



Staff Report

TO: Honorable Mayor and Members of the City Council
FROM: Robert L. Vestal, City Engineer | Public Works Director
BY: Matthew Mendoza, Senior Management Analyst
DATE: January 20, 2026
SUBJECT: Cooperative Agreement - Highland Springs Interchange

Description: A Second Amendment to the Cooperative Agreement for the I-10/Highland Springs Avenue Interchange Project.

Background and Analysis:

On September 17, 2019, the City Council approved a cooperative agreement between the Riverside County Transportation Commission (RCTC), the City of Banning, and the City of Beaumont for the preparation of a Project Study Report (PSR) for the I-10/Highland Springs Interchange (Project). Subsequently, on May 18, 2021, the City Council approved the first amendment to include the project approval and environmental documentation (PA/ED) phase.

Project Update

The Project is currently in the PA/ED phase, and the environmental document is scheduled for completion by 2027. Several alternatives were developed and reviewed by Caltrans and have been dropped from further consideration due to various design and traffic issues. Project engineers and staff, in conjunction with Caltrans, have developed a new design alternative (Alternative 5) for evaluation. This design alternative has been provided as Attachment B for reference. Staff and Caltrans continue to progress with the project, conducting field studies and analyses, and developing technical traffic and environmental analysis and reports.

As a result of deficiencies in previous designs and the subsequent development of Alternative 5, the need for additional project funding was identified. In March 2025, RCTC began coordination with Western Riverside Council of Governments (WRCOG) regarding an amendment to the funding agreement. As a result, the Zone Executive Committee approved the Zone Pass Transportation Improvement Program (TIP) on June 18, 2025.

On August 4, 2025, the Zone Pass TIP was approved by the WRCOG Executive Committee along with a formal funding agreement amendment. The WRCOG funding amendment adds an additional \$2,000,000 in funding for the Project. These funds will be provided through the Transportation Uniform Mitigation Fee (TUMF) Zone and will be used for project management, consultant, and agency fees to complete the PA/ED phase. Any remaining funds can be reallocated for subsequent design phases.

On September 10, 2025, RCTC approved the funding amendment, along with the 2nd amendment to the Cooperative agreement with the City of Beaumont and the City of Banning. The amendment to the Cooperative Agreement, provided as Attachment A, memorializes the additional funding provided by WRCOG, which terms are provided in WRCOG Funding Agreement No. 20-72-018-03, and RCTC's continued role as lead agency through the completion of the PA/ED phase.

Fiscal Impact:

The cost to prepare this staff report is estimated to be \$380.

There is no fiscal impact to the City associated with this amendment.

Recommended Action:

Authorize the Mayor to execute the Second Amendment to the Cooperative Agreement with the Riverside County Transportation Commission and the City of Banning for the Management of the I-10/Highland Springs Avenue Interchange Project.

Attachments:

- A. Second Amendment to Cooperative Agreement No. 20-31-008-02
- B. Alternative 5 - Design