



Staff Report

TO: City Council
FROM: Robert L. Vestal, Public Works Director
DATE: May 21, 2024
SUBJECT: Funding Agreement with RCTC

Description Agreement for the funding of Transportation Uniform Mitigation Fee (TUMF) Regional Arterial Improvements with the Riverside County Transportation Commission (RCTC) for the Potrero Interchange Phase II (Project).

Background and Analysis:

On May 11, 2023, the Western Riverside Council of Governments (WRCOG) Executive Committee recommended approval of the Project for RCTC TUMF Regional Arterial funding.

On May 22, 2023, RCTC approved \$8,000,000 of TUMF Regional Arterial funding for the Project and gave the Executive Director authority to execute the funding agreement.

A funding agreement is necessary to distribute TUMF Regional Funds, subject to the conditions provided therein, exclusively for reimbursing the City for eligible work expenses. Two of the conditions of the agreement are as follows:

- The City shall provide at least Forty Million Dollars (\$40,000,000) of funding toward the Work which may include state and federal funding. The City has met this obligation with General Funds and the Trade Corridor Enhancement Program (TCEP).
- The City shall be responsible for initial payment of all the Work costs as they are incurred. Following payment of such Work costs, and after all other funding sources have been expended, for the applicable phase, the City shall submit invoices to RCTC requesting reimbursement of eligible Work costs.

Future City Council Items associated with the Project:

- FY25-29 Five-Year CIP Adoption w/ \$5,000,000 funding request
- Pre-bid Project Plans, Specifications, and Estimate Approval

- Construction Award

Tentative Project Schedule:

- Final PS&E 2/2025
- Begin Construction 12/2025
- Construction Completion 11/2027

Fiscal Impact:

The cost of preparing the staff report is estimated to be \$750.

There is no general fund impact with the approval of the funding agreement. The following table is a summary of the project accounting including the TUMF Regional Arterial funds:

2016-003 Potrero Phase II Project Accounting Summary				
Funding Summary				
Funding Year	Funding Source			Amount
21/22	Pass Zone TIP (Design)			\$1,500,000
22/23	Pass Zone TIP (Design)			\$1,500,000
23/24	Pass Zone TIP (Construction)			\$3,500,000
23/24	TCEP (State)			\$7,500,000
23/24	TCEP NHFP (Federal)			\$26,000,000
23/24	RCTC TUMF RA (Construction)			\$8,000,000
23/24	General Fund (Design)			\$1,000,000
23/24	General Fund (ROW+Cont)			\$5,000,000
24/25	FY25 PASS Zone TIP (Cons)			\$7,000,000
Future	General Fund (Cons)			\$5,000,000
23/24	CIP Interest			\$1,474,690
23/24	DIF R&B			\$1,525,310
23/24	General Fund (CD-03)			\$2,304,000
Total Project Funding =				\$71,304,000
Budget Summary				
Project Component	Budget	Encumbered	Paid to Date	Remaining Budget
Project Management	\$0	\$0	\$0	\$0
Preliminary Services	\$0	\$0	\$0	\$0
Environmental	\$0	\$0	\$0	\$0
Design	\$4,408,658	(\$3,245,390)	(\$433,127)	\$1,163,268
Construction	\$51,920,000	\$0	\$0	\$51,920,000

Construction Management	\$10,384,000	\$0	\$0	\$10,384,000
Permits	\$0	\$0	\$0	\$0
Right-of-way	\$4,591,342	(\$4,980)	(\$4,348)	\$4,586,362
Unfunded	\$0	\$0	\$0	\$0
Project Summary Totals	\$71,304,000	(\$3,250,370)	(\$437,475)	\$68,053,630

Recommended Action:

Authorize the Mayor to execute the Agreement for the Funding of TUMF Regional Arterial Improvements with the City of Beaumont for Potrero Interchange Phase II.

Attachments:

- A. Funding Agreement with RCTC