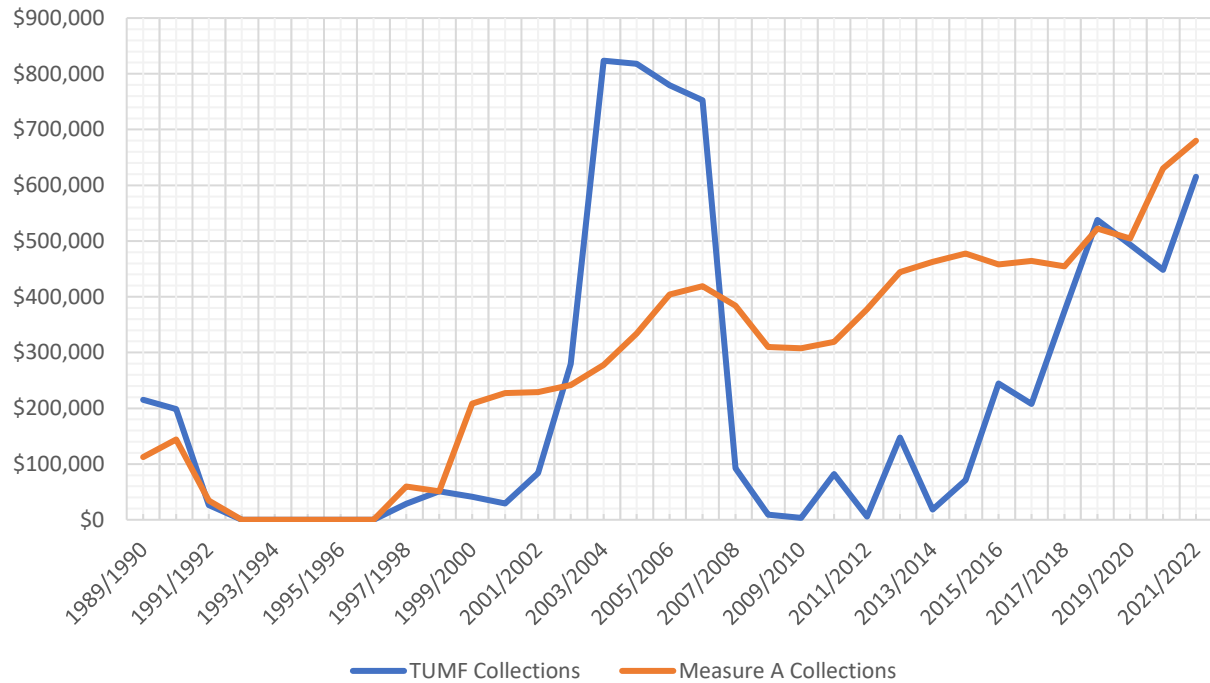


Figure 17: Cumulative TUMF collected by CVAG compared to Measure A funds collected by Desert Hot Springs.

Indian Wells

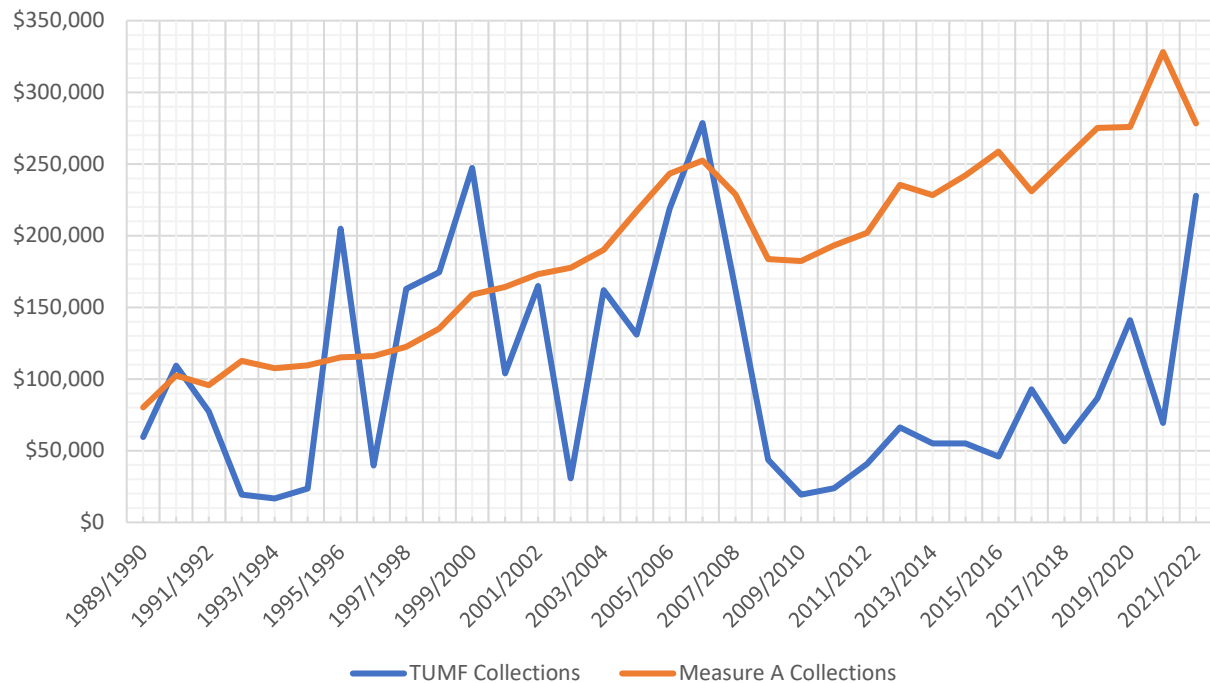


Figure 18: Cumulative TUMF collected by CVAG compared to Measure A funds collected by Indian Wells.

Indio

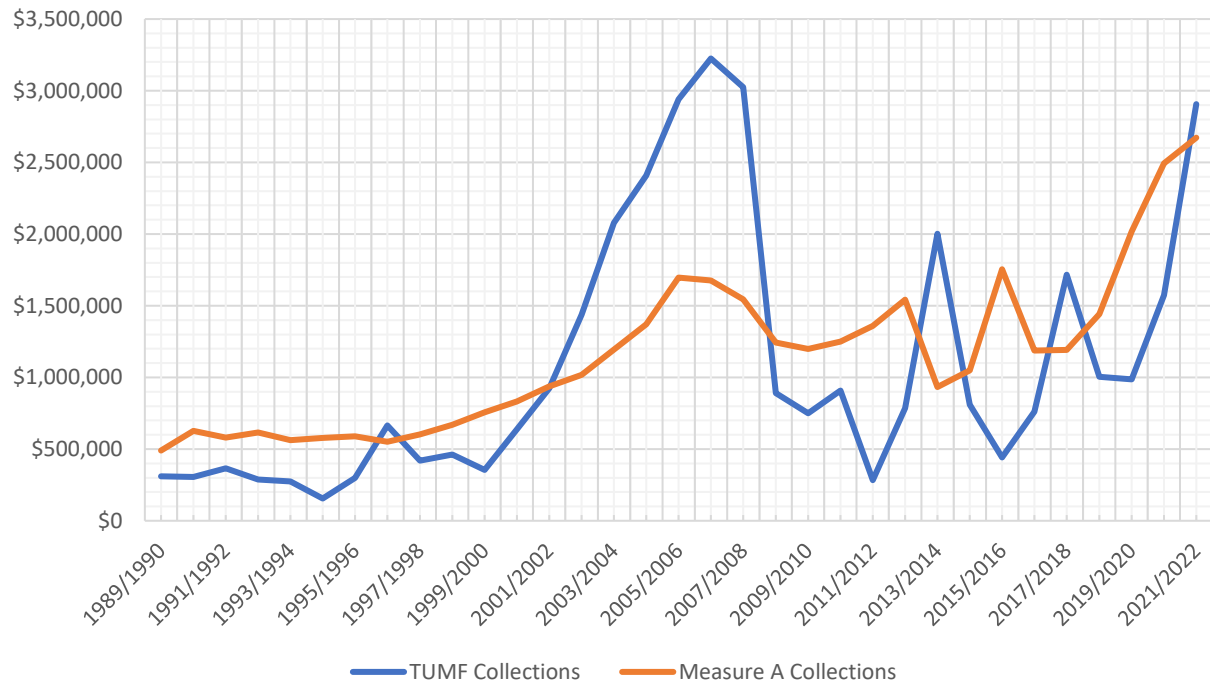


Figure 19: Cumulative TUMF collected by CVAG compared to Measure A funds collected by Indio.

La Quinta

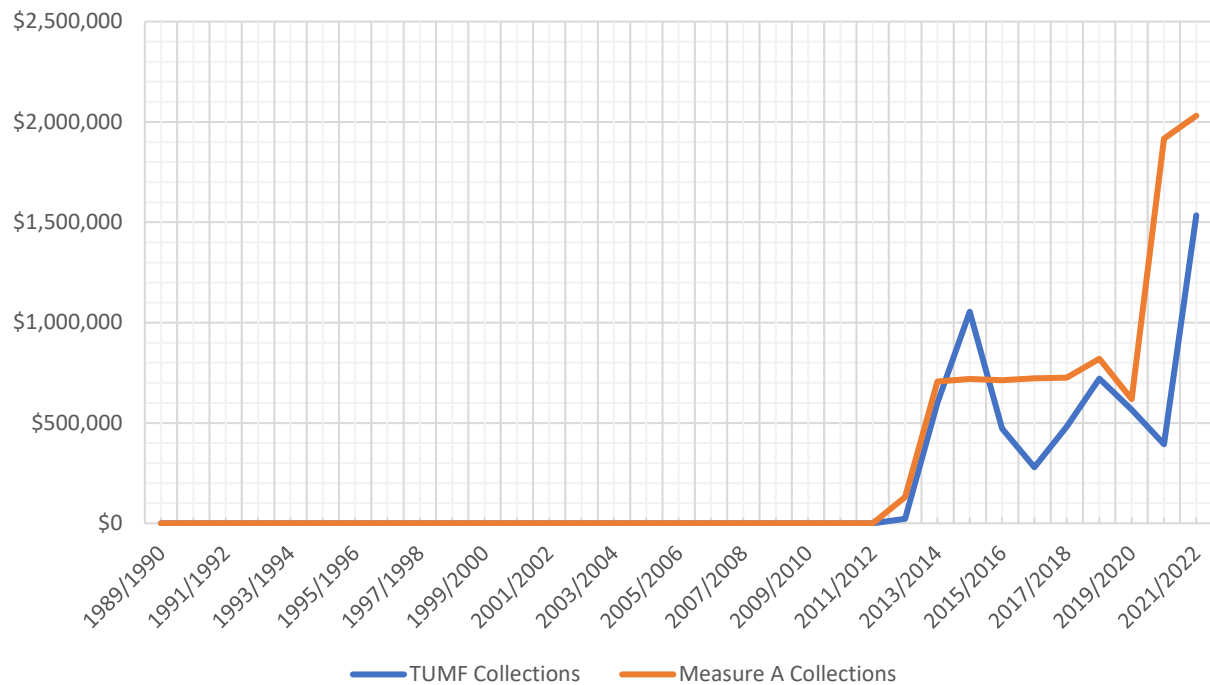


Figure 20: Cumulative TUMF collected by CVAG compared to Measure A funds collected by La Quinta.

Palm Desert

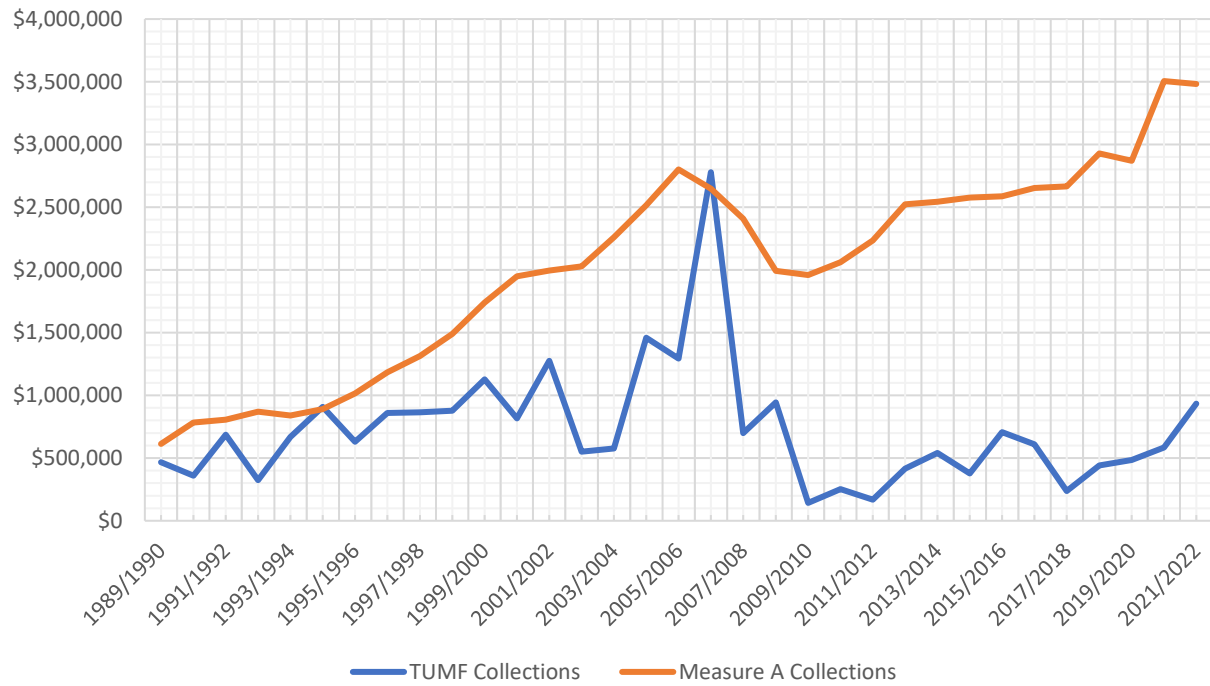


Figure 21: Cumulative TUMF collected by CVAG compared to Measure A funds collected by Palm Desert.

Palm Springs

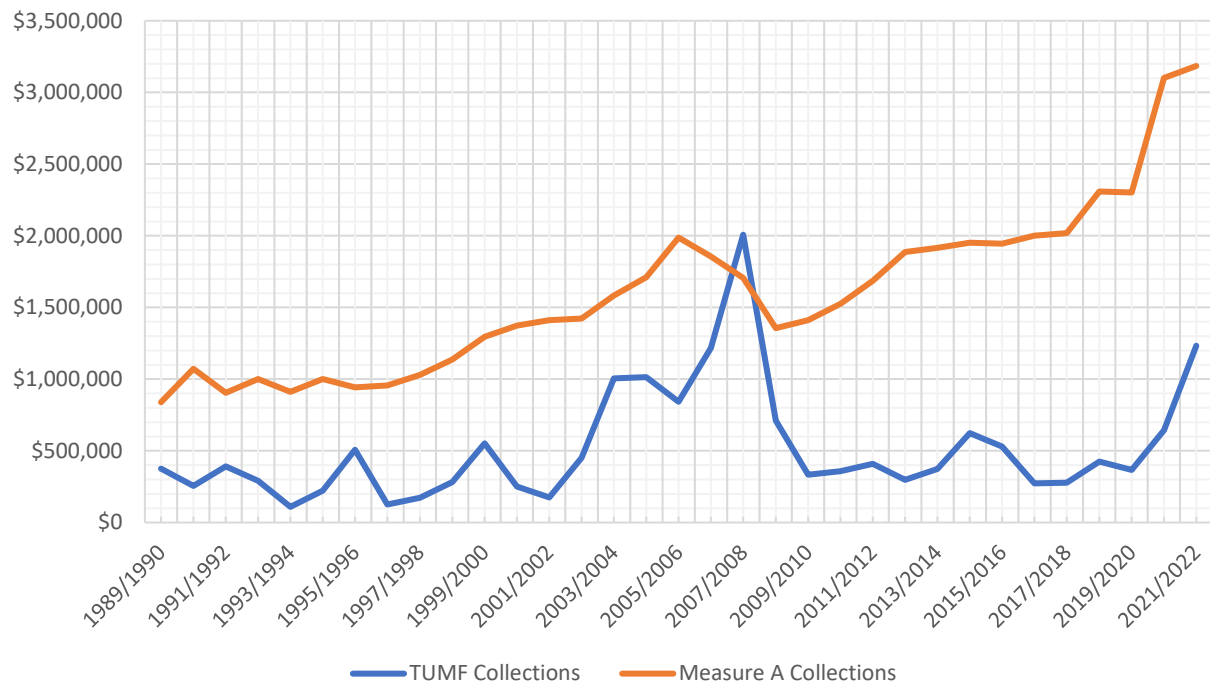


Figure 22: Cumulative TUMF collected by CVAG compared to Measure A funds collected by Palm Springs.

Rancho Mirage

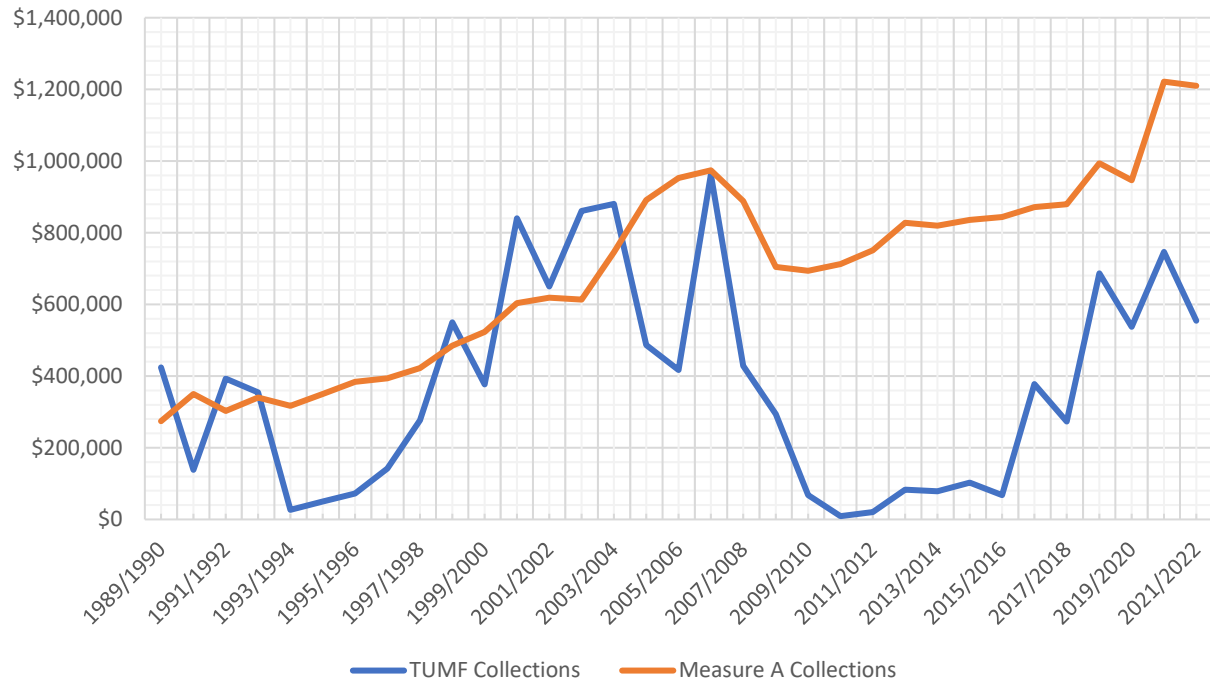


Figure 23: Cumulative TUMF collected by CVAG compared to Measure A funds collected by Rancho Mirage.

Riverside County

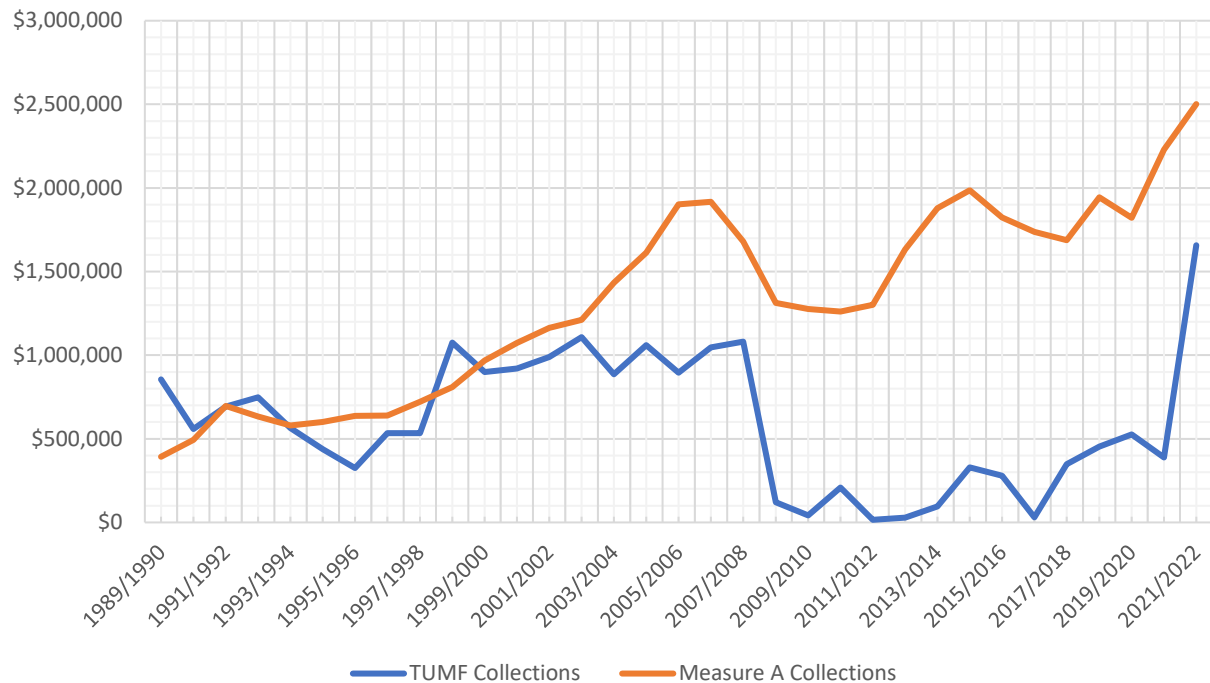


Figure 24: Cumulative TUMF collected by CVAG compared to Measure A funds collected by Riverside County.

Congestion Management Program

The Congestion Management Program (CMP) is an effort to link land use, transportation, and air quality, to promote reasonable growth management programs that will effectively utilize new transportation funds, alleviate traffic congestion and related impacts, and improve air quality.

The CMP states: "Any jurisdiction that adopts a multi-jurisdictional Transportation Uniform Mitigation Fee (TUMF) which complements the objectives of the CMP, will be found in compliance with the CMP requirements." All jurisdictions, regardless of whether or not they participate in the TUMF Program, must comply with other required elements of the CMP, such as development of deficiency plans if the actual level of service (LOS) falls below the minimum CMP requirement standard of "E", a Transportation Demand Management (TDM) plan, and adherence to the Conformance and Monitoring Process.

Measure A funds are distributed to local jurisdictions for local street and road projects. These funds are distributed by the Riverside County Transportation Commission (RCTC), based on a Coachella Valley formula that applies a 50% weight to the proportionate share of dwelling units and a 50% weight to taxable sales generated. The CMP requires, as of January 1, 1992, that all new development be tracked in non-TUMF jurisdictions, and calculations performed annually, to demonstrate an equitable share of Measure A funds towards the Regional Arterial Program.

CVAG Monitoring Process

To meet requirements of the CMP, In-Lieu jurisdictions forward copies of their approved Building Activity Report (or its equivalent) to CVAG on a monthly basis. CVAG staff reviews the report and requests copies of building permits issued for all development subject to TUMF. Data is then extracted from the building permits and entered into the jurisdiction's database as if the jurisdiction was participating in the TUMF program. Estimation is obtained when fees are calculated on development subject to TUMF.

The City of La Quinta began participation in the TUMF Program in April 2013. Prior to its participation in the collection of TUMF, La Quinta forfeited its local Measure A to the Regional Arterial Program on a monthly basis. The amount of local Measure A was tracked and compared with estimated revenue that would have been generated if TUMF had been collected. CVAG has recovered all Measure A funds from La Quinta as of September 30, 2019.

Table 3: Expenditures on Measure A & TUMF eligible projects.

Project Description	Lead Agency ¹	Project Cost	Approved CVAG Share	Actual Expenditures Prior to FY 17/18	Actual Expenditures FY 17/18	Actual Expenditures FY 18/19	Actual Expenditures FY 19/20	Actual Expenditures FY 20/21	Actual Expenditures FY 21/22	Total Expenditures to Date
Interchanges										
Interchange Preparation Fund	Various	\$ 14,049,238.75	\$ 14,239,238.75	\$ 5,126,986.94	\$ 827,756.80	\$ 3,451,214.96	\$ 1,304,285.39	\$ 123,407.25	\$ 1,117,659.82	\$ 11,951,311.16
Jackson St/I-10 IC	COR	\$ 8,300,000.00	\$ 6,225,000.00	\$ 879,007.86	\$ 240,692.41	\$ 1,429,739.85	\$ 608,883.09	\$ 197,655.55	\$ 207,548.27	\$ 3,563,527.03
Monroe St/I-10 IC	COR	\$ 14,137,200.00	\$ 12,102,900.00	\$ 764,237.78	\$ 234,370.70	\$ 1,280,917.83	\$ 733,006.98	\$ 193,912.35	\$ 2,057,142.74	\$ 5,263,588.38
Portola Ave./I-10 IC	COR	\$ 72,100,000.00	\$ 13,061,250.00	\$ -	\$ -	\$ 1,199,789.65	\$ 1,418,084.56	\$ 1,072,227.29	\$ 193,216.51	\$ 3,883,318.01
Jefferson St/I-10 IC	COR	\$ 77,886,000.00	\$ 42,160,000.00	\$ 24,794,743.50	\$ 2,526,375.42	\$ 839,987.59	\$ -	\$ 45,660.46	\$ -	\$ 28,206,766.97
Avenue 50/I-10 IC	COA	\$ 2,800,000.00	\$ 2,300,768.00	\$ 1,361,229.00	\$ 654,736.92	\$ 259,613.98	\$ 25,188.10	\$ -	\$ -	\$ 2,300,768.00
Indian Canyon Dr./I-10 IC	PS	\$ 26,476,137.00	\$ 3,142,835.00	\$ 2,604,198.31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,604,198.31
Palm Dr./Gene Aubry Tr./I-10 IC	COR	\$ 38,603,000.00	\$ 25,931,000.00	\$ 5,997,055.54	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,997,055.54
Date Palm Dr./I-10 IC incl. RR bridge	Various	\$ 31,721,000.00	\$ 17,181,000.00	\$ 11,678,993.37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,678,993.37
Monterey Ave./I-10 Ramp Improvements	PD	\$ 8,100,000.00	\$ 5,150,000.00	\$ 3,990,633.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,990,633.40
Subtotal Interchanges:		\$ 294,172,575.75	\$ 141,493,991.75	\$ 57,197,085.70	\$ 4,483,932.25	\$ 8,461,263.86	\$ 4,089,448.12	\$ 1,632,862.90	\$ 3,575,567.34	\$ 79,440,160.17
Bridges										
Indian Canyon Ave. (from Garnet to and incl. RR crossing)	PS	\$ 21,500,000.00	\$ 7,500,000.00	\$ 1,342,311.90	\$ -	\$ 222,130.35	\$ 27,543.11	\$ 197,060.49	\$ 297,090.52	\$ 2,086,136.37
Cathedral Canyon Bridge	CC	\$ 22,038,000.00	\$ 2,577,092.58	\$ 204,229.30	\$ -	\$ 58,910.30	\$ -	\$ 566,210.51	\$ 1,483,574.17	\$ 2,312,924.28
Date Palm Bridge (across WWR)	CC	\$ 18,703,000.00	\$ 1,608,925.00	\$ 193,820.80	\$ 1,083,342.32	\$ -	\$ -	\$ -	\$ -	\$ 1,277,163.12
Ave. 56 Grade Separation	COR	\$ 22,218,043.00	\$ 14,884,000.00	\$ 12,421,562.59	\$ 952,902.31	\$ -	\$ -	\$ -	\$ -	\$ 13,374,464.90
Ave. 66 Grade Separation	COR	\$ 23,490,000.00	\$ 16,964,667.00	\$ 2,355,213.07	\$ 379,345.70	\$ 3,105,748.25	\$ 4,279,140.40	\$ 3,618,244.59	\$ 2,091,798.30	\$ 15,829,490.31
Ramon Bridge Widening	PS	\$ 35,998,000.00	\$ 8,146,500.00	\$ 657,611.09	\$ 56,906.56	\$ 263,238.65	\$ 492,089.93	\$ 309,686.89	\$ 73,832.48	\$ 1,853,365.60
Frank Sinatra Bridge (across WWR)	RM	\$ 35,290,000.00	\$ 4,548,658.00	\$ 128,982.29	\$ 39,199.50	\$ 20,825.41	\$ 24,265.56	\$ 37,034.59	\$ 20,409.04	\$ 270,716.39
Vista Chino Bridge (across WWR)	PS	\$ 114,700.00	\$ 8,172,375.00	\$ 107,911.44	\$ 38,714.95	\$ 72,223.89	\$ 125,662.61	\$ 4,761.79	\$ 15,482.11	\$ 364,756.79
Dune Palms Bridge over WWR	LQ	\$ 19,993,000.00	\$ 3,369,000.00	\$ 154,962.67	\$ 414,810.68	\$ 691,953.59	\$ 558,541.81	\$ 279,840.58	\$ 286,611.62	\$ 2,386,720.95
South Palm Canyon Bridge	PS	\$ 101,968.00	\$ 865,326.00	\$ 49,809.73	\$ 12,790.28	\$ 28,677.48	\$ 12,772.62	\$ 32,812.83	\$ 3,655.26	\$ 140,518.20
East Palm Canyon Bridge	PS	\$ 102,083.00	\$ 1,109,611.00	\$ 25,714.78	\$ 18,193.23	\$ 16,963.55	\$ 5,299.66	\$ 133,408.85	\$ 68,413.95	\$ 267,994.02
Ave. 50 Bridge (WWR & SR86)	COA	\$ 7,407,835.00	\$ 5,535,626.00	\$ 356,093.43	\$ 86,569.99	\$ 125,156.01	\$ 224,987.05	\$ 46,490.43	\$ 554,688.77	\$ 1,393,985.68
Avenue 44 Bridge (across WWR)	Indio	\$ 19,230,000.00	\$ 3,216,000.00	\$ -	\$ 264,329.98	\$ 127,864.02	\$ 75,690.63	\$ 40,253.53	\$ 32,670.39	\$ 540,808.55
Subtotal Bridges:		\$ 226,186,629.00	\$ 78,497,780.58	\$ 17,998,223.09	\$ 3,347,105.50	\$ 4,733,691.50	\$ 5,825,993.38	\$ 5,265,805.08	\$ 4,928,226.61	\$ 42,099,045.16
Arterial Links										
North Indian Canyon (20th to Dillon)	COR	\$ 4,788,000.00	\$ 3,591,000.00	\$ 636,489.56	\$ -	\$ 1,036,124.06	\$ 369,637.89	\$ 194,697.22	\$ 2,524,828.32	\$ 4,761,777.05
Avenue 48 - Van Buren to Dillon	COR	\$ 4,700,000.00	\$ 3,525,000.00	\$ -	\$ 245,314.68	\$ 319,933.84	\$ 30,545.79	\$ 135,207.55	\$ 84,515.52	\$ 815,517.38
Madison St. (from Ave. 52 to Indio Blvd.)	Indio	\$ 46,250,000.00	\$ 24,204,794.00	\$ 8,665,329.99	\$ 4,072,772.29	\$ 6,448,163.54	\$ 1,798,595.70	\$ 242,336.24	\$ 75,455.97	\$ 21,302,653.73
Traffic Signals Project	COA	\$ 1,950,000.00	\$ 1,725,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jefferson St/Vamer Road north of I-10	Indio	\$ 6,000,000.00	\$ 4,500,000.00	\$ 1,611,753.83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,611,753.83
Hwy. 111 in Indio	Indio	\$ 11,400,000.00	\$ 7,074,009.15	\$ 1,029,586.71	\$ 1,255,770.12	\$ 4,626,430.62	\$ 140,653.66	\$ -	\$ -	\$ 7,052,441.11
Ave. 48 between Jackson and Van Buren	COA	\$ 3,622,000.00	\$ 991,500.00	\$ 83,066.23	\$ 26,418.04	\$ 41,773.56	\$ 840,242.17	\$ -	\$ -	\$ 991,500.00
Date Palm Drive North of I-10	CC	\$ 3,116,000.00	\$ 2,337,000.00	\$ 464,133.55	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 464,133.55
Jackson Street Signal Improvements	Indio	\$ 3,000,000.00	\$ 2,655,900.00	\$ 198,081.05	\$ 2,278,420.28	\$ 8,439.40	\$ 167,959.27	\$ -	\$ -	\$ 2,652,900.00
Avenue 50 (Calhoun to Harrison)	COA	\$ 4,500,000.00	\$ 3,375,000.00	\$ -	\$ -	\$ 197,149.72	\$ 88,705.98	\$ 209,539.78	\$ 57,850.01	\$ 553,245.49
Avenue 50 (SR86 to I-10)	COA	\$ 1,820,000.00	\$ 1,365,000.00	\$ -	\$ 692,970.11	\$ 37,776.05	\$ 15,206.26	\$ 273,472.69	\$ -	\$ 1,019,425.11
2017 ATP Regional Bicycle/Pedestrian Safety Program	Various	\$ 14,627,890.00	\$ 10,235,384.00	\$ -	\$ 722,787.67	\$ 1,461,151.14	\$ 3,008,033.24	\$ 1,369,680.71	\$ 1,762,498.55	\$ 8,324,151.31
Fred Waring/Washington Street Intersection	LQ	\$ 1,860,745.00	\$ 1,395,555.00	\$ -	\$ -	\$ -	\$ 252,092.04	\$ 929,945.27	\$ 116,140.66	\$ 1,298,177.97
Avenue 50 and Jackson Street Intersection Improvement	Indio	\$ 1,594,600.00	\$ 1,195,950.00	\$ -	\$ -	\$ 8,797.73	\$ 190,868.03	\$ 85,515.55	\$ 81,595.83	\$ 366,777.14
2019 ATP Safety Program	Various	\$ 6,472,978.00	\$ 4,854,733.50	\$ -	\$ -	\$ -	\$ 1,520,510.45	\$ 731,836.76	\$ 523,696.71	\$ 2,776,043.92
Indian Canyon Two-way Conversion	PS	\$ 2,000,000.00	\$ 1,500,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000.00	\$ 1,500,000.00
Grapefruit Blvd. between Leoco Lane and 9th Street	COA	\$ 5,024,462.00	\$ 1,376,482.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Avenue 50 Widening (Jefferson St to Jackson St)	Indio	\$ 900,000.00	\$ 675,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jefferson St between Ave 38 and Sun City Blvd	Indio	\$ 300,000.00	\$ 225,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Avenue 56 (Harrison to 111) FY 27/28 (Future)	COR	\$ 10,531,470.00	\$ 7,898,603.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monterey Ave. from Dinah Shore to Gerald Ford (Future)	RM	\$ 1,877,072.00	\$ 770,034.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Portola Ave., N. of Gerald Ford Dr. FY 2021/22 (Future)	PD	\$ 2,139,739.00	\$ 534,934.83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Frank Sinatra at Hwy 111 (Future)	RM	\$ 1,794,282.00	\$ 670,712.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Arterial Links:		\$ 140,269,238.00	\$ 86,676,591.48	\$ 12,688,440.92	\$ 9,294,453.19	\$ 14,185,739.66	\$ 8,423,050.48	\$ 4,172,231.77	\$ 6,726,581.57	\$ 55,490,497.59
Total:		\$ 660,628,442.75	\$ 306,668,363.81	\$ 87,883,749.71	\$ 17,125,490.94	\$ 27,380,695.02	\$ 18,338,491.98	\$ 11,070,899.75	\$ 15,230,375.52	\$ 177,029,702.92

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



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April 21, 2023

Coachella Valley Association of Governments

Tom Kirk, Executive Director

73-710 Fred Waring Drive, #200

Palm Desert, CA 92260

Re: Annual Report TUMF 2021/2022

Dear Mr. Kirk:

Thank you for providing the Desert Valleys Builders Association the opportunity to review the Coachella Valley Association of Government's "Transportation Uniform Mitigation Fee Annual and Five-Year Report, fiscal Year 2021-2022"

Upon completion of our examination, we are content that the annual reporting obligations of the Mitigation Fee Act have been met.

Respectfully,

Gretchen Gutierrez
Chief Executive Officer

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ITEM 7D

**Coachella Valley Association of Governments
Executive Committee
June 26, 2023**



STAFF REPORT

Subject: Contract Amendment with Alta Planning & Design for CV Link

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

Recommendation: Authorize the Executive Director to execute Amendment No. 12 to the agreement with Alta Planning & Design for a total not-to-exceed amount of \$287,500

Transportation Committee: Concurred (Meeting of June 5)

Background: Construction continues on CV Link's single largest segment, which will extend the multi-modal pathway throughout multiple cities along the project route. The current focus in the cities of Indio and La Quinta has been constructing the undercrossings, including the slope protection on Fred Waring Drive and Golf Center Parkway. Work also proceeds on improving connections at Monroe Street, Jackson Street, Adams Streets and at Shields Park. Shade structures are being installed at the Washington Street trailhead and grading has commenced in the City of Coachella south of Avenue 50. CVAG staff has submitted the paperwork for a right-of-way certification through Caltrans, and upon the certification will release a construction bid for another 3.5 miles.

As construction moves forward the project team has identified several design changes necessary to account for other infrastructure projects underway along the CV Link alignment. This includes working with Coachella Valley Water District and addressing its various requirements along the stormwater channel. To account for these design changes, prepare for the bid advertisement of the next segments, and ensure on-call construction support, CVAG staff is recommending a contract amendment with Alta Planning & Design.

Alta's work with the project dates back to July 18, 2014, when the CVAG Executive Committee approved a contract with for planning, design and engineering services related to CV Link in an amount of \$6,217,000, plus a 10 percent contingency. The contract has been amended by the Executive Committee several times over the years, with the most recent amendment in April 2022, when the Executive Committee approved a not-to-exceed amount of \$551,352. The scope of the current contract includes various tasks, such as survey work, low-water crossing design work and construction support.

Alta has played an integral role in the development of CV Link, and their experience with the project cannot be replicated. The team has extensive expertise in the field of active transportation and has been a resource not only to CVAG but to member jurisdictions as the design was being finalized. Alta provided the construction support/management for the first 2.3-mile section of CV Link between Vista Chino Road in Palm Springs and Ramon Road in Cathedral City. They also were an on-location resource as the City of Palm Springs built nearly one mile of the project along Demuth Park and the Tahquitz Creek Golf Course. Alta continues

to play an integral part of CV Link as CVAG obtains the remaining right-of-way to construct the rest of the project.

Alta and its subconsultants are helping CVAG prepare for the next stages of the project. This work includes the preparation of bid documents for the next segments of construction, which extends throughout Palm Springs. Additionally, Alta is responding to CVAG's project team's requests for changes at a number of locations that will ultimately reduce construction costs, increase safety and expedite project delivery. This includes the realignments at Cook Street in Palm Desert, Sierra Vista in Coachella, and Mesquite Avenue in Palm Springs. Finally, under this amendment, Alta will continue to provide construction support work through the end of Fiscal Year 2023/24 to respond to requests for information, attend construction coordination meetings and make necessary plan revisions as required for permitting, including the ongoing work with CVWD and with Union Pacific Railroad, whose signoff is needed to address the railroad undercrossing in Indio.

Responding to these agencies requires immediate attention to keep the project moving forward. These tasks also require Alta to prepare additional exhibits and revise construction documents.

With Alta being the lead designer of CV Link, they are a critical part of the overall project design and will continue to be involved with the project while it is under construction. If there are design changes that need to be made in the field during construction, Anser Advisory Group – the CV Link construction management team that the CVAG Executive Committee hired in January 2020 – takes the lead on coordinating with the construction contractor to provide a solution. Those contractors will then work with Alta to get the final sign off on the design changes so work can continue.

The terms of the contract amendment align with the work anticipated for the next segment of construction. It should be noted that additional amendments to Alta's contract may be required as construction cost estimates are determined for the remaining segments and sub-segments of CV Link.

The recommended authorization would also allow the Executive Director and/or Legal Counsel to make minor, clarifying contract changes prior to execution.

Fiscal Analysis: Amendment No. 12 includes a not to exceed amount of \$287,500. The cost of services will be paid for from existing funding sources for CV Link.

Attachments: Amendment No. 12 to Alta's contract and scope of work

**AMENDMENT NUMBER TWELVE
to the
ALTA PLANNING + DESIGN - CVAG
DESIGN AND ENGINEERING SERVICES AGREEMENT
for the
CV LINK PROJECT**

This **AMENDMENT NUMBER TWELVE** is made and entered into this 26th day of June 2023, by and between the **Coachella Valley Association of Governments**, a California joint powers agency (**CVAG**), and **Alta Planning + Design (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 for the CV Link Project.

This Amendment Number Twelve authorizes CVAG to extend the contract term to June 30, 2024

Summary

Previously authorized Active Transportation Program federal funds as noted in Revised Executive Committee report 9-29-15	\$ 6,217,000
Amendment Number One	\$ 239,000
Amendment Number Two	\$ 204,238
Amendment Number Three	\$ 106,302
Amendment Number Four (Contract Extension Only)	\$ 0
Amendment Number Five	\$ 1,260,287
Amendment Number Six	\$ 1,359,550
Amendment Number Seven (Contract Extension Only)	\$ 0
Amendment Number Eight	\$ 438,438
Amendment Number Nine	\$ 578,211
Amendment Number Ten	\$ 551,352
Amendment Number Eleven (Contract Extension Only)	\$ 0
Amendment Number Twelve	\$ 287,500
Current Cost for CV Link Project	\$11,241,878

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

**COACHELLA VALLEY ASSOCIATION
OF GOVERNMENTS**

ALTA PLANNING + DESIGN

By: _____
Tom Kirk, CVAG Executive Director

By: _____
Mike Rose, Vice President

Date: June 5, 2023

Date: June 5, 2023

Exhibit A.

Statement of Work

Introduction and Understanding

This scope of work has been prepared at the request of Coachella Valley Association of Governments (CVAG) to provide services for continued Construction Assistance of CVLink Segment 1, and other design, engineering and coordination tasks as directed by CVAG to support this and future CVLink segments. Many of these tasks require consultation and approvals by various agencies and the specific needs change as the work progresses. These fees will be billed on a time and materials basis up to completion of the task.

Alta offers the following scope of work:

1. Complete the Design for the Connection to Hovley Lane via Cook St.

Continued development of this segment in conjunction with CVWD at the direction of CVAG.

Estimated Fee: \$20,000

2. Complete HWY 111 Permitting

Finalize and secure the permit for construction along HWY 111 in Palm Springs.

Estimated Fee: \$10,000

3. Construction Administration

PMT meetings, RFI responses, plan adjustments and other tasks as directed by CVAG. This is estimated at 10K per month for one year, June 2023 to June 2024. This is inclusive of tasks that arise that require Alta and/or our subcontractors on this project. 10K per month is based on the historical average billings for the last year that include small unforeseen tasks as requested by CVAG

Estimated Fee: \$120,000

4. Sierra Vista Park Re-Design

New development plans in Coachella near Avenue 50 require the redesign of the access point and parts of CVLink around this area. Requires coordination with the City of Coachella and the designer of the Ave 50 bridge.

Estimated Fee: \$30,000

5. Next Segments Plan Prep

In anticipation of releasing future segments 3 & 4 for bid, Alta, as directed by CVAG, will provide adjustments/changes required since the design was completed. It has been a few years since the CVLink drawing package was completed and location specific situations may have changed and require revisions.

Estimated Fee: \$40,000

6. Continued UPRR work for the undercrossing in Indio

Continued work with CVAG, CVWD and UPRR to design and get approval for the railroad undercrossing in Indio.

Estimated Fee: \$30,000

7. Contingency of 15%

This contingency is for any unforeseen tasks or new proposed tasks as directed by CVAG. This 15% will be allocated at the discretion of CVAG.

Contingency: \$37,500

DRAFT

Exhibit B.

Price Formula

	Task	Estimated Fee
1	Hovley via Cook St.	\$20,000
2	Hwy 111 Permitting	\$10,000
3	Construction Admin	\$120,000
4	Sierra Vista Park	\$30,000
5	Next Segments Prep	\$40,000
6	UPRR work	\$30,000
	Subtotal	\$250,000
7	15% Contingency	\$37,500
	Total	\$287,500

Exhibit C.

Schedule

Project Manager shall commence performance of Services and proceed toward completion of deliverables upon notice to proceed.

Task

1. Hovley Via Cook St.
2. Hwy 111 Permitting
3. Construction Admin
4. Sierra Vista park
5. Next Segments Prep
6. UPRR Work
7. Contingency of 15%

Expected Completion Dates

Upon approval by CVWD
Upon approval by CalTrans (Summer 2023)
Ongoing through duration of construction
August 2023
As Directed by CVAG
Upon Approval by UPRR
As Directed by CVAG

ITEM 7E

Coachella Valley Association of Governments Executive Committee June 26, 2023



STAFF REPORT

Subject: Broadband installation in the City of Indio

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

Recommendation: Authorize the Executive Director to take the necessary steps to execute a contract change order with Crosstown Electric and Data, Inc. that provides for the co-location of City of Indio Broadband fiber with construction of CV Sync Phase II, including executing a reimbursement agreement with the City of Indio to cover all costs associated with the co-location; and to execute similar agreements with other jurisdictions should the opportunity arise

Background: The development of high-speed broadband internet access in the Coachella Valley continues to be a priority for member jurisdictions. In April, the CVAG Executive Committee authorized the Executive Director to take the necessary actions to accept \$978,460 to conduct a Coachella Valley Broadband Strategic Plan, including executing the necessary grant agreement with the California Public Utilities Commission's (CPUC) Local Agency Technical Assistance grant program. At the same time, several individual jurisdictions have been pursuing their own grants to fund the deployments of last-mile broadband within their right-of way.

The City of Indio recently applied for and secured a CPUC grant to plan and design broadband to unserved and underserved areas. As the City detailed in its grant application, *"the overall purpose of the project is to encourage the development of reliable and cost-effective broadband services, which will have a positive economic and social impact on local economies, enhancing a community's quality of life through expanded innovation opportunities, workforce development training, educational opportunities, the narrowing of the digital divide, and improved organizational operation efficiencies."* The City's Broadband Master Plan was approved in August 2022.

City staff recently approached CVAG staff about how to best coordinate its broadband plans with CV Sync and Phase II of the regional signal synchronization project. The City is also interested in co-locating the City's broadband fiber with CVAG's CV Sync fiber. Phase II of CV Sync is already underway, and CVAG's contractor, Crosstown Electric & Data, Inc. plans to be mobilized in the City of Indio this fall.

To ensure Indio's project does impact the CV Sync Phase II schedule, agreements must be reached in the coming months. Three meetings have taken place since Friday, June 9th between CVAG, the City and the design consultants from both sides. The urgency of the opportunity necessitated bringing this item to the June Executive Committee meeting without having been presented to the Transportation Committee, which met on June 5. Awaiting

September committee meetings may have resulted in additional costs and/or delays to both CVAG and the City.

Staff would note that there are a several details that must be answered before this co-location can take place. CVAG must perform a capacity analysis to ensure that there is room in the conduit to be used for CV Sync. Crosstown must develop a cost for the proposed work and the City must agree to it. The City plans to use local funds to pay for the construction of the broadband fiber. If feasible, the design solution for the co-location of fiber with the City of Indio could serve as a template for other member jurisdictions interested in placing their own last-mile broadband fiber.

CVAG staff is optimistic these details can be finalized before Crosstown mobilizes in the City of Indio this fall. However, since the Executive Committee is not scheduled to meet over the summer, CVAG staff is recommending that the Executive Director be authorized to execute a contract change order with Crosstown for the construction. This would include a corresponding Reimbursement Agreement with the City of Indio to cover all costs associated with the change order and any other ancillary costs tied to the collaboration. The recommendation includes the authorization for the Executive Director to execute similar agreements with other jurisdictions should the opportunities arise.

Fiscal Analysis: There is no additional cost to CVAG as any costs associated with the co-location would be covered by the City of Indio. CVAG has an existing construction contract with Crosstown for Phase II of CV Sync. A contract change order will be prepared to cover all of the construction-related expenses necessary to co-locate the City of Indio's Broadband fiber with CV Sync's fiber. These costs would be covered through the reimbursement agreement.

ITEM 7F

Coachella Valley Association of Governments Executive Committee June 26, 2023



STAFF REPORT

Subject: Janitorial Services for CVAG Office Spaces

Contact: Allen McMillen, Contracts Analyst (amcmillen@cvag.org)

Recommendation: Authorize the Executive Director to negotiate and execute a services agreement with Reillyworld to provide janitorial and maintenance services at CVAG office locations for an amount not to exceed \$110,000 from July 15, 2023 through December 2024, with an option for two, one-year extensions at a 3 percent cost of living increase

Background: Based on direction from the Executive Committee, the CVAG Executive Director is in the process of securing several office spaces in the City of Palm Desert. This includes CVAG's main office, which is located at the One Paseo Building at 74-111 El Paseo, Suite 100. Additional lease agreements are being finalized for the CV Sync Regional Traffic Management Center and for the CV Housing First program.

In February 2023, as CVAG staff was moving into the One Paseo office location, staff solicited quotes for janitorial services. Reillyworld, which provides both cleaning services and general handyman services for other tenants at the One Paseo Building, was identified as the preferred vendor due to the low cost and the firm's experience in the building. Under his signing authority, the Executive Director signed a six-month contract with Reillyworld to provide daily janitorial services for all CVAG offices. It expires on August 31, 2023.

Staff is now recommending an agreement be approved that will secure Reillyworld for daily cleaning needs for all three offices. This includes routine, on-call maintenance issues, such as lighting and small repairs. It also would include window and carpet cleanings. In order to sync it with the timing of lease agreements, CVAG staff is recommending a term that starts July 15, 2023 and runs through December 31, 2024. The proposed agreement would allow the Executive Director to execute two, one-year time extensions at a monthly rate increase of 3 percent.

Fiscal Analysis: The recommended contract with Reillyworld is for a not-to-exceed amount \$110,000 from July 15, 2023 through December 31, 2024. This includes the monthly amount of \$5,407 as well as fees for occasional window and carpet cleaning services and as-needed maintenance. The contract would run through December 2024, with an option for two, one-year extensions that each incorporate a 3 percent cost of living increase. The costs of this service would be shared among departments and it has been incorporated into CVAG's Fiscal Year 2023/24 Budget.

ITEM 8A

Coachella Valley Association of Governments Executive Committee June 26, 2023



STAFF REPORT

Subject: CVAG Officer Rotation for FY 2023/2024

Contact: Tom Kirk, Executive Director (tkirk@cvag.org)

Recommendation: Nominate the representative from the City of Desert Hot Springs to serve as FY 2023/2024 Chair and the representative from the City of Rancho Mirage to serve as FY 2023/2024 Vice Chair

Administrative/ Personnel Committee: Concurred (Meeting of April 24)

Background: The CVAG Executive Committee annually provides a nomination for the CVAG officers to the General Assembly, which meets each June. In 2019, the CVAG Executive Committee discussed the need for a more formal process of choosing the incoming officers. This led to an update to the CVAG By-Laws, which established a rotation that would elect a member jurisdiction's representative rather than a specific individual. The By-Laws also state that *"Based on a recommendation of the Administrative/Personnel Committee, the Executive Committee may in making its nominations deviate from the strict rotation set forth above if determined to be in CVAG's best interests."*

CVAG's officers are now based on jurisdiction and not individual elected officials. The rotation was last updated at the 2021 General Assembly meeting to reflect additional tribal members. The approved rotation is as follows: *Agua Caliente Band of Cahuilla Indians, Indio, Cabazon Band of Mission Indians, Torres Martinez Desert Cahuilla Indians, Twenty-Nine Palms Band of Mission Indians, Palm Springs, Coachella, Desert Hot Springs, Rancho Mirage, Riverside County's Fourth Supervisorial District, Blythe, La Quinta, Palm Desert, Cathedral City, Indian Wells, Riverside County's Fifth Supervisorial District.*

CVAG's current officers are the representative from the City of Coachella serving as CVAG Chair and the representative from the City of Desert Hot Springs serving as Vice Chair.

The By-laws include a stipulation that requires 75 percent attendance or more of the Executive Committee meetings "in the previous year." The representative from the City of Desert Hot Springs has missed only one meeting this fiscal year, or an 80 percent attendance record. The City of Rancho Mirage has had perfect attendance. Therefore, staff is recommending the Executive Committee confirm the representative from the City of Desert Hot Springs will serve as FY 2023/2024 Chair and the representative from the City of Rancho Mirage will serve as the FY 2023/2024 Vice Chair.

CVAG staff presented this item to the Administrative/Personnel Committee when it met on April 24, and the members concurred with the rotation. With the Executive Committee's approval, this item will be presented to the General Assembly when it meets on June 26, 2023.

Fiscal Analysis: There is no additional fiscal impact as CVAG officers receive the same per diem as other members.

ITEM 8B

**Coachella Valley Association of Governments
Executive Committee
June 26, 2023**



STAFF REPORT

Subject: CVAG Fiscal Year 2023/24 Budget

Contact: Claude T. Kilgore, Director of Finance/Administration (ckilgore@cvag.org)

Recommendation: Approve Resolution No. 2023-002 adopting CVAG's 2023/24 Fiscal Year Annual Budget, Salary Schedule, and Allocated Positions

Finance Committee: Approved moving the proposed FY 2023/2024 budget forward to the Executive Committee for review and consideration. (Meeting of May 25)

Background: The CVAG Finance Committee met on May 25 to review CVAG's preliminary budget for the Fiscal Year 2023/24. Following this, staff incorporated relevant updates and presented an in-depth review of the budget to the Executive Committee on June 5, 2023. Staff did not receive any additional comments or updates since the meeting.

The budget is now being presented to the Executive Committee for recommendation of adoption. Upon the Executive Committee's recommendation, the budget will be presented for adoption at the General Assembly meeting on June 26, 2023.

The CVAG Fiscal Year 2023/24 Budget can be found online:
[CVAG FY 2023 2024 Budget](#)

Fiscal Analysis: The fiscal analysis is included within the budget itself.

Attachment: CVAG Resolution No. 2023-002

RESOLUTION NO. 2023-002

**A RESOLUTION OF THE
GENERAL ASSEMBLY OF THE
COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS
ADOPTING THE FISCAL YEAR 2023/24
ANNUAL BUDGET, SALARY SCHEDULE, AND
ALLOCATED POSITIONS**

THE GENERAL ASSEMBLY OF THE COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

WHEREAS, the Coachella Valley Association of Governments was established under Joint Powers Agreement established on or about November 1973 under and pursuant to Government Code Section 6500 et seq. and other pertinent provisions of law; and

WHEREAS, under Section 4.1 of the Joint Powers Agreement as amended, the General Assembly shall adopt an annual budget for the ensuing fiscal year; and

WHEREAS, this budget pertains to Fiscal Year July 1, 2023, through June 30, 2024; and

WHEREAS, the Administrative/Personnel Committee and the Executive Committee have recommended an 7.3 percent cost of living increase effective July 1, 2023 on the existing base membership dues for the current fiscal year; and

WHEREAS, the Administrative/Personnel Committee and the Executive Committee have recommended a 4 percent cost of living increase to the Fiscal Year 2022/23 salary schedule effective July 1, 2023, inclusive of positions created during the 2022/23 fiscal year; and

WHEREAS, CVAG's Executive Committee and General Assembly has previously delegated to its Administrative/ Personnel Committee the various tasks such as implementing the Classification and Total Compensation Study and conducting an annual evaluation of the Executive Director; and

WHEREAS, the Fiscal Year 2023/24 Budget was presented to the General Assembly at a duly noticed public meeting for its consideration and adoption.

NOW THEREFORE BE IT RESOLVED as follows:

1. The General Assembly adopts the Fiscal Year 2023/24 Annual Budget.
2. The General Assembly adopts the CVAG Salary Schedule and allocation of positions as presented in the 2023/2024 Fiscal Year budget plus a 4% cost of living adjustment.
3. The General Assembly acknowledges that the Administrative/Personnel Committee is empowered to and may modify the personnel classification system and the salary schedule, and is hereby granted authority to make

changes to employment agreements including that with program managers, directors and the Executive Director, so long as these changes remain within the limits of the personnel expenses as set forth on the Overall Agency Summary in the Fiscal Overview on page 21 under budget line "Total Personnel" of the Fiscal Year 2023/24 Annual Budget.

PASSED AND ADOPTED, by the General Assembly of the Coachella Valley Association of Governments, County of Riverside, State of California on June 26, 2023.

By: _____
Steven Hernandez
CVAG Chair

Witnessed By: _____
Tom Kirk
Executive Director

ITEM 8C

**Coachella Valley Association of Governments
Executive Committee
June 26, 2023**



STAFF REPORT

Subject: Reimbursement Agreement for Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive)

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

Recommendation: Approve the Reimbursement Agreement with the County of Riverside as the Lead Agency for the Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive), providing a not-to-exceed amount of \$4,950,000 in regional funding for eligible design and construction costs

Transportation Committee: Concurred (Meeting of June 5)

Background: The County of Riverside, in collaboration with the City of Coachella, requests regional transportation funding to cover the design and construction of a replacement bridge along Airport Boulevard from Orange Street to Desert Cactus Drive.

The project will replace the existing functionally obsolete and seismically vulnerable bridge that currently extends over the Coachella Valley Stormwater Channel (also known as the Whitewater River) with a wider two-lane bridge. The project will reconstruct the connecting approach roadways to meet Caltrans highway standards and seismic design codes. The new bridge will be widened to 71 feet, that includes 6-foot-wide sidewalks on both sides, 8-foot-wide shoulders, 14-foot-wide eastbound and westbound lanes, and a 12-foot-wide striped median/turn lane. The project will also raise the bridge profile by approximately 2-3 feet to maintain a minimum freeboard from the flood water in the river.

The County studied various alternative options from rehabilitation to replacement of the bridge. Based on the studies and findings, it was concluded and recommended that the bridge replacement option with 71-foot ultimate width bridge will provide better value to the taxpayers over the 75-year life of the bridge. The project will also enhance safety and provide improved emergency response and general access to the community.

This project represents a partial segment of a project described in CVAG's 2015 Transportation Project Prioritization Study (TPPS), which identified Avenue 56/Airport Boulevard from Polk Street to State Route 86, including a bridge over the stormwater channel, as being ranked 87 on the TPPS list. While this project is not in the top 10 percent, CVAG staff is recommending moving it forward based on the availability of external funding for the project. The County of Riverside has secured Highway Bridge Program (HBP) federal funds in the amount of \$18,007,470, which is 88.53% of the HBP participating project cost. The remaining 11.47% cost is \$2.3 million. The total HBP non-participating cost is \$4.3 million. The total remaining amount not covered by the federal funds is approximately \$6.6 million.

CVAG staff is also recommending that the agreement include language to account for the future development of CV Link. The agreement states that design and construction of the required CV Link undercrossing shall be included in the scope of work for the bridge, and that CVAG shall fund this added scope of work.

Fiscal Analysis: The County of Riverside is requesting that CVAG enter into a Reimbursement Agreement to fund the Airport Boulevard Bridge replacement from Orange Street to Desert Cactus Drive. The County of Riverside is receiving federal funds in the amount of \$18,007,470 for the design and construction of this project.

In its letter, the County of Riverside requested that CVAG fund \$6.6 million, which accounts for 100% of the remaining project costs. However, according to the CVAG's usual policy of funding Measure A eligible projects CVAG will be responsible for 75% of eligible project costs.

Without outside funding, CVAG's 75% share of the estimated project cost would have been approximately \$18.5 million. However, since the project is receiving federal funds in the amount of \$18,007,470, CVAG's 75% regional share has been reduced to \$4.95 million. In accordance with the reimbursement agreement, CVAG's regional share will be paid as a reimbursement to the County as invoices are submitted and approved.

The County of Riverside shall be responsible for the remaining 25% local share of project costs. There are sufficient regional transportation funds to cover the County's request for this project.

Attachments:

1. County of Riverside request letter
2. Reimbursement Agreement



Mark Lancaster
Director of Transportation

COUNTY OF RIVERSIDE

TRANSPORTATION AND LAND MANAGEMENT AGENCY

Mojahed Salama, P.E.
*Deputy for Transportation/Capital
Projects*

Russell Williams
*Deputy for Transportation/Planning and
Development*

Transportation Department

March 21, 2023

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

**Re: Project Funding Request for the Airport Boulevard Bridge over
Whitewater River in the community of Thermal, Riverside**

Dear Mr. Hoy,

The County of Riverside Transportation Department (County) in collaboration with the City of Coachella (City) initiated a project to replace the existing Airport Blvd. bridge over Whitewater River (Project). The Project is currently in environmental phase and expected to go to construction in Fall of 2024. The County worked with Caltrans to have this bridge project programmed to receive Highway Bridge Program (HBP) federal funds. The federal participation in HBP program is such that the HBP program pays 88.53% of the total project costs leaving 11.47% for the local agency to match. The Airport Blvd. bridge is on HBP's eligible list of projects to be replaced. The project also identified on CVAG's Transportation Project Prioritization Study (TPPS) priority list of 2015. Therefore, the County is requesting CVAG to assist in project funding by participating, more specifically, the local match and non-eligible costs in federal programs (funding layout/estimate is attached, Exhibit "A"). The Project when completed will provide benefit to both City of Coachella and the unincorporated community of Thermal by enhancing public safety, improving traffic flow and east west connectivity in the community.

Project Overview and Proposed Bridge:

The purpose of the Project is to replace the existing functionally obsolete and seismically vulnerable Airport Boulevard bridge over Whitewater River with a wider, two lane bridge. This Project will reconstruct the connecting approach roadways to meet current Caltrans highway standards and seismic design codes. The new bridge would be widened to approximately 71 feet, that includes 6-foot-wide sidewalks on both sides of the bridge, 8-foot-wide shoulders, 14-foot wide eastbound and westbound lanes, and a 12-foot-wide striped median/turn lane. The Project will also raise the bridge profile by approximately 2-3 feet to maintain a minimum freeboard from the flood water in the river.

Project Needs and Benefits:

Safety will be enhanced by providing improved emergency response and general access within the community as well as providing shoulders for vehicles to pull over in an emergency. Also, being one of the few crossings over the Whitewater River, the need for a sidewalk that meets ADA standards on the bridge has been echoed by the community for years. The proposed sidewalks are consistent with the ongoing and completed roadway improvement projects on both sides of the Project.

Connectivity and circulation will improve and promote alternative modes of transportation as the new sidewalks on both sides of the Project will accommodate future connectivity to the Coachella

Valley Link Trail which will serve as an alternative transportation corridor for bicycles, pedestrians, and low-speed electric vehicles. Minor retaining walls and enhancements will be included to maintain access and connectivity to the existing mobile home community on the south side of the Airport Boulevard.

Project Programming Request:

Since the inception of the Project, the County studied various alternate options from rehabilitation to replacement of the bridge. Based on the studies and findings, it was concluded and recommended that the bridge replacement option with a 71 feet ultimate width bridge (as described above) will provide better value to the taxpayers over the 75-year life of this bridge facility.

Due to overwhelming demand of HBP funds and having limited funds available, the HBP committee proposed to construct the bridge to match the in-kind bridge width (two lanes) with the current roadway standards, which is a total width of 52 feet. However, the HBP committee has stated the County may pursue a wider bridge, provided that the County will cover the additional costs for the width beyond the eligible HBP participation, i.e., the bridge width of 52 feet. The bridge width proposed by the County not only meets current traffic needs but also satisfies future traffic demands, and the bridge can easily re-striped to accommodate four lanes should that become necessary (two lanes in each direction).

Project Schedule:

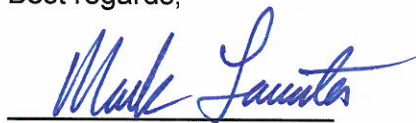
Key project milestones with a tentative timeline are listed as follows:

- Environmental Clearance (PA&ED): May 2023
- Design Phase Completion (PS&E): Spring 2024
- Start Construction: Fall 2024
- Construction Completion: Summer 2026

Conclusion:

The County and City appreciate your consideration to fund 100% of the total non-participating costs (\$4.3 million) to construct a wider bridge beyond HBP participation and 11.47% of the local match (\$2.3 million) required for the HBP program. Therefore, the total request for CVAG participation is approximately \$6.6 million. Should you have any questions or concerns regarding this request, please feel free to contact the County's Project Manager Umer Ahmed, by phone at (951) 955-1637 or by email at uahmed@rivco.org.

Best regards,



Mark Lancaster
Director of Transportation

Attachments:

Exhibit "A", Funding Estimate/Layout
Exhibit "B", Project Location Map

CC: Khalid Nasim, P.E. (County Of Riverside)
Alvin Medina, (County Of Riverside)
Andrew Martin, (County Of Riverside)
Umer Ahmed, P.E. Project Manager, (County).
Andrew Simmons, P.E. City Engineer, City of Coachella Valley

Exhibit "A"

Replacement of Airport Blvd Bridge Over Whitewater River (Br. No. 56C-0020)

Riverside County

COST ESTIMATE (Participating and Non Participating)

Project Funding Estimate								
Item	Unit	HBP Participating Quantity	Nonparticipating Quantity	Unit Cost	HBP Participating Cost			Nonparticipating Cost (Local Money)
					Participating Cost	HBP Funds (88.53%)	Local Match (11.47%)	
Roadway	SQFT	50,427	2,935	\$22	\$1,109,394	\$982,147	\$127,247	\$64,570
Roadway (Slurry)	SQFT	-	13,110	\$6	-	-	-	\$72,105
Bridge	SQFT	20,688	5,906	\$418	\$8,647,584	\$7,655,706	\$991,878	\$2,468,708
Bridge Removal	SQFT	12,414	-	\$22	\$273,108	\$241,783	\$31,325	-
Channel Reconstruct	LS	1	-	\$165,000	\$165,000	\$146,075	\$18,926	-
Retaining Wall	LS	1	-	\$165,000	\$165,000	\$146,075	\$18,926	-
Subtotal					\$10,360,086	\$9,171,784	\$1,188,302	\$2,605,383
Mobilization (10%)					\$1,151,121	\$1,019,087	\$132,034	\$289,487
Subtotal Construction Cost					\$11,511,207	\$10,190,871	\$1,320,335	\$2,894,870
Contingency (25%)					\$2,877,802	\$2,547,718	\$330,084	\$723,718
Total Construction					\$14,389,008	\$12,738,589	\$1,650,419	\$3,618,588
Construction Management (15%)					\$2,158,351	\$1,910,788	\$247,563	\$542,788
Construction Support (3%)					\$431,670	\$382,158	\$49,513	\$108,558
Utility Relocation					\$200,000	\$177,060	\$22,940	-
Right of Way					\$600,000	\$531,000	\$69,000	-
Dokken Design Funds (PA&ED)					\$748,774	\$662,890	\$85,884	-
Dokken Design Funds (PS&E)					\$1,212,928	\$1,073,805	\$139,123	-
County Oversight Costs					\$600,000	\$531,180	\$68,820	-
Total					\$20,340,731	\$18,007,470	\$2,333,262	\$4,269,933
Total Project Cost (Participating + Nonparticipating)					\$20,340,731	\$4,269,933	=	\$24,610,665
Nonparticipating Cost (approximatley)					\$4,300,000			
Local Match (approximately)					\$2,300,000			
Total Project Cost (Local Share)					\$4,300,000	+ \$2,300,000	=	\$6,600,000
CVAG's Share =						\$6,600,000		

Note: The above costs are based on preliminary design and are subject to change pending final design.

Exhibit “B”

Airport Blvd. Bridge Replacement at Whitewater River
Bridge Replacement Project (Bridge No. 56C-0020),
Federal Project Number: BRLS-5956(231)



Vicinity Map: Airport Blvd Bridge Over Whitewater River

Project: Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive)

**AGENCY REIMBURSEMENT AGREEMENT
BY AND BETWEEN CVAG AND THE COUNTY OF RIVERSIDE**

**DESIGN AND CONSTRUCTION COSTS FOR
AIRPORT BOULEVARD BRIDGE REPLACEMENT PROJECT (ORANGE STREET
TO DESERT CACTUS DRIVE)**

THIS AGREEMENT is made and entered into this **26th day of June 2023**, by and between the **County of Riverside ("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 design and construction phases for the **Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive)**, providing a not-to-exceed amount of **\$4,950,000** in regional funding for eligible design and construction costs.

Project: Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive)

CVAG's share of the Project cost is not-to-exceed \$4,950,000, 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 June 26, 2023, and is therefore eligible.
2. The Project is generally described as and consists of the following: **design and construction costs for Airport Boulevard bridge replacement project (Orange Street to Desert Cactus Drive)**. These services will hereinafter be referred to as the "Project".
3. This project will intersect the Coachella Valley-wide project known as the CV Link. As such, design and construction of the required CV Link under-crossing shall be included in the scope of work for this project. CVAG shall contribute additional regional funding to account for this added scope of work.
4. 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 *Construction Phase* of the Project must begin by June 26, 2025.

5. It is the agreement between CVAG and Agency that of the total estimated cost of the project after accounting for federal highway bridge program funds will be approximately \$6,600,000, CVAG's Regional Share will equal \$4,950,000, and the Local share shall be \$1,650,000, 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.

6. 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.
7. 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.
8. 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.
9. 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.
10. 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.

11. 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.
12. 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.
13. 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.
14. 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.

15. 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.
16. 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 venture 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.
17. 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.
18. 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.
19. Any agency receiving federal funds must have an approved Disadvantaged

Project: Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive)

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.

20. 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.
21. This Agreement may not be assigned without the express written consent of CVAG first being obtained.
22. Agency, its successors in interest and assigns shall be bound by all the provisions contained in this Agreement.
23. 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.
24. 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.
25. 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.
26. 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.

Project: Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive)

27. 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 **County of Riverside:**

Mark Lancaster
Director of Transportation
County of Riverside
3525 14th Street
Riverside, CA 92501
Telephone: (951) 955-6800

If to **CVAG:**

CVAG
74-199 El Paseo Suite 100,
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.

28. 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.
29. 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.
30. In the event either party hereto brings an action or proceeding for a declaration of

Project: Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive)

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.

31. Time is of the essence in this Agreement, and each and every provision hereof in which time is an element.
32. 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.
33. 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.
34. 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:

COUNTY OF RIVERSIDE

By: _____
Mark Lancaster, Dir. Transportation

By: _____

ATTEST:

CVAG

By: _____
Tom Kirk, Executive Director

By: _____
Steven Hernandez, Chair

Project: Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive)

EXHIBIT "A"

SCOPE OF SERVICES

AGENCY REIMBURSEMENT AGREEMENT BY AND BETWEEN CVAG AND THE COUNTY OF RIVERSIDE

DESIGN AND CONSTRUCTION COSTS FOR AIRPORT BOULEVARD BRIDGE REPLACEMENT PROJECT (ORANGE STREET TO DESERT CACTUS DRIVE)

The Scope of Services for this Project includes design and construction costs for Airport Boulevard bridge replacement project (Orange Street to Desert Cactus Drive).

The proposed scope of work for this Project includes the replacement of the existing functionally obsolete and seismically vulnerable Airport Boulevard bridge, over the Whitewater River, with a wider two-lane bridge. The project will reconstruct the connecting approach roadways to meet Caltrans highway standards and seismic design codes. The new bridge will be widened to 71 feet, that includes 6-foot-wide sidewalks on both sides, 8-foot-wide shoulders, 14-foot-wide eastbound and westbound lanes, and a 12-foot-wide striped median/turn lane. The project will also raise the bridge profile by approximately 2-3 feet to maintain a minimum freeboard from the flood water in the river.

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.

Project: Airport Boulevard Bridge Replacement Project (Orange Street to Desert Cactus Drive)

EXHIBIT "B"

**AGENCY REIMBURSEMENT AGREEMENT
BY AND BETWEEN CVAG AND THE COUNTY OF RIVERSIDE**

**DESIGN AND CONSTRUCTION COSTS FOR
AIRPORT BOULEVARD BRIDGE REPLACEMENT PROJECT (ORANGE STREET
TO DESERT CACTUS DRIVE)**

The total estimated cost of the project after accounting for federal highway bridge program funds will be approximately \$6,600,000.

In accordance with CVAG policy, CVAG agrees to pay 75% of the qualified costs, in this case the estimated as not-to-exceed \$4,950,000. The Local Share shall be \$1,650,000 as 25% of the project cost, as well as equal one hundred percent (100%) of all costs not eligible for reimbursement by CVAG.

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

ITEM 8D

**Coachella Valley Association of Governments
Executive Committee
June 26, 2023**



STAFF REPORT

Subject: Reimbursement Agreement Amendment for the Improvement of Date Palm Drive between Interstate 10 and Varner Road

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

Recommendation: Approve Amendment No. 1 to the Reimbursement Agreement with the City of Cathedral City for the improvement of Date Palm Drive between Interstate 10 and Varner Road, adding an additional \$516,000 for a total, not-to-exceed cost of \$2,853,000 in regional funds for design and construction

Transportation Committee: Concurred (Meeting of June 5)

Background: In October 2013, the CVAG Executive Committee approved a Reimbursement Agreement with the City of Cathedral City to design and construct Date Palm Drive between Interstate 10 and Varner Road in three phases. At the time this agreement was authorized, the project ranked number two in the 2010 Transportation Project Prioritization Study (TPPS).

In 2015, the City completed an initial design of two lanes of roadway and constructed those two lanes as the initial phase of the project. However, the cost of utility relocations, the improvements at Long Canyon Wash, and overall general construction cost escalation prevented the City from moving to complete the next phases of the project, which includes an additional four lanes as well as active transportation improvements.

The City has now secured outside construction funding for the improvements at Long Canyon Wash, as Riverside County Flood Control District (RCFCD) has committed funding for the stormwater crossing improvements (less roadway improvements) at the Long Canyon Wash crossing on Date Palm in the amount of \$1,966,500. This funding will significantly reduce the project's overall construction cost.

The City is now requesting an amendment with CVAG to finalize design and move forward with the project's construction. The City has provided CVAG with an engineering estimate for updating the design to include the improvements at Long Canyon Wash; adding four (4) more travel lanes, curb and gutter, sidewalks and bicycle lanes; and improving the intersection of Date Palm Drive and Varner Road. CVAG staff is recommending approval of Amendment No. 1 with the City of Cathedral City to finalize the design and construct the project. The additional cost of \$688,000 will be split in accordance with CVAG policy, with the City responsible for 25% and CVAG responsible for 75% of eligible cost.

Fiscal Analysis: The reimbursement agreement between CVAG and the City has a total remaining balance of \$2,497,155.27. Amendment No. 1 would have CVAG provide an additional \$516,000 in regional funding, bringing CVAG's not-to-exceed share of the project costs to \$2,853,000. There are sufficient regional transportation funds available for this amendment.

Once design is complete and the project moves to construction, the \$1,966,500 in funding from RCFCD will be applied to the Long Canyon Wash drainage improvement line item only.

Attachments:

City of Cathedral City's request letter

Project Map

Amendment No. 1 to Reimbursement Agreement



May 23, 2023

Jonathan Hoy, P.E.
Director of Transportation
Coachella Valley Association of Governments
74-199 El Paseo, Suite 100
Palm Desert, CA 92260

**Re: Amendment to the Agency Reimbursement Agreement for the Improvement of
Date Palm Drive between Interstate 10 and Varner Road**

Dear Mr. Hoy;

The City of Cathedral City (City) is moving forward with the completion of Phases I, II and III of the current Improvement of Date Palm Drive between Interstate 10 and Varner Road (Project). This Cooperative Agreement (Agreement) with the Coachella Valley Association of Governments (CVAG) was initially approved in 2013.

In 2015 the City completed an initial design of two (2) lanes of roadway and constructed said two (2) lane roadway as an initial phase of the Project. The cost of utility relocations, the Long Canyon Wash, and overall general construction cost escalation prevented the City from moving to complete the next phases of the Project adding additional lanes.

The need to accommodate the increasing roadway service levels on this corridor, and the cost impediments to completing the subsequent phases of the Project have been diminished with a construction phase funding partner, Riverside County Flood Control District (RCFCD). RCFCD has included funding for stormwater crossing improvements (less roadway improvements) for the Long Canyon Wash crossing at Date Palm in the amount of \$1,966,500. This contribution will provide a great impact to the construction budget for this Project at a significantly costly location along the Project route.

In discussions with CVAG Staff, the City cited that with the additional RCFCD construction funding the next phases of the Project need to be completed. Thus, the City requested that MSA Consulting Inc., as an addendum to the existing design contract, submit a proposal for the next phase design of the Date Palm Drive between the Interstate 10 Interchange and Varner Road. The proposal includes four (4) more travel lanes, curb and gutter, sidewalks and bicycle lanes, a crossing design for the Long Canyon Wash and the intersection of Date Palm Drive and Varner Road. The cost of this proposal is \$688,000 and is enclosed with this letter.

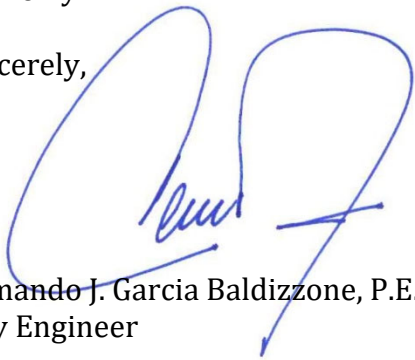
The reimbursement agreement between CVAG and the City has a remaining balance of \$2,497,155.27 as shown below.

Phase	Amount	Expended	Balance by Phase
Preliminary Eng. (phase I)	\$ 246,000.00	\$ 204,163.59	\$ 41,836.41
Construction Eng. (Phase II)	\$ 1,200,000.00	\$ 6,419.24	\$ 1,193,580.76
Construction (Phase III)	\$ 1,670,000.00	\$ 408,261.90	\$ 1,261,738.10
Totals:	\$ 3,116,000.00	\$ 618,844.73	\$ 2,497,155.27

The City is requesting that CVAG amend the Reimbursement Agreement to include the cost submitted by MSA for the completion of the phased design of Date Palm Drive between the Interstate 10 Interchange and Varner Road (\$688,000 plus 10% contingency = total \$756,800) to the ultimate right of way condition utilizing the funds available in the Project budget (\$2,497,155.27).

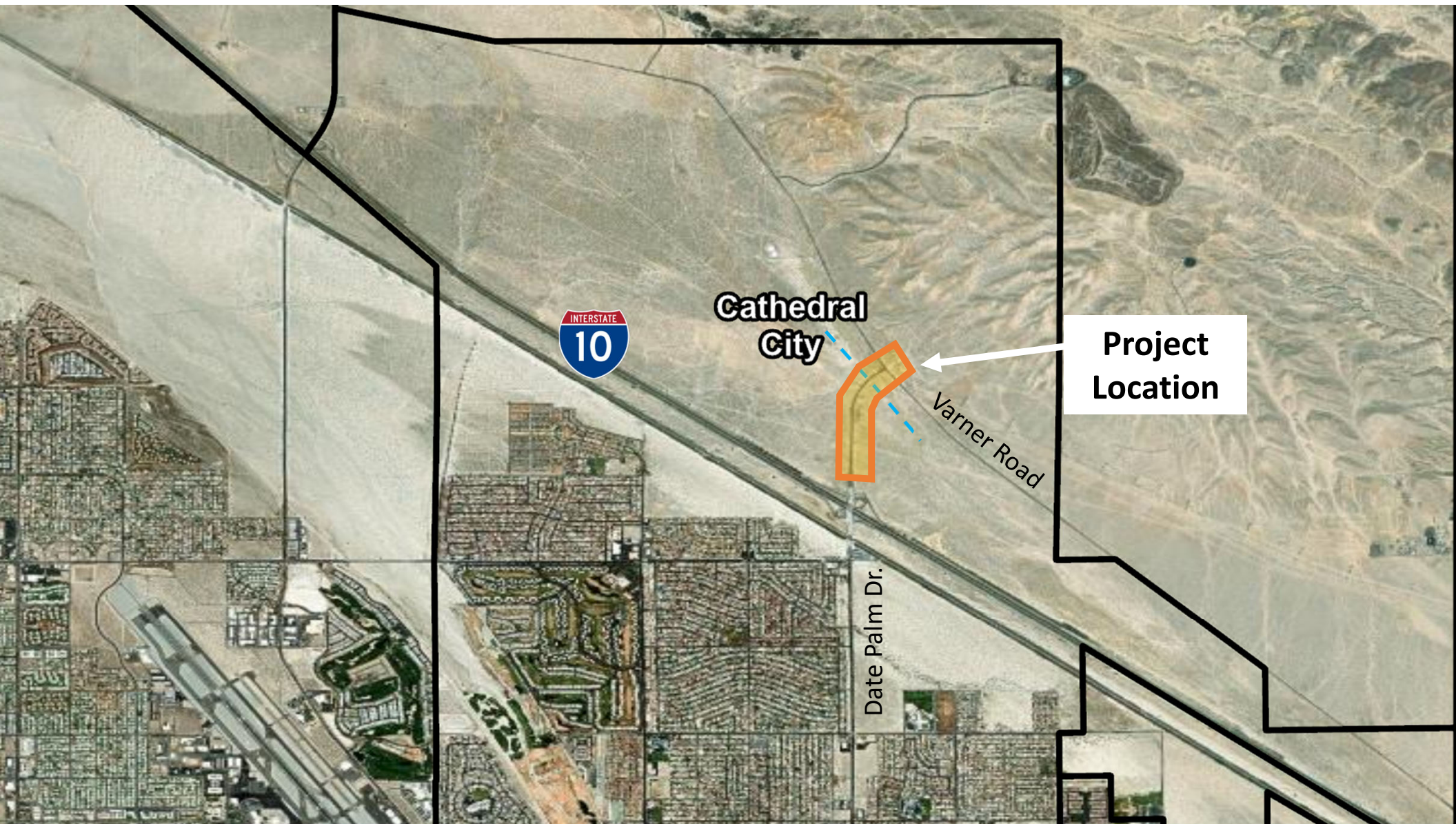
The City is also requesting that, once the design of the Project is completed, and after MSA provides a comprehensive engineer's estimate for the construction work, that the remaining funds of \$1,740,355.27 be for the completion of the construction work. The \$1,966,500 contribution from RCFCF will be applied to the Long Canyon Wash drainage improvement line item only.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Armando J. Garcia Baldizzone', with a large, stylized initial 'A' and 'B'.

Armando J. Garcia Baldizzone, P.E.
City Engineer

cc.: John Corella, PE. Director of Public Works/Engineering - City of Cathedral City



**Cathedral
City**

**Project
Location**

Varner Road

Date Palm Dr.

**AMENDMENT NUMBER ONE
TO THE
REIMBURSEMENT AGREEMENT
BETWEEN
CVAG AND THE CITY OF CATHEDRAL CITY
TO PROVIDE FUNDS
FOR THE IMPROVEMENT OF
DATE PALM DRIVE BETWEEN INTERSTATE 10 AND VARNER ROAD**

This **AMENDMENT NUMBER ONE** is made and entered into this 26th day of June 2023, by and between the **City of Cathedral City (Agency)**, and the **Coachella Valley Association of Governments (CVAG)**, a California joint powers agency, 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 October 28, 2013 for the Date Palm Drive Improvement Project between Interstate 10 and Varner Road.

1. This Amendment Number One increases the existing design and construction estimate by an additional \$688,000 for the necessary design revisions as specified in the attached letter dated May 23, 2023 from the City of Cathedral City, Engineering Division.
2. This Amendment Number One authorizes CVAG to amend the cost-sharing agreements between CVAG and the City of Cathedral City for design and construction costs related to the Date Palm Drive Improvement Project, by adding \$688,000 to the total costs for a revised total of \$3,804,000 which represents an additional \$516,000 totaling \$2,853,000 for the 75 percent CVAG share and an additional \$172,000 totaling \$951,000 for the 25 percent local share.

			Regional Share	Local Share
Original Contract	October 28, 2013	\$3,116,000	\$2,337,000	\$779,000
Amendment Number One	June 26, 2023	<u>\$ 688,000</u>	\$ 516,000	\$172,000
Total Contract estimate:		\$3,804,000		

3. This Amendment Number One authorizes reimbursement in regional funding for an amount not-to-exceed \$516,000 for the design and construction with the following split:

CVAG Regional Share (75%):	\$516,000
City of Cathedral City (25%):	<u>\$172,000</u>
Total estimate:	\$688,000

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

ATTEST

CITY OF CATHEDRAL CITY

By: _____
Charlie McClendon, City Manager

By: _____
Rita Lamb, Mayor

ATTEST

**COACHELLA VALLEY ASSOCIATION
OF GOVERNMENTS**

By: _____
Tom Kirk, CVAG Executive Director

By: _____
Steven Hernandez, CVAG Chair

Contract No. CVAG-99-339-01
Project: Date Palm Drive Between I-10 and Varner Road

Attachment A-1
Additional Scope of Services and Funding

Please refer to the following City of Cathedral City – Engineering Division letter dated May 23, 2023.

DRAFT

ITEM 8E

Coachella Valley Association of Governments Executive Committee June 26, 2023



STAFF REPORT

Subject: Senate Bill 583 and the Proposed Salton Sea Conservancy

Contact: Emmanuel Martinez, Program Manager – External Affairs (emartinez@cvaq.org)

Recommendation by the Energy & Environmental Resources Committee: Oppose Senate Bill 583 related to establishing the Salton Sea Conservancy, until the legislation is amended and there are further discussions that sort out details and reach a better position collectively for moving forward because of the passion that is shared for the Salton Sea

Background: On February 15, 2023, Senator Padilla introduced Senate Bill 583, which would create the Salton Sea Conservancy under the California Natural Resources Agency (CNRA). Although the bill was in spot bill form at time of introduction, it was subsequently amended in March with substantive language that included implementation of the Salton Sea Management Program Phase I: 10-Year Plan and the Long-Range Plan, as well as language related to governance, grants and coordination and collaboration with stakeholders. Until now, the CNRA has been implementing Phase I projects in coordination and collaboration with the local Salton Sea Authority and other stakeholders.

The Salton Sea and the public health, environmental and habitat issues posed by its receding shoreline is priority issues for CVAG and its member agencies. As the Salton Sea recedes, additional dry lakebed will be exposed, increasing fugitive dust emissions and worsening air quality in the region. Also, as the Salton Sea shrinks, it becomes more salty, negatively impacting fish habitat and the birds that depend on them. The Salton Sea is part of the Pacific Flyway, which is a critical resting spot for the more than 400 avian species that depend on the Sea. In recent years, the State of California has taken a more proactive role in addressing the aforementioned issues through adoption of the Salton Sea Management Program: Phase-1 10-year plan. This plan aims to mitigate the conditions at the Salton Sea by building projects that create habitat and reduce dust from exposed dry lakebed on 30,000 acres.

At the May meeting of the Energy & Environmental Resources Committee, a request from Riverside County was brought forward to take an opposition position on SB 535, which is co-authored by Assemblymember Eduardo Garcia. CVAG's State and Federal Legislative Platform includes a number of positions related to the Salton Sea, including supporting "*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.*" However, the scope of SB 583 falls outside of the boundaries specified in the legislative platform so staff brought this item forward with a recommendation to oppose at the June 6 meeting of the Energy and Environmental Resources Committee. The meeting included a

presentation by Sen. Padilla's Chief of Staff Dan Reeves and. The issue sparked a robust conversation, and several members expressed concerns similar to the opposition voiced by the Salton Sea Authority. After discussion and testimony was heard in support and opposition, the Energy and Environmental Resources Committee unanimously voted to oppose SB 583 until the legislation is amended and there are further discussions that sort out details and reach a better position collectively for moving forward. In making the motion, Committee members noted their position was a reflection of the community's shared passion for addressing the Salton Sea. Staff would note that the Coachella Valley Conservation Commission took a similar position to oppose SB 583 until locals have more clarification or involvement in the bill language to ensure it does not deter ongoing efforts and current progress.

Staff would note that there are significant local concerns that SB 583 would create a reorganization that can impede the progress made on identifying and implementing projects. Because shifting responsibility to a newly formed entity with no experience or technical expertise could be averse to recent progress, staff supports the Energy & Environmental Resources Committee's proposed position on SB 583.

By way of background, the Salton Sea is the State of California's largest lake, measuring approximately 35 miles long and 15 miles wide. It is specifically located in the Salton Trough and is a part of the Colorado River system. Over millennia, due to the natural meandering nature of rivers, the Colorado River deposited significant amounts of silt into the area around the Salton Sea. Historically, during flood events, the Colorado River also inundated the Salton Sea area and at other times the river flowed to the ocean. To this day, evidence of the historic shoreline can be seen on the mountains to the west of the sea. In 1905, the most recent formation of the Salton Sea took shape when an irrigation inlet on the Colorado River was breached, creating the Salton Sea we have come to know.

The days of significant water flowing into the sea are long gone. Reduced water inflow to the sea due to climate factors and water transfer agreements have significantly impacted the Salton Sea and the surrounding communities. As less water flows into the sea, increased dry lakebed or playa becomes exposed. In effect, this makes the area susceptible to emissive windblown dust that worsens air quality in the area. This public health issue is particularly acute in the Imperial Valley, which has the highest childhood asthma hospitalization rates in the state. Furthermore, as the sea shrinks, the water becomes hyper-saline, impacting the habitat and aquatic life, causing major fish die-offs which negatively impacts the birds that rely on them. The Salton Sea is part of the Pacific Flyway, making it a critical habitat and environmental resource for the more than 400 avian species that depend on the sea to nest or roost.

A major contributor to decreased water inflow to the Sea was the execution of the Quantification Settlement Agreement in 2003. In short, said agreement created the largest agriculture to urban water transfer in the nation, to address longstanding issues regarding Colorado River water use. Parties to this agreement included Imperial Irrigation District, Coachella Valley Water District, Metropolitan Water District of Southern California and San Diego County Water Authority. The main goal of the QSA was to reduce California's use of Colorado River water to 4.4 million-acre-feet per year as well as agree on beneficial water uses. As a result of this agreement, the Salton Sea's decline accelerated, causing the shoreline to recede and increasing salinity and concentrated nutrients from farm runoff. This has led to negative habitat impacts to fish and wildlife in and around the Salton Sea.

Since the QSA, State lawmakers have looked to help address the Salton Sea through various actions. This includes Assembly Bill 71, authored in 2013 by then- Assemblyman, now County Supervisor, V. Manuel Perez. This bill established a framework for Salton Sea restoration and

designated the CNRA Secretary as the state's lead for said work. AB 71 also directed the California Department of Fish and Wildlife and the Department of Water Resources to undertake certain restoration efforts. Lastly, AB 71 directed the CNRA to undertake restoration activities in consultation and coordination with the Salton Sea Authority, and to seek input from the authority on specific components of restoration, such as recreation, habitat, and economic development opportunities.

Thereafter, in 2018, then-Gov. Brown implemented the Salton Sea Management Program (SSMP). The goal of the SSMP is to construct 30,000 acres of habitat and dust suppression project around the Salton Sea. For example, one of the projects being implemented thus far include the Shallow Species Habitat Conservation Plan, which creates a network of ponds and wetlands to provide fish and wildlife habitat on 4,100 acres. Other projects include native vegetation enhancement projects as well as efforts related to long-range planning.

The CNRA has invested heavily in creating a team solely dedicated to Salton Sea, and has recently increased staff and technical expertise to this issue. This work has been conducted in partnership with the Salton Sea Authority. Those who are opposing SB 583 have expressed concern that creating a new conservancy will add unnecessary redundancy and create another layer of government that can impeded the momentum and progress made thus far on the SSMP and Long-Range Plan.

The Coachella Valley Water District, Salton Sea Authority, Salton Sea Action Committee, Supervisor Perez, and the Torres-Martinez Desert Cahuilla Indians have registered their opposition to SB 583. To further discuss the bill, the Salton Sea Authority held a special meeting on June 15, 2023 where the members discussed potential amendments that would limit the conservancy to just maintenance and operations of completed projects. Although the SSA Board agreed on those amendments, it is not certain at this time whether Senator Padilla will accept the proposed amendments. The SSA will continue to have an oppose position until further discussions ensue with Senator Padilla's office. Staff recommends the Executive Committee support the recommendation by the Energy and Environmental Resources Committee to oppose SB 583 until concerns are addressed.

Fiscal Analysis: There is no cost to this information item. Legislative advocacy efforts are covered under existing staff time and CVAG's lobbying contract.

Attachment: Language for SB 583:

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB583

ITEM 9a

2022/2023 EXECUTIVE COMMITTEE ATTENDANCE ROSTER



CVAG JURISDICTION	JUL	AUG	SEP	OCT	NOV(Dec)	DEC	JAN	FEB	MAR	APR	MAY(JUN)	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	-	-		-	✓	-	-		-	✓	✓	
Cabazon Band of Mission Indians	-	-	✓	-	✓	-	-	✓	-			
Torres Martinez Desert Cahuilla Indians	-	-	✓	-		-	-	✓	-		✓	
Twenty-Nine Palms Band of Mission Indians	-	-		-		-	-		-			

Absent 
 No Meeting -
 Present ✓

ITEM 9b

**Coachella Valley Association of Governments
Executive Committee
June 26, 2023**



Subject: Transportation Uniform Mitigation Fee (TUMF) Compliance Report

Contact: Peter Satin, Conservation Program Manager (psatin@cvag.org)

Recommendation: Information

Background: In December 2022, the Executive Committee adopted Policy 22-01, codifying requirements for compliance with the Transportation Uniform Mitigation Fee (TUMF) program. These requirements include adherence to the fee schedule, calculation methodologies, and fee collection timelines as outlined in the most recent TUMF Handbook, remittance of collected fees and submission of permit data to CVAG by the 20th of the month following the month in which the fee was collected and permit issued, and participation in – and adherence to – the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP) as administered by the Coachella Valley Conservation Commission (CVCC). CVAG staff certify member jurisdiction compliance with the TUMF requirements annually to the Riverside County Transportation Commission (RCTC) so that they may receive their share of local Measure A funds.

Local agency compliance with the CVMSHCP is recorded in its annual report, which is presented to the CVCC every spring. The 2022 annual report noted that each participating agency was compliant with the terms of the CVMSHCP and its related agreements through December 2022.

Over the course of May 2023, CVAG staff coordinated with local agency staff to ensure TUMF compliance requirements were being met. While each agency was adhering to the TUMF Handbook and appropriately implementing the CVMSHCP, some agencies were delinquent in fee remittance, permit data submission, or both, and were at risk of forfeiting their Measure A allocation. Staff worked with these agencies to bring them into compliance, and requested a short extension from RCTC to allow for receipt of late payments. Although not currently being applied, CVAG reserves the right to charge interest on payments received after the required date.

CVAG was able to certify all its member agencies as participating in TUMF in early June 2023 and provided the attached notice to RCTC. Due to staff oversight, CVMSHCP compliance information was not transmitted to CVAG's Transportation Committee ahead of RCTC's TUMF certification request.

Fiscal Analysis: There is no cost associated with this information item.

Attachments: TUMF certification notice to RCTC

COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS

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CERTIFICATION OF TUMF PROGRAM PARTICIPATION

As the representative for the administrating agency for the Coachella Valley Transportation Uniform Mitigation Fee (TUMF) program, I hereby certify that the following jurisdictions in the Coachella Valley area of Riverside County are participants in the Coachella Valley TUMF program as of July 1, 2021, as indicated below by the commencement date of participation and compliance with the TUMF program Handbook, as amended, and other required participation requirements.

Jurisdiction	Commencement Date of Participation in TUMF Program	In Compliance with TUMF Program Handbook and Related Participation Requirements?
Cathedral City	06/21/1989	Yes
Coachella	06/28/2000	Yes
Desert Hot Springs	05/22/1989; 11/01/1997	Yes
Indian Wells	08/03/1989	Yes
Indio	05/25/1989	Yes
La Quinta	04/22/2013	Yes
Palm Desert	05/25/1989	Yes
Palm Springs	06/21/1989	Yes
Rancho Mirage	06/22/1989	Yes
County of Riverside	06/27/1989	Yes

Signature: _____

Title: Executive Director

Date: 6 JUNE 2023

ITEM 9c

**Coachella Valley Association of Governments
Executive Committee
June 26, 2023**



STAFF REPORT

Subject: Update on Colorado River Negotiations

Contact: Emmanuel Martinez, Program Manager – External Affairs (emartinez@cvag.org)

Recommendation: Information

Background: Given the Southern California's reliance on the Colorado River, the ongoing, multi-state negotiations has received significant interest and attention. Imperial Irrigation District (IID) Director JB Hamby currently serves as Chairman of the State of California's Colorado River Board, which is tasked with protecting California's rights and interests in the river's resources. In recent months, the Energy and Environmental Resources Committee received updates regarding the status of negotiations. The Committee has expressed considerable interest in understanding potential impacts for the State of California, particularly for the Coachella and Imperial Valleys, and this staff report provides an update what's being described as a "breakthrough" agreement. Christopher Harris, the Executive Director of the Colorado River Board, joined the June meeting of the Energy & Environmental Resources Committee to provide additional updates.

The Colorado River has been experiencing a prolonged 20-plus year drought that threatens water reliability for all the seven states that rely on the river as well as energy production. As temperatures increase and intensify, the drought on the river has exacerbated, increasing aridification. In addition to climate related factors, human demand and consumption of the Colorado River water to meet urban, agriculture and industrial needs have further pushed the river to its limits. This has placed significant pressures on states that rely on the river and federal government to devise a plan that reduces water use while meeting water demands. In effect, negotiations have ensued between the seven basin states to adopt a plan that protects long-standing water rights while also helping to achieve a more sustainable river.

On May 22, 2023, the seven basin states – California, Colorado, Utah, Wyoming, New Mexico, Arizona and Nevada– agreed to a proposal by the lower-basin states over the next three years that is projected to prevent reservoirs from reaching critically low levels by reducing water use by 3 million-acre-feet (maf). This proposal comes in response to an alternative put forth by the Bureau of Reclamation's draft Supplemental Environmental Impact Statement, which was more contentious given its proposed water cutbacks.

That draft Supplemental Environmental Impact Statement, issued in April, was aimed at addressing operation of Glen Canyon Dam and Hoover Dam, given the low runoff conditions in the Colorado River basin. Given the new agreement, the Department of Interior has temporarily withdrawn its SEIS and will instead review its alternatives that includes the lower-basin state's proposal and will complete the review this year.

The water conserved as a result of the agreement announced on May 22 will remain in Lake Mead, the nation's largest reservoir that is located near Las Vegas and currently sits at 30 percent of its capacity. It comes as much needed relief as both Lake Mead and Lake Powell have dropped to historic lows, threatening water reliability and delivery to approximately 40 million people across the seven basin states and Mexico. At 4.4 maf of water per year, California has the largest allocation of Colorado River water, which has been sought after by the other six basin states as a potential source for water cutbacks. Of the 4.4 maf, Imperial Irrigation District is entitled to 3.1 maf and Coachella Valley Water District is entitled to 330,000 acre-feet of river water per year.

According to details provided by the Department of Interior, of the 3 maf conserved through 2026, 2.3 maf will be compensated by \$1.2 billion of Inflation Reduction Act funding. Funds will largely be spent on paying agricultural landowners, irrigation districts and other water users to conserve water. California has committed to take on the largest water reductions, approximately 1.6 maf through 2026.

In light of the agreement that provides a short-term mutually agreeable water conservation plan for the Colorado River, further discussion regarding long-term management of the river will continue. For example, the guidelines in place to manage the river were put in place in 2007 and new rules must be negotiated by 2026 to replace the 2007 guidelines. IID Director Hamby played a first-hand role in negotiating the recently announced agreement.

Fiscal Analysis: There is no cost to this information item.

Attachment: Washington Post article, "The breakthrough deal to protect the Colorado River, explained" May 23, 2023

The breakthrough deal to protect the Colorado River, explained



By [Anumita Kaur](#)

May 23, 2023 at 12:13 a.m. EDT

After nearly a year of negotiations, three states agreed to conserve an unprecedented amount of their water supply to protect the drought-stricken Colorado River.

The deal, shared by state and federal officials on Monday, marks a breakthrough in ongoing efforts to address the crisis. It's also only a temporary solution.

“It won’t be enough to solve the Colorado River crisis. But it’s a step in the right direction,” said Eric Balken, executive director of Glen Canyon Institute. “We have a supply and demand imbalance. We use more water than flows in the river naturally. So states have to start to use less to come into alignment with the resource that nature is providing. This doesn’t quite get us there. But it’s an important step.”

What is the Colorado River deal?

The Colorado River Basin stretches through seven states — Arizona, California, Nevada, Utah, Colorado, Wyoming and New Mexico — and is a vital source of water and electricity for the American West. It provides hydropower to millions and supplies water to more than 40 million people, including across some of the country’s largest cities, like Los Angeles and Phoenix. The farmlands that rely on it stock the nation’s supermarkets with vegetables in winter.

But the river has been drying up for more than two decades. To stabilize it, California, Arizona and Nevada — the three states that make up the system’s “Lower Basin” — reached an agreement with the Biden administration to conserve 3 million acre-feet of water over the next three years, which is 13 percent of those states’ total allocation from the river. One acre-foot is about 326,000 gallons of water.

In exchange, the Biden administration will compensate the states with about \$1.2 billion in federal funds.

The Colorado River drought, explained

Why the Colorado River is important

The Colorado River runs through seven states and supplies more than 40 million people with water, and is a major resource for agriculture in the western U.S. But the river has been drying up for decades, and water levels in Lake Powell and Lake Mead — both reservoirs on the river — hit historic lows in the past year.



How will the deal change water levels in Lake Mead and Lake Powell?

The deal is intended to protect the country’s largest reservoirs — Lake Powell and Lake Mead — from dropping to critical levels over the next three years and ward off the possibility of a “dead pool” scenario, in which the reservoirs fall so low that the river can’t flow out.

The deal should “boost” the reservoirs’ levels until 2026, Balken said.

Who will be affected?

California, Arizona and Nevada are making the cuts but are still finalizing where the water savings will come from within their states.

California, the largest user of the Colorado River, plans to contribute 1.6 million of the 3 million acre-feet water savings over three years, The Washington Post reported. Nevada pledged to conserve 285,000 acre-feet, and Arizona plans to conserve 1.1 million acre-feet of water.

“This is going to impact a pretty broad set of water users, primarily in the lower basin, so this could be farmers, agriculture, tribes, it could affect cities,” Balken said. “I think it’s a safe bet that agriculture is going to be taking the biggest haircut because they use the most water.”

Preserving the system, however, has benefits that extend far beyond the American West, said Brad Udall, a water and climate scientist at Colorado State University. “It affects everybody in the U.S. who eats winter vegetables.”

How long is it in effect?

The measures stretch until 2026, at which point the states and federal government are planning a major renegotiation of how the Colorado River water is used and shared.

“This agreement isn’t meant to be the lasting solution. This agreement is supposed to get the states to 2026, when the operating agreements of the entire river system will be revisited,” Balken said. “And so really, this agreement is a stopgap.”

How much will the deal cost?

The Biden administration said it will pay the states for three-quarters of the water savings, which amounts to about \$1.2 billion in federal funds, [The Washington Post reported](#). Money from the Inflation Reduction Act would pay farmers, Native American tribes, cities and others who voluntarily forgo their supplies.

Is this plan enough?

Until 2026, maybe.

State and federal officials said they are confident that these reductions will be enough to protect the reservoirs until 2026, [The Washington Post reported](#). The deal also comes with emergency provisions if the reservoirs fall too far in the next three years.

Beyond 2026, there is much work to do. The U.S. Bureau of Reclamation, the agency in charge of the nation’s dams, said states needed to stop using 2 million to 4 million acre-feet of water — about one-third of the river’s flow.

“Coming to a solution for the Colorado River crisis is a very big task,” Balken said. “The big picture is that the Colorado River system has a lot less water in it than it used to. And so all of the basin states, we’re all going to have to figure out how to live with less.”

Joshua Partlow contributed to this report.

ITEM 9d

Coachella Valley Association of Governments Executive Committee June 26, 2023



STAFF REPORT

Subject: Update on the Inland Regional Energy Network

Contact: David Freedman, Program Manager (dfreedman@cvag.org)

Recommendation: Information

Background: CVAG is collaborating with Western Riverside Council of Governments (WRCOG) and San Bernardino Council of Governments (SBCOG) on a joint Regional Energy Network (REN) for the Inland Empire, known as Inland Regional Energy Network (I-REN). I-REN is governed by a new Executive Committee. Based on previous CVAG committee direction, CVAG's Energy & Environmental Resources Committee reviews the items being presented to the I-REN Executive Committee and provides direction to the Chair on how to vote for the region.

I-REN's Executive Committee met on May 16, 2023, with consulting firms BluePoint Planning presenting the strategic plan for I-REN and Frontier Energy presenting program updates for codes and standards. No formal actions were taken on these items. The I-REN Executive Committee's next scheduled meeting is August 15, 2023. With this staff report, CVAG staff is providing a brief update on the work that will occur over the summer months.

I-REN Orientation Meetings

CVAG staff has scheduled three I-REN orientations for CVAG's member jurisdictions. The meetings will run from 10:00 a.m. until 2:00 p.m., with lunch being provided. The first orientation was held in the City of Blythe on June 20, 2023, at Blythe City Hall. Two additional meetings will be held in the desert. One of them will be focused on cities primarily served by Southern California Edison (the cities of Cathedral City, Desert Hot Springs, Indian Wells, Palm Desert, Palm Springs, and Rancho Mirage). Another will be held for cities served by the Imperial Irrigation District (the cities of Coachella, Indio, and La Quinta). The dates of these meetings are being scheduled for later in the summer.

I-REN CivicSpark Fellowship

As noted in the Committee's last update, I-REN staff is working with CivicWell to identify, recruit, and place up to 27 fellows in its CivicSpark fellowship program in communities throughout I-REN's service area. Although the fellowships do not start until fall 2023, CVAG staff recommends that interested cities complete applications as soon as possible. CVAG staff is available to assist with the applications.

Fiscal Analysis: There is no cost to CVAG for participation in I-REN. Staff time dedicated to I-REN and the costs of the services of consultants are covered through the I-REN budget.

**Coachella Valley Association of Governments
Executive Committee
June 26, 2023**



STAFF REPORT

Subject: Update on Property Assessed Clean Energy (PACE) Program

Contact: Elizabeth Barnwell, Management Analyst (ebarnwell@cvag.org)

Recommendation: Information

Background: Property Assessed Clean Energy (PACE) programs provide financing to property owners to implement energy saving, renewable energy, water conservation, and seismic strengthening improvements to their homes and businesses, with little or no money out of pocket. Financing for these improvements is paid back through a lien placed on the property and collected through the annual property tax bill. CVAG staff provides quarterly updates on the PACE program to the Energy & Environmental Resources Committee. The attached report details the PACE activity for March through May 2023.

Current active residential and commercial PACE providers in Coachella Valley consist of CaliforniaFIRST/Renew Financial (Renew), HomeRun Financing/PACE Funding (HomeRun), and FortiFi (formerly known as Energy Efficient Equity or E3). Residential and commercial installations have slowed down since the last report, potentially due to changes in the net energy metering (NEM) program approved by the California Public Utilities Commission (NEM) earlier this year. This change is known as NEM 3.0, or the Solar Billing Plan, and it took effect on April 15, 2023 for Southern California Edison customers. Under the new program, solar customers will be compensated at a lower rate for excess solar generation, which could lead to fewer rooftop solar installations in the coming months.

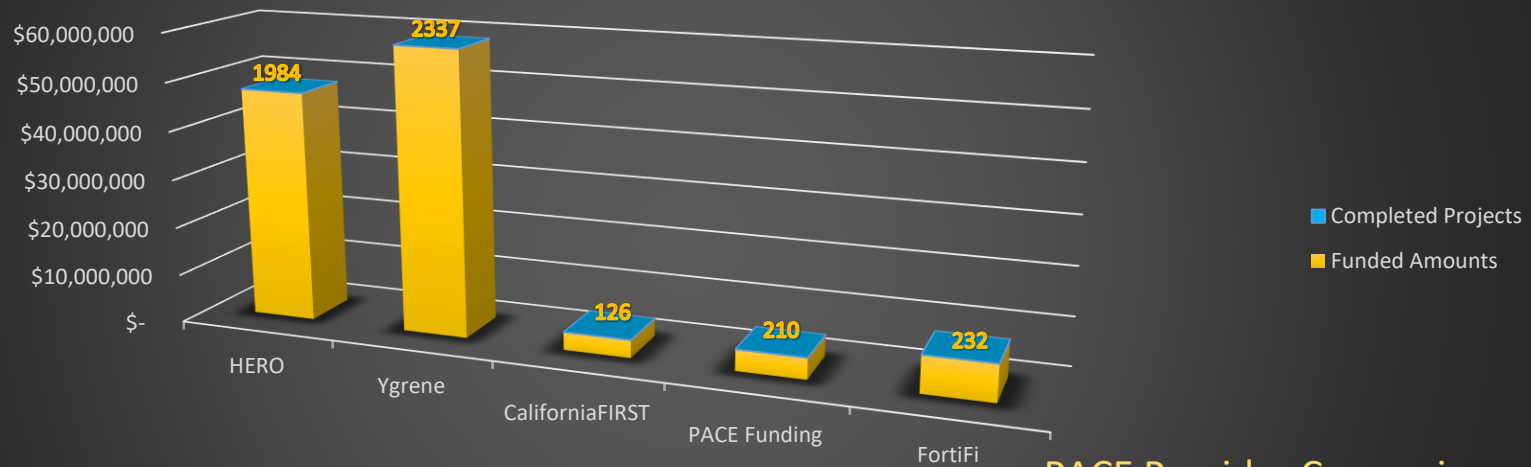
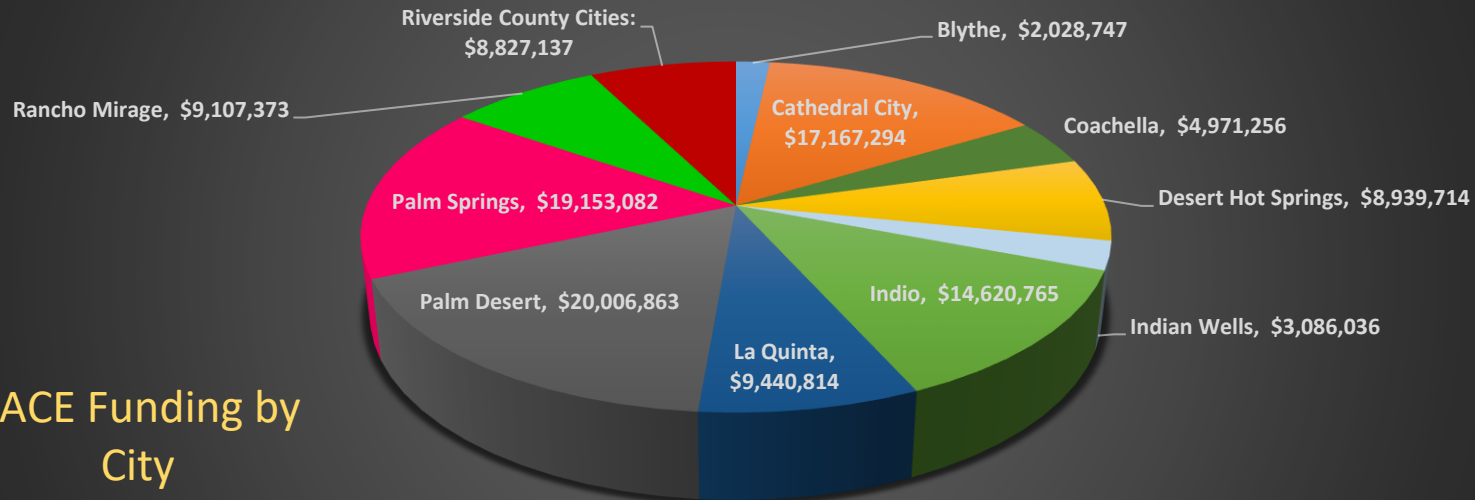
CVAG will continue to track and report on the status of the PACE residential and commercial PACE providers that operate in CVAG's member jurisdictions.

Fiscal Analysis: There is no cost associated with this update. CVAG's staff time spent on these programs is recovered by a participation fee collected from each provider.

Attachment: PACE Activity Report for March through May 2023

CVAG PACE REPORT

PACE Funding by City



PACE Provider Comparison

CARS REMOVED FROM ROAD: 41910

PACE providers have interest rate ranges from 5.99%-10.98%

JOBS CREATED: 1067

Updated for May 26, 2023

ITEM 9f

Coachella Valley Association of Governments Executive Committee June 26, 2023



STAFF REPORT

Subject: Southern California Edison General Rate Case and Imperial Irrigation District Rate Comparison

Contact: Emily Langenbahn, Program Specialist (elangenbahn@cvag.org)

Recommendation: Information

Background: At a recent meeting of the Energy & Environmental Resources Committee, staff was asked about providing a comparison of rates between Southern California Edison (SCE) and Imperial Irrigation District (IID).

Pursuant to the California Public Utilities Commission's (CPUC) procedure, each Investor-Owned Utility (IOU) must file a General Rate Case (GRC), which set rates that customers pay to fund day-to-day operations, including maintenance for equipment and electricity grid upgrades. Each IOU files a GRC application every three years, which typically includes rate increases, that is subject to review by the CPUC. SCE filed its most recent GRC for 2025 on May 12, 2023, in which SCE has requested an approximately 10% increase to its projected 2024 residential customer rates. SCE has requested approval of this 10% increase by December 2, 2024, and it would be effective in 2025. All cities in SCE's affected service territory will be notified of this increase. Public participation hearings are likely to occur in the latter half of this year.

SCE has stated that these rate increases are necessary to cover the rising costs of purchased power and ongoing grid maintenance and repair, which include growing climate risks and an acceleration in the rate of grid electrification such as electric vehicles, heat pumps, and other factors, among its customer groups. Infrastructure replacement also factors into SCE's cost increase, and accounts for 29% of the projected roughly \$40 billion in capital expenditure from 2023 through 2028. Inspections and maintenance work are expected to be 13% of the total, and other distribution projects are estimated to account for about 11% of all spending.

Additionally, SCE's spending on wildfire mitigation has grown from about \$700 million in 2019 to about \$1.2 billion in both 2021 and 2022, driven by work on covered conductors. A covered conductor is a tool used to quickly mitigate the threat of wildfires that could be caused by debris blowing into power lines. Over the past three years, SCE has installed nearly 4,000 miles of covered conductors and is aiming to replace more than 7,200 miles of overhead lines, about three-fourths of the company's total network, by late 2025.

Lastly, SCE also stated that these rate increases are necessary to fairly compensate its shareholders and attract capital to meet its obligations to serve its customers safely and reliably.

The CPUC reviews detailed cost data for areas of utility operations and approves a budget for the first year – called a test year – of the GRC cycle. For years two and three (or post-test years) the GRC decision recommends how to adjust the test year budget for inflation and other factors that may affect costs, such as additional capital projects between test years. The CPUC has regulatory

mechanisms in place to adjust the costs approved in GRCs for unforeseen circumstances, such as wildfire risk in an IOU's service territory. Included below is SCE's estimated impact on customer rates from its 2025 GRC application:

Table 4
Estimated Impact Of This Request On Customer Rates

Bundled Average Rates (¢/kWh)*				
Customer Group	2024**	Proposed Change	Proposed Rates	% Change***
Residential	32.29	3.42	35.71	10.6%
Lighting - Small and Medium Power	28.38	2.89	31.26	10.2%
Large Power	19.92	1.37	21.29	6.9%
Agricultural and Pumping	23.44	2.00	25.44	8.5%
Street and Area Lighting	29.11	1.36	30.48	4.7%
Standby	17.24	1.07	18.31	6.2%
Total	27.11	2.45	29.56	9.0%

Residential Bill Impact (\$/Month)*					
Description	2024**	Proposed Change	2025 Proposed	% Change***	
Non-CARE Residential Bill	\$ 170.39	\$ 17.49	\$ 187.88	10.3%	
CARE Residential Bill	\$ 115.35	\$ 11.83	\$ 127.18	10.3%	

*These rate and bill impacts exclude greenhouse gas (GHG) revenues.

**2024 rate and bill impacts are derived by starting with SCE's approved March 1, 2023 rates and (1) layering on the revenue changes associated with SCE's 2021 GRC Track 4 (A.19-08-013) authorized base revenue requirement request, adjusted for the adopted Cost of Capital in D.22-12-031 (as modified in D.23-01-022), and the change to the wildfire liability insurance portion of the authorized base revenue requirement requested in a Petition for Modification of D.21-08-036, and (2) adjusting for estimated 2024 sales.

***The percentage change in this table is based on the impact SCE's 2025 GRC request has on overall rates (which include non-GRC revenues) in 2025.

The most significant change in average rates will be in the Residential and Lighting – Small and Medium Power categories. It is also worth noting that there also will be an approximately 10% impact on the residential customers enrolled in the California Alternate Rates for Energy (CARE) program, which provides financial assistance to lower-income customers. CVAG staff will continue to monitor the effective changes and rate impacts for SCE customers.

As a publicly owned utility, the Imperial Irrigation District (IID) is not required to submit a GRC to the CPUC. For general comparison purposes, the blended rates for residential customers in IID are 11.69 cents per kWh plus a monthly base charge of \$9.60 versus 32.29 cents per kWh in SCE. It is important to note that this SCE rate selected for comparison is the residential rate SCE projected for 2024. SCE utilizes different metrics when establishing customer rates as compared with IID, and the cost per kWh will vary for individual customers depending on the time of day, day of the week, rate structure selected, etc. Should the GRC take effect at SCE's proposed rate change, the blended rate for residential customers will rise to 35.71 cents per kWh.

Fiscal Analysis: There is no cost to CVAG for this informational update.

ITEM 9g

Coachella Valley Association of Governments Executive Committee June 26, 2023



STAFF REPORT

Subject: California Air Resources Board - Advanced Clean Fleets regulation

Contact: Emily Langenbahn, Program Specialist (elangenbahn@cvag.org)

Recommendation: Information

Background: CVAG's Energy and Environmental Resources Committee has taken an interest in the State's shift to electric vehicles, including the infrastructure needed to support this change. This staff report provides an update on the Advanced Clean Fleets (ACF) regulation, which was adopted by the California Air Resources Board's (CARB) on April 28, 2023 to help accelerate a large-scale transition to zero-emission medium- and heavy-duty vehicles.

The ACF regulation applies to fleets owned by State, federal government agencies and local governments such as cities, counties and special districts. Local jurisdictions and State agencies are required to ensure 50 percent of vehicle purchases are zero-emission beginning in 2024 and 100 percent of vehicle purchases are zero-emission by 2027. Small government fleets (those with 10 or fewer vehicles) and those in designated low population counties must start their zero-emission vehicle purchases beginning in 2027.

The ACF regulation intends to achieve both increased air quality and the climate goals established in Governor's Executive Order N-79-20. This regulation is expected to save \$26.5 billion in statewide health benefits from pollutant emissions and a net cost savings of \$48 billion to fleets. This regulation is also scheduled for rapid implementation, meaning local agencies need to begin their implementation strategies as soon as possible. To establish a baseline for CARB to monitor, all fleet managers are required to provide a complete list and description of all vehicles in the current fleet by April 2024.

State and local government fleet owners may also choose to meet zero-emission vehicle standards using the Zero-Emission Vehicle Milestones Option as shown in the table below. State and local government fleets may purchase either zero-emission vehicles or near-zero-emission vehicles, or a combination of the two, until 2035. Starting in 2035, only zero-emission vehicles will meet the requirements.

Zero-Emission Vehicle Milestone Options:

Percentage of vehicles that must be zero-emission	10%	25%	50%	75%	100%
Milestone Group 1: Box trucks, vans, buses with two axles, yard tractors, light-duty package delivery vehicles	2025	2028	2031	2033	2035 and beyond

Milestone Group 2: Work trucks, day cab tractors, buses with three axles	2027	2030	2033	2036	2039 and beyond

With the ACF regulation in place, CARB recognizes it will take time for supply to line up with demand. Because of this, CARB has included several exception categories. The most relevant exceptions to CVAG member agencies are listed below:

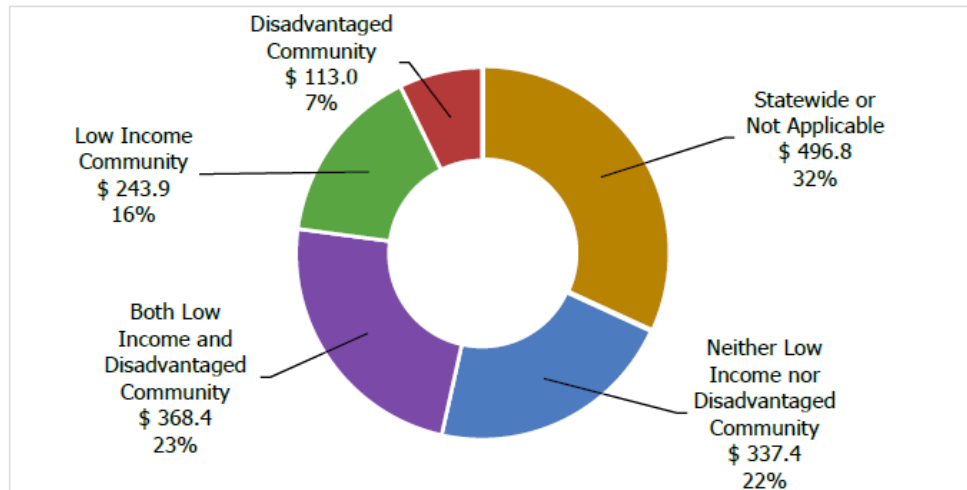
- *Daily Usage:* This exemption is for cases where no new electric vehicle is available to meet demonstrated daily usage needs. This exception is for fleets already comprised of at least ten percent zero-emission vehicles or near-zero-emission vehicles, also known as plug-in hybrids.
- *Infrastructure Delay:* This exemption allows for delays related to permitting and construction processes outside the control of a State or local agency for the installation of fueling and charging equipment. This type of exception is reserved for cases where the vehicle being replaced is 13 years old or older, and the exception is granted for up to two years, depending on the unique conditions of the project, and at the discretion of CARB.
- *Zero-Emission Vehicle Purchase:* Like the Infrastructure Delay exemption, this exemption is limited to vehicles that are at least 13 years old. CARB will publish the list for these vehicles no later than January 2025. If drive-cycle data reveals a case where an agency is unable to find a feasible zero-emission replacement, and it is not found on CARB's dedicated ZEV Purchase Exemptions list, the agency can submit a ZEV Purchase Exemption Application. Such applications must be accompanied by photos, a list of frame attachments, and documentation from at least two manufacturers stating the manufacturer doesn't offer a suitable replacement.
- *Non-repairable:* This exemption is for vehicles that require replacement unexpectedly, due to an accident or other one-time event that renders the vehicle inoperative. In such cases, CARB will allow for replacement with a vehicle of the same configuration and same model year or newer.

The ACF regulation is designed to accelerate deployment of zero-emission vehicles and air quality benefits to communities most impacted by truck emissions. However, there are concerns that entities operating within disadvantaged and rural communities may not have the infrastructure to support a fully zero-emission vehicle fleet, and the ACF regulation affects vehicles that operate directly in neighborhoods such as delivery trucks, garbage trucks, and utility trucks. As an example, the Imperial Irrigation District has expressed concerns about the charging infrastructure required to support and all zero-emission fleet, as well as the distance required to travel with utility trucks in their service territory.

To address this concern, the U.S. Department of Transportation has released its first round of funding through the Charging and Fueling Infrastructure Discretionary Grant Program to build EV charging in communities and neighborhoods nationwide. This program sets aside a total of \$2.5 billion in available grant funding for applicable entities including city or township governments, special district governments, federally recognized Native American tribal governments, and county governments. This first round of funding makes \$700 million from Fiscal Years 2022 and 2023 funding available to strategically deploy electric vehicle (EV) charging infrastructure and other fueling infrastructure projects in urban and rural communities in publicly accessible locations, including downtown areas and local neighborhoods, particularly in underserved and disadvantaged communities. Additional funding will be available for Fiscal Year 2024 and CVAG staff will continue to provide updates.

The California Energy Commission (CEC) is also providing funding opportunities with a projected breakdown in the Table provided below from CEC's draft 2023-2024 Investment Plan Update for the Clean Transportation Program, allocating funding to low-income and disadvantaged communities. CEC is working with the Disadvantaged Communities Advisory Group (DACAG), established under SB 350, to determine how programs can be more effective and beneficial for disadvantaged and rural communities. CEC believes expanding outreach is important for smaller, tribal, or rural communities that may not have the resources to compete for funding opportunities nor the information and awareness of state programs.

Figure ES-2: Proportion of Clean Transportation Program Funding Awarded to Projects Located in Disadvantaged or Low-Income Communities (in Millions)



CEC recently provided a proposed investment plan relating to zero-emission vehicle charging infrastructure, which is outlined in the table below. CVAG staff is also monitoring CEC Clean Transportation Program grant funding opportunities and will continue to provide updates.

Table ES-2: Proposed Investment Plan Allocations for FY 2023–2024 and Beyond, Including Clean Transportation Program (Program) and General Funds (in Millions)

Category	Funding Source	2023–2024*	2024–2025†	2025–2026‡
Light-Duty Electric Vehicle Charging Infrastructure**	Program	\$13.8	-	-
Light-Duty Electric Vehicle Charging Infrastructure	General Fund	\$210.0	\$90.0	\$40.0
Equitable At-Home Charging	General Fund	\$160.0	\$80.0	\$40.0
Medium- and Heavy-Duty Zero-Emission Vehicle (ZEV) Infrastructure	Program	\$13.8	-	-
Drayage Truck ZEV Infrastructure	General Fund	\$185.0	\$49.0	-
Transit Bus ZEV Infrastructure	General Fund	\$90.0	\$50.0	\$30.0
School Bus ZEV Infrastructure††	General Fund	\$15.0	-	-
Clean Trucks, Buses, and Off-Road Equipment ZEV Infrastructure	General Fund	\$315.0	\$31.0	\$25.0
Port ZEV Infrastructure	General Fund	\$40.0	\$80.0	\$30.0
Emerging Opportunities	General Fund	\$35.0	\$11.0	-
Hydrogen Fueling Infrastructure	Program	\$10.0	-	-
Hydrogen Fueling Infrastructure	General Fund	\$20.0	\$20.0	\$20.0
Zero- and Near Zero-Carbon Fuel Production and Supply	Program	\$5.0	-	-
Workforce Training and Development	Program	\$5.0	-	-
	Total Program	\$47.6		
	Total General Fund	\$1,070	\$411	\$185

Source: California Energy Commission.

The ACF regulation will result in nearly half of all semi-trucks that travel on highways to be zero-emission by 2035, and about 70 percent to be zero-emission by 2042.

Fiscal Analysis: There is no cost to CVAG for this informational update.



A statewide short-term rental tax won't solve California's long-term housing crisis

The League of California Cities has adopted an oppose unless amended position for a bill that would impose a 15% tax on the occupancy of short-term rentals. While Cal Cities supports the intent of the bill — providing ongoing funding for affordable housing — the bill takes a flawed approach that would harm local revenue streams.

Under SB 584 (Limón), proceeds from the state tax would go back to local governments as grants for “laborforce housing.” The bill describes laborforce housing as public housing projects built with a skilled and trained workforce or prevailing wage rates.

Cities need ongoing funding for affordable housing. However, a state tax on short-term rentals is not the way to address a decades-long crisis. SB 584 would cripple cities that rely on local transient occupancy taxes.

For cities that rely on tourism and hospitality as economic drivers, a transient occupancy tax is often their primary source of revenue. In some cases, the tax on short-term rentals can represent over two-thirds of General Fund revenues, which funds fire, police, and other essential services.

Imposing a 15% statewide tax on top of existing local rates averaging 10% would both harm critical local revenues and create a prohibitive fiscal burden for tourism and hospitality providers.

Cal Cities is negotiating with Sen. Limón’s office and the bill’s sponsors on an alternative funding and collection mechanism. Cal Cities has proposed levying a tax or fee on short-term rental owners, instead of the lodger. This would provide much-needed funding for affordable housing, protect equally essential services, and ensure the revenue is returned to the community.

Six housing bills cities need to know

Like last year, the spotlight is firmly on cities when it comes to housing. However, there is a growing recognition among many lawmakers that cities need more than housing plans to boost supply: They need ongoing funding. Over two dozen legislators recently endorsed the League of California Cities' request for \$3 billion in ongoing funding to help cities increase affordable housing and reduce homelessness. Many lawmakers have also put forth their own funding proposals.

Cal Cities supports two measures that would increase or expedite state funding. Asm. Wicks introduced AB 1657, a promising bond measure that would provide \$10 billion for several underfunded state housing programs. Asm. Schiavo's AB 519 would create a consolidated application and review process for the state's affordable housing programs.

Uneven and limited funding has long been an issue for affordable housing projects. Affordable housing is significantly more expensive to build than market-rate housing. Most projects are constructed using a patchwork of federal, state, local, and private sector resources. Developers, local officials, housing advocates, and some lawmakers often cite the time needed to secure funding as a major barrier to housing.

On the zoning side of the equation, Asm. Lee and Sen. Wiener have both introduced some well-intentioned measures — albeit ones in need of improvement. Asm. Lee's AB 309 would create a state agency that could construct and lease affordable housing. The proposed agency would completely bypass both the state's own housing planning laws and local rules. Cal Cities opposes the measure unless it is amended. Cal Cities is seeking changes that would require the agency to follow all local zoning and objective development standards. AB 1490 — also by Asm. Lee — would require cities to give certain concessions to 100% affordable adaptive reuse projects. The bill was recently amended to give cities greater discretion over certain projects, conduct environmental reviews, and impose objective design standards.

However, it still limits cities' ability to enforce maximum density and parking rules. Converting an existing building into a multifamily residential development will likely increase the demand for parking, especially if the development is not well served by public transit. Cal Cities opposes the measure unless it is amended to address those concerns. Sen. Wiener's SB 4 would allow nonprofit colleges and religious institutions to build affordable housing on their land. The bill would only kick in under certain conditions and require developers to comply with objective standards. However, it would also bypass some local parking, density, and height requirements. Cal Cities supports the measure if amended and is seeking changes that would allow cities to maintain their parking and building height requirements. The Cal Cities-opposed SB 423 (Wiener) is also winding its way through the legislative process.

The bill would double down on the state's tendency to override its own mandated local housing plans by modifying and expanding SB 35 (Wiener, 2017). Under the expansion, all cities would need to approve certain multifamily housing developments by-right, without discretion, public input, or environmental review. The state would also be able to approve housing on land they own or lease, regardless of any inconsistency with local zoning rules or general plans.

It is unlikely that cities will be out of the spotlight anytime soon. The Legislature has a seemingly unlimited appetite for micromanaging local land use decisions and the housing affordability crisis shows no signs of abating. However, legislators are also starting to realize that bypassing local zoning laws is not a silver bullet.

Budget Update

The Legislature published a state budget bill late on Sunday. The deal would restore some of the public transit, climate change, and child care funding that Gov. Gavin Newsom axed in his May budget revise. There's even extra money for one of the state's biggest homelessness programs and local rail infrastructure.

One thing that is noticeably missing from the legislative budget proposal? New funding for the state's affordable housing programs, which the Governor proposed cutting to the tune of nearly a billion dollars. Lawmakers also failed to include ongoing funding to address homelessness and boost affordable housing.

So, what does the Governor think? That's anyone's guess. The Newsom Administration is keeping its cards close on the budget.

Regardless, legislators must pass a placeholder budget by June 15 if they want to get paid. This means negotiations will continue through June 30, after which the Governor must sign a budget. The exact contours of the budget will likely get hammered out through trailer bills — budget-specific measures that bypass much of the normal legislative process. Cal Cities will issue a media statement once the budget bill is passed tomorrow and provide updates as budget negotiations move forward. To learn more about bills scheduled for a suspense file hearing, keep reading.

ITEM 10b

**Coachella Valley Association of Governments
Executive Committee
June 26, 2023**



STAFF REPORT

Subject: Update on the State Budget

Contact: Emmanuel Martinez, Programs Manager – External Affairs (emartinez@cvag.org)

Recommendation: Information

Background: The Assembly and the Senate approved SB 101 (Committee on Budget), the Budget Act of 2023 on June 15. This bill contains the appropriations included in the Legislature’s version of the 2023-24 state budget. The Legislature and Governor have yet to agree on a final budget deal, but the approval of SB 101 fulfills the Legislature’s constitutional deadline to approve a budget. Once the budget bill is presented to the Governor, he will have 12 days to sign or veto it. The Governor also has the authority to make “blue pencil” line-item vetoes to individual appropriations in the Budget Act. In recent years, the Legislature has often approved a budget prior to reaching agreement with the Governor and made later amendments to the package through in a “Budget Bill Jr.” (or multiple such bills). Multiple trailer bills, which make statutory changes related to the budget, will also be amended, debated, and approved in the coming months.

The Legislature’s Budget spends about \$3 billion more than the Governor’s May Revision (\$227 billion versus \$224.1 billion), while assuming slightly higher revenues and retaining approximately the same level of reserves. Other major areas where agreement has yet to be reached include the fate of the Governor’s 10-bill infrastructure permitting package, the Legislature’s proposal to maintain transit capital investments from last year’s transportation package at \$4 billion over two years, and the Legislatures proposal to provide an additional \$1.1 billion in flexible funding to support transit operational needs.

Over the last few months, the California State Legislature has held multiple hearings to discuss and negotiate items related to the Fiscal Year 2023-24 state budget. As customary, the Governor proposed a budget in early January which was then revised in mid-May. After the May revision to the proposed budget, both the Assembly and Senate Budget Committees and their respective sub-committees held multiple hearings to discuss the budget and also to negotiate key items with the administration.

In the proposed 2023-24, the legislature is focused on revenues, reserves and shifts to one-time funding priorities. The proposed budget includes \$235.5 billion in revenues, \$227 billion in expenditures and a fund balance of \$8.5 billion. As it relates to the reserves for FY 23-24, the legislative plan contains total budget reserves of \$37.2 billion. Because the state has experienced uncertainties related to current economic conditions and associated tax revenue, the proposed reserves have been agreed upon by both houses and the difference between the May Revision and the legislative plan is marginal.

The legislative plan aims to address other key priorities related to transportation, housing and homeless and climate change. Related to transportation, the legislative plan makes changes to key Governor’s

proposals. For example, the legislative plan rejects the \$2 billion proposed net reductions to the Transportation Infrastructure Package, including \$1 billion in 2023-24 and \$1.5 billion in 2024-25 and a delay of \$500 million to 2025-26. It restores transportation funding that was agreed to last year in the 2022 budget. This includes restoring the Transit and Intercity Rail Program and Active Transportation Program to funding levels agreed to as part of the General Fund agreement last year, rejecting the proposed reduction to ATP funding of \$200 million in 2023-24, thereby providing the full \$500 million for the program.

Additionally, it requires Caltrans to report on the Encampment Coordinator Team, who will support efforts to address homelessness within the highway system right of way. A key new transportation related proposal by the legislature included in the budget would limit Caltrans from charging self-help counties more than 10 percent for administration indirect cost recovery. The legislative plan also makes investments in housing and homelessness prevention, which has been a priority of both the Governor and the legislature. Specifically, compared to the May Revision, the budget includes an additional \$100 million for the Multifamily Housing Program, \$50 million for the Cal Home program, \$50 million for building accessory dwelling units, and \$1 billion in 2024-25 for an additional year of planned funding for the Homeless Housing, Assistance and Prevention Program. The proposed budget also includes \$2 million to assist border communities with temporary shelter for asylum seekers.

Given the nexus between climate change and its impacts to critical infrastructure, there are a number of budget items that are pertinent to CVAG and the region. Although the Governor maintained most of the planned multi-year expenditures for climate, resources and energy project, there were reductions and delays in funding for some projects. To address this, the legislative budget plan aimed to restore some of these programs while offsetting reductions in others. Specifically, the legislative budget plan includes \$310 million more for recycled water programs, \$204 million additional for parks program, \$124.5 for urban greening, \$75 million more for the extreme heat and community resilience, and \$50 million more for the Salton Sea restoration efforts. In addition, the legislative budget plan is considering a resources, climate, and water bond for 2024, which can help backfill and augment natural resources related programs.

As it relates to planning for the future of state prisons, CVAG staff and lobbying team will continue to monitor impacts related the planned closure of the Chuckawalla Valley State Prison in Blythe. Currently, negotiations are ongoing regarding the five prison closures that are planned between now and 2027. The agreed upon deal regarding this item will be codified via trailer bill language, which has not been made available yet. Ultimately, according to the legislative plan, the closures are needed to address the estimated 20,000 unused prison beds.

Unlike the budgets seen in recent fiscal years, the legislature is preparing for revenue declines. In 2021, the state saw some of strongest tax revenue in state history and the 2022-23 fiscal year was the second strongest. However, in the current 2022-23 fiscal year, the state saw revenues declined due to changes in the stock market, inflation, created conditions of regional banks and other factors such as the debt ceiling negotiations at the federal level. In 2023-24, the General Fund's tax revenues were projected to be \$198 billion in the May revision, which is \$27 billion less than estimates in the 2022 budget. Given this trend, the legislature is planning for one-time spending adjustments. For example, the Legislative Analyst Office anticipates \$11 billion less in revenues for 2023-24. If this occurs, the legislature will plan additional shifts in General Fund spending, reducing or delaying one-time spending, and drawing on discretionary and constitutional reserves. Based on the LAO fiscal analysis, the estimates show budget problems are likely to occur in 2024 and subsequent years.

Despite the shift from years of surpluses to deficits and associated budget challenges, the legislature and the administration will be monitoring tax receipts in October. Due to the winter storms in California, the Internal Revenue Service provided Californians with an extension for making tax payments for nine months, from January to October. Based on state tax data, high income Californians and major businesses have delayed making tax payments to the Franchise Tax Board. To account for this, the May Revision anticipated \$29 billion of state income personal income tax receipts and \$13 billion of corporation tax receipts will be delayed. If tax revenue in October is less than projections, it is anticipated that the legislature will have to take additional corrective actions.

CVAG staff and state lobbying team, Politico Group, will continue to monitor passage of the final state budget and report back to the Executive Committee on key budget items pertinent to CVAG and its member agencies.

A high-level Senate summary of the Legislature's Budget is available [here](#).

A detailed Assembly Floor Report of the Legislature's Budget is available [here](#).

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