

REPORT TO THE CITY COUNCIL



DATE: June 18, 2019

TITLE: Amendment No. Two to the Reimbursement Agreement for the North Indian Canyon Drive Project

Prepared by: Daniel Porras, Public Works Director

RECOMMENDATION

Approve Amendment No. Two of the Reimbursement Agreement between County of Riverside, City of Palm Springs, Coachella Valley Association of Governments and the City of Desert Hot Springs for the North Indian Canyon Drive Project.

DISCUSSION

The City of Desert Hot Spring, the City of Palm Springs, the County of Riverside, and the Coachella Valley Association of Governments (CVAG) have worked together to move forward with the completion of the North Indian Canyon Drive Project. This project is a street rehabilitation and street widening project located along North Indian Canyon Drive between Dillon Road and the I-10 On and Off Ramps. The project will widen North Indian Canyon Drive from 2 lanes to 4 lanes between Dillon Road to 19th Street and will construct all transitions from 19th Street to 20th Street.

The project was originally estimated to cost \$3 Million in which the funds would be paid through cost sharing agreements amongst the various agencies. CVAG Regional Funds will fund 75% of the total project cost and the remaining 25% will be funded by the City of Desert Hot Springs, the City of Palm Springs, and the County of Riverside, based on scope of work and city limits.

The project was planned to be completed in two phases, the first phase included the construction phase of repaving North Indian Canyon Drive from 18th Avenue to 19th Avenue, and the second phase included the engineering, environmental, and the construction phases of the widening of North Indian Canyon Drive from Dillon Road to the I-10 On and Off Ramps.

The City of Palm Springs was the lead agency for phase one of the project, which was completed on February 2017. Riverside County is the lead agency for phase two of the project. The engineering and environmental for phase two of the project have been completed and the widening on North Canyon Drive from 20th Ave to 18th Ave is currently under construction and will be completed by August 2019. The construction of the remaining sections of North Indian Avenue will continue with utility relocation, road widening, and traffic signal installations and are expected to be completed in late 2019.

Since this project is a multi-jurisdictional project, it required the approval of reimbursement agreements amongst all jurisdictions. The Reimbursement Agreement and the Sub-Reimbursement Agreement were approved by the Technical Advisory Committee of the Coachella Valley Association on September 29, 2016, and by the City Council on November 1, 2016.

Amendment Number One, amended the scope of work to include a signalized intersection at Dillon Road and North Indian Canyon Drive, including transitions and turn lanes on all legs on Riverside County Standards, and amended the costs estimate from \$3 Million to \$4 Million.

This Amendment Number Two, amends the following items from the original Reimbursement Agreement:

1. Adds the City of Desert Hot Springs as a local Agency. The City of Palm Springs was included in the original Reimbursement Agreement as it was the lead agency in phase one of the project. The City of Desert Hot Springs while not a part of the original agreement, was to be included in a separate sub-agreement, and be responsible for the proportional local share of the overall project cost. The sub-agreement was never executed as the project costs continued to change over time. This Amendment Number Two will add the City of Desert Hot Springs as a local Agency.
2. Revises the project cost estimate from \$4 Million to \$4,788,000. Riverside County completed the engineering design and environmental documents and has revised the project cost estimate accordingly.
3. Assigns individual cost share estimates for each of the local jurisdictions, comprising the 25% Local share. With the completion of the engineering design and the revised project cost estimate, the proportional local share costs have also been updated as shown in the table below and in Exhibit 2.
4. CVAG's Regional 75% cost share estimate increased to a not-to-exceed total of \$3,591,000. With the completion of the engineering design and the revised project cost estimate, the proportional share costs have also been updated as shown in the table below.

Phase	Total	CVAG (75%)	Palm Springs	Desert Hot Springs	County
Phase I 18th to 19th Ave	\$ 300,000	\$ 225,000	\$ 37,500	\$ 37,500	\$ -
Phase II 20th to Dillon Rd	\$ 4,488,000	\$ 3,366,000	\$ 121,650	\$ 204,875	\$ 795,475
Total	\$ 4,788,000	\$ 3,591,000	\$ 159,150	\$ 242,375	\$ 795,475

A detailed cost estimate breakdown for Phase II is shown in Exhibit 2.

Staff has reviewed the project cost estimate and is recommending that the City Council, approve Amendment Number Two of the Reimbursement Agreement between the County of Riverside, the City of Palm Springs, the Coachella Valley Association of Governments and the City of Desert Hot Springs for the North Indian Canyon Drive Project.

FISCAL IMPACT

Amendment Number Two will decrease the estimated City's local share contribution by \$27,625 from the original estimate of \$270,000 to \$242,375. The FY 2019-2020 budget will be amended to reflect the decrease in the City's estimated contribution. Funding will be coming from the City's Streets/Traffic Signals/Bridges Development Impact Fees.

EXHIBIT(S)

- 1) North Indian Canyon Drive Project Exhibit - Original Scope of Work
- 2) Cost Estimate Breakdown
- 3) Amendment Number Two