

ITEM 7C

**Coachella Valley Association of Governments
Executive Committee
September 30, 2024**



STAFF REPORT

Subject: Interstate 10/ Da Vall Interchange Project Study Report (PSR)

Contact: Randy Bowman, Assistant Director of Transportation (rbowman@cvag.org)

Recommendation: Authorize the Chair and Executive Director to execute Amendment No. 2 to the Reimbursement Agreement with the City of Cathedral City for the Da Vall Drive/ I-10 Interchange Project – Project Study Report Phase for an additional not-to-exceed amount of \$41,974.09

Transportation Committee: Concurred (Meeting of August 26)

Background: In April 2009, the CVAG Executive Committee approved a Reimbursement Agreement with Cathedral City for the Da Vall Drive/ I-10 Interchange Project – Project Study Report (PSR) Phase. At that time, CVAG's Interchange Improvement Preparation Fund funded all PSR work. The agreement provided for 100% regional funding, up to \$1.3 million, to complete the PSR for the interchange project.

Work began in the summer of 2009. In February 2011, CVAG requested that all work on the project cease due to funding limitations. Other CVAG interchange projects in the PSR phase were placed on hold as well. At the time, the Da Vall PSR phase of the project was approximately 35% complete.

Prior to the work stoppage in 2011, Cathedral City had an agreement with Caltrans that provided for oversight of the PSR process at no charge to the City. In 2011, Caltrans determined that they would no longer spend state funds subsidizing locally funded projects, and consequently submitted an estimate of \$190,000 for Caltrans review of the PSR process. On June 4, 2018, the Executive Committee authorized Amendment No. 1 for an amount not-to-exceed of \$190,000.

The City has since informed CVAG that the PSR is complete. Caltrans approved the PSR on May 17, 2023. During the development of the PSR, the City performed a Value Analysis Study in order to identify value adding features by reducing cost or schedule. Caltrans requested the scope for this study to also be included in the City's Cooperative Agreement with Caltrans for completeness. For this added scope, Caltrans requested an additional \$20,000 to also complete a Project Study Report-Project Development Support (PSR-PDS). In addition, due to the schedule delays associated with the final Caltrans approval, the City experienced additional internal costs to close out the PSR/PDS Phase.

The City is now requesting an amendment to complete this initial phase of the project. This will also help the City identify potential alternatives and define a project well enough to explore external funding opportunities.

While the improvements on Da Vall Drive from Varner Road to Ramon Road do not currently score more than nine points on the 2016 TPPS, the interchange project was approved for funding under CVAG's Interchange Improvement Preparation Fund in 2009. The highest scoring project in the 2016 TPPS had 15 points, with 12 points needed to make the top ten percent. At least one potential interchange alignment, and all of the proposed Da Vall Drive improvements, are anticipated to take place within Cathedral City and Riverside County and a small portion of Tribal land. Widening of Da Vall within the City of Rancho Mirage has already either taken place or has been conditioned as part of another development.

Staff is recommending approval of Amendment No. 2. If the project moves past this stage, Cathedral City will require a new Reimbursement Agreement with CVAG to move into the Project Assessment and Environmental Design (PAED) phase of the project.

Fiscal Analysis: The Caltrans oversight cost was not included in the initial Reimbursement Agreement, and it was an estimate included in Amendment No. 1. Cathedral City has received the final invoice for the PSR and requests an additional \$41,974.09 be added to the Reimbursement Agreement with CVAG. This raises CVAG's obligation from \$1,490,000 to \$1,531,874.09. CVAG has sufficient funding available to cover the additional, not-to-exceed amount of \$41,974.09.

Attachments:

1. Reimbursement Agreement Amendment No. 2
2. Letter from Cathedral City Requesting Amendment No. 2, dated June 26, 2024