

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

949A



**FROM:** TLMA - Transportation Department

**SUBMITTAL DATE:**  
July 29, 2010

**SUBJECT:** Cooperative funding agreement between the County of Riverside and Coachella Valley Association of Governments (CVAG) for the proposed Avenue 56 (Airport Boulevard) Railroad Grade Separation Project.

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the attached cooperative funding agreement between The County of Riverside and CVAG, and;
2. Authorize the Chairman of the Board to execute the same.

**BACKGROUND:** Avenue 56 is designated in the Riverside County General Plan as a six lane urban arterial highway that serves the Thermal Community of eastern Riverside County, City of

Juan C. Perez  
Director of Transportation

(Continued On Attached Page)  
JCP:JA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 10,000,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11
<b>SOURCE OF FUNDS:</b> TUMF (CVAG 100%) Project No. A60241				<b>Positions To Be Deleted Per A-30</b> <input type="checkbox"/>
				<b>Requires 4/5 Vote</b> <input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

BY:

Tina Grande

**County Executive Office Signature**

FORM APPROVED COUNTY COUNSEL  
BY: MARSHA L. VICTOR  
DATE: 8/16/10

Departmental Concurrence

Dept't Recomm.: ☒ Policy ☒ Policy  
 Per Exec. Ofc.: ☐ Consent ☐ Consent

**Prev. Agn. Ref.** 07/29/08, Item 3.146 **District:** 4 **Agenda Number:**

The Honorable Board of Supervisors

RE: Cooperative funding agreement between the County of Riverside and Coachella Valley Association of Governments (CVAG) for the proposed Avenue 56 (Airport Boulevard) Railroad Grade Separation Project

July 29, 2010

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Coachella and City of La Quinta while providing direct access from SH-86S and Grapefruit Boulevard (SH-111) to the Jacqueline Cochran Regional Airport. A Union Pacific Railroad (UPRR) at-grade crossing currently exists on Avenue 56 just south of the City of Coachella paralleling State Route 86S. The UPRR and State Highway 86S are both designated NAFTA freight corridors. The proposed project will grade separate Avenue 56 from the UPRR mainline tracks.

Currently 71 freight trains pass through Riverside County on this line on a daily basis with the number projected to increase to 107 by the year 2030. The proposed grade separated rail crossing will separate surface street traffic from rail lines with the following benefits:

- Increased public safety due to elimination of train/vehicle conflicts.
- Contribute toward achieving uninterrupted freight movement along the ultimate Alameda Corridor East (ACE).
- Emergency vehicle response will be improved at the crossing.
- Reduction of particulate matter from idling vehicles causing a reduction in greenhouse gas emissions.
- Reduce train noise.

This project has been identified to receive \$10 million from the State's Prop 1B Bonds Goods Movement Program administered through Transportation Corridor Improvement Funds (TCIF). A Project Baseline Agreement with the California Transportation Commission (CTC) identifying the scope and cost of the project was approved by the Riverside County Board of Supervisors on July 29, 2008.

Riverside County has been designated as the lead agency to implement the proposed project. The terms of the agreement provide that CVAG will fund up to \$10,000,000 towards the expenses incurred with the implementation of the improvements in accordance with CVAG funding policies and practices.

In addition to the Proposition 1B Bond funding and the CVAG funding, the County of Riverside Transportation Department is currently working with County Economic Development Agency (EDA) on a funding agreement for a \$4 million contribution from the Redevelopment Agency (RDA) towards the environmental, design, and construction of this improvement project.

An Engineering and Environmental Services Agreement for this project will be going to the Board concurrently with this item.

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

**AVENUE 56 (Airport Boulevard) GRADE SEPARATION PROJECT**

**THIS AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2010 by and between the **COUNTY OF RIVERSIDE (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:

The Coachella Valley Area Transportation Study, a valley-wide study prepared under the auspices of CVAG, has identified various transportation and highway projects throughout the Coachella Valley as projects of regional importance. These projects are listed in the 2005 Update of the Transportation Project Prioritization Study document; and,

Approval of a highway financing measure by the voters of Riverside County in November, 1988, (Measure A), as well as the approval of an extension by the voters in November, 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,

The CVAG Executive Committee, on July 31, 2006, approved the implementation of the amended Transportation Uniform Mitigation Fee (TUMF) Ordinance to increase the collected TUMF, effective January 1, 2000; and,

Under CVAG's policy of funding eligible projects by 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; and,

In November 2006 the voters approved Proposition 1B, *Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006*, which provided over \$19.9 Billion in bond fund revenues for transportation programs statewide; and,

Proposition 1B provided that the California Transportation Commission (CTC) would fund projects in accordance with the policy guidelines outlined in the Corridor Mobility Improvement Account program as part of the Trade Corridors Improvement Fund (TCIF) program; and,

At their March, 2008, meeting the CTC approved TCIF funding for thirteen grade separation projects, including two in the Coachella Valley, at Avenue 56 (Airport Boulevard) and at Avenue 66. Each Coachella Valley grade separation project has been approved to receive \$10 Million in TCIF funds.

Agency desires to proceed with a project known as **AVENUE 56 (Airport Boulevard) GRADE SEPARATION PROJECT** (hereinafter, the "Project"). The total estimated cost of the Project is \$22,218,043. CVAG's Regional Share of Project costs is not-to-exceed \$10,000,000.

**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 the CVAG 2005 updated list of projects. The Project is one of those projects and is therefore eligible.

2. The Project is generally described and referred to as the **AVENUE 56 (Airport Boulevard) GRADE SEPARATION PROJECT**.

Any excess property purchased to secure the necessary right-of-way for the Project will be shared between the Agency and the Regional Arterial Program proportionately according to the funding of the purchase by each jurisdiction participating in the project. Excess property will be disposed of in the best interests of the Regional Arterial Program, in order to recapture funds expended. Any recaptured funds will reduce the overall cost of the project.

The scope of work for 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," entitled "Estimate of Cost," attached hereto and made a part hereof. The cost estimate includes 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 the amount Agency shall pay to outside contractors in connection with the Project. Subject to the terms herein and all applicable rules regarding allowed costs, the amount of the Jurisdiction One-Quarter and the CVAG Three-Quarters shall be calculated by reference to the cost estimates as shown on Exhibit "B." Exhibit "C," attached hereto and made a part hereof, is the "Project Schedule." Any excess property purchased to secure the necessary right-of-way for the Project will be shared between the Agency and the Regional Arterial Program proportionately according to the funding of the purchase by each jurisdiction participating in the project. Excess property will be disposed of in the best interests of the Regional Arterial Program, in order to recapture funds expended. Any recaptured funds will reduce the overall cost of the project.

3. It is the agreement between CVAG and Agency that, of the total estimated cost of the Project \$22,218,043, **CVAG shall pay the not-to-exceed Regional Share amount of \$10,000,000 (Ten Million Dollars)**, and Agency shall pay its remaining Local Share of project costs, as well as one hundred percent (100%) of all costs not eligible for reimbursement by CVAG.

4. Agency agrees to seek reimbursement of only those costs, up to the not-to-exceed limit, which are eligible for reimbursement by CVAG, as outlined in the CVAG Policies and Procedures Manual, updated December, 2009.

A. 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.

B. Agency shall, at the design stage of the Project, identify a project specific ratio, "Project Ratio", for the construction phase of the project that distinguishes between "Capacity Enhancement" items, "Rehabilitation" items or "Other" items.

Agency shall apply that "Project Ratio" to the project construction cost and provide CVAG with supporting documents that will clearly identify "Capacity Enhancement" costs, eligible for payment with TUMF revenues, "Rehabilitation" costs, eligible for payment with Measure "A" revenues, and Other costs that are not eligible for reimbursement by CVAG.

All invoices submitted to CVAG for reimbursement shall include a table identifying "Capacity Enhancement" costs eligible for payment with TUMF, "Rehabilitation" costs eligible for payment with Measure "A", and other costs that are not eligible for reimbursement by CVAG.

C. 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.

D. If a post-payment audit or review indicates that CVAG has provided reimbursement to Agency in an amount in excess 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.

5. 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.

6. 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. It shall be the responsibility of Agency to determine what quantity is for Capacity Enhancement and/or Rehabilitation, and to provide CVAG staff with that information.

7. The parties agree that should unforeseen circumstances arise which result in new work not otherwise covered, an increase of any costs over those approved, 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.

8. 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.

9. 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.

A. 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;

B. 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,

C. 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.

10. 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.

11. 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.

12. It is the intent of the Agency and CVAG that the Project be represented as being funded by Measure "A"/TUMF funds and TCIF 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. Exhibit "D," "Project Sign," provides a guide for Project Sign format.

13. 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 venturer 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.

14. 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.

15. 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.

16. Any agency receiving federal funds must have an approved Disadvantaged 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.

17. 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.

18. This Agreement may not be assigned without the express written consent of CVAG first being obtained.

19. Agency, its successors in interest and assigns shall be bound by all the provisions contained in this Agreement.

20. 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.

21. 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.

22. 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.

23. 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.

24. 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 Agency:** Juan C. Perez, Director  
Riverside County Transportation Department  
4080 Lemon Street, 8<sup>th</sup> Floor  
P.O. Box 1090  
Riverside, CA 92502-1090  
Telephone: (951) 955-6740  
FAX No.: (951) 955-3198

**If to CVAG:** CVAG  
73-710 Fred Waring Drive  
Palm Desert, CA 92260  
Telephone: (760) 346-1127  
FAX No.: (760) 340-5949

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.

25. 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.

26. 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.

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

28. Time is of the essence in this Agreement, and each and every provision hereof in which time is an element.

29. 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.

30. 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.

31. 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: \_\_\_\_\_  
Clerk to the Board

By: \_\_\_\_\_  
Chairman, Board of Supervisors

**ATTEST:**

**CVAG**

By: \_\_\_\_\_  
Tom Kirk  
Executive Director

By: Steph P. P. f  
Chair

FORM APPROVED COUNTY COUNSEL

BY: MB Victor 8/16/10  
MARSHAL VICTOR DATE

## **EXHIBIT "A"**

### **SCOPE OF SERVICES**

#### **" AVENUE 56 (Airport Boulevard) GRADE SEPARATION PROJECT" DESIGN, RIGHT-OF-WAY & CONSTRUCTION OF AVENUE 56 GRADE SEPERATION IMPROVEMENTS**

This project proposes to grade separate the current at-grade crossing of the Avenue 56 (Airport Boulevard) with the Union Pacific Railroad (UPRR). The existing two (2) tracks carry UPRR freight service and passenger service through AMTRAK.

The project scope of work consists of:

- Design and Environmentally clear the proposed improvements
- Perform ROW Acquisition
- Coordinate Utility Relocation
- Provide Construction Management services and construct the improvements

## **EXHIBIT "B"**

### **ESTIMATE OF COST**

#### **" AVENUE 56 (Airport Boulevard) GRADE SEPARATION PROJECT" DESIGN, RIGHT-OF-WAY & CONSTRUCTION OF AVENUE 56 GRADE SEPERATION IMPROVEMENTS**

(FROM ESTIMATE PROVIDED BY THE COUNTY OF RIVERSIDE)

Design & Environmental	\$2,475,000
Right-of-way & Utilities	\$5,065,043
Construction & Construction Management	\$14,678,000
<b>Sub-Total</b>	<b>\$22,218,043</b>

## **EXHIBIT "C"**

### **PROJECT SCHEDULE**

#### **" AVENUE 56 (Airport Boulevard) GRADE SEPARATION PROJECT" DESIGN, RIGHT-OF-WAY & CONSTRUCTION OF AVENUE 56 GRADE SEPERATION IMPROVEMENTS**

Design & Environmental	Proposed Finish
Right-of-way & Utilities	March 2012
Construction & Construction Management	March 2012
	December 2013

**EXHIBIT "D"**

**" AVENUE 56 (Airport Boulevard) GRADE SEPARATION PROJECT"  
DESIGN, RIGHT-OF-WAY & CONSTRUCTION OF  
AVENUE 56 GRADE SEPERATION IMPROVEMENTS**

The Project Sign shall consist of the following information:

**" AVENUE 56 GRADE SEPARATION PROJECT "**

**FUNDS FOR THIS PROJECT**

**PROVIDED BY**

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION**

**MEASURE "A" 1/2 CENT SALES TAX** **\$ xx,xxx**

**COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS**

**TRANSPORTATION UNIFORM MITIGATION FEE** **\$ xx,xxx**

**COUNTY OF RIVERSIDE** **\$ xx,xxx**

**TOTAL** **\$ xx,xxx**

Other information, such as the County Logos and/or Measure "A" Funds Logo, is encouraged.

# Coachella Valley Association of Governments

## Regional Arterial Program



## **Policies and Procedures Manual**

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## **1.0 Introduction**

The Policies and Procedures Manual, hereinafter referred to as Manual, outlines the process which shall be followed in determining project costs and project expense eligibility which has been approved for construction as part of the Coachella Valley Regional Arterial Program. The primary purpose is to provide guidelines for agencies for Measure A and Transportation Uniform Mitigation Fee (TUMF) funding.

The Transportation Project Prioritization Study (TPPS) lists eligible projects on the Regional Arterial system and estimated costs are in the latest update of the Regional Arterial Cost Estimate (RACE). Both studies are updated approximately every five years.

## **2.0 Cost Estimate Definitions**

For purposes of this Manual, the following definitions shall apply:

- Construction Cost – An updated cost estimate for the costs to build the improvement per the improved plans and specifications.
- Engineering Cost – An estimate based as a percentage of the construction cost.
- Right-of-way Cost – An estimate for right-of-way costs prepared with an accuracy comparable to standards in the industry. Overhead charges are not included.
- Scheduling Cost – An estimated cost for the scheduling of engineering, right-of-way acquisition, construction and project phasing, if any.
- Agency or Lead Agency - A public agency which has the responsibility for carrying out or approving a project.

## **3.0 Project Identification**

Any project submitted for review and funding shall meet or provide all of the following:

- A statement that the project appears in the latest, approved TPPS list of projects.
- A general statement of the project, including need, etc.
- A preliminary design estimate for all design services.
- A preliminary construction cost estimate (to be updated once design is completed).
- A preliminary cost estimate for construction and Agency project management.

## **4.0 Right-of-way Acquisition and Other Associated Costs**

All right-of-way acquisition and other associated costs, including appraisals and other costs allowed by state and federal law, are eligible for regional funding.

The Agency shall submit a detailed list of costs associated with the right-of-way acquisition to CVAG for review and comment. CVAG will assess each cost and determine its eligibility for regional funding. All protests shall be sent to the Transportation Technical Advisory Subcommittee (TTAS) for further review. Protests shall be in writing with the grounds for protest clearly identified.

Where the likelihood of extensive right-of-way acquisition or the need for extensive relocation of homes or businesses exists, or where new roadway, openings or other extenuating physical or economic restraints so warrant, preliminary engineering, alignment and traffic studies shall be eligible for reimbursement or funding from regional funds.

Any excess property purchased to secure the necessary right-of-way for a project will be shared between the agency and the Regional Arterial Program proportionately according to the funding of the purchase by each jurisdiction participating in the project. Because recaptured funds may reduce the overall cost of the project, excess property will be disposed of in the best interests of the Regional Arterial Program. (Added by Executive Committee, July 30, 2007)

## **5.0 Project Limits**

The Lead Agency submitting a proposed project for review and funding shall clearly identify the project limits. The limits of the project shall be defined as the beginning and ending point of construction. If more than one beginning and/or ending point is necessary, they shall be clearly indicated on statement of project limits.

A vicinity map shall be included with the project submittal package clearly showing the location of the project.

## **6.0 Project Funding Source**

Project funding will come from both regional Measure A and TUMF revenues collected by CVAG member agencies as well as state or federal funding sources. Other sources of funds, such as local funds, local gas tax, state and federal funds and redevelopment funds may come from the Agency or Agencies proposing the project.

All funding sources should be considered prior to project submittal to CVAG for funding from the Regional system funds. Any additional costs incurred due to any change in the scope of work may be submitted to CVAG for funding eligibility and processing through CVAG's committee structure for approval.

It shall be CVAG policy to decline payment/reimbursement to local jurisdictions for all, or that portion of, qualified Measure A/TUMF Regional transportation project costs which are constructed, paid for or agreed to by others, and which bear no cost to the

jurisdiction. This policy has been described as the Maintenance of Effort Policy. *(Added by Executive Committee, October 25, 1999)*

If jurisdiction cannot pay its 25% share of a priority project cost CVAG may advance funds up to 100% of a project's costs. All non-named Measure "A" projects may be considered for advance funding later, when they are presented for consideration. For advance funded bridges, major structures and interchanges, payback must occur within ten (10) years. For all other such advance funded projects, payback must occur within seven (7) years. All payments shall be made in equal annual installments. Interest is to be charged against any advanced funds, the rate to be equal to the current rate of interest CVAG is receiving on its funds on deposit. The interest rate to be charged is to be adjusted annually in January in order to accommodate the budget cycle of affected jurisdictions. *(Added by Executive Committee, December 6, 1999)*

If a jurisdiction cannot pay its 25% share of a priority project's cost, except for bridges, major structures and interchanges, advance funding should not be made for any improvement beyond what is necessary for traffic capacity and safety and the roadway should not be constructed to its ultimate capacity. *(Added by Executive Committee, December 6, 1999)*

It is CVAG's policy that CVAG will pay 75% of project costs and Agencies will pay their 25% share of eligible project costs regardless where the money is coming from. CVAG may receive state or federal funds from different sources. The state or federal funds allocated to a project are considered part of the CVAG 75% share of project costs. All Agencies will still be required to pay their 25% share of the total project cost.

*The Executive Committee determined it necessary to discontinue loaning the 25% jurisdiction local share of project costs due to cash flow issues. (Added by Executive Committee, December 7, 2009)*

## **7.0 Project Scope of Work**

A project scope of work narrative shall be submitted to CVAG with the submittal for expense eligibility and regional funding. The narrative shall include, but not be limited to, discussion of the following:

- Right-of-Way Acquisition and Relocation
- Project limits
- Typical roadway improvement section
- Vicinity map for project location identification
- Anticipated starting date – Engineering, R-O-W Acquisition and Construction
- Anticipated completion date – Engineering, R-O-W Acquisition and Construction
- Anticipated funding amount

## **8.0 Project Design (Civil)**

The project design is the sole responsibility of the Agency and/or Agencies which are proposing and constructing the project. However, the design and construction standards as outlined in the most recent adopted update of the Regional Arterial Cost Estimate (RACE) shall be a guideline to be used by the designer for project design and construction standards. Any deviations should be identified, along the rationale for such deviations.

The total project design services shall not exceed in cost 10% of the estimated construction costs, or as determined by CVAG.

## **9.0 Project Design (Landscaping)**

The following is a narrative of the landscape improvements which shall or shall not be eligible for regional funding:

- All new landscaping, electrical and irrigation work shall NOT be eligible for regional funding.
- Only new utility sleeves which are to be placed below the roadway surface for future use shall be eligible for regional funding.

Additionally, any existing landscaping, electrical and irrigation which is directly affected by the project shall be eligible for funding providing it is replaced "in kind."

CVAG will provide one percent (1%) of construction costs for "Design Enhancements" on new interchanges on Interstate 10 and SR86S. Extended Measure A (Post 2008) funds are eligible to pay for on-going maintenance costs of interchange landscaping improvements. (*Added by Executive Committee, February 28, 2005*)

CVAG will not allow the use of the one percent (1%) of construction costs for "Design Enhancements" or extended Measure A funds for on-going maintenance costs of interchange landscaping improvements for improvements to regional transportation projects when they can be more closely identified with individual jurisdictions, such as city names being constructed onto interchanges. (*Added by Executive Committee, April 30, 2007*)

## **10.0 Project Construction Funding**

All regionally funded Agency project construction will consist of furnishing all materials, equipment, labor, tools and incidentals as required to construct the improvements as required by the approved plans, specifications and contract documents.

"Curb-to-curb" improvements are eligible for funding, with the exception of landscaping. (See section 9.0 for further detail on landscaping.) "Curb-to-curb" improvements include

asphalt paving, striping, curb, etc. Sidewalks, bus-turnouts, etc., are not eligible for Regional Arterial funding.

Exception: Sidewalk on one side of a major structure will be eligible for Regional Arterial funding if it crosses a(n);

1. Whitewater River Channel
2. All American Canal
3. Interstate 10 Interchange
4. Interstate 86 Interchange

On-street bicycle lanes are eligible for Regional Arterial funding. (added by Executive Committee, October 30, 2000)

All regionally funded Agency projects will comply with the prevailing rates of wages and apprenticeship employment standards established by the State Director of Industrial Relations.

Any Agency receiving federal funds must have an approved Disadvantaged Business Enterprise program. All recipients of Federal Highway Administration (FHWA) funds must carry out the current provisions, as amended, 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.

All regionally funded project bids shall be prepared on the approved Agency proposal forms in conformance with the instructions to bidders.

All approved regional construction projects will be funded to 100% of the lesser of the following:

- CVAG approved project construction cost estimate.
- The lowest responsible bidder's award.

## **11.0 Project Construction Survey**

Construction survey is defined as all surveying and construction staking necessary for the construction of the project as determined by the engineer.

The cost of any additional surveying and/or construction staking primarily for the convenience of the contractor, not in conformance with usual and customary practices and for replacement of stakes lost as a result of the contractor's or Agency's negligence, shall be the responsibility of the contractor and/or agency.

The Agency shall be responsible for all resetting of monumentation within public and/or private right-of-way that is destroyed by the construction of operations unless it is itemized in the approved construction survey estimate.

## **12.0 Project Construction Management**

Project construction management costs shall be eligible for regional funding only if it is to fund one or more of the following:

- Construction inspection
- Materials testing
- Project management
- Construction Survey
- Geotechnical studies and reports
- Contract administration

The activities set forth above shall be eligible for regional funding based upon actual costs provided the total sum does not exceed 15% of the approved estimated construction costs.

## **13.0 Project Oversight – Agency Time**

Project cost estimates should include an amount intended to allow Agency to recover an amount representing the costs incurred for the time of its employed staff in working on the project. These amounts shall be eligible for regional funding based upon actual costs provided the total sum does not exceed 5% of the approved estimated project costs.

## **14.0 Project Contingency Funds**

Project contingency funds shall not be granted at the beginning of a project. If a change in scope or design creates a need for a change order which may require additional funds, the agency shall make application with CVAG for expense eligibility from regional funds. Only actual cost incurred shall be eligible for funding.

## **15.0 Future Reimbursement Agreements**

The typical protocol for construction of regional transportation projects is for CVAG to enter a Reimbursement Agreement with participating jurisdiction(s) when a qualified regional transportation project in that jurisdiction(s) rises to a sufficient level in the TPPS priority point system to receive immediate regional funding. In this manner the participating jurisdiction(s) will enter the appropriate contracts/agreements with consultants, contractors, etc. The jurisdiction(s) will pay the invoices for work performed under their contracts/agreements, then submit those invoices to CVAG, with required

supporting documentation, for CVAG to then reimburse the jurisdiction(s) for all qualified work elements.

However, some jurisdictions choose to construct regional transportation projects before those projects rise to the priority level necessary in the TPPS to achieve immediate CVAG funding participation. In this case, this Policy Number 07-05 provides that the jurisdiction(s) may proceed with the regional transportation project with the assurance that the CVAG share of the project's costs will be reimbursed to the jurisdiction(s) at a date certain, in the future. The future fiscal year in which reimbursement may occur was determined by utilizing information from the 2005 TPPS and its accompanying 2005 Regional Arterial Cost Estimate (RACE). The RACE shows an estimated cost, in 2005 dollars, for each regional transportation project listed in the TPPS.

The Future Reimbursement Agreement Policy 07-05 compares the revenue stream from the 2006 Nexus Study Report to the costs per project shown in the 2005 RACE, in order to project an approximate fiscal year when anticipated, accumulated transportation revenues will be sufficient to construct each project, in order, listed in the TPPS, through fiscal year 2029/2030. This Policy 07-05 assumes all the projects in the 2005 TPPS will be constructed, in the same priority order as listed, while the costs per project shown in the 2005 RACE have been increased by three percent (3%) per year to accommodate the effects of inflation.

This Future Reimbursement Policy 07-05 is only effective for projects included in the 2005 TPPS and RACE, and can only be compared to the revenue streams projected in the 2006 Nexus Study Report. This Policy Number 07-05 only applies to transportation construction projects, not to maintenance related projects, unless they are a part of a construction project. This Policy Number 07-05 is specifically meant to not apply to the proposed Pavement Maintenance Project program, currently under development.

By this policy CVAG agrees to reimburse the jurisdiction(s) by September 1<sup>st</sup> of the fiscal year in which the CVAG Arterial Project Priority Projections chart shows any project would become eligible for reimbursement. The jurisdiction must provide CVAG with qualified project invoices at the time of project construction, showing the extended costs for all project elements which are eligible for reimbursement under CVAG's current policies. The current policy for CVAG participation in regional transportation project costs is 75% Regional Funds, by CVAG, and 25% Local Funds, by the affected jurisdiction(s). Once the amount of reimbursement is finalized at project completion, that amount will remain unchanged until reimbursement occurs. There will be no interest accrued on the project's approved costs.

Should circumstances regarding the priority of Future Reimbursement Agreement projects change, CVAG is willing to present the project to the Executive Committee for advancement of the reimbursement schedule.

The purpose of this policy is to establish an approximate date, by CVAG Fiscal Year, when a participating jurisdiction may anticipate that the regional share of project costs will be reimbursed to the jurisdiction(s) which have constructed a qualified regional transportation project using their own funds, and in advance of the more typical process of that project qualifying for immediate CVAG participation through priority advancement in the TPPS. (Added by Executive Committee, April 30, 2007)

#### **16.0 Reference Documents**

Latest Adopted Update Transportation Project Prioritization Study (TPPS)

Latest Adopted Update Regional Arterial Cost Estimate (RACE)

Policy Number 07-05

