

A. 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).

**AMENDMENT NUMBER TWO
TO THE REIMBURSEMENT AGREEMENT
BY AND BETWEEN CATHEDRAL CITY AND CVAG
FOR THE DA VALL DRIVE INTERCHANGE WITH I-10 PROJECT STUDY REPORT**

This **AMENDMENT NUMBER TWO** is made and entered into this **30th day of September 2024**, by and between **Cathedral City (Lead 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. All other terms and conditions shall remain the same as stated in the original Agreement dated April 1, 2009 for the Da Vall Drive Interchange With I-10 Project Study Report.

1. This Amendment Number Two authorizes the additional scope of services as outlined in Exhibit A-1 Cathedral City letter dated June 26, 2024 for the not-to-exceed amount of \$41,974.09. The total amount payable shall not exceed \$1,531,874.09.

	CVAG Approval Date	Amount
Original Agreement	April 1, 2009	\$1,300,000.00
Amendment Number One	June 4, 2018	\$ 190,000.00
Amendment Number Two	September 30, 2024	\$ 41,974.09
Total Contract not-to-exceed		\$1,531,874.09

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

ATTEST

CITY OF CATHEDRAL CITY

By: _____
Charlie McClendon, City Manager

By: _____
Mark Carnevale, Mayor

ATTEST

COACHELLA ASSOCIATION OF GOVERNMENTS

By: 
[Tom Kirk \(Oct 1, 2024 08:42 PDT\)](#)
Tom Kirk, Executive Director

By: 
[cvag chair \(Sep 30, 2024 17:44 PDT\)](#)
Ted Weill, CVAG Chair

Exhibit A-1
June 26, 2024 Letter from Cathedral City

See following pages.



Cathedral City

June 26, 2024

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

Subject: Request for Amendment Number Two to the Agency Reimbursement Agreement for the Da Vall Drive/Interstate 10 Interchange Project – Project Study Report Phase

Dear Mr. Hoy,

The City of Cathedral City respectfully requests Amendment Number Two to the Agency Reimbursement Agreement by and between the Coachella Valley Association of Governments (CVAG) and the City of Cathedral City (City) for the Da Vall Drive/Interstate 10 Interchange Project to increase CVAG's regional share of project costs for the completion of the Project Initiation Documents and Project Study Report (PSR-PDS).

The City is pleased to inform CVAG that the PSR-PDS is complete. Caltrans has approved the PSR-PDS on May 17, 2023.

During the development of the PSR-PDS, 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 \$20,000.00 to complete the 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 requests CVAG's consideration to fund 100% of the total final costs of the project.

This Amendment Number Two will increase the total CVAG share for the Agreement to \$1,531,974.09, as detailed in the table below. A copy of the final invoice is attached to the request for additional information.

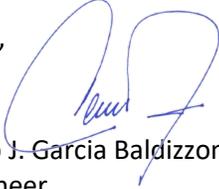
Previously obligated authorized funds (100%)	\$	1,300,000.00
Obligated under Amendment Number One (100%)	\$	190,000.00
Proposed for Amendment Number Two (100%)	\$	41,974.09
Revised Total Amount for this Project	\$	1,531,974.09

According to the final PSR/PDS, the cost of the next phase, Project Approval and Environmental Documents (PA&ED), is estimated to be on the order of \$10M. At this time the City is evaluating current budget demands and has not identified City resources for the City's 25% share of the next phase of the

project. Once these funds are identified, the City will submit a subsequent request to CVAG for consideration to start the next phase.

For questions regarding this request, you may contact Josh Nickerson, at (760) 323-5344 or email at jnickerson@cathedralcity.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Armando J. Garcia Baldizzone', with a stylized flourish at the end.

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

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

1. INTRODUCTION

Project Description:

City of Cathedral City (City), in cooperation with California Department of Transportation (Caltrans) District 8, City of Rancho Mirage and County of Riverside, is proposing to construct a new interchange at Da Vall Drive on Interstate 10 (I-10). The project will include bridges over I-10 and the Union Pacific Railroad (UPRR), and street extension and widening along Da Vall Drive. The limits of the project will generally extend from the existing Ramon Road/Da Vall Drive intersection, northerly across I-10 and UPRR, to a new intersection with Varner Road. The project will also include utility relocations, right-of-way acquisition, flood control improvements (crossing over the Morongo Wash and Willow Hole floodplains), traffic signals, and ramp metering systems. In addition, auxiliary lanes along I-10 between Da Vall Drive and its adjacent interchanges may be required.

There are four alternatives that are considered for further study in the Project Approval & Environmental Document (PA&ED) phase. These alternatives are:

- Alternative 1: No build
- Alternative 2: Partial cloverleaf interchange
- Alternative 3: Diamond interchange
- Alternative 4: Single point urban interchange

Da Vall Drive is included in Coachella Valley Association of Governments' (CVAG) overall Master Plan and has received high ranking among proposed interchanges in their *Transportation Project Prioritization Study* (with 13 Criteria Points). As a result, CVAG is providing all the funding for this phase of the work.

The funding source for the next phases has not been identified but the Project will most likely be funded by a combination of local, state, and federal funds. Caltrans will provide oversight through the construction phase of the Project.

Table 1: Summary of the PSR-PDS Key Information

Project Limits	8-RIV-10-PM-39.5/43.4
Number of Alternatives	4 (No Build Alternative and 3 Build Alternatives)
Current Capital Outlay Support Estimate for PA&ED	Alt 2: \$9.2M Alt 3: \$8.6M Alt 4: \$9.7M
Current Capital Outlay Construction Cost Range	Alt 2: \$200M-\$210M Alt 3: \$190M-\$200M Alt 4: \$210M-\$220M
Current Capital Outlay Right-of-Way Cost Range	Alt 2: \$5M-\$10M Alt 3: \$5M-\$10M Alt 4: \$5M-\$10M
Funding Source	Local and Eastern Riverside County Transportation Uniform Mitigation Fee (TUMF)
Type of Facility	Freeway interchange with local arterial improvements
Number of Structures	3
Anticipated Environmental Determination or Document	California Environmental Quality Act (CEQA) Environmental Impact Report (EIR) and National Environmental Policy Act (NEPA) Routine Environmental Assessment
Legal Description	In Riverside County in and near the City of Cathedral City on Interstate 10 from PM 39.5 west of Date Palm Drive to PM 43.4 east of Bob Hope Drive
Project Development Category	3

The remaining capital outlay support, right-of-way, and construction components of the project are preliminary estimates and are not suitable for programming purposes. Either a Project Report or a supplemental Project Initiation Document (PID) following the format of a PSR will serve as the programming document for the remaining components of the project. A Project Report will serve as approval of the “selected” alternative.

The City and Caltrans have an executed cooperative agreement dated 5/10/2019 to complete a Project Study Report-Project Development Support (PSR-PDS) for PID. Subsequent cooperative agreements will need to be developed for future phases of the project, including PA&ED; Plans, Specifications & Estimates (PS&E); and Construction.

Other approvals required are:

- Project Approval and Environmental Document (PA&ED)
- New Connection Report
- Plans, Specifications & Estimate (PS&E)
- Construction