



Staff Report

City Council

Item No. {{section.number}}.{{item.number}}

Meeting Date: November 13, 2024

From: John A. Corella, Director of Public Works

Title: Amendment No. 2 to the Reimbursement Agreement by and Between the City of Cathedral City and CVAG for the Da Vall Drive Interchange with I-10 Project Study Report and Close Out Update.

RECOMMENDATION:

To authorize the Mayor and City Manager to execute Amendment No. 2 to the reimbursement agreement by and between the City of Cathedral City and the Coachella Valley Association of Governments (CVAG) for the Da Vall Drive Interchange with I-10 project study report (PSR).

BACKGROUND:

The Da Vall Interchange Project is proposing to construct a new interchange at Da Vall Drive on Interstate 10 (I-10) and includes two (2) bridges over I-10 and the Union Pacific Railroad (UPRR), respectfully, as well as the street extension and widening along Da Vall Drive. The limits of the project will generally extend from the existing Ramon Road and Da Vall Drive intersection, northerly across UPRR and I-10, to a new intersection with Varner Road.

In April 2009 the City Council approved a reimbursement agreement by and between the City of Cathedral City and the Coachella Valley Association of Governments (CVAG) 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 summer of 2009 with the PSR traffic analyses, and design alternatives. In February 2011, CVAG requested that all work on the project cease due to funding constraints. In addition, due to State funding changes and requirements, Caltrans was not able to spend State funds to subsidize locally funded projects. As a result, to be able to continue its review work on the PSR, Caltrans submitted an estimate of \$190,000 for their oversight services for the PSR.

On June 4, 2018, the City and CVAG executed Amendment No. 1 to the reimbursement agreement for an amount not-to-exceed of \$190,000 for Caltrans' oversight, and the project re-started in 2018.

DISCUSSION:

Between the years 2018 and 2023 city staff and consultants (NAI Consulting and TY Lin International) worked together to complete the PSR.

The PSR featured four (4) design alternatives (one (1) no build alternative and three (3) build alternatives) with estimated construction costs ranging from \$200M – \$220M. A summary table of the alternatives 1-4 that were generated and their respective cost for project approval & environmental document (PA&ED), right of way acquisition, and construction phases is as follows:

Alternative-Design	PA&ED	Right of Way	Construction
Alt 1- No Build	\$0.0M	\$0.0M	\$0.0M
Alt 2-Partial Cloverleaf Interchange	\$9.2M	\$5M-10M	\$200M-\$210M
Alt 3-Diamond Interchange	\$8.6M	\$5M-10M	\$190M-\$200M
Alt 4-Single Point Urban Interchange	\$9.7M	\$5M-10M	\$210M-\$220M

The next step in the project if it were to proceed today is the PA&ED phase. The estimated time to complete the PA&ED phase is forty-five (45) months with an estimated cost ranging from \$8.6 million to \$9.7 million as shown in the above table depending on the design alternative selected. Subsequent cooperative funding agreements with other agencies will be necessary to continue with future phases of the project, including PA&ED; plans, specifications and estimates (PS&E); and then construction.

On May 17, 2023, the PSR was approved by Caltrans. During the development of the PSR, the city performed a value analysis study 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 complete the project study report-project development support (PSR/PDS) phase. 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 requested CVAG's consideration to fund 100% of the total final costs of the project. CVAG accepted this request and thus Amendment No. 2 will increase the total CVAG share for the agreement to \$1,531,974.09, as detailed in the table below:

Previously obligated authorized funds (100%)	\$ 1,300,000.00
Obligated under Amendment No. 1 (100%)	\$ 190,000.00
Proposed for Amendment No. 2 (100%)	\$ 41,974.09
Revised Total Amount	\$ 1,531,974.09

The city's request for Amendment No. 2 was recommended for approval by CVAG Transportation Committee on August 26, 2024, and approved by CVAG's Executive Committee on September 30, 2024.

Staff is recommending City Council authorize the Mayor and City Manager to execute the Amendment No. 2 to the reimbursement agreement by and between the City of Cathedral

City and the Coachella Valley Association of Governments (CVAG) for the Da Vall Drive Interchange with I-10 project study report (PSR).

FISCAL IMPACT:

The project is currently identified and funded from the Capital Improvement Program Fund 331-100-150-156-8600-8601 with all costs reimbursed by CVAG.

Amendment No. 2 requests an additional budget adjustment in the amount of \$41,974.09 be added to the reimbursement agreement, thus raises CVAG's obligation from \$1,490,000 to \$1,531,874.09.

	DESCRIPTION	GENERAL LEDGER ACCOUNT CODES	PROJECT CODE	AMOUNT	ONE TIME or ONGOING
2024-2025	Capital Improvement Program	331-100-150-156- 8600-8601	C01010	41,974.09	One Time

FIVE-YEAR STRATEGIC PLAN:

GOAL B: COMMUNITY INVESTMENT

Objective: Cathedral City roads, gateways, public spaces, and other city infrastructure are well planned, designed, constructed, and maintained.

ATTACHMENTS:

1. CVAG 99-264-02 Reimbursement Agreement Amendment Number 2
2. CVAG Staff Report – Executive Committee Meeting 09/30/2024
3. Da Vall Drive Interchange with I-10 Project Study Report – Introduction Sheets