



MEETING AGENDA

TIME/DATE: 9:30 a.m. / Wednesday, March 13, 2024

LOCATION: BOARD ROOM
County of Riverside Administrative Center
4080 Lemon Street, First Floor, Riverside

COMMISSIONERS

Chair – Lloyd White

Vice Chair – Karen Spiegel

Second Vice Chair – Raymond Gregory

Kevin Jeffries, County of Riverside, District 1
Karen Spiegel, County of Riverside, District 2
Chuck Washington, County of Riverside, District 3
V. Manuel Perez, County of Riverside, District 4
Yxstian Gutierrez, County of Riverside, District 5
Alberto Sanchez / Rick Minjares, City of Banning
Lloyd White / Julio Martinez, City of Beaumont
Joseph DeConinck / Johnny Rodriguez, City of Blythe
Linda Molina / Wendy Hewitt, City of Calimesa
Jeremy Smith / Jennifer Dain, City of Canyon Lake
Raymond Gregory / Mark Carnevale, City of Cathedral City
Steven Hernandez / Stephanie Virgen, City of Coachella
Wes Speake / Jim Steiner, City of Corona
Scott Matas / Russell Betts, City of Desert Hot Springs
Clint Lorimore / Todd Rigby, City of Eastvale
Linda Krupa / Malcolm Lilienthal, City of Hemet
Dana Reed / Ty Peabody, City of Indian Wells

Waymond Fermon / Oscar Ortiz, City of Indio
Brian Berkson / Armando Carmona, City of Jurupa Valley
Kathleen Fitzpatrick / Deborah McGarrey, City of La Quinta
Bob Magee / Natasha Johnson, City of Lake Elsinore
Bill Zimmerman / Dean Deines, City of Menifee
Ulises Cabrera / Edward Delgado, City of Moreno Valley
Cindy Warren / Lori Stone, City of Murrieta
Berwin Hanna / Katherine Aleman, City of Norco
Jan Harnik / Kathleen Kelly, City of Palm Desert
Lisa Middleton / To Be Appointed, City of Palm Springs
Michael M. Vargas / Rita Rogers, City of Perris
Meg Marker / Lynn Mallotto, City of Rancho Mirage
Chuck Conder / Patricia Lock Dawson, City of Riverside
Valerie Vandever / Alonso Ledezma, City of San Jacinto
James Stewart / Brenden Kalfus, City of Temecula
Joseph Morabito / Ashlee DePhillippo, City of Wildomar
Catalino Pining, Governor's Appointee Caltrans District 8

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

www.rctc.org

MEETING AGENDA*

***Actions may be taken on any item listed on the agenda**

9:30 a.m.

Wednesday, March 13, 2024

Board Room

County of Riverside Administrative Center

4080 Lemon Street, First Floor, Riverside, CA

This meeting is being conducted in person as well as via teleconference. Please visit <https://rivco.org/constituent-speaking-request> to complete a speaker slip and receive further instructions to participate via teleconference. For members of the public wishing to submit written comments, please email comments to the Clerk of the Board at lmobley@rctc.org prior to March 12, 2024, and your comments will be made part of the official record of proceedings.

In compliance with the Brown Act and Government Code Section 54957.5, agenda materials distributed 72 hours prior to the meeting, which are public records relating to open session agenda items, will be available for inspection by members of the public prior to the meeting at the Commission office, 4080 Lemon Street, Third Floor, Riverside, CA, and on the Commission's website, www.rctc.org.

In compliance with the Americans with Disabilities Act, Government Code Section 54954.2, and the Federal Transit Administration Title VI, please contact the Clerk of the Board at (951) 787-7141 if special assistance is needed to participate in a Commission meeting, including accessibility and translation services. Assistance is provided free of charge. Notification of at least 48 hours prior to the meeting time will assist staff in assuring reasonable arrangements can be made to provide assistance at the meeting.

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENTS – *Each individual speaker is limited to speak three (3) continuous minutes or less. The Commission may, either at the direction of the Chair or by majority vote of the Commission, waive this three-minute time limitation. Depending on the number of items on the Agenda and the number of speakers, the Chair may, at his/her discretion, reduce the time of each speaker to two (2) continuous minutes. In addition, the maximum time for public comment for any individual item or topic is thirty (30) minutes. Also, the Commission may terminate public comments if such comments become repetitious. Speakers may not yield their time to others without the consent of the Chair. Any written documents to be distributed or presented to the Commission shall be submitted to the Clerk of the Board. This policy applies to Public Comments and comments on Agenda Items.*

Under the Brown Act, the Commission should not take action on or discuss matters raised during public comment portion of the agenda that are not listed on the agenda. Commission members may refer such matters to staff for factual information or to be placed on the subsequent agenda for consideration.

5. ADDITIONS / REVISIONS – *The Commission may add an item to the Agenda after making a finding that there is a need to take immediate action on the item and that the item came to the attention of the Commission subsequent to the posting of the agenda. An action adding an item to the agenda requires 2/3 vote of the Commission. If there are less than 2/3 of the Commission members present, adding an item to the agenda requires a unanimous vote. Added items will be placed for discussion at the end of the agenda.*

6. CONSENT CALENDAR – *All matters on the Consent Calendar will be approved in a single motion unless a Commissioner(s) requests separate action on specific item(s). Items pulled from the Consent Calendar will be placed for discussion at the end of the agenda.*

6A. APPROVAL OF MINUTES – JANUARY 25-26 WORKSHOP AND FEBRUARY 14, 2024

Page 1

6B. QUARTERLY SALES TAX ANALYSIS

Page 32

Overview

This item is for the Commission to:

- 1) Receive and file the sales tax analysis for the Quarter 3, 2023 (3Q 2023).

6C. QUARTERLY FINANCIAL STATEMENTS

Page 41

Overview

This item is for the Commission to:

- 1) Receive and file the Quarterly Financial Statements for the six months ended December 2023.

6D. MONTHLY INVESTMENT REPORT

Page 50

Overview

This item is for the Commission to:

- 1) Receive and file the Monthly Investment Report for the month ended January 31, 2024.

6E. MORENO VALLEY/MARCH FIELD METROLINK STATION TRACK AND PLATFORM EXPANSION PROJECT – CONSTRUCTION CONTINGENCY INCREASE

Page 53

Overview

This item is for the Commission to:

- 1) Approve an increase in the contract contingency for Agreement No. 21-33-095-00 with Granite Construction Company for construction of the Moreno Valley/March Field Metrolink Station Track and Platform Expansion Project (Project) from 10 percent (\$2,211,112) to 16 percent (\$3,537,779) of the agreement amount of \$22,111,122 for a total amount not to exceed \$25,648,90
- 2) Approve an amendment to the Fiscal Year 2023/24 Short Range Transit Plan (SRTP) to allocate an additional \$1,326,667 of State Transit Assistance (STA) funds to this Project;
- 3) Approve a FY 2023/24 budget adjustment of \$1,326,667 for revenues and expenses related to the Project; and
- 4) Authorize the Executive Director or designee to approve contingency work pursuant to the agreement terms up to the total amount.

6F. QUARTERLY PUBLIC ENGAGEMENT METRICS REPORT, OCTOBER - DECEMBER 2023

Page 59

Overview

This item is for the Commission to:

- 1) Receive and file the Quarterly Public Engagement Metrics Report for October - December 2023.

6G. STATE ROUTE 60 POTRERO BOULEVARD INTERCHANGE PROJECT COOPERATIVE AGREEMENT WITH THE CITY OF BEAUMONT

Page 65

Overview

This item is for the Commission to:

- 1) Approve Cooperative Agreement No. 24-72-064-00, with the city of Beaumont for the State Route 60 Potrero Boulevard Interchange Project in an amount not to exceed \$5,706,000;
- 2) Authorize Commission staff to be the lead agency on behalf of the city of Beaumont, as stated in the terms of Cooperative Agreement No. 24-72-064-00;
- 3) Authorize the Executive Director, pursuant to legal counsel review, to execute the agreement and future non-funding agreements and/or amendments on behalf of the Commission; and

- 4) Authorize the Executive Director, pursuant to legal counsel review, to acquire required parcels for the State Route 60 Potrero Boulevard Interchange Project in accordance with the Commission's Right of Way Policies and Procedures Manual.

7. PROPOSED POLICY GOALS AND OBJECTIVES FOR FISCAL YEAR 2024/25 BUDGET

Page 78

Overview

This item is for the Commission to:

- 1) Review and approve the proposed Commission Policy Goals and Objectives for the Fiscal Year (FY) 2024/25 Budget; and
- 2) Review and approve the Fiscal Accountability Policies for the FY 2024/25 Budget.

8. REIMBURSEMENT AGREEMENT WITH UNION PACIFIC RAILROAD FOR THE COACHELLA VALLEY RAIL PROJECT

Page 90

Overview

This item is for the Commission to:

- 1) Approve Reimbursement Agreement No. 24-25-063-00 with Union Pacific Railroad (UP) for preliminary engineering services for the Coachella Valley Rail Project in an amount not to exceed \$100,000;
- 2) Authorize the Executive Director or designee to approve future amendments to address the anticipated additional scope of work required by UP as the project progresses for an amount not to exceed \$500,000 as may be required for the Project for a total not to exceed contract of \$600,000;
- 3) Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the agreement on behalf of the Commission; and
- 4) Approve a budget adjustment of \$20,000 for expenses to be incurred in Fiscal Year 2023/24.

9. COUNTY OF RIVERSIDE FUNDING REQUEST #2 FOR CONSTRUCTION OF JURUPA ROAD GRADE SEPARATION PROJECT

Page 98

Overview

This item is for the Commission to:

- 1) Approve programming up to an additional \$35 million of 2009 Measure A Western County Regional Arterial (MARA) funds for the city of Jurupa Valley's Jurupa Road Grade Separation project;
- 2) Direct staff to explore all potential funding alternatives for the Jurupa Road Grade Separation project to minimize the impact to MARA;

- 3) Approve Amendment No. 1 to Agreement No. 21-72-121-00 between the Commission and the County of Riverside (County) as the lead agency for the programming of up to an additional \$35 million of MARA for the construction phase of the Jurupa Road Grade Separation project; and
- 4) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the amendment.

10. STATE AND FEDERAL LEGISLATIVE UPDATE

Page 104

Overview

This item is for the Commission to:

- 1) Receive and file a state and federal legislative update; and
- 2) Adopt the following bill position:
 - a) AB 2535 (Bonta)—Oppose.

12. ITEM(S) PULLED FROM CONSENT CALENDAR AGENDA

13. EXECUTIVE DIRECTOR REPORT

14. COMMISSIONER COMMENTS

Overview

This item provides the opportunity for brief announcements or comments on items or matters of general interest.

15. ADJOURNMENT

The next Commission meeting is scheduled to be held on **Wednesday, April 10, 2024.**

AGENDA ITEM 6A

MINUTES

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

MEETING MINUTES

Wednesday, February 14, 2024

1. CALL TO ORDER

The Riverside County Transportation Commission was called to order by Vice Chair Karen Spiegel at 9:30 a.m. in the Board Room at the County of Riverside Administrative Center, 4080 Lemon Street, First Floor, Riverside, California, 92501. For public comment visit <https://rivco.org/constituent-speaking-request> to complete a speaker slip.

2. ROLL CALL

Commissioners/Alternates Present

Brian Berkson
Russell Betts
Joseph DeConinck
Edward Delgado
Waymond Fermon
Kathleen Fitzpatrick
Raymond Gregory
Berwin Hanna
Jan Harnik
Kevin Jeffries
Linda Krupa
Clint Lorimore
Bob Magee
Meg Marker
Lisa Middleton
Joseph Morabito
V. Manuel Perez
Dana Reed

Commissioners Absent

Jeremy Smith
Karen Spiegel
James Stewart
Wes Speake
Michael M. Vargas
Valerie Vandever
Cindy Warren
Chuck Washington
Haissam Yahya
Bill Zimmerman
Chuck Conder
Sheri Flynn
Yxstian Gutierrez
Steven Hernandez
Linda Molina
Lloyd White

3. PLEDGE OF ALLEGIANCE

Commissioner Bob Magee led the Commission in a flag salute.

Vice Chair Spiegel requested when voting on an item on the agenda regarding an agency driven project or item for the Commissioner in that jurisdiction be given the courtesy to make the motion.

4. PUBLIC COMMENTS

There were no requests to speak from the public.

5. ADDITIONS / REVISIONS

There were no additions or revisions to the agenda.

6. CONSENT CALENDAR

M/S/C (Betts/Berkson) to approve the following Consent Calendar items.

6A. APPROVAL OF MINUTES – JANUARY 10, 2024

6B. SINGLE SIGNATURE AUTHORITY REPORT

- 1) Receive and file the Single Signature Authority report for the second quarter ended December 31, 2023.

6C. MONTHLY INVESTMENT REPORT

- 1) Receive and file the Monthly Investment Report for the month ended December 31, 2023.

6D. AMENDMENT TO AGREEMENT WITH NOSSAMAN LLP FOR ON-CALL STRATEGIC PARTNERSHIP ADVISOR SERVICES FOR THE INTERSTATE 15 EXPRESS LANES PROJECT SOUTHERN EXTENSION

- 1) Approve Agreement No. 06-66-028-16, Amendment No. 13 to Agreement No. 06-66-028-00, with Nossaman LLP (Nossaman) for the on-call strategic partnership advisor services to support the Interstate 15 Express Lanes Project Southern Extension (I-15 ELPSE), extend the contract term to December 31, 2030, and augment the agreement in the amount of \$3,030,508, plus a contingency amount of \$350,000, for an additional amount of \$3,380,508 for a total amount not to exceed \$19,383,443;
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the agreement on behalf of the Commission; and
- 3) Authorize the Executive Director or designee to approve the use of the contingency amount as may be required for the project.

6E. INTERSTATE 15/STATE ROUTE 91 EXPRESS LANES CONNECTOR PROJECT DESIGN-BUILD CONTRACT FINAL ACCEPTANCE

- 1) Authorize Final Acceptance for the Interstate 15/State Route 91 Express Lanes Connector Project (15/91 ELC or Project) Design-Build Contract, Agreement No. 19-31-074-00, with Myers-Rados, a Joint Venture, subject to the Executive Director’s verification that all contract requirements for Final Acceptance have been met.

6F. 15 EXPRESS LANES MONTHLY STATUS REPORTS

- 1) Receive and file the 15 Express Lanes Monthly Reports for the three months from July to September 2023.

6G. 91 EXPRESS LANES MONTHLY STATUS REPORTS

- 1) Receive and file the 91 Express Lanes Monthly Reports for the three months from July to September 2023.

6H. QUARTERLY REPORTING OF CONTRACT CHANGE ORDERS FOR CONSTRUCTION CONTRACTS

- 1) Receive and file the Quarterly Report of Contract Change Orders for Construction Contracts for the three months ended December 31, 2023.

6I. STATE AND FEDERAL LEGISLATIVE UPDATE

- 1) Receive and file a state and federal legislative update.

6J. FISCAL YEARS 2024/25 – 2026/27 MEASURE A SPECIALIZED TRANSIT CALL FOR PROJECTS PROGRAM GUIDELINES

- 1) Approve the Fiscal Years 2024/25 – 2026/27 Measure A Specialized Transit Program Guidelines; and
- 2) Direct staff to release the FYs 2024/25 – 2026/27 Measure A Specialized Transit Call for Projects for \$13,127,000 for Western Riverside County (Western County) on February 14, 2024.

7. FISCAL YEAR 2023/24 MID-YEAR REVENUE AND EXPENDITURE PROJECTIONS

Vice Chair Spiegel announced that staff has requested to present Agenda Item 7, “*Fiscal Year 2023/24 Mid-Year Revenue and Expenditure Projections*” and Agenda Item 8, “*Fiscal Year 2024/25 Revenue Projections*” concurrently.

Sergio Vidal, Chief Financial Officer, presented the FY 2023/24 Mid-Year and FY 2024/25 Projections update, highlighting the following:

- Measure A Revenue Allocations by Geographic Area – Based on taxable sales by area
- Revenue Projections – Analysis, revenues, and projections
- Measure A and Local Transportation Funds (LTF) collections and projections
- Economic category trends – Measure A (Approximately over \$80 million growth since 2019)
- Transportation Uniform Mitigation Fees (TUMF) collections and projections
- Measure A Allocations by Geographic Area and LTF Allocations by Apportionment
- FY 2023/24 Mid-Year Expenditure adjustment – Budget adjustment by Project(s)
- Next steps

Commissioner Russell Betts referred to the revenue projections Sergio Vidal had mentioned asked which way the inflation rate is going to go and what number is being used.

Sergio Vidal replied per the discussions with their economic consultants they were anticipating a faster decrease in inflation down to the historical 2 percent however in the County it was only about 3 percent. They have projected in the future even though the federal reserve has taken a hawkish approach in the last six months they do anticipate an interest rate reduction which will hopefully spur economic activity in the County. They are anticipating interest rates hovering where they are at now maybe a half percent cut and inflation about that 2 to 3 percent normalized levels.

Commissioner Dana Reed referred to slide 3 in the presentation and stated under revenues Sergio Vidal indicated Measure A is allocated based on place of consumption and the LTF is based on the point of sale. He asked how they determine where the item was consumed.

Sergio Vidal replied that the place of consumption is the transaction and use tax, so the point of sale is very similar to local jurisdiction like the Brownie Barn Sales Tax. An example is if there is an online order on Amazon in L.A. County, but the goods will be received in Rancho Mirage that sales tax is allocated to Rancho Mirage.

Commissioner Reed clarified if he were to go to the city of La Quinta and buy something at Costco and take it back to Indian Wells and consume it in Indian Wells does Indian Wells get the money. Sergio Vidal replied it is more generated from the online sales so if he were to buy a bottle of water in the city of La Quinta that tax would stay in the city of La Quinta.

Anne Mayer used an automobile purchase as an example, if they purchased a car in Riverside the point of sale for LTF purposes is Riverside but for Measure A point of consumption is their home address. Sergio Vidal's examples of online purchases and automobile purchases are the best examples of distinguishing between consumption and point of sale.

In response to Commissioner Reed's clarification if he goes to Nordstrom and purchases a jacket it is point of sale, Anne Mayer replied yes.

M/S/C (Gregory/Berkson) to:

- 1) Receive and file the Fiscal Year 2023/24 Mid-Year Revenue Projection Report, which includes Measure A, Local Transportation Funds (LTF) and Transportation Uniform Mitigation Fees (TUMF); and**
- 2) Approve the FY 2023/24 mid-year budget expenditure adjustments for a net increase of \$1,434,900.**

8. FISCAL YEAR 2024/25 REVENUE PROJECTIONS

M/S/C (Gregory/Berkson) to:

- 1) Approve the projection for Measure A revenues of \$282 million for Fiscal Year 2024/25;**
- 2) Approve the projection for Local Transportation Fund (LTF) apportionment of \$155 million for the Western Riverside County, Coachella Valley, and Palo Verde Valley areas for FY 2024/25; and**
- 3) Approve the projection for Transportation Uniform Mitigation Fee (TUMF) revenues of \$30 million for FY 2024/25.**

9. AGREEMENT FOR INTERSTATE 15 EXPRESS LANES PROJECT TOLL SERVICES

Reinland Jones, Toll Technology Manager, presented the Kapsch Traffic Com (Kapsch) agreement, highlighting the following:

- Kapsch agreement summary
- Design and deployment
 - On-road Toll Collection Systems
 - Dynamic Pricing Systems
 - 15 Express Lanes Traffic Operations Center
 - 15 Express Lanes Back Office System
 - Furniture and Fixtures
 - Documentation
- Operate and maintain
 - System maintenance and repair

- Traffic operations staffing
- Customer Service Staffing
- Documentation
- Items to consider
- Planning ahead
 - Received a preliminary estimate from Kapsch for replacing hardware to retain systems for an additional 10 years (2041)
 - Compiled recent procurement costs from other projects with similar systems
- Estimated design and deployment costs if reprocured
- Estimated Kapsch extension
- Why is a contract extension less costly?
 - Retaining current system design and logic, only updating end-of-life hardware
 - Document creation is minimized as Kapsch would only be required to update hardware design documentation
 - Consultant oversight needs for design and implementation are minimal
 - Mobilization costs would be avoided
 - Procurement development costs avoided
- Operate and maintain
- Procurement manual – Sole source justification
- Best interest of public and commission
 - Minimizing use of excess toll revenue
 - Minimizing disruption to service
 - Prevent changes to existing civil infrastructure
 - Reduce risk of issues with a replacement system
 - Allows for planning for 15 north (SBCTA) and 15 south extension
- Kapsch report card
 - Delivered one of the most complicated toll systems in the country
 - Partnering attitude
 - State-of-the-art technology
 - Flexible with additions and changes
 - High system integrity and reliability
 - Excellent customer service

Vice Chair Spiegel referred to slide 10 of the presentation about the non-federal funded and clarified if they have a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan that is funded kind of federally but that is a loan, so it does not count against non-federal.

Anne Mayer replied this would be a noncompetitive agreement; it would not be eligible for federal funding and outside of any federal participation including a TIFIA loan, it would be self-funded by RCTC's resources. There are a variety of things that are not federally

eligible in a project like this and from a TIFIA standpoint they cap their involvement in a project at 33 percent, so the bulk of the project is not funded through a TIFIA program.

Commissioner James Stewart asked why the Commission is extending the contract just two years into the 10-year agreement and extending it for another 10 years.

Reinland Jones replied in the contract there is an exit clause, so they are always allowed to not continue for future years which helps protect the agency. The reason why they are doing this so early is because they want to plan for this ahead of time so they can allocate the legal resources and for consultant services to be able to prepare for something like this. It does take a significant amount of effort to plan for.

Commissioner Stewart clarified if the exit clause is the performance clause if they are not performing to the standard the Commission deems that they could cancel that contract.

Anne Mayer explained that a contract and a system of this kind is basically a proprietary intelligent transportation system that is based on project specific software and hardware development. She clarified with Jennifer Crosson, Toll Operations Director, when RCTC first started with Kapsch.

Jennifer Crosson replied they began developing the request for proposal in 2015 and awarded a contract in January 2017 and they implemented in 2021, which was the point of showing a six-to-seven-year lead time in this. It was the same schedule for just the back office for the 91 as well. Regarding the termination they have a termination for convenience clause, and it does not have to be tied to performance.

M/S/C (Speake/Vargas) to:

- 1) Authorize staff to enter into negotiations with Kapsch for a non-competitive 10-year extension of Agreement No. 16-31-043-00.**

10. AGREEMENT FOR PLANS, SPECIFICATIONS, & ESTIMATES FOR THE INTERSTATE 15 FRANKLIN STREET INTERCHANGE PROJECT

David Lewis, Capital Projects Manager, noted that he is presenting today on behalf of Joie Edles Yanez. He then presented the Interstate 15 Franklin Street Interchange Project update, highlighting the following:

- Background information
 - Phase II, originally a part of I-15 Railroad Canyon Interchange Project (Phase I) - Completed Fall 2022
 - Earmarked \$12,500,000 in Transportation Uniform Mitigation Fee (TUMF) and Local City funds towards:
 - I-15 Franklin Street Interchange PS&E Services

- Project Benefits:
 - ✓ Relieve existing traffic congestion
 - ✓ Improve overall operation of interchange and surrounding streets
 - ✓ Accommodate projected future traffic flow and movement
- Scope of work
 - New Franklin Street interchange
 - New four-lane overcrossing
 - Auxiliary lanes to Railroad Canyon Road and Main Street
 - Realignment and improvement of Auto Center Drive
 - Existing Franklin Street overcrossing south of new interchange will be protected in place
 - ADA compliant pedestrian and bicycle facilities on Franklin Street
- Procurement process
- Final design contract
- Fiscal impact

Commissioner Bob Magee thanked RCTC staff for working with the city of Lake Elsinore to move this forward. He stated as it was heard in the presentation Railroad Canyon Road Interchange that took over 20 years to perfect was just Phase I of a two phased solution to relieve traffic congestion in this area. As they heard the city of Lake Elsinore created a new frontage road Camino Del Norte to expedite this process and to further relieve congestion on the east side of the freeway. The residents on the east side of the 15 will be the beneficiaries of this traffic relief program that includes the cities of Canyon Lake and Menifee that transcend this interchange daily. Anyone who is coming to a ball game, a special event, or recreate at their lake will benefit from this improvement and looks forward to moving this through the Caltrans process in an expediated manner and appreciates their partnership with the Commission. He urged the Commissioners to vote on and support this and when appropriate he would like to make the motion.

Commissioner Jeremy Smith concurred with Commissioner Magee's comments and seconded the motion.

M/S/C (Magee/Smith) to:

- 1) Award Agreement No. 24-72-028-00 to HDR Engineering Inc. for plans, specifications, & estimates (PS&E) for the Interstate 15 Franklin Street Interchange Project in the amount of \$8,759,405, plus a contingency amount of \$875,941, for a total amount not to exceed \$9,635,346;**
- 2) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the agreement on behalf of the Commission; and**
- 3) Authorize the Executive Director or designee, to approve contingency work up to the total not to exceed amount as required for these services.**

11. ITEM(S) PULLED FROM CONSENT CALENDAR FOR DISCUSSION

There were no items pulled from the Consent Calendar.

12. EXECUTIVE DIRECTOR'S REPORT

Anne Mayer announced:

- Expressed appreciation to the Commissioners for their involvement, engagement, trust, professionalism, and support for everything RCTC does;
- RCTC has a Citizens and Specialized Transit Advisory Committee (CSTAC) and described what the CSTAC is comprised of and the role the CSTAC member has. Each member has a three-year term and the application period for new membership opens today, applications are due by March 27. Anyone that knows of individuals who would be interested to go to the RCTC website to apply;
- Staff's appreciation for the Commissioners participation at its Annual Commission Workshop as it was a productive meeting and there was great feedback from the Commissioners;
- At that meeting it was announced the California Transportation Commission (CTC) approved the I-15 Express Lanes Project or (I-15 NEXT) for SBCTA there was one no vote. She recommended to go to the CTC website and watch the video to kind of see the state of transportation in California. SBCTA and CTC Commissioner Tavaglione did an outstanding job of representing their area as did many of their delegation members. It was followed up by the article by L.A. Times there is much more work to be done and the RCTC team will be carefully monitoring legislative proposals coming out and bring any updates to the Commission for consideration;
- Aaron Hake, Deputy Executive Director, attended the California Association of Councils of Governments (CALCOG) meeting last week and the new Chair Lori Wilson of the Assembly Transportation Committee will be terrific to leadership in transportation in Sacramento. RCTC will be following the transportation policy coming out of Assembly Transportation and Senate Transportation Committees very closely.

13. COMMISSIONER COMMENTS

- 13A.** Commissioner Stewart announced there will be a Groundbreaking Ceremony in the city of Temecula today at noon for the I-15 Auxiliary Lane and thanked RCTC for supporting that and Caltrans has been a big partner in it and Caltrans will be doing additional auxiliary lanes in that corridor.
- 13B.** Commissioner Washington was going to announce the groundbreaking and stated that he will be there at the groundbreaking ceremony today.
- 13C.** Commissioner V. Manuel Perez announced the National Date Festival and Parade starts on February 16 in the city of Indio being held from February 16 – February

25, there is also a Presidents' Day schedule and a Flag Raising Ceremony schedule, and the details will be emailed to the Commissioners.

- 13D.** Commissioner Brian Berkson announced this morning he attended the Customer Appreciation Day along with some RCTC and Metrolink staff members and they handed out some swag bags to the riders on four different Metrolink trains between 6:00 a.m. and 7:15 a.m.

13. ADJOURNMENT

There being no further business for consideration by the Riverside County Transportation Commission, Vice Chair Spiegel adjourned the meeting at 10:26 a.m. The next Commission meeting is scheduled to be held on Wednesday, March 13, 2024.

Respectfully submitted,



Lisa Mobley
Administrative Services Director /
Clerk of the Board

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

MINUTES

Thursday and Friday, January 25-26, 2024

The Riverside County Transportation Commission Workshop was called to order by Chair Lloyd White at 1:05 p.m., at the Renaissance Palm Springs Hotel, 888 E. Tahquitz Canyon Way, Palm Springs, California.

PLEDGE OF ALLEGIANCE

Commissioner Chuck Conder led the Commission in a flag salute.

ROLL CALL

Lisa Mobley, Administrative Services Director/Clerk of the Board announced that Commissioner Kevin Jeffries has notified the Commission in writing per the Administrative Code that he has designated his alternate to be Commissioner Chuck Washington in his absence.

Commissioners/Alternates Present

Brian Berkson	Lisa Middleton
Chuck Conder	Linda Molina
Joseph DeConinck	Joseph Morabito
Waymond Fermon	V. Manuel Perez
Kathleen Fitzpatrick	Dana Reed
Raymond Gregory	Jeremy Smith
Yxstian Gutierrez	Karen Spiegel
Berwin Hanna	James Stewart
Jan Harnik	Wes Speake
Steven Hernandez*	Valerie Vandever
Linda Krupa	Cindy Warren
Clint Lorimore	Chuck Washington**
Bob Magee	Lloyd White
Meg Marker	Bill Zimmerman
Scott Matas	

Commissioners Absent

Ulises Cabrera
Sheri Flynn
Kevin Jeffries
Michael M. Vargas
Catalino Pining

*Arrived after the meeting was called to order.

**Commissioner Kevin Jeffries designated Commissioner Chuck Washington to vote as his alternate for this meeting.

PUBLIC COMMENTS

There were no requests to speak from the public.

CHAIR'S WELCOME AND WORKSHOP OBJECTIVES

Chair White announced he is pleased to see such a great turnout for their annual workshop. The agenda is full of big items he asked to be brought forward for critical discussion from Coachella Valley Rail, the Traffic Relief Plan, to the 79 Realignment project and goods movement. It is the Commission's responsibility to set a vision for their transportation future and address these challenges head on.

COACHELLA VALLEY RAIL PROJECT AFFIRMATION

Anne Mayer, Executive Director, provided some history about the RCTC Annual Workshops and how they always focus on big issues, strategic cooperation and collaboration, and plan for the future, which allows a lot of open discussion of critical issues. Their goal is to provide information the Commissioners need to be able to provide policy direction so that staff and their team can implement the vision the Commissioners have created for Riverside County. She then displayed the proposed Coachella Valley Rail Project Corridor legend and provided a very detailed overview and update for the Coachella Valley Rail Project (CV Rail Project).

At this time, Commissioner Steven Hernandez joined the meeting.

She stated staff is looking for the Commission to affirm this is what their expectations are and that RCTC is on the right path before they get into negotiations. She then provided detailed information regarding the staff recommendation. Staff requested to be consistent with the Traffic Relief Plan (the Plan) to modify staff recommendation no. 3 to also include the following: ***Operations and maintenance including stations will be eligible expenditures in the plan to the extent allowed by law.***

Commissioner Karen Spiegel referred to staff recommendation no. 2 combined with staff recommendation no. 3 and clarified that Coachella Valley Association of Governments (CVAG) is going to take 10 percent set aside in addition to what is in the Plan.

Anne Mayer replied that 10 percent is 10 percent of Riverside County's allocation of State Transit Assistance (STA) dollars; those funds are under RCTC's discretion the Commissioners allocate those funds to their transit needs. Several years ago, instead of RCTC allocating 100 percent of the CV Rail STA funds to SunLine Transit Agency (SunLine) 10 percent is set aside and retained by RCTC for CV Rail. She discussed how in 2013 the 10 percent would be used for this purpose and as a result executed a memorandum of understanding (MOU) with CVAG.

In response to Commissioner Spiegel's question that it is going to continue, Anne Mayer replied she is asking for the Commissioner's affirmation that for the time being it continues. There is no other source of funding other than transit dollars to do a lot of the preliminary work and that will need to be addressed in the future.

In response to Commissioner Cindy Warren's question that some of the rail line is not accessible to the Commission, Anne Mayer referred to the CV Rail Project Corridor legend and

explained from Los Angeles (LA) to Colton the San Bernardino Subdivision Burlington Northern Santa Fe owns those tracks, this Commission owns all passenger rail rights from just outside of LA Union Station to Colton, in the early 1990s the Commission at that time bought all those rights and from Colton to Coachella.

In response to Commissioner Warren's question, Anne Mayer replied this is Union Pacific's major freight line, they do not want passenger rail interference as it is a safety and operational issue for Union Pacific. However, the CV Rail Project will likely have to build a third track so there might be some motivation for Union Pacific to want to partner. The state of California is focusing on rail and are putting significant amounts of money towards intercity rail as well as rail programs like Metrolink.

Commissioner Chuck Conder stated when they discussed this some years ago the times have to be convenient, it has to be consistent and run on time, it has to be continuous because they will not ride if they are sitting behind those seven-mile trains, and they will have to buy up all kinds of right of way (ROW).

Anne Mayer replied for that corridor there is room for more tracks, and they will likely have to build that third track to allow for additional capacity. The Commission must comply with so many processes because they have to prove to the state and the feds this is a viable service. It is estimated it will take three hours and thirty minutes to get to Coachella to LA in both directions which is the target the Commission is shooting for.

Commissioner Conder concurred with Anne Mayer's comments and moved staff recommendation.

Commissioner Clint Lorimore thanked Anne Mayer for the presentation and asked how much the operations side of it will cost.

Anne Mayer replied there will have to be a lot of conversations about how certain components are funded but they have the existing Los Angeles-San Diego-San Luis Obispo (LOSSAN) costs and can estimate what operations of that train service would cost.

In response to Commissioner Lorimore's question that the operations are possibly not covered by Measure A, Anne Mayer replied if the Plan includes operations and maintenance then it could be eligible, other funds besides measure money do have restrictions and there are some state and federal funding sources they cannot spend on operations. Even if the Commission decides that operations and maintenance are not going to be in an expenditure plan that goes to the voters, then they will not be able to do it, but that is for another item on the agenda.

In response to Commissioner Lorimore's question knowing ridership is down on other rail services do they anticipate that changing as this "build it, they will come" approach, Anne Mayer replied that a primary goal post-COVID is how to help rail recover as Metrolink is currently about 50 percent ridership pre-COVID, this system is not the same as the Metrolink

system. This service is intercity service LA to Coachella and a different kind of rider and the goal in the southwest is this eventually goes to Arizona.

Commissioner Lorimore referred to staff recommendation number four and asked what the percentages of this is and is the amount of money that would come from a proposed updated measure make this viable.

Anne Mayer explained for the 2020 draft Plan the sales tax measure was at a ½ cent. The conversation now the draft Plan they have it is at 1-cent and CV Rail is a significant reason why. If Riverside County has CV Rail as a key priority, they are going to have to pay for it so if this does go to the ballot with a full 1-cent it is viable. That means they have to make sure in an expenditure plan for a sales tax measure they identify that it is most parts of the county and that it is proportional share.

In response to Commissioner Lorimore's concern for the target time of three and a half hours as it needs to be competitive to make it attractive, Anne Mayer replied to get all the way into Downtown LA it is not a great drive and there are a lot of people who visit the desert who are not around from the Coachella Valley.

Commissioner Lisa Middleton expressed appreciation for the presentation and for their work on this. They have been talking about this project for decades and have made progress in the last few years as this is a critical generational project. One of the major changes that is taking place in rail transportation is primarily going to be commuter transportation networking and to survive it has to become a recreational oriented transportation network. There is no better place than the Coachella Valley connecting to LA to be able to make that a reality and she supports moving this project forward.

Commissioner V. Manuel Perez expressed appreciation for the presentation and great job to staff that put this together and concurred with Commissioner Middleton's comment this is a generational transformational effort. He suggested moving forward that CVAG be consulted by the Commission especially when it comes to policy and funding, per the 2013 MOU and they want to ensure those being impacted do have a say to CVAG as well as the Commission.

Anne Mayer replied that the Plan calls for all measure money in the Coachella Valley to go to CVAG for distribution in the Transportation Project Prioritization Study (TPPS). There will be significant coordination, agreements, and funding agreements with CVAG; the language that is currently in the Plan now and CVAG has already indicated in the Plan that this project will go into the TPPS and CVAG has decision making authority over the TPPS.

Commissioner Perez concurred the Commission should be in charge when it comes to CV Rail but reiterated, they should go back to what was decided with the 2013 MOU to address policy and funding between CVAG and the Commission.

Anne Mayer concurred and stated that MOU's single purpose was to that relatively small amount of money and RCTC and CVAG are going to have a more extensive agreement and they

will sort that out. They have just updated a master partnership agreement between RCTC and CVAG related to state funds formula distributions in the county and suggested they follow the same path with master agreements.

Commissioner Jan Harnik concurred with Commissioners Middleton and Perez's comments as they need to support this going forward. She agreed this will be event oriented most of the time but in talking about the thousands of houses starts in Coachella there will be some commuting as time goes forward and get mass transit in as they are trying to get ahead of this issue that is being created now. This is a regional effort that will help everyone and concurred with the 2013 MOU they need to go back and look at it to help them all do their best work.

At this time, Commissioner Harnik left the meeting.

Commissioner Brian Berkson stated he is one of the representatives on the Metrolink Board, and it used to be about 80 percent of their daily commuters were going to and from work; since the pandemic that number dropped to 40 percent ridership. When Anne Mayer mentioned about the costs of operating the train system and clarified this would not be a train service to get from local commuting or their job, the goal is going to be a place where people go to the Coachella Valley and to events. He is not comfortable they have been provided enough information to get a continuous flow of people using that service to get to Coachella every day or weekend which is going to cost billions of expenses to bring a system.

Anne Mayer replied that is why the service development plan was done and it will have to be updated. Another component is they need to have ridership assessments and demonstrate from a ridership and a technical standpoint this project is feasible, there has to be strategic discussions and marketing, and when there are station conversations the catchment area for the stations is really important.

Commissioner Berkson stated in addition to all that they would have to engage with SunLine the bus lines to ensure the last mile getting from the train station and to wherever the event center is located is calculated, coordinated and matching schedules. There needs to be a process that is going to attract and be compatible with what the desires will be.

Anne Mayer concurred and stated they are starting to implement the concepts Commissioner Berkson talked about in that they went forward in partnership with the city of Coachella to seek an affordable housing grant from Southern California Association of Governments (SCAG) to look at the Downtown Coachella Rail station, a full mobility hub or transit hub for bus transit as well the layover facility for the rail with a one mile radius around that station for the city to look at their land uses in that area.

Commissioner Raymond Gregory thanked Commissioner Perez for discussing some of the important issues that were covered and to staff for bringing this forward. He appreciates they are pointing out many of the areas where there is going to have to be significant work and they still want to move forward with it, as this is a transformational generational project. This is a

project that is meaningful and is going to be transformational for their county and their region and will affect everyone and to keep their focus on how valuable these types of projects are.

Anne Mayer stated it is not her intent to be discouraging in anyway related to this project; this is a big deal to move forward. They want full disclosure, so they all know what the issues are to make sure if they are going to spend this kind of money, they have that demonstration this Commission is all in and it also makes a difference when they are negotiating.

Commissioner James Stewart asked for this new measure if they have done any polling to find out how tolerant people are to rail and if the project is built if RCTC is then responsible with the shortfall in operation costs.

Anne Mayer replied that the goal would be that this become an intercity rail corridor that is funded through the intercity rail program just like LOSSAN and not for RCTC or CVAG to be responsible for paying for actual trains running. In terms of polling in the next couple of items Richard Bernard from FM3 Research, will talk about polling, but everybody loves the train and really loves CV Rail.

Commissioner Steven Hernandez stated this is his 18th year on this Board and appreciates this conversation it reminds him of what they do here which can be hard with their vision and putting a plan together, but they are catalytic and transformational to their region and this project is that. The state values environmental justice, social justice, and communities are putting a lot of money behind those efforts and in these conversations as they are capitalizing this train, they really have to dig through that.

Luis Garcia, SunLine's acting CFO representing SunLine on behalf of the CEO Mona Babauta, referred to the CV Rail Project affirmation item. He described how the STA was derived, how the STA funding is allocated, and how in the prior fiscal year STA revenue flowed through the Coachella Valley. He noted without SunLine, Riverside County would not be able to receive both population and revenue based funding. SunLine is not opposed to the regional project and the CV Rail's success will be dependent on strong public transportation systems to provide connectivity to the greater region. The affirmation behind the Commission's commitment should build out a comprehensive transportation system that effectively meets the traveling needs in the County, invest in all forms of public transportation while ensuring specific funding for bus transit is not harmed, have additional discussions between RCTC and SunLine and he described those needs for discussion. As the county continues to successfully compete for and gain access to rail specific or other capital funding to revisit the current practice of utilizing SunLine's 10 percent allocation for STA funding to ensure they continue to grow with transit service to complement CV Rail.

Angela Little requested to clarify the Western County Subregions with specificity and a map.

Anne Mayer referred to the proposed CV Rail Project Corridor map and described all the regions of the county in accordance with the sales tax measure.

Tom Kirk, CVAG Executive Director, supports the CV Rail project and he concurred the 2013 MOU was about the funding split and also that CVAG will be responsible for some of the policy funding decisions and for RCTC to take the lead in getting it done and RCTC has been getting it done. He thanked Anne Mayer and Sheldon Peterson, Rail Manager, for doing an incredible job. CVAG is looking for consistency with that MOU, to update it, and a line upfront with CVAG on the policy and funding decisions related to the Coachella Valley. He discussed having some language about that 90/10 split because they want to listen to SunLine and listen to what is going on in the Coachella Valley and looks forward to continuing to work with RCTC.

Anne Mayer concurred with Tom Kirk that 10 split was a CVAG decision to split out that 10 percent for purposes they talked about. She stated RCTC has authority over the STA funds STA funding comes to the Coachella Valley and goes to SunLine, but CVAG is their primary partner, and they negotiate with CVAG. She assured that RCTC is ready to work with SunLine about SunLine's needs the 10 percent set aside is not going to have an impact on what SunLine is able to do; RCTC is a funding partner with a variety of different funding sources.

M/S/C (Reed/Gregory) to affirm the following:

- 1) That the Commission is the lead agency for delivering the Coachella Valley Rail Project (Project) and will be the venue for policy and funding decisions regarding the Project;**
- 2) Continuation of the 10 percent set aside of Coachella Valley State Transit Assistance (STA) funds for the Project;**
- 3) The Commission will set aside dedicated funding for the Project in the 2024 Traffic Relief Plan in both the Western County and Coachella Valley subregions of the plan and any funding measure submitted to the voters; Operations and maintenance including stations will be eligible expenditures in the plan to the extent allowed by law;**
- 4) Coachella Valley and Western County subregions will pay for their proportional shares of the total project costs;**
- 5) Staff is authorized to negotiate with host railroads, candidate operating entities, and state and federal agencies to advance the Project; and**
- 6) Staff is directed to evaluate existing and future funding sources to fund future phases of the Project.**

2024 DRAFT TRAFFIC RELIEF PLAN – ECONOMIC IMPACT STUDY

Sergio Vidal, Chief Financial Officer, introduced the Beacon Economics team who will present the economic forecast, potential economic impacts, and the socio-economic impacts related to a set of priorities noted in the Draft Traffic Relief Plan (TRP).

At this time Stafford Nichols, Beacon Economics, presented the economic and social impacts of the 2024 TRP, highlighting the following:

- Study approach – Revenue Forecast – Economic Impacts – Social Impacts
 - Developed revenue forecast model to determine potential money available

- Modeled economic and fiscal impacts of draft TRP projects
- Analyzed long term socioeconomic benefits of draft TRP projects
- Forecast background and methodology
- Forecast results
- Revenue forecast and economic impact
- Economic impact methodology – Key terms
- One-cent economic impact
- Fiscal impact effects
- Measures of socioeconomic benefits
- Estimate of socioeconomic benefits
- Economic analysis summary

The Commissioners had some discussion about the estimated growth rate for Riverside County, revenue the potential 1-cent measure would generate, taxable sales, the forecast results, and if the initiative the cash generated is reflected of today's dollars.

M/S/C to:

- 1) Receive and file the Economic Impact Study related to the 2024 draft Traffic Relief Plan (Plan).**

At this time, Commissioner Brian Berkson left the meeting.

TRAFFIC RELIEF PLAN PUBLIC OPINION SURVEY AND FOCUS GROUP UPDATE

David Knudsen, External Affairs Director, introduced Richard Bernard, FM3, to present the Traffic Relief Plan (TRP) public opinion survey and focus groups.

Richard Bernard presented the focus groups and survey updates, highlighting the following:

- Research specifics and methodology
- Composition of focus groups
- Some key focus group findings

Anne Mayer noted staff deliberately chose to focus on Western County in areas where they did not have any data as they have a lot of good data in the Coachella Valley. They are trying to get the areas in Western Riverside County where they have some uncertainty about things that have changed in the past couple of years.

Richard Bernard continued his presentation with the following updates:

- Survey specifics and methodology
- Sub-region legend
- Perceptions of the need for transportation funding in Riverside County

- The vast majority continue to perceive there is a need for at least some additional funding for transportation regardless of area of County
- Transportation related priorities
 - Keeping roads in good condition; repairing potholes; improving safety; reducing congestion; and upgrading structurally declining bridges/overpasses are among the features considered very important priorities
- Potential ballot measure – Ballot title and summaries tested
 - Two-thirds initially support the 1-cent measure while a slightly lower (but statistically similar) percentage supports a ½-cent measure; however fewer than 4-in-10 would definitely vote yes on either measure
 - Support meets the two-thirds threshold on both measures among Coachella Valley voters; Riverside voters reach the two-thirds threshold initially on the 1-cent measure, and slightly lower on the ½-cent measure
- Demographic analysis of initial vote (combined)
 - Moreno Valley/Perris subregions are the most apt to support the measure and the city of Riverside and the Southwestern Region are the least
 - More than two thirds of voters in the sub-region including Indio, Coachella, La Quinta and the sub-region consisting of Rancho Mirage, Indian Wells and Palm Desert support the measure
 - Two-thirds or more of voters in Supervisorial Districts 5, 4, and 1 would vote yes on the measure
- Impact of educational outreach and critical statements
 - Vote Progression for ½-Cent and 1-Cent Measures for Riverside County
 - Vote Progression for ½-Cent by Riverside County, Western Riverside, Coachella Valley
 - Vote Progression for 1-Cent by Riverside County, Western Riverside, Coachella Valley
 - Historic Vote Progression for ½-Cent Riverside County Transportation Sales Tax Measure
- Conclusions
 - Perceived need for additional funding for the County’s transportation, including freeways, local streets and public transit remains extremely high.
 - More than 6 in 10 voters initially support a countywide one-half cent and one-cent transportation measure, respectively – within the margin of error for passage.
 - After education both measures reach or exceed the two-thirds threshold for passage - within the margin of error.
 - After critical statements both measures continue to receive support in the 60s.
 - Keeping roads in good condition, especially by repairing potholes; improving safety; reducing congestion and traffic jams; and upgrading structurally declining bridges/overpasses are top voter priorities.
 - Communicating the sub-regional projects is key to voters’ understanding of the measure.

There was some discussion amongst the Commissioners about the meaning of a critical statement related to the polling, how this sales tax measure is locally controlled, how the surveys were polled, and the difference in responses either on-line or on the phone between the ½ cent versus the 1-cent measure.

M/S/C to:

- 1) Receive and file the results of the 2023 public opinion survey and focus groups.**

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9:

One or more potential case(s)

There were no announcements for the Closed Session items.

ACA-1 TRAFFIC RELIEF PLAN UPDATE

Anne Mayer provided an overview of the TRP funding options related to ACA-1.

There was discussion amongst the Commissioners about if ACA-1 fails, the vote threshold for ACA-1 to go into effect, the polling in May, voter sentiment related to ACA-1, public outreach, how to frame the TRP, how to fund operations and maintenance, the language in ACA-1 and funding uses, estimated cost to place a countywide question on the ballot, the differences between their statutory authority measure or an ACA-1 measure, the current campaign for ACA-1, if this new sales tax measure does not have transit operations in it where is that money coming from, the existing Western County Measure A Expenditure Plan funding has very limited funding available for future operations, if an ACA-1 expenditure plan passes, counteracting ballot measures on the November ballot, providing the public with a transparent answer, the groups that supports ACA-1, and the Regional Housing Needs Addition (RHNA) numbers and the lack of funding for fire and police.

Anne Mayer displayed the TRP funding options chart and explained the TRP schedule with the statutory authority measure and the TRP schedule with the ACA-1 included. She noted staff will come back to the Commission in June where the Commissioners will need to decide what will be on the ballot.

There was additional discussion amongst the Commissioners about the statewide public opinion polling and the timing issue related to ACA-1.

Anne Mayer clarified the consensus today is the Commissioners want staff to prepare an aspirational TRP that is a comprehensive vision for the county and bring it forward to the

Commission in April and if there is additional information about ACA-1 staff can bring that also in April.

M/S/C to:

1) Receive information regarding ACA-1 and provide direction to staff.

Due to timing issues, the Traffic Relief Plan Projects and Cost Discussion will commence on January 26 at 8:30 a.m.

LEGISLATIVE UPDATE

Anne Mayer welcomed and introduced Mark Watts, RCTC Lobbyist, to provide an update on what is going on in Sacramento.

Mark Watts presented an update on state legislative activities.

M/S/C to:

1) Receive a legislative update.

At this time, Chair White announced the workshop is done for the day and that dinner will be served at 6:00 p.m. Breakfast will be served tomorrow morning from 7:30 a.m. – 8:30 a.m. and the Workshop will commence at 8:30 a.m.

At 5:11 p.m., Chair White called for a recess until 6:00 p.m.

There being no further business for consideration by the Riverside County Transportation Commission, the workshop adjourned at 7:00 p.m. The Commission Workshop will reconvene Friday, January 26 at 7:30 a.m.

Respectfully submitted,



Lisa Mobley
Administrative Services Director/
Clerk of the Board

MINUTES

Friday, January 26, 2024

The second day of the Riverside County Transportation Commission Workshop was called to order by Chair Lloyd White at 8:35 a.m., Renaissance Palm Springs Hotel, 888 E. Tahquitz Canyon Way, Palm Springs, California.

PLEDGE OF ALLEGIANCE

Chair Lloyd White led the Commission in a flag salute.

ROLL CALL

Commissioners/Alternates Present

Chuck Conder	Lisa Middleton
Joseph DeConinck	Linda Molina
Kathleen Fitzpatrick	Joseph Morabito
Raymond Gregory	V. Manuel Perez
Yxstian Gutierrez	Dana Reed
Berwin Hanna	Karen Spiegel
Jan Harnik	Wes Speake
Steven Hernandez*	Valerie Vandever
Linda Krupa	Cindy Warren
Clint Lorimore	Chuck Washington**
Bob Magee	Lloyd White
Scott Matas	Bill Zimmerman

Commissioners Absent

Brian Berkson
Ulises Cabrera
Waymond Fermon
Sheri Flynn
Kevin Jeffries
Meg Marker
Michael M. Vargas
Catalino Pining
Jeremy Smith
James Stewart

*Arrived after the meeting was called to order.

** Commissioner Kevin Jeffries designated Commissioner Chuck Washington to vote as his alternate for this meeting.

TRAFFIC RELIEF PLAN PROJECTS AND COST DISCUSSION

Aaron Hake, Deputy Executive Director, provided an update about the January 25 California Transportation Commission (CTC) meeting where the San Bernardino County Transportation Authority (SBCTA's) I-15 Express Lanes project was finally approved. He then presented the TRP projects and costs update, highlighting the following:

- TRP development partners – Palo Verde Valley (city of Blythe), Coachella Valley (CVAG), and Western County (RCTC)
- We are listening
 - City Council Meetings
 - Public Works Directors
 - CBOs, Transit, Chambers, County MACs, Educational Institutions, etc.
 - Comments through TrafficReliefPlan.org

- Public opinion survey (spring 2024)
- Environmental mitigation
- Projects in Western County exceed 30-year revenue estimate (1 percent sales tax)
 - Draft TRP 30-Year Revenue Estimate (Western County): \$20 Billion
 - Western County project list estimated cost: \$25.6 Billion and rising
- Local Streets and Roads – The balancing act between our major regional transportation needs and our local streets and roads
- Local Streets and Roads
 - 100 percent of Measure A revenue in Palo Verde Valley goes to Blythe and the County
 - 35 percent of Measure A revenue in Coachella Valley goes to the cities and the County by formula
 - 29 percent of Measure A in Western County goes to cities and the county by formula
 - Draft 2024 TRP
 - 100 percent to city of Blythe
 - 100 percent to CVAG for prioritization in TPPS
 - 4 percent by formula to cities, County
 - 4 percent for regional safety projects
- Discussion
 - Western County expectations:
 - ✓ Regional Projects
 - ✓ Local Streets and Roads
 - Commissioner input

There was discussion amongst the Commissioners about the Multiple Species Habitat Conservation Plan (MSHCP) and working with WRCOG and others to establish the vehicle miles traveled (VMT) mitigation.

At this time Commissioner Steven Hernandez joined the meeting.

The discussion continued amongst the Commissioners about the Riverside County's Riverside County Integrated Plan (RCIP) related to the MSHCP, concern with environmental mitigation related to the Western Riverside County Regional Conservation Authority (RCA), the benefits of the MSHCP, using VMT mitigation as an economic development tool, consider rail on I-15, needs to be progress on I-15 and SR-79 projects, once Measure A sunsets in 15 years, seeing the vision long term and prioritize, look at increasing the 4 percent share to the cities and the county, looking long term having a north south connector with the rail lines down the I-15, re-evaluate a potential rail line that was proposed in 2009 going down the 15 corridor to Corona to Temecula, take a look at the RCTC owned rail lines going into Hemet and San Jacinto, with the MSHCP the city of Lake Elsinore lacks development potential, how to balance the various needs throughout the County, need to right size the TRP, need to be strategic regarding state funding, how the 4 percent to the cities and SB 1 funds helped complement those needs, for a small city what is the focus as far as for funding related to the TRP, the timeline to finalize the TRP, including possible assumptions from state and federal funds depending on the project, the

assumptions for the \$20 billion with the proposed 1-cent measure, ramping up as many projects is a cost effective way of getting it done, and how they leveraged the current Measure A dollars.

Aaron Hake clarified he heard direction to look at reworking the environmental mitigation piece and look at increasing local streets and roads in Riverside County.

Lisa Reece, Riverside County resident, stated the last time there was discussion about circulating a measure one of the things that was polled was to have a measure in place until the voters ask for it to be taken away and asked if that is being considered.

M/S/C to:

1) Receive an update on Traffic Relief Plan projects and costs and provide comments.

The Traffic Relief Plan Follow up and Next Steps Agenda Item was pulled due to a lack of time.

STATE ROUTE 79 REALIGNMENT PROJECT UPDATE AND CORRIDOR ANALYSIS

Anne Mayer stated after receiving direction to look at the SR-79 Realignment Project, they will see the results of that analysis and some possible alternatives to consider in Erik Galloway's presentation.

Erik Galloway, Delivery Director, presented an update for the SR-79 Realignment Project and corridor analysis, highlighting the following areas:

- SR-79 Project
 - Scope – 12-mile limited access highway with 2 lanes in each direction – new alignment
 - Project Limits – Ramona Expressway to Newport Road
 - Benefits – Safer and more direct north-south route, serving the community of Winchester, the cities of Hemet and San Jacinto, and unincorporated Riverside County
- Project history and challenges
- RCTC progress – Right of way (ROW) mitigation land and environmental activities; ROW acquisition; and corridor analysis
- Corridor study
 - Convert facility from Caltrans Highway to County Expressway
 - Coordinate RCTC becoming CEQA Lead
- Corridor study design for a future transit/multi-use corridor
- Segmentation
 - Segmentation of the Alignment – Feasible/buildable segments
 - ROW will be reduced for a County Facility
- Segment costs - Updated Total Project Cost Breakdown by Segment (Caltrans vs County)

- ROW costs by segment – Updated ROW Cost Breakdown by Segment (Caltrans vs County)
- Alternative southerly segment
- Alternative southerly segment cost estimate for the Southerly Segment 3 Modified Road – Newport Road to Simpson Road a detailed total installed cost breakdown comparison
- Current and future funding

Commissioner Krupa thanked staff for the presentation and for all the work that was put in and clarified that this project for this segment started 20 years before that. She discussed the safety project and widening of 79 from Highway 60 to Highway 395, the growth since then, the first segment Beaumont to Ramona Expressway that was done in late 90s, Winchester to Temecula segment opened in 2013, the middle section that was left, the alignments that were proposed, and the EIR. She supports Segment 3 as it is a logical step and affords by design their ability to go out for other grant funding to get it completed. Through this whole project there has been a lot of community support and outreach to other entities and other governmental agencies and happily some other people will be speaking about that today. Just as Coachella Valley Rail (CV Rail) is important in concept and going forward and thinking about bringing back the idea of rail on the I-15 corridor these things are important they start talking about it now. After the conversation and public comment is done, she would like to make the motion to approve staff recommendation and Alternative A.

Commissioner Chuck Washington clarified they could save \$600 million off the top by converting this to a county facility which is good and one of the benefits it seems is the county facility adds different modes of transportation which the Caltrans facility was not likely able to do that. He stated there may be a small amount of seed money as his district and Commissioner Gutierrez's district covers the cities of San Jacinto and Hemet and they had agreed to \$10 million and there is another \$10 million so there is a total \$20 million start of seed money.

At this time, Commissioner Scott Matas left the meeting.

Chair White clarified with Commissioner Krupa regarding her motion on which segment. Commissioner Krupa asked for a further explanation of exactly what modified section is with the map.

Erik Galloway displayed the map and provided a detailed overview of Modified Segment 3 also clarified staff wants to know per staff recommendation if the Commissioners want to approve Alternative A, B or C.

Commissioner Krupa replied she would stay with Segment 3.

Commissioner Washington will second that motion but would like to hear from everyone else.

In response to Commissioner Cindy Warren's question about the process going from a state highway to a county facility and if there are costs involved, Erik Galloway replied they will have

to go to Caltrans but have already talked to them about this and Caltrans says it could be handled by a letter. The benefit is the SR-79 Realignment Project will be a new corridor and they would need to seek that it is no longer a state highway it is now a county facility.

Commissioner Warren clarified with Commissioner Krupa how Hemet feels about the improvements needed on Simpson Road. Commissioner Krupa replied she is not speaking on behalf of the city of Hemet and is not exactly sure what the improvements would be but is willing to discuss it and whatever is best for the community.

Anne Mayer clarified with the Modified Segment 3 as Erik Galloway mentioned is that Simpson Road would need additional improvements as a separate project that would be conducted by the County of Riverside as it is outside of RCTC's limits of the environmental document.

Chair White stated at the 2023 Workshop there was a lot of discussion with how much support and concern regarding the Interstate 10 Corridor with all the growth in Beaumont, Banning, and Calimesa their constituents are concerned if they improve Highway 79, they will bring the traffic in quicker to Beaumont and if they are ready to address that. As a city they have done and are doing a lot to get the funding they need for the Beaumont interchange and going through this corridor it is time they get started somewhere. Beaumont will do what they can and does support moving forward with one of these segments.

In response to Commissioner Bill Zimmerman's question if the ROW acquisition has been conducted in this segment, Erik Galloway replied in Segment 3 they have not acquired any property as of today.

Commissioner Hernandez thanked staff for their work and there seems to be an opportunity if it is going to be localized to the County that they can learn internationally about how other multimodal corridors are transforming areas, and think about job centers, affordable housing, and how to leverage state and federal money.

Anne Mayer concurred and stated there are conversations already taking place and a corridor like this opens up an opportunity exactly as Commissioner Hernandez stated.

Commissioner Hernandez stated this opportunity here will allow them to insource and bring back the kind of jobs they successfully want.

Commissioner Middleton stated this is a critical project and it is one that has been a missing link in their region for a very long time.

Commissioner Keren Spiegel thanked Commissioner Krupa for her efforts as this would not be in front of the Commissioners today had she not been persistent.

Chair White announced there were requests to speak.

Lori Van Arsdale, representing Ramona Bowl and Chinese Laundry Shoe Co., noted she had provided a letter in the TV2CV SR79 Realignment Coalition packet which was distributed to the Commissioners. She sincerely appreciates working on this alternative and supports Alternative A.

Robin Lowe expressed concern for Warren Road due to the semitrucks using this road and for the farming population in their valley. She thanked Commissioner Perez who has been there all the way and fought hard for this county and asked for the Commission to do something as they need roads with asphalt due to the damage being done.

Muriel Dufresne, representing the 79 Realignment Coalition and Golden ERA Productions, appreciated all the comments made as SR-79 is needed due to the traffic increasing it is a safety issue and there have been a lot of accidents. The fix is going to be SR-79 going through and she supports Alternate A as it is the best solution.

Robert Davis, representing TV2CV, thanked those especially Commissioner Krupa for keeping this project alive and pushing it forward and to the Supervisors for helping raise awareness and putting this project back on the table. There is a lack of transportation, a lack of a decent parkway leading to an interstate, there are lots of stop lights and stop signs going throughout the city, and thousands of homes have gone up and there are more coming in the next 10 years. He would like to see this move forward.

At this time, Commissioner Harnik left the meeting.

Andrew Kotyuk, representing the SR79 Coalition, expressed appreciation for hearing the discussion and to see how the Commissioners are moving forward with the County with all the projects the Commission has. He noted in the SR79 Coalition packet the history is on one side and there are support letters from different areas on the right side. There were two additional support letters that came in this morning from Congressman Ken Calvert and Congressman Raul Ruiz, which Mr. Kotyuk read their letters to the Commissioners. All those letters of support for decades rerouted their funds in support of other projects in the county and he asked for their help to continue moving this project forward.

Isaiah Vivanco, representing Soboba Band of Luiseno Indians, expressed appreciation for the work that Commissioner Krupa and past city leaders have done. There is a need for this project due to the growth and the safety needs in the valley and outside the valley. He then provided a statement on behalf of Soboba Band of Luiseno Indians and stated with these statements in mind Soboba Band of Luiseno Indians supports Alternative A.

Crystal Ruiz, representing the city of San Jacinto, expressed the three deadliest streets in Riverside County are at the 79, Gilman Springs Road, and Ramona Expressway and this project here will help limit the dangers on those roads. There are nearly 10 deaths every year on Highway 79 each year for the last 10 years and they have an opportunity to save lives to do something that will change the lives of those that drive the road and for those family members that have lost loved ones. The Commissioners' vote counts today as she wants to see lives

saved, see jobs coming to their community, see people coming to the Soboba Casino and to other events in the valley, and are safe coming to the valley.

Glen Van Dam, representing Van Dam Farms, they are the willing sellers of the core parcel on Alternative B and they have had their dairy farm there since 1981. Their first letters came in in the mid-1990s when they had first heard about the expressway was coming through their property. There are 500 hundred homes next to them and 800 homes being built directly behind them and have multiple offers to build a few hundred homes on their property now. He asked for clarity, they need to decide if this is a project that is coming to fruition or not as the future is now. Segments 2 and 3 are a luxury but Segment 1 is a necessity because the San Jacinto Valley has four east west corridors and not just from their district but from San Diego to Palm Springs is traveling through these corridors and connecting between the middle two which is Segment 1.

Commissioner Krupa reiterated she would like to make the motion to approve staff recommendation and Alternative A.

Chair White clarified that Commissioner Washington seconded the motion. Commissioner Washington concurred.

Commissioner Zimmerman stated the motion does not need to be amended but that this is a commitment to finish the entire project all three segments and that it is a top priority. The last thing they want is to have a project where it just stops and dumps a whole lot of vehicles onto surface streets that was heard described in Hemet and San Jacinto. He fully supports this effort.

Commissioner Washington noted per Glen Van Dam's comment about starting from the north, the north as they can see on the chart was significantly more expensive. In part it is even more challenging to start from the north because it cannot end up at a cul-de-sac starting from the south gave them an opportunity to move traffic north to a place where it would continue on its route and continue traffic from the end of that segment which was a selling point as well.

Commissioner Yxstian Gutierrez expressed great conversation they are having he supports Alternative A Segment 3 that Commissioner Krupa had mentioned. He thanked the public for coming out to show their support as it is something that has to be done and he appreciates this opportunity. As Commissioner Washington mentioned they sit on the same zone, there is that extra funding and they have to take that extra step to push this project forward.

M/S/C (Krupa/Washington) to:

- 1) Direct staff to develop the necessary agreement(s) with the California Department of Transportation (Caltrans) to modify the State Route 79 (SR-79) Realignment Project (Project) from a State Route to a future County expressway;**
- 2) Direct staff to develop the necessary agreements or documentation to designate the Commission the California Environmental Quality Act (CEQA) lead agency;**

- 3) **Adopt the proposed segments of the Project identified by the Corridor Analysis Study; and**
- 4) **Direct staff to proceed with one of the following Options:**

Alternative A

- a) **Direct staff to draft a Request for Proposals (RFP) for the Project’s Plans, Specifications, and Estimates (PS&E) phase and continue the acquisition of right of way for the SR-79 Segment 3 Modified Limits, 0.35 miles south of Newport Road to Simpson Road, or SR-79 Segment 3, 0.35 miles south of Newport Road to Domenigoni Parkway.**
- b) **Amend the 2019-2029 Measure A Western County Highway Delivery Plan to add SR-79 Segment 3 Modified or Segment 3 to “Group 2: Partially Funding Likely Available” of the Commission-adopted Delivery Plan;**
- c) **Direct staff to identify and recommend funding sources and any other prioritization changes necessary to the 2019-2029 Measure A Western County Highway Delivery Plan to complete PS&E and Right of Way (ROW) phases for the segment selected.**

Alternative B

- a) **Direct staff to proceed with limited, willing seller, core parcel SR-79 corridor ROW acquisition utilizing available Regional and Zone Transportation Uniform Mitigation Fee (TUMF) funding;**
- b) **Amend the 2019-2029 Measure A Western County Highway Delivery Plan to add limited SR-79 ROW acquisition to “Group 2: Partially Funding Likely Available” of the Commission-adopted Delivery Plan.**
- c) **Reconsider advancing at least one segment upon identification of funding sufficient for construction for that segment.**

Alternative C

- a) **Maintain current 2019-2029 Measure A Western County Highway Delivery Plan projects and suspend further work on SR-79. Reconsider suspension upon identification of funding sufficient for construction of at least one segment.**

At this time, Commissioner Berwin Hanna left the meeting.

GOODS MOVEMENT UPDATE

Lorelle Moe-Luna, Multimodal Services Director, presented an update on goods movement, highlighting the following:

- Overview
 - Monitoring goods movement policies and studies impacting Riverside County
 - Grade Separation Program Update

- Regional Truck Logistics Fee Study Update
- Grade Separation Program timeline
- 2017 Grade Separation Study Update
- 2017 Grade Separation Study findings
- 2024 Grade Separation Study Update
 - Scope to include:
 - ✓ Update and evaluate technical criteria
 - ✓ Updated survey of each jurisdiction's at-grade crossings
 - ✓ Updated Funding Strategy and action plan to support local jurisdictions grade separations and/or quiet zones
 - ✓ To be completed early 2025
- Regional Truck Logistics Fee Study
 - Background
 - Map of the World Logistics Center
 - Settlement Agreement
 - Major Tasks
 - Key Findings
 - Identified Deficiencies Based on New Warehousing Development
 - Project Status

Anne Mayer stated they have heard the trends are changing significantly and rapidly so that is why they provided this updated information. There was funding remaining in that budget and staff thought it was important to update this data again. The intent was to give the Commissioners the data they need based on the feedback they have been hearing about how things have really changed with the trucking and warehousing conversation.

Chair White expressed this is important and he brought it up at last year's workshop about funding and the World Logistics Center impacts. The projects coming before the Beaumont City Council are more than 40 million square feet warehousing being requested and they all need support in a new study. This is a receive and file today, but he hopes to get this as a future agenda item.

There was discussion amongst the Commissioners about a fee program for logistic centers, why the regional analysis was done, the approved warehousing that will create more hot spots, how the 2019 study looked at all the future warehousing growth at that time, the existing projects can be analyzed but they cannot include those in a fee, continue with quiet zones due to quality of life, continue to work on at grade crossings due for safety, having issues with surrounding communities about the warehousing development, the connector from the 215 and the 15 help take some of that pressure off in Perris and Riverside areas, the potential hot spots in the Coachella Valley that currently exist in the Inland Empire, how to get there to attainment as the majority of air pollution is coming from mobile sources, consider a study of sorts for the community and have South Coast Air Quality and Management District (AQMD) and California Air Resources Board (CARB) play a role in these discussions.

At this time, Commissioners Clint Lorimore and Wes Speake left the meeting.

This item is for the Commission to:

- 1) Receive and file an update on current goods movement studies.

CLOSING REMARKS

Chair White stated of all the eight or nine Commission Workshops he has attended this has probably been the best discussion on some significant topics and projects and he saw some good transparency and accountability from staff and thanked staff for putting this together.

There being no further business for consideration by the Riverside County Transportation Commission, the workshop adjourned at 11:06 a.m.

Respectfully submitted,



Lisa Mobley
Administrative Services Director/
Clerk of the Board

AGENDA ITEM 6B

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 13, 2024
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Matt Wallace, Deputy Director of Financial Administration Sergio Vidal, Chief Financial Officer
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Quarterly Sales Tax Analysis

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Receive and file the sales tax analysis for the Quarter 3, 2023 (3Q 2023).

BACKGROUND INFORMATION:

At its May 2023 meeting, the Commission awarded an agreement with MuniServices, an Avenu Insights and Analytics Company (MuniServices), for quarterly sales tax reporting services plus additional fees contingent on additional sales tax revenues generated from the transactions and use tax (sales tax) audit services. The services performed under this agreement pertain to only the Measure A sales tax revenues.

Since the commencement of these services, MuniServices submitted audits, which reported findings and submitted to the California Department of Tax and Fee Administration (CDTFA), for review and determination of errors in sales tax reporting related to 1,657 businesses. Through 2Q 2023, the CDTFA approved \$17,251,462 of cumulative sales tax revenues recovered for the Commission. If CDTFA concurs with the error(s) for the remaining claims, the Commission will receive additional revenues; however, the magnitude of the value of the remaining findings was not available. It is important to note that while the recoveries of additional revenues will be tangible, it will not be sufficient to alter the overall trend of sales tax revenues.

MuniServices provided the Commission with the Quarterly Sales Tax Digest Summary report for 3Q 2023. Most of the 3Q 2023 Measure A sales tax revenues were received in the third quarter of calendar year 2023, during September 2023 through November 2023, due to a lag in the sales tax calendar. The summary section of the 3Q 2023 report is attached and includes an overview of California’s economic outlook, local results, historical cash collections analysis by quarter, top 25 sales/use tax contributors, historical sales tax amounts, annual sales tax by business category, and five-year economic trend (general retail).

Taxable transactions for the top 25 contributors in Riverside County generated 26.47 percent of taxable sales for the benchmark year ended 3Q 2023, slightly more than the benchmark year ended 3Q 2022 at 26.22 percent. The top 100 tax contributors generated 40.42 percent for the benchmark year ended 3Q 2023, more than the 39.73 percent for the benchmark year ended 3Q 2022.

In the Economic Category Analysis below, three of the six categories experienced new highs in the 3Q 2023 benchmark year compared to the prior eight benchmark years.

ECONOMIC CATEGORY ANALYSIS									
% of Total / % Change	RCTC	State Wide	Orange County	Riverside County	S.F. Bay Area	Sacramento Valley	Central Valley	South Coast	North Coast
General Retail	28.5 / -1.0	28.3 / 0.6	27.1 / 0.4	34.4 / 0.5	23.6 / -4.0	28.5 / 0.5	37.0 / 0.8	26.9 / 2.2	27.1 / 2.6
Food Products	16.6 / 2.2	21.0 / 2.7	20.6 / 0.4	17.8 / 0.5	23.0 / 4.0	16.6 / 2.2	14.7 / 2.8	22.9 / 3.1	18.2 / 1.4
Transportation	23.3 / -5.2	23.9 / -3.8	25.6 / 1.3	23.8 / -3.5	19.9 / -5.2	26.6 / -5.9	22.8 / -3.2	24.9 / -2.5	28.9 / -7.2
Construction	10.9 / -1.9	9.8 / -4.3	8.2 / -2.6	12.6 / -2.1	10.5 / -7.2	12.5 / -9.1	10.0 / -5.3	8.8 / -1.6	14.6 / -4.7
Business to Business	16.2 / 6.4	16.0 / -4.2	17.6 / -3.8	10.9 / 3.1	21.7 / -5.8	14.7 / 0.3	14.8 / -3.4	15.6 / -4.5	10.2 / -9.6
Miscellaneous	4.6 / 8.8	1.0 / -0.5	1.0 / 11.2	0.6 / -2.5	1.3 / 3.3	1.1 / 1.8	0.7 / -6.9	1.1 / -0.4	1.0 / 11.0
Total	100.0 / -0.1	100.0 / -1.3	100.0 / -0.3	100 / -0.6	100.0 / -3.2	100.0 / -2.3	100.0 / -1.2	100.0 / -0.3	100.0 / -2.9

General Retail: Apparel Stores, Department Stores, Furniture/Appliances, Drug Stores, Recreation Products, Florist/Nursery, and Misc. Retail
 Food Products: Restaurants, Food Markets, Liquor Stores, and Food Processing Equipment
 Construction: Building Materials Retail and Building Materials Wholesale
 Transportation: Auto Parts/Repair, Auto Sales - New, Auto Sales - Used, Service Stations, and Misc. Vehicle Sales
 Business to Business: Office Equip., Electronic Equip., Business Services, Energy Sales, Chemical Products, Heavy Industry, Light Industry, Leasing, Biotechnology, I.T. Infrastructure, and Green Energy
 Miscellaneous: Health & Government, Miscellaneous Other, and Closed Account Adjustments

An analysis of sales tax performance through 3Q 2023 is attached and illustrates consistent cycles for sales tax performance for most of the economic categories since 3Q 2018, apart from COVID-19 impacts for some categories.

For the top 10 economic segments (miscellaneous retail, auto sales – new, restaurants, department stores, building materials – wholesale, service stations, food markets, heavy industry, apparel stores and building materials – retail) during the past eight benchmark year quarters, sales tax reached a new high point in 3Q 2023 for five out of ten categories. The economic segments represent 73.07 percent of the total sales tax receipts. For the remaining 21 economic segments representing 26.93 percent of total sales tax receipts, 7 economic segments representing 9.53 percent of total sales tax receipts reached new high points in the benchmark year 3Q 2023.

In the Economic Segment Analysis below, miscellaneous retail, which includes online retailers, is RCTC’s largest economic segment, followed by auto sales – new and restaurants. Since the benchmark year 3Q 2016, each of these segments has realized significant sales tax growth. Miscellaneous retail has increased 155 percent, auto sales – new has increased 58 percent, and the restaurant segment has increased 57 percent when comparing benchmark year 3Q 2016 to benchmark year 3Q 2023. The increase related to online sales is largely a result of the recent legislation to tax online sales along with general consumer spending shifting from brick and mortars to online.

As noted, auto sales-new and restaurants have also experienced increases since 3Q 2016 due to general price increases (inflation) and improved consumer demand.

ECONOMIC SEGMENT ANALYSIS									
	RCTC	State Wide	Orange County	Riverside County	S.F. Bay Area	Sacramento Valley	Central Valley	South Coast	North Coast
Largest Segment	Miscellaneous Retail	Restaurants	Restaurants	Miscellaneous Retail	Restaurants	Miscellaneous Retail	Miscellaneous Retail	Restaurants	Restaurants
% of Total / % Change	11.7 / 0.9	15.1 / 5.1	15.3 / 3.4	17.1 / 2.4	17.0 / 6.2	11.7 / 10.5	14.8 / 11.0	16.9 / 5.3	11.5 / 1.4
2nd Largest Segment	Auto Sales - New	Auto Sales - New	Auto Sales - New	Restaurants	Auto Sales - New	Restaurants	Department Stores	Auto Sales - New	Auto Sales - New
% of Total / % Change	11.3 / -2.4	11.5 / -0.3	14.8 / 6.0	11.4 / 4.8	9.6 / -2.7	11.3 / 3.1	10.9 / -1.9	12.8 / 0.4	11.4 / 0.9
3rd Largest Segment	Restaurants	Miscellaneous Retail	Miscellaneous Retail	Auto Sales - New	Department Stores	Auto Sales - New	Restaurants	Miscellaneous Retail	Department Stores
% of Total / % Change	10.6 / 3.8	9.9 / 9.4	9.1 / 8.3	11.0 / 0.9	7.7 / -2.9	11.3 / -1.1	9.8 / 4.8	8.6 / 14.9	10.8 / 20.0

Information regarding sales tax comparison by city and change in economic segments (two highest gains and two highest declines) for 3Q 2023 to 3Q 2022 is attached.

Staff will monitor sales tax receipts and other available economic data to determine the need for any adjustments to the revenue projections. Staff will utilize the forecast scenarios with the complete report and receipt trends in assessing such projections.

FISCAL IMPACT:

This is an information item. There is no fiscal impact.

Attachments:

- 1) Sales Tax Digest Summary 3Q 2023
- 2) Sales Tax Performance Analysis by Quarter 3Q 2023
- 3) Quarterly Sales Tax Comparison by City for 3Q 2023 to 3Q 2022

Riverside County Transportation Commission Sales Tax Digest Summary

Collections through December 2023 Sales through September 2023 (2023Q3)

CALIFORNIA'S ECONOMIC OUTLOOK

California sales tax receipts decreased by 3.2% over the same quarter from the previous year, with Northern California reporting a 4.5% decrease compared to a 2.3% decrease for Southern California. Receipts for the RCTC decreased by 3.1% over the same periods.

Real Gross Domestic Product (GDP) increased at an annual rate of 3.0% in the third quarter of 2023. U.S. inflation decreased to 3.6% in October of 2023 compared to 7.7% the same month a year ago. California's headline inflation decreased to 3.6% year over year as of August of 2023, down from 7.5% in August of 2022. (DIR, BEA, BLS, October Finance Bulletin)

The U.S. unemployment rate increased slightly to 3.8% in September of 2023. California's unemployment rate decreased to 4.7% in September of 2023, 0.3 percentage point higher than March of 2023 rate of 4.4%. (BLS, October Finance Bulletin)

U.S. personal income increased by 4.8% for the third quarter of 2023, compared to same quarter previous year. Compensation of employees increased by 5.4% while personal current taxes decreased by 11.4% from the previous period, resulting in a net gain of 7.6% in disposable income. The increase of disposable income generated a 33.1% increase in US personal savings for the third quarter of 2023, compared to same quarter previous year. (BEA)

LOCAL RESULTS

Net Cash Receipts Analysis

Local Collections	\$68,692,320
Less: Cost of Administration	\$(584,040)
Net 3Q2023 Receipts	\$68,108,280
Net 3Q2022 Receipts	\$70,317,461
Actual Percentage Change	-3.1%

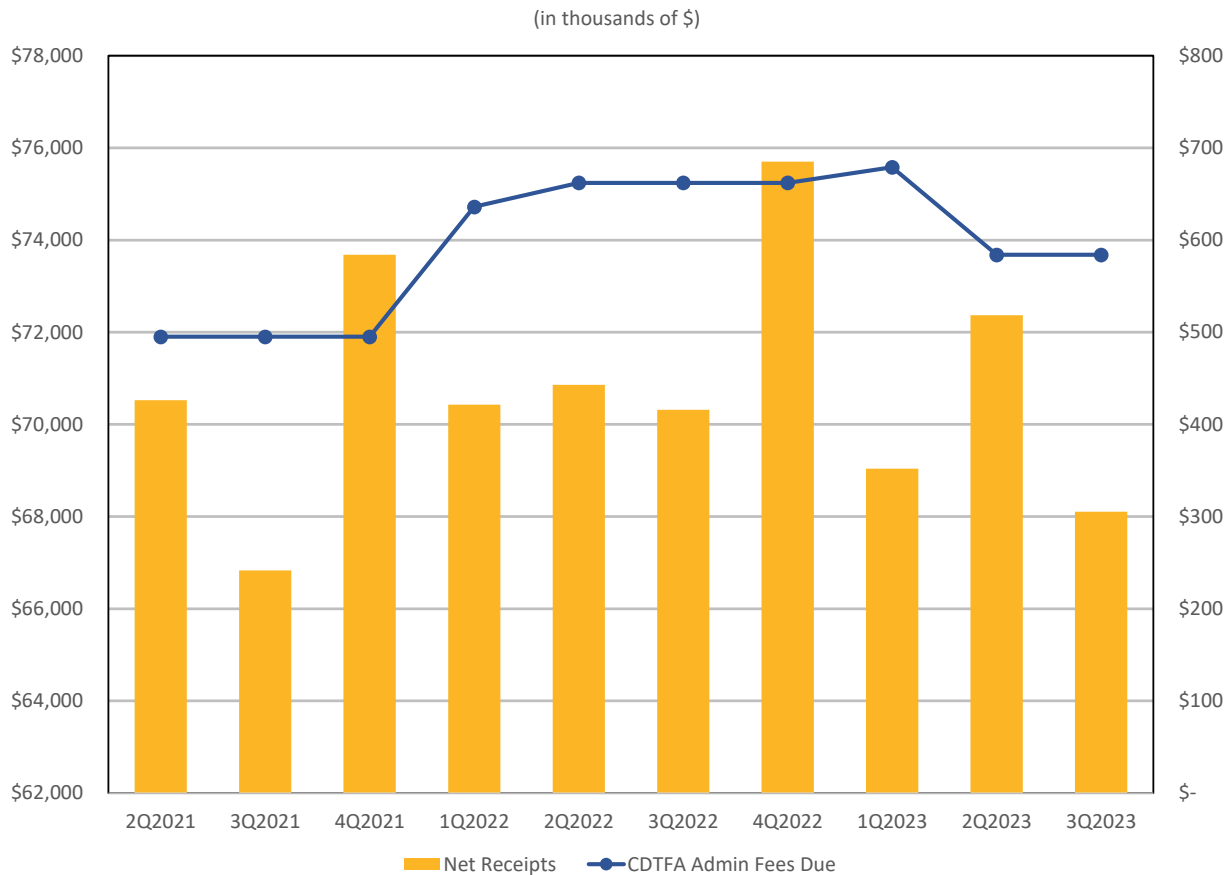
Business Activity Performance Analysis

Local Collections – Economic Basis 3Q2023	\$68,039,000
Local Collections – Economic Basis 3Q2022	\$73,728,386
Quarter over Quarter Change	-\$1,486,243
Quarter over Quarter Percentage Change	-2.1%

Avenu Insights & Analytics' On-Going Audit Results

Total Recovered Since Inception	\$17,251,462
---------------------------------	--------------

HISTORICAL CASH COLLECTIONS ANALYSIS BY QUARTER



TOP 25 SALES/USE TAX CONTRIBUTORS

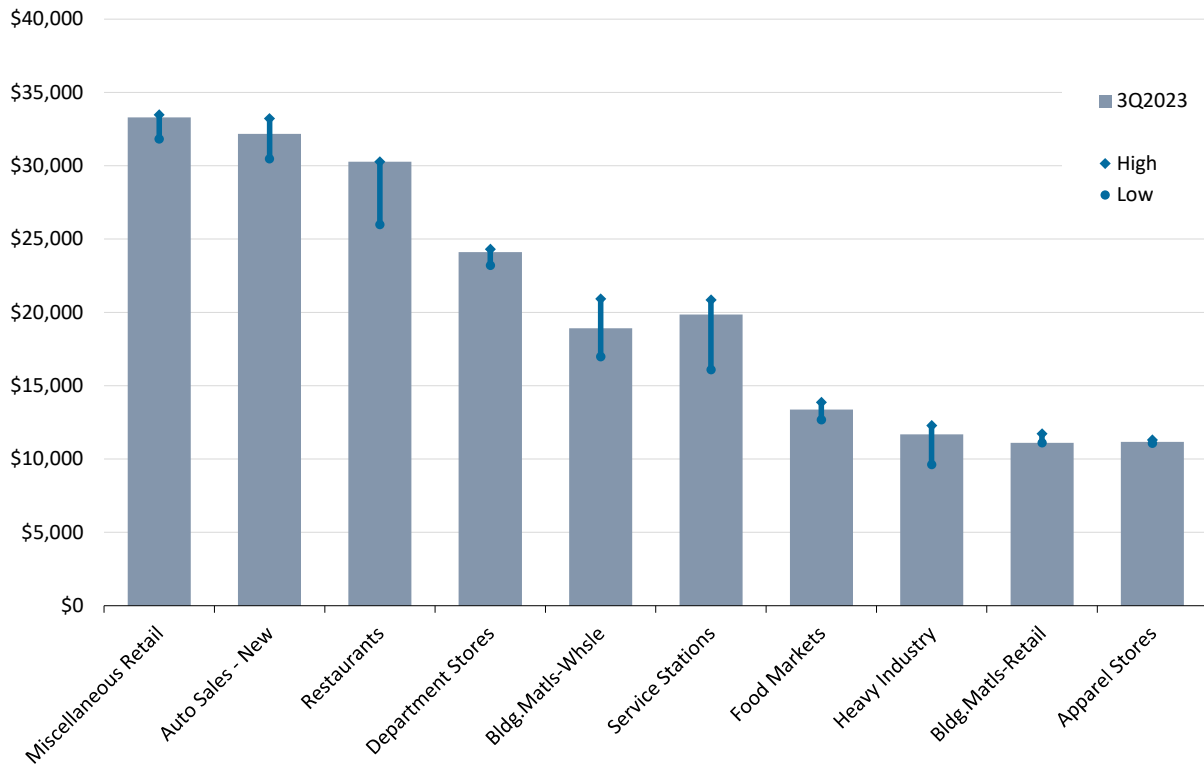
The following list identifies RCTC’s Top 25 Sales/Use Tax contributors. The list is in alphabetical order and represents sales from October 2022 to September of 2023. The Top 25 Sales/Use Tax contributors generate 26.5% of RCTC’s total sales and use tax revenue.

- | | |
|------------------------------|-------------------------|
| 7-ELEVEN FOOD STORES | MCDONALD'S RESTAURANTS |
| AMAZON.COM – EC | PILOT TRAVEL CENTER |
| AMAZON.COM SERVICES – EC | RALPH'S GROCERY COMPANY |
| ARCO AM/PM MINI MARTS | ROSS STORES |
| BEST BUY STORES | SAM'S CLUB |
| CARMAX AUTO SUPERSTORES | SHELL SERVICE STATIONS |
| CED LIGHTING SOLUTIONS | STATER BROS MARKETS |
| CHEVRON SERVICE STATIONS | TARGET STORES |
| CIRCLE K FOOD STORES | TESLA |
| COSTCO WHOLESALE | TRINA SOLAR |
| DEPARTMENT OF MOTOR VEHICLES | VERIZON WIRELESS |
| HOME DEPOT | WAL MART STORES |
| LOWE’S HOME CENTERS | |

* "- EC" added to the end of business names represents electronic commerce.

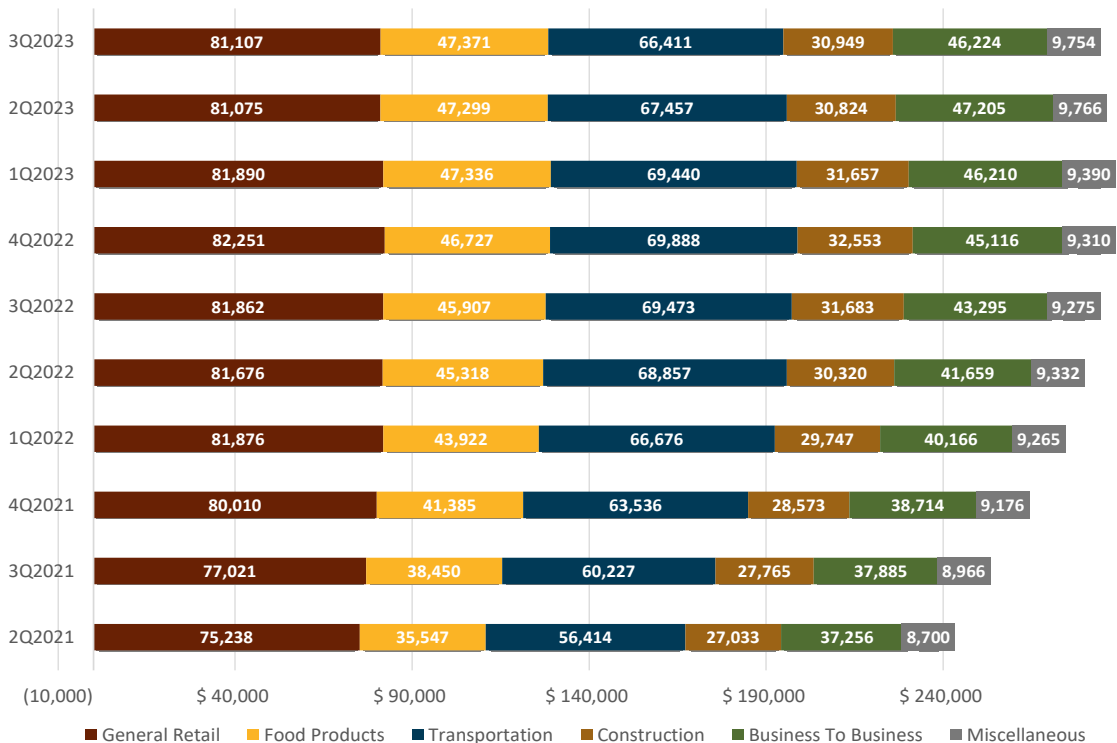
HISTORICAL SALES TAX AMOUNTS

The following chart shows the sales tax level from annual sales through September of 2023, the highs, and the lows for the top ten segments over the last two years in thousands of \$.

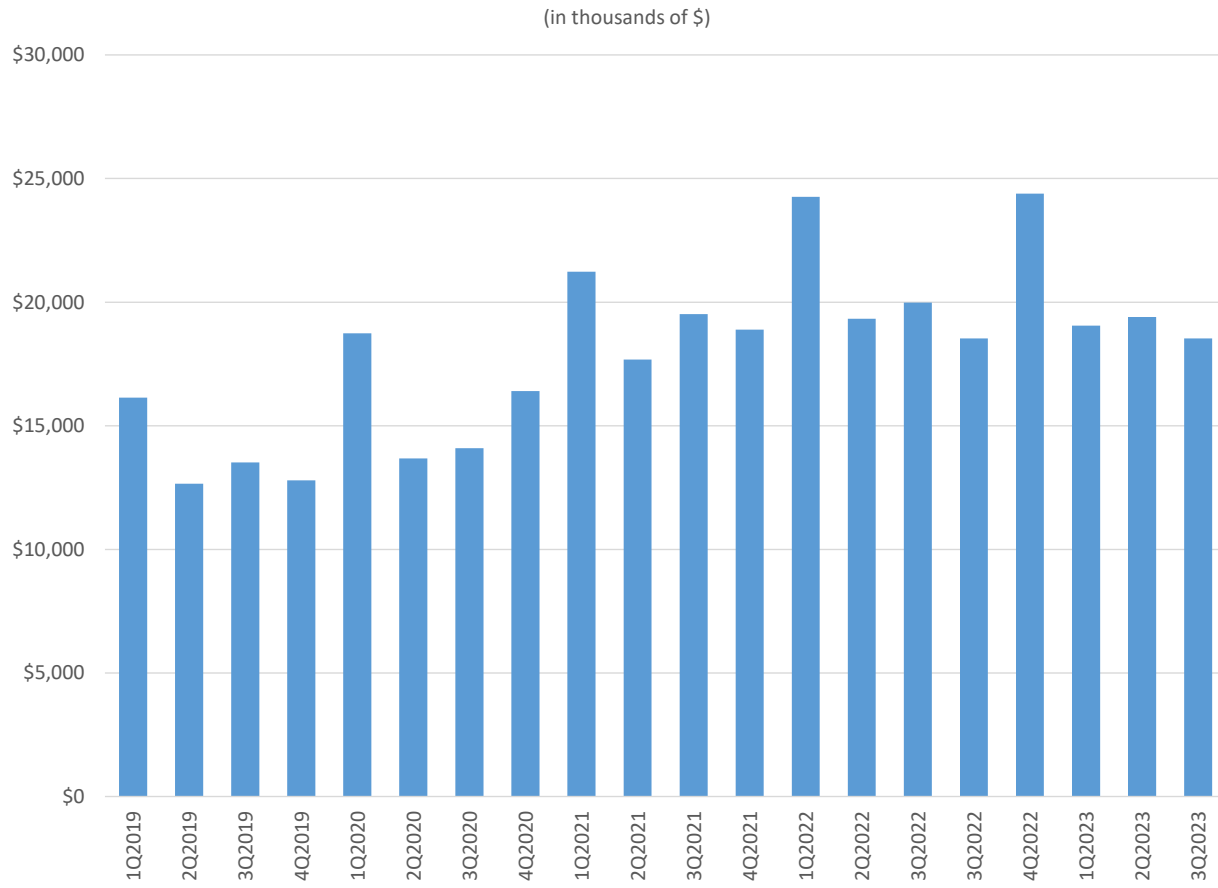


ANNUAL SALES TAX BY BUSINESS CATEGORY

(in thousands of \$)



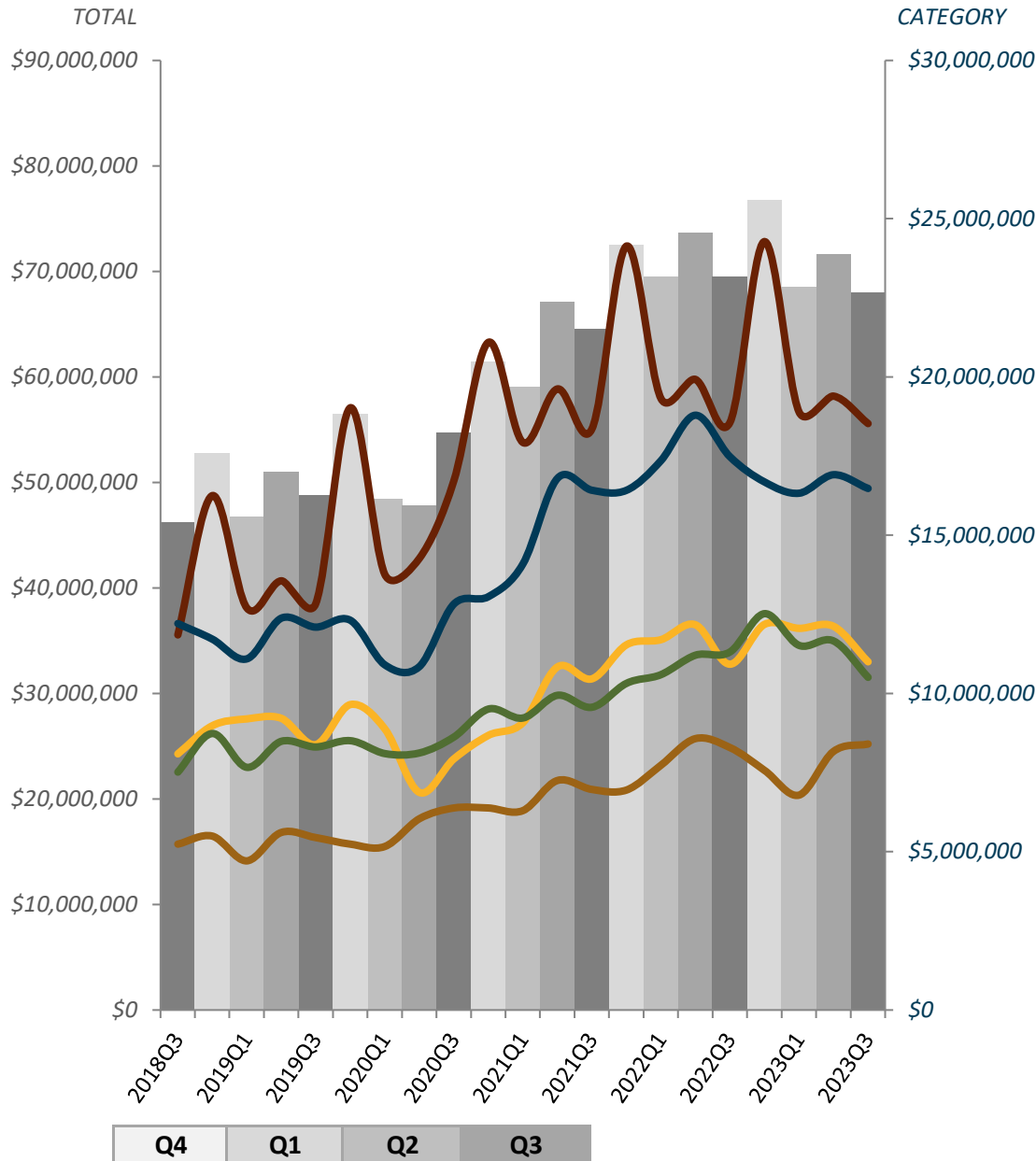
FIVE-YEAR ECONOMIC TREND: General Retail



TOTAL

Confidential

Economic



TOTAL				
2023Q3	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$68,039,000	-2.1%	-\$1,486,243	-0.1%	-\$236,105

GENERAL RETAIL				
2023Q3	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$18,533,695	-0.2%	-\$30,331	-1.0%	-\$842,306
% of 2023Q3 Total:		27.2%		

FOOD PRODUCTS				
2023Q3	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$10,999,728	0.7%	\$76,281	2.2%	\$1,030,482
% of Total:		16.2%		

TRANSPORTATION				
2023Q3	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$16,481,516	-5.7%	-\$1,001,692	-5.2%	-\$3,644,117
% of Total:		24.2%		

CONSTRUCTION				
2023Q3	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$8,403,096	1.3%	\$109,189	-1.9%	-\$609,916
% of Total:		12.4%		

BUSINESS TO BUSINESS				
2023Q3	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$10,512,555	-7.1%	-\$798,153	6.4%	\$2,778,695
% of Total:		15.5%		

QoQ = 23Q3 / 22Q3

YoY = YE 23Q3 / YE 22Q3

RCTC: Quarterly Comparison of 2022Q3 and 2023Q3 (July through September Sales)

	General Retail	Food Products	Transportation	Construction	Business To Bus	Miscellaneous	Jul - Sep 2023 (2023Q3)	Jul - Sep 2022 (2022Q3)	% Chg	Gain	Gain	Decline	Decline
RIVERSIDE COUNTY													
BANNING	7.5%	1.6%	-2.4%	2.4%	34.8%	-23.2%	801,332	784,028	2.2%	Electronic Equipment	Apparel Stores	Misc. Vehicle Sales	Auto Sales - Used
BEAUMONT	2.5%	0.2%	-7.9%	-7.0%	-24.3%	-19.4%	5,763,452	5,739,790	0.4%	Miscellaneous Retail	Electronic Equipment	Heavy Industry	Service Stations
BLYTHE	-10.7%	2.7%	0.9%	-16.6%	4.4%	74.5%	395,732	401,379	-1.4%	Auto Sales - New	Restaurants	Service Stations	Bldg.Matls-Whsle
CALIMESA	2.9%	5.6%	-3.7%	5.8%	-25.2%	-61.9%	356,092	360,893	-1.3%	Florist/Nursery	Restaurants	Miscellaneous Retail	Light Industry
CANYON LAKE	42.5%	-8.7%	-0.2%	-65.7%	50.7%	8.7%	82,374	79,853	3.2%	Miscellaneous Retail	Recreation Products	Restaurants	Service Stations
CATHEDRAL CITY	-6.1%	-4.0%	0.7%	-15.2%	-4.3%	6.0%	2,809,523	2,849,390	-1.4%	Auto Sales - New	Office Equipment	Service Stations	Misc. Vehicle Sales
COACHELLA	-14.4%	7.2%	-0.5%	-5.6%	12.8%	9.5%	1,165,457	1,157,752	0.7%	Light Industry	Restaurants	Drug Stores	Florist/Nursery
CORONA	44.6%	0.2%	-8.4%	9.6%	-3.3%	-28.9%	13,335,064	12,296,542	8.4%	Miscellaneous Retail	Bldg.Matls-Whsle	Service Stations	Auto Sales - New
COUNTY OF RIVERSIDE	-5.2%	4.5%	-5.4%	-8.0%	-21.6%	57.5%	9,953,105	10,580,799	-5.9%	Restaurants	Heavy Industry	Leasing	Miscellaneous Retail
DESERT HOT SPRINGS	-3.7%	4.5%	-5.2%	14.4%	1.5%	-0.8%	496,105	501,372	-1.1%	Bldg.Matls-Whsle	Restaurants	Service Stations	Bldg.Matls-Retail
EASTVALE	7.5%	2.7%	0.4%	3.9%	-21.2%	-17.9%	10,649,249	10,020,714	6.3%	Miscellaneous Retail	Restaurants	Department Stores	Office Equipment
HEMET	1.5%	2.3%	-17.1%	-2.4%	1.5%	35.4%	3,495,500	3,791,808	-7.8%	Restaurants	Florist/Nursery	Auto Sales - New	Service Stations
INDIAN WELLS	-10.3%	5.3%	0.0%	-23.1%	-32.8%	361.6%	160,385	155,895	2.9%	Restaurants	Miscellaneous Other	Miscellaneous Retail	Bldg.Matls-Whsle
INDIO	7.7%	2.6%	3.6%	-8.6%	0.8%	-42.1%	3,621,200	3,568,084	1.5%	Auto Sales - New	Heavy Industry	Bldg.Matls-Whsle	Food Markets
JURUPA VALLEY	-12.9%	3.5%	-6.3%	-7.1%	-0.1%	-44.9%	4,595,004	4,870,901	-5.7%	Light Industry	Restaurants	Service Stations	Department Stores
LA QUINTA	0.4%	-0.3%	-2.1%	-2.0%	-15.6%	5.3%	2,112,911	2,133,162	-0.9%	Apparel Stores	Liquor Stores	Furniture/Appliance	Business Services
LAKE ELSINORE	-8.5%	2.1%	-4.7%	-10.4%	34.7%	40.0%	3,192,730	3,252,413	-1.8%	Heavy Industry	Restaurants	Department Stores	Drug Stores
MENIFEE	-0.4%	3.5%	-2.3%	178.1%	0.5%	7.9%	3,279,506	2,704,444	21.3%	Bldg.Matls-Whsle	Restaurants	Heavy Industry	Bldg.Matls-Retail
MORENO VALLEY	-13.8%	3.4%	-7.6%	-8.9%	14.4%	37.5%	7,355,241	7,919,109	-7.1%	Heavy Industry	Restaurants	Miscellaneous Retail	Auto Sales - New
MURRIETA	15.5%	2.2%	-12.0%	-2.2%	-10.1%	-22.6%	5,741,159	5,737,586	0.1%	Department Stores	Restaurants	Auto Sales - Used	Auto Sales - New
NORCO	-0.1%	1.1%	-13.1%	6.9%	-2.1%	7.7%	2,342,246	2,508,649	-6.6%	Florist/Nursery	Bldg.Matls-Whsle	Auto Sales - Used	Service Stations
PALM DESERT	-8.6%	0.9%	-9.1%	-5.8%	30.6%	-2.0%	4,339,560	4,559,612	-4.8%	Office Equipment	Restaurants	Furniture/Appliance	Miscellaneous Retail
PALM SPRINGS	0.4%	-17.3%	-9.8%	-8.4%	-23.7%	30.0%	3,243,301	3,653,967	-11.2%	Apparel Stores	Business Services	Restaurants	Auto Sales - New
PERRIS	-11.4%	-0.4%	-7.9%	-1.8%	-5.6%	-47.2%	6,134,221	6,562,925	-6.5%	Department Stores	Business Services	Miscellaneous Retail	Light Industry
RANCHO MIRAGE	-9.3%	3.8%	-21.5%	-10.3%	-8.6%	-8.4%	1,238,737	1,361,669	-9.0%	Restaurants	Health & Government	Auto Sales - New	Bldg.Matls-Whsle
RIVERSIDE	-1.5%	-0.5%	7.6%	-3.7%	-4.5%	-4.1%	19,833,423	19,638,858	1.0%	Auto Sales - New	Heavy Industry	Leasing	Electronic Equipment
SAN JACINTO	20.0%	-0.3%	-17.2%	-14.1%	-5.6%	7.0%	1,041,080	1,031,267	1.0%	Department Stores	Restaurants	Service Stations	Food Markets
TEMECULA	-8.7%	0.2%	-4.4%	-13.3%	1.2%	-14.8%	10,172,388	10,650,879	-4.5%	Light Industry	Electronic Equipment	Department Stores	Furniture/Appliance
WILDOMAR	15.5%	-0.5%	-4.8%	-38.2%	162.6%	9.2%	711,295	690,703	3.0%	Heavy Industry	Drug Stores	Bldg.Matls-Whsle	Service Stations

AGENDA ITEM 6C

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 13, 2024
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Michele Cisneros, Deputy Director of Finance Sergio Vidal, Chief Financial Officer
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Quarterly Financial Statements

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Receive and file the Quarterly Financial Statements for the six months ended December 2023.

BACKGROUND INFORMATION:

During the first six months of the fiscal year, staff monitored the revenues and expenditures of the Commission. The attached financial statements present the revenues and expenditures for the first six months of the fiscal year. Period closing accrual adjustments are not included for revenues earned but not billed and expenditures incurred for goods and services received but not yet invoiced, as such adjustments are normally made during the year-end closing process.

The operating statement shows the Measure A and Local Transportation Fund (LTF) sales tax revenues for the first quarter at 32 percent of the budget. This is a result of Governmental Accounting Standards Board (GASB) Statement No. 33, *Accounting and Financial Reporting for nonexchange Transactions*. GASB Statement No. 33 requires sales tax revenues to be accrued for the period in which they are collected at the point of destination or sale, as applicable. The California Department of Tax and Fee Administration collects the sales tax funds and remits these funds to the Commission after the reporting period for the businesses. This creates a two-month lag in the receipt of revenues by the Commission. Accordingly, these financial statements reflect the revenues related to collections thru October 2023.

On a cash basis, the Measure A and LTF sales tax receipts are 3.78 percent and 2.31 lower percent, respectively, than the same period last fiscal year. State Transit Assistance revenues, including State of Good Repair for the second quarter of Fiscal Year 2023/24, are expected to be received in the third quarter of FY 2023/24. Staff will continue to monitor the trends in the sales taxes and report to the Commission any necessary adjustments in revenue projections.

Federal, state, and local reimbursements are generally on a reimbursement basis. The Commission will receive these revenues as eligible project costs are incurred and invoiced to the respective agencies. The negative revenue amounts for state reimbursements reflect the reversal of the FY 2022/23 accrued revenues at the beginning of FY 2023/24 in excess of amounts billed through the second quarter. Reimbursement invoices for expenditures for the second quarter will be prepared and submitted in the third quarter.

During the FY 2023/24 budget process, the Commission estimated the Transportation Uniform Mitigation Fee (TUMF) revenues at \$30 million passed through from Western Riverside Council of Governments. Through the second quarter of FY 2023/24, the Commission received TUMF revenues through October 2023 of \$13.2 million. The Commission expects to receive November and December TUMF revenues in the third quarter. The \$1 million TUMF zone reimbursement budget reflects the Interstate 10 Highland Springs Avenue Interchange project and eligible expenditures will be invoiced as incurred.

The RCTC 91 Express Lanes and 15 Express Lanes toll revenues, penalties, and fees are at \$42.5 million and \$20.8 million, respectively, totaling \$63.3 million for the second quarter of FY 2023/24. The operating statement shows toll revenues, penalties, and fees at 65 percent of the budget. This reflects periodic toll rate changes made based on traffic volumes according to the approved toll policy on the RCTC 91 Express Lanes. Staff will continue to monitor the toll transactions and/or trips and non-toll revenues.

The operating statement shows other revenues at 98 percent of the \$723,500 budget and reflects property management lease revenues.

During the FY 2023/24 budget process, the Commission estimated investment income at \$13,242,700 due to current market conditions. The operating statement shows investment income, which includes net unrealized investment gains and losses at \$19.4 million.

The expenditures/expenses and other financing sources/uses categories are in line overall with the expectations with the following exceptions:

- Salaries and benefits are under budget primarily due to unfilled positions for an Accounting Technician, IT Administrator, and Senior Capital Projects Manager;
- Professional services are under budget primarily due to unused budget authority for general legal services; financial advisory services; audit services; rail operations and development activities; and highway, commuter assistance, specialized transportation, and regional conservation other professional services;
- Support costs are under budget due to unused budget authority for rail station maintenance and repairs; express lanes operations and maintenance; call box maintenance and repairs; advertising; and software and computer maintenance and repairs;

- Program operations are under budget due to unused budget authority for rail station security; toll operations; motorist and commuter assistance program operations; and highway and rail program management;
- The status of significant Commission capital projects (engineering, construction, design-build, and right of way/land) with budget amounts exceeding \$5 million is discussed within Attachment 1;
- Operating and capital disbursements are made as claims are submitted to the Commission by transit operators;
- Special studies unused budget authority is related to feasibility studies;
- Local street and roads expenditures are related to Measure A sales tax revenues. These financial statements reflect the turnback payments thru October 2023;
- Regional arterial expenditures represent expenditures for the highway and regional arterial program administered by the Coachella Valley Association of Governments (CVAG). CVAG requests reimbursements from the Commission based on available funds and sufficient budget authority;
- Debt service principal payments are made annually on June 1, while debt service interest payments are made semiannually on December 1 and June 1. In accordance with the applicable accounting standards related to the Enterprise funds, both the RCTC 91 and 15 Express Lanes Enterprise funds record accrued and compounded interest on its related debt such as the RCTC 91 Express Lanes 2021 Toll Refunding Bonds and 2013 Toll Revenue Bonds, Series B capital appreciation bonds for the 91 Project as well as the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan for the 15 Express Lanes project. Therefore, \$3.5 million of the \$14.6 million interest cost through the second quarter will not be paid in the current year for the RCTC 91 and 15 Express Lanes Enterprise funds and therefore, not included in the FY 2023/24 budget;
- Capital outlay expenditures are under budget due to unused budget authority for office improvements, property improvements for station rehabilitation, toll operations equipment, and Commission network, hardware, and software improvements;
- Depreciation is recorded as part of the accrual adjustments in the RCTC 91 and 15 Express Lanes Enterprise funds accounting records; however, depreciation is considered a non-cash transaction and not included in the FY 2023/24 budget; and
- Transfers in and out include the second quarter administrative cost allocation process, Measure A Sales Tax Bonds debt funding, and LTF disbursements for planning and programming activities.

FISCAL IMPACT:

This is an information item. There is no fiscal impact.

Attachments:

- 1) Quarterly Project Status – December 2023
- 2) Quarterly Financial Statements – December 2023

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION
QUARTERLY PROJECT STATUS
2nd QUARTER
FOR SIX MONTHS ENDED 12/31/2023**

Project Description	FY 2023/24 through 2 nd Quarter Budget	Expenditures through 2 nd Quarter Actuals	Project Status
<p>91 Express Lanes (P009103 & P009104) These projects provide repair and rehabilitation of SR-91 general purpose and express lanes, as well as the implementation of a new back-office system. The FY2023/24 budget amount is \$8,516,200.</p>	\$5,210,850	\$3,271,328	The under run of the FY 2023/24 budget at the second quarter is due to lower than anticipated expended costs for Phase 2 corridor improvements and associated project construction (\$1.1 million), construction management (\$0.1 million) and back-office system implementation (\$0.8 million).
<p>I-15 Express Lanes Southern Extension (P003044) The project will add express lanes between SR-74 and Cajalco Road. The estimated project cost is \$544 million with the Project Approval and Environmental Document (PA/ED) phase of work funded by federal Congestion Mitigation and Air Quality (CMAQ) funds and Measure A. The FY 2023/24 budget amount is \$16,803,200.</p>	4,901,700	1,372,761	The under run of the FY 2023/24 budget at the second quarter is due to lower than anticipated expended costs for the preliminary engineering and environmental document contract (\$2.6 million), program management, staff labor, legal, and other professional services (\$1.0 million).
<p>15/91 Express Lanes Connector (P003039) The 15/91 Express Lane Connector (ELC) project constructs an express lanes median direct connector from southbound I-15 to westbound SR-91 and from eastbound SR-91 to northbound I-15 in the city of Corona. The project also adds tolled express lanes in each direction of I-15 from the 15/91 ELC to Hidden Valley Parkway; adds a tolled express lane in each direction of SR-91 from east of Lincoln Avenue to the 15/91 ELC; extends the tolled express lane along eastbound SR-91 from I-15 to west of Promenade Avenue; and extends an eastbound auxiliary lane along SR-91 from west of I-15 to west of Promenade Avenue. The project also includes the addition of a toll collection system infrastructure along I-15 and SR-91. The estimated project cost is \$270 million and the project is partially funded by state funds allocated under Senate Bill (SB) 132 legislation. The connector is expected to open to traffic in 2023. The FY 2023/24 budget amount is \$36,914,000.</p>	17,995,300	12,392,561	The under run of the FY 2023/24 budget at the second quarter is due to delayed invoicing from the design builder (\$4.7 million) and lower than anticipated expended costs from the project construction management contract (\$0.8 million), and toll marketing (\$0.4 million).

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION
 QUARTERLY PROJECT STATUS
 2nd QUARTER
 FOR SIX MONTHS ENDED 12/31/2023**

Project Description	FY 2023/24 through 2 nd Quarter Budget	Expenditures through 2 nd Quarter Actuals	Project Status
<p>Mid County Parkway (MCP) (P002302, P002317, P002320, P002324, & P002328) The environmental document for a new corridor from I-215 to SR-79 was approved in April 2015. The first design package is under construction. Construction of this new facility will be completed over many years as funding becomes available; the total project cost is estimated at \$1.3 to \$2.1 billion. The FY 2023/24 budget amount is \$ 29,874,700.</p>	5,552,700	3,216,607	<p>The under run of the FY 2023/24 budget at the second quarter is primarily due to the following for each project:</p> <ul style="list-style-type: none"> • MCP: The minimal under run is due to right of way (ROW) acquisition and ROW support (\$0.07 million). • MCP I-215/Placentia Interchange: The over run for this project was due to the ROW acquisitions (\$0.8 million) and construction (\$0.2 million). • MCP Mitigation: The first year of plant establishment was completed at the beginning of the third quarter in FY 2020/21 and the under run in the second quarter of FY 2023/24 was due to mitigation property monitoring (\$1.5 million). • MCP2 and MCP3: The Commission approved the shift from MCP2 to MCP3 at the May 2022 Commission meeting. The under run was due to unused ROW acquisition/support services on MCP2 (\$0.07 million) and final design on MCP3 (\$1.0 million).
<p>71/91 Connector Project (P003021) The project includes ROW acquisition, utility relocation, and environmental revalidation work for improvements to the 71/91 connector. The estimated project cost is \$118 million. The FY 2023/24 budget amount is \$66,221,900.</p>	27,615,950	19,412,144	<p>The under run of the FY 2023/24 budget at the second quarter is due to construction (\$6.8 million), construction management (\$0.7 million), less than anticipated costs for ROW acquisitions (\$0.3 million) and program management (\$0.3 million).</p>
<p>Smart Freeways (P003051) The project includes environmental clearance, design, and commence construction of a pilot project to install a smart freeway system on northbound I-15 in the city of Temecula. The FY 2023/24 budget amount is \$16,180,000.</p>	2,080,000	223,807	<p>The under run of the FY 2023/24 budget at the second quarter is due to FY 2022/23 accrual reversal, delayed invoicing from the preliminary design firm (\$0.1 million), engineering & environmental support services (\$0.7 million), and lower than expected costs for construction management (\$0.8 million). Construction is not scheduled to commence until the second half of FY 2023/24.</p>

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION
 QUARTERLY PROJECT STATUS
 2nd QUARTER
 FOR SIX MONTHS ENDED 12/31/2023**

Project Description	FY 2023/24 through 2nd Quarter Budget	Expenditures through 2nd Quarter Actuals	Project Status
<p>Santa Ana River Trail Extension (SART) (P007201 & P007202) The Commission provides support to the Riverside County Regional Park and Open Space District (District) for the projects under a cooperative planning and development agreement. The District is the lead agency for environmental compliance for NEPA and CEQA, and the Commission is responsible for project oversight and approval, final design, and construction. The projects are a joint effort with several public and private agencies including the county of Orange and the United States Army Corps of Engineers. The District is responsible for 100% of costs. The FY 2023/24 budget amount is \$6,756,700.</p>	2,796,000	399,639	The under run of the FY 2023/24 budget at the second quarter is due to final design (\$0.2 million) and preliminary engineering (\$0.09 million) for SART 1. Additionally, the underrun in SART 2 is due to ROW acquisition and support (\$1.6 million) and final design (\$0.2 million).
<p>Moreno Valley-March Field station upgrade (P004026) The project will remove and replace approximately 2.5 miles of existing rail and wood ties with new rail and concrete ties, remove / replace / regrade track ballast, improve track drainage, install new track signals and Positive Train Control system, connect to existing signals and communication systems, build a new second passenger loading platform, extend the existing passenger loading platform to current Metrolink station standards, and perform other improvements necessary to bring the tracks into compliance with Metrolink standards. The FY 2023/24 budget amount is \$18,398,900.</p>	8,299,450	6,933,607	The under run of the FY 2023/24 budget at the second quarter is primarily due to construction support (\$1.5 million) that is offset by the slight overrun in construction and construction management (\$0.2 million).

This list discusses the significant capital projects (i.e., total budgeted costs in excess of \$5 million) and related status. Capital project expenditures are generally affected by lags in invoices submitted by contractors and consultants, as well as issues encountered during certain phases of the projects. The capital projects budgets tend to be based on aggressive project schedules.

RIVERSIDE COUNTY TRANSPORTATION COMMISSION
QUARTERLY BUDGET TO ACTUAL
2ND QUARTER
FOR SIX MONTHS ENDED 12/31/2023

ATTACHMENT 2

	FY 2023/24 BUDGET	2ND QUARTER ACTUAL	REMAINING BALANCE	PERCENT UTILIZATION
Revenues				
Sales tax	\$ 473,394,500	\$ 149,417,627	\$ 323,976,873	32%
Federal reimbursements	92,672,300	32,964,672	59,707,628	36%
State reimbursements	83,141,100	10,372,018	72,769,082	12%
Local reimbursements	30,075,000	5,460,867	24,614,133	18%
Transportation Uniform Mitigation Fee	31,000,000	13,646,969	17,353,031	44%
Tolls, penalties, and fees	97,989,000	63,324,422	34,664,578	65%
Other revenues	723,500	706,612	16,888	98%
Investment income	13,242,700	19,438,809	(6,196,109)	147%
Total revenues	822,238,100	295,331,997	526,906,103	36%
Expenditures/Expenses				
Salaries and benefits	17,563,900	7,249,308	10,314,592	41%
Professional and support				
Professional services	24,786,900	4,957,684	19,829,216	20%
Support costs	21,676,800	8,101,173	13,575,627	37%
Total Professional and support costs	46,463,700	13,058,857	33,404,843	28%
Projects and operations				
Program operations	49,584,200	10,240,237	39,343,963	21%
Engineering	34,591,600	4,829,299	29,762,301	14%
Construction	272,316,900	29,625,155	242,691,745	11%
Design Build	40,510,200	11,308,776	29,201,424	28%
Right of way/land	45,974,200	6,758,354	39,215,846	15%
Operating and capital disbursements	252,871,300	96,355,493	156,515,807	38%
Special studies	14,890,000	448,745	14,441,255	3%
Local streets and roads	84,545,100	27,258,523	57,286,577	32%
Regional arterials	30,000,000	9,352,252	20,647,748	31%
Total projects and operations	825,283,500	196,176,833	629,106,667	24%
Debt service				
Principal	32,635,000	-	32,635,000	N/A
Interest	58,781,200	32,926,797	25,854,403	56%
Total debt service	91,416,200	32,926,797	58,489,403	36%
Capital outlay				
Capital outlay	7,842,200	2,491,360	5,350,840	32%
Depreciation	-	9,449,546	(9,449,546)	N/A
Total Expenditures/Expenses	988,569,500	261,352,701	727,216,799	26%
Excess revenues over (under) expenditures/expenses	(166,331,400)	33,979,296	(200,310,696)	-20%
Other financing sources/(uses)				
Transfer in	212,463,600	73,821,624	138,641,976	35%
Transfer out	(212,463,600)	(73,821,624)	(138,641,976)	35%
Total financing sources/(uses)	-	-	-	N/A
Net change in fund balances	(166,331,400)	33,979,296	200,310,696	-20%
Fund balance July 1, 2023	1,382,220,300	1,200,727,959	(181,492,341)	87%
Fund balance December 31, 2023	\$ 1,215,888,900	\$ 1,234,707,255	\$ 18,818,355	102%

RIVERSIDE COUNTY TRANSPORTATION COMMISSION
QUARTERLY BUDGET TO ACTUAL BY FUND
2ND QUARTER
FOR SIX MONTHS ENDED 12/31/2023

	MEASURE A SALES TAX				TRANSPORTATION DEVELOPMENT ACT							REGIONAL CONSERVATION	SB132
	GENERAL FUND	FSP/SAFE	WESTERN COUNTY	COACHELLA VALLEY	PALO VERDE VALLEY	LOCAL TRANSPORTATION FUND	STATE TRANSIT ASSISTANCE	STATE OF GOOD REPAIR	TRANSPORTATION UNIFORM MITIGATION FEE (TUMF)	COACHELLA VALLEY RAIL	OTHER AGENCY PROJECTS		
Revenues													
Sales tax	\$ -	\$ -	\$ 72,632,078	\$ 17,447,180	\$ 347,121	\$ 49,797,659	\$ 7,690,734	\$ 1,502,854	\$ -	\$ -	\$ -	\$ -	\$ -
Federal reimbursements	3,342,538	-	28,216,068	-	-	-	-	-	-	-	-	-	-
State reimbursements	1,048,413	1,781,267	7,772,655	-	-	-	-	(41,014)	(189,302)	-	-	-	-
Local reimbursements	24	1,225	1,442,676	-	-	-	-	-	-	-	299,493	3,717,450	-
Transportation Uniform Mitigation Fee	-	-	-	-	-	-	-	-	-	13,646,969	-	-	-
Tolls, penalties, and fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenues	15	-	354,357	-	-	-	-	-	9,000	-	-	-	292,750
Investment income	343,093	118,061	4,155,954	1,104,951	-	2,881,020	1,626,194	120,142	1,687,053	20,620	5,689	7,688	310,639
Total revenues	4,734,083	1,900,553	114,573,787	18,552,132	347,121	52,678,680	9,316,928	1,581,982	15,153,720	20,620	305,182	3,725,138	603,389
Expenditures/Expenses													
Salaries and benefits	3,232,544	50,744	1,355,131	1,464	-	-	-	-	68,177	20,314	40,036	1,468,259	201,710
Professional and support	1,366,001	44,235	1,404,544	3,679	-	-	7,360	98,520	114,181	19,741	2,359	1,298,468	40,498
Support costs	2,224,068	46,504	1,440,389	-	-	-	-	-	326	4,901	(13)	294,493	2,378
Total Professional and support costs	3,590,069	90,739	2,844,934	3,679	-	-	7,360	98,520	114,507	24,641	2,345	1,594,961	42,876
Projects and operations													
Program operations	11,076	1,729,013	4,722,366	-	-	-	-	-	74,244	4,102	58,963	21,564	153,159
Engineering	-	-	3,174,428	-	-	-	-	-	170,877	-	257,433	-	1,226,561
Construction	-	-	28,349,420	-	-	-	-	-	(450,106)	-	-	-	(249,815)
Design Build	-	-	(500,433)	-	-	-	-	-	-	-	-	-	10,870,538
Right of way/land	-	-	6,165,631	-	-	-	-	-	41,978	-	41,499	361,908	147,339
Operating and capital disbursements	16,574,482	-	1,545,275	2,758,333	-	75,842,815	(355,561)	(9,852)	-	-	-	-	-
Special studies	448,745	-	-	-	-	-	-	-	-	-	-	-	-
Local streets and roads	-	-	20,889,789	6,028,113	340,621	-	-	-	-	-	-	-	-
Regional arterials	-	-	-	9,352,252	-	-	-	-	-	-	-	-	-
Total projects and operations	17,034,303	1,729,013	64,346,476	18,138,699	340,621	75,842,815	(355,561)	(9,852)	(163,008)	4,102	357,895	383,472	12,147,781
Debt service													
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total debt service	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	69,446	369	2,421,545	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures/Expenses	23,926,362	1,870,864	70,948,085	18,143,842	340,621	75,842,815	(348,201)	88,668	19,675	49,057	400,276	3,446,692	12,392,367
Excess revenues over (under)	(19,192,279)	29,689	43,605,702	408,290	6,500	(23,164,136)	9,665,129	1,493,313	15,134,044	(28,437)	(95,094)	278,446	(11,788,978)
Other financing sources/(uses)													
Transfer in	23,477,245	-	3,318,838	-	-	-	-	-	25,257	-	-	-	12,392,561
Transfer out	(493,800)	(131,300)	(37,132,876)	(284,800)	(18,900)	(18,241,645)	(35,200)	(9,800)	(51,200)	(8,500)	-	(618,000)	-
Total financing sources/(uses)	22,983,445	(131,300)	(33,814,038)	(284,800)	(18,900)	(18,241,645)	(35,200)	(9,800)	(25,943)	(8,500)	-	(618,000)	12,392,561
Net change in fund balances	3,791,166	(101,611)	9,791,664	121,490	(12,400)	(41,405,781)	9,629,929	1,483,513	15,108,101	(36,937)	(95,094)	(339,554)	603,583
Fund balance July 1, 2023	37,100,151	13,328,700	438,154,128	96,210,303	-	336,576,925	142,158,549	12,661,636	148,270,737	2,257,390	28,174	(2,362)	1,003,665
Fund balance December 31, 2023	\$ 40,891,317	\$ 13,227,089	\$ 447,945,792	\$ 96,331,793	\$ (12,400)	\$ 295,171,144	\$ 151,788,478	\$ 14,145,149	\$ 163,378,838	\$ 2,220,453	\$ (66,920)	\$ (341,916)	\$ 1,607,248

RIVERSIDE COUNTY TRANSPORTATION COMMISSION
 QUARTERLY BUDGET TO ACTUAL BY FUND
 2ND QUARTER
 FOR SIX MONTHS ENDED 12/31/2023

	ENTERPRISE FUND		CAPITAL PROJECTS FUNDS			
	15 EXPRESS LANES	91 EXPRESS LANES	COMMERCIAL PAPER	SALES TAX BONDS	DEBT SERVICE	COMBINED TOTAL
Revenues						
Sales tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 149,417,627
Federal reimbursements	-	-	-	-	1,406,066	32,964,672
State reimbursements	-	-	-	-	-	10,372,018
Local reimbursements	-	-	-	-	-	5,460,867
Transportation Uniform Mitigation Fee	-	-	-	-	-	13,646,969
Tolls, penalties, and fees	20,794,552	42,529,870	-	-	-	63,324,422
Other revenues	50,491	-	-	-	-	706,612
Investment income	2,185,870	3,559,912	402,696	461,420	447,806	19,438,809
Total revenues	23,030,912	46,089,782	402,696	461,420	1,853,872	295,331,997
Expenditures/Expenses						
Salaries and benefits	239,464	571,465	-	-	-	7,249,308
Professional and support	-	-	-	-	-	-
Professional services	183,213	374,885	-	-	-	4,957,684
Support costs	1,754,020	2,332,108	-	-	-	8,101,173
Total Professional and support costs	1,937,233	2,706,994	-	-	-	13,058,857
Projects and operations						
Program operations	2,192,588	1,273,163	-	-	-	10,240,237
Engineering	-	-	-	-	-	4,829,299
Construction	-	1,975,457	-	-	-	29,625,155
Design Build	-	938,672	-	-	-	11,308,776
Right of way/land	-	-	-	-	-	6,758,354
Operating and capital disbursements	-	-	-	-	-	96,355,493
Special studies	-	-	-	-	-	448,745
Local streets and roads	-	-	-	-	-	27,258,523
Regional arterials	-	-	-	-	-	9,352,252
Total projects and operations	2,192,588	4,187,491	-	-	-	196,176,833
Debt service						
Principal	-	-	-	-	-	-
Interest	2,159,660	12,477,118	-	-	18,290,019	32,926,797
Total debt service	2,159,660	12,477,118	-	-	18,290,019	32,926,797
Capital outlay	-	-	-	-	-	2,491,360
Depreciation	6,235,532	3,214,014	-	-	-	9,449,546
Total Expenditures/Expenses	12,764,477	23,157,082	-	-	18,290,019	261,352,701
Excess revenues over (under)	10,266,436	22,932,700	402,696	461,420	(16,436,147)	33,979,296
Other financing sources/(uses)						
Transfer in	204	-	-	-	34,607,519	73,821,624
Transfer out	(201,500)	(13,273,061)	-	(1,912,976)	(1,406,066)	(73,821,624)
Total financing sources/(uses)	(201,296)	(13,273,061)	-	(1,912,976)	33,201,453	-
Net change in fund balances	10,065,140	9,659,639	402,696	(1,451,556)	16,745,306	33,979,296
Fund balance July 1, 2023	262,717,804	(333,152,076)	13,392,732	18,149,828	11,871,675	1,200,727,959
Fund balance December 31, 2023	\$ 272,782,944	\$ (323,492,437)	\$ 13,795,428	\$ 16,698,272	\$ 28,636,981	\$ 1,234,707,255

AGENDA ITEM 6D

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 13, 2024
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Megan Kavand, Senior Financial Analyst Sergio Vidal, Chief Financial Officer
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Monthly Investment Report

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Receive and file the Monthly Investment Report for the month ended January 31, 2024.

BACKGROUND INFORMATION:

The Commission’s investment reports have generally reflected investments primarily concentrated in the Riverside County Pooled Investment Fund as well as investments in mutual funds for sales tax revenue bonds debt service payments.

As a result of significant project financings such as the State Route 91 Corridor Improvement Project (91 Project or 91 CIP) and the Interstate 15 Express Lanes Project (I-15 ELP), the Commission engaged MetLife Investment Management, LLC, formerly Logan Circle Partners, L.P. (MetLife), as the investment manager for the bond proceeds and other required funds. Additionally, the Commission engaged Payden & Rygel Investment Management (Payden & Rygel) to make specific investments for Commission operating funds. The Commission approved initial agreements with the investment managers in May 2013 following a competitive procurement and has extended the agreements through the annual recurring contracts process.

MetLife invested the debt proceeds and subsequent other required contributions for the 91 Project and I-15 ELP in separate accounts of the Short-Term Actively Managed Program (STAMP). The Commission completed the 91 Project financing in 2013, the I-15 ELP and 91 Project completion financing (2017 Financing) in July 2017 and the 2021 91 Project refinancing (2021 Financing) in October 2021. Consistent with financing expectations, the Commission expended all 91 Project debt proceeds and equity contributions, except for the toll revenue bonds debt service reserve, and subsequent to commencement of operations, established other required accounts. The Commission continues to expend the 2017 Financing bond proceeds on the I-15 ELP and funded required reserve accounts.

The monthly investment report for January 2024, as required by state law and Commission policy, reflects the investment activities resulting from the 91 Project, 2017 Financing, 2021 Financing and available operating cash. As of January 31, 2024, the Commission’s cash and investments were comprised of the following:

CASH AND INVESTMENTS PORTFOLIO	AMOUNTS ¹
Operating	\$ 948,686,855
Trust	297,792,540
Commission-managed	223,167,488
STAMP for 91 CIP	59,814,163
STAMP for 2017 Financing	15,999,130
Total	\$ 1,545,460,176
Note: ¹ Unreconciled and unaudited	

As of January 31, 2024, the Commission’s cash and investments are in compliance with both the Commission’s investment policy adopted on October 11, 2023, and permitted investments described in the indenture for the Commission’s sales tax revenue bonds and the master indentures for the Commission’s toll revenue bonds. Additionally, the Commission has adequate cash flows for the next six months.

FISCAL IMPACT:

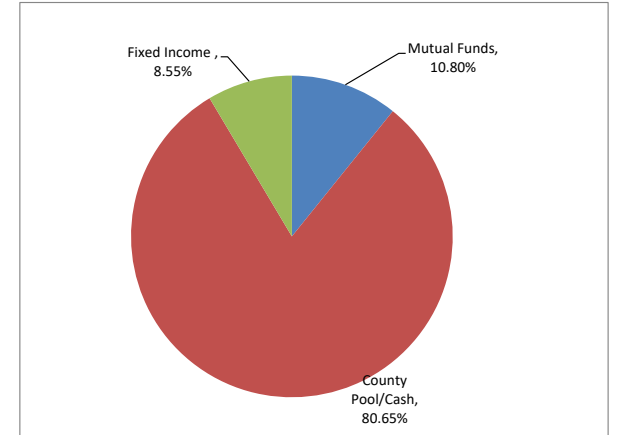
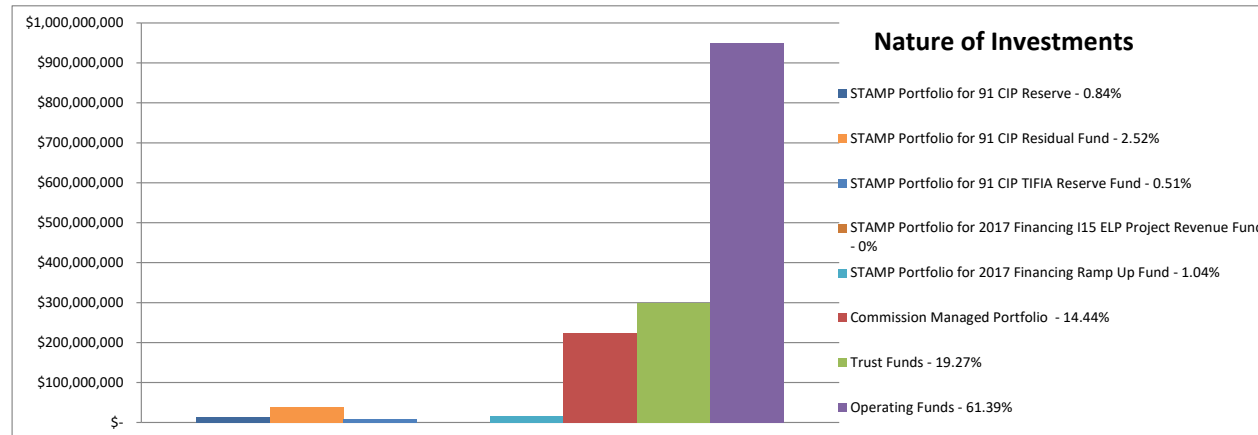
This is an information item. There is no fiscal impact.

Attachment: Investment Portfolio Report

Riverside County Transportation Commission
Investment Portfolio Report
Period Ended: January 31, 2024

	STATEMENT BALANCE ¹	FINANCIAL INSTUTION	STATEMENTS	RATING MOODY'S / S&P	COUPON RATE	PAR VALUE	PURCHASE DATE	MATURITY DATE	YIELD TO MATURITY	PURCHASE COST	MARKET VALUE	UNREALIZED GAIN (LOSS)
OPERATING FUNDS												
City National Bank Deposits	11,608,778	City National Bank	Available upon request	A3/BBB+	N/A				N/A			
County Treasurer's Pooled Investment Fund	937,078,077	County Treasurer	Available upon request					Available upon request				
Subtotal Operating Funds	948,686,855											
FUNDS HELD IN TRUST												
County Treasurer's Pooled Investment Fund: Local Transportation Fund	297,792,540	County Treasurer	Available upon request					Available upon request				
Subtotal Funds Held in Trust	297,792,540											
COMMISSION MANAGED PORTFOLIO												
US Bank Payden & Rygel Operating	56,291,822	US Bank	Available upon request					Available upon request				
First American Government Obligation Fund	166,875,666	US Bank	Available upon request	N/A	N/A				N/A			
Subtotal Commission Managed Portfolio	223,167,488											
STAMP PORTFOLIO for 91 CIP												
2013 Series A & Series B Reserve Fund	13,031,833	US Bank	Available upon request					Available upon request				
2021 Series B Reserve Fund	38,923,953	US Bank	Available upon request					Available upon request				
2021 Series C Reserve Fund	7,858,377	US Bank	Available upon request					Available upon request				
Subtotal STAMP Portfolio - 91 CIP	59,814,163											
STAMP PORTFOLIO for 2017 Financing												
Ramp Up Fund	15,999,130	US Bank	Available upon request					Available upon request				
Subtotal STAMP Portfolio - 2017 Financing	15,999,130											
TOTAL All Cash and Investments	\$ 1,545,460,176											

Notes:
¹ Unreconciled and unaudited



AGENDA ITEM 6E

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 13, 2024
TO:	Riverside County Transportation Commission
FROM:	Western Riverside County Programs and Projects Committee John Tarascio, Senior Capital Projects Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Moreno Valley/March Field Metrolink Station Track and Platform Expansion Project – Construction Contingency Increase

WESTERN RIVERSIDE COUNTY PROGRAMS AND PROJECTS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Approve an increase in the contract contingency for Agreement No. 21-33-095-00 with Granite Construction Company for construction of the Moreno Valley/March Field Metrolink Station Track and Platform Expansion Project (Project) from 10 percent (\$2,211,112) to 16 percent (\$3,537,779) of the agreement amount of \$22,111,122 for a total amount not to exceed \$25,648,901;
- 2) Approve an amendment to the Fiscal Year 2023/24 Short Range Transit Plan (SRTP) to allocate an additional \$1,326,667 of State Transit Assistance (STA) funds to this Project;
- 3) Approve a FY 2023/24 budget adjustment of \$1,326,667 for revenues and expenses related to the Project; and
- 4) Authorize the Executive Director or designee to approve contingency work pursuant to the agreement terms up to the total amount.

BACKGROUND INFORMATION:

On March 9, 2022, the Commission awarded Agreement No. 21-33-095-00 to Granite Construction Company (Contractor), as the lowest responsive, responsible bidder, for the construction of the Project in the amount of \$22,111,122. Additionally, the Commission approved a 10 percent contingency in the amount of \$2,211,112 to cover potential change orders during construction.

The Project will upgrade approximately 2 ½ miles of existing freight track from wood ties to new heavier track and concrete ties, an upgraded signal system, expansion of the existing platform and the addition of a new platform. The new platform will mirror the passenger amenities found on the existing platform, including canopies, a mini-high ADA platform, emergency telephone system, electronic displays, and signage. The project is being performed in partnership with Southern California Regional Rail Authority (SCRRA).

The Project is located on the west side of Interstate 215, between Eastridge Avenue (at Control Point (CP) Eastridge) and north of Van Buren Boulevard (new Control Point established as part of this project), along the Perris Valley Line corridor, on right of way owned by the Commission (Figure 1).

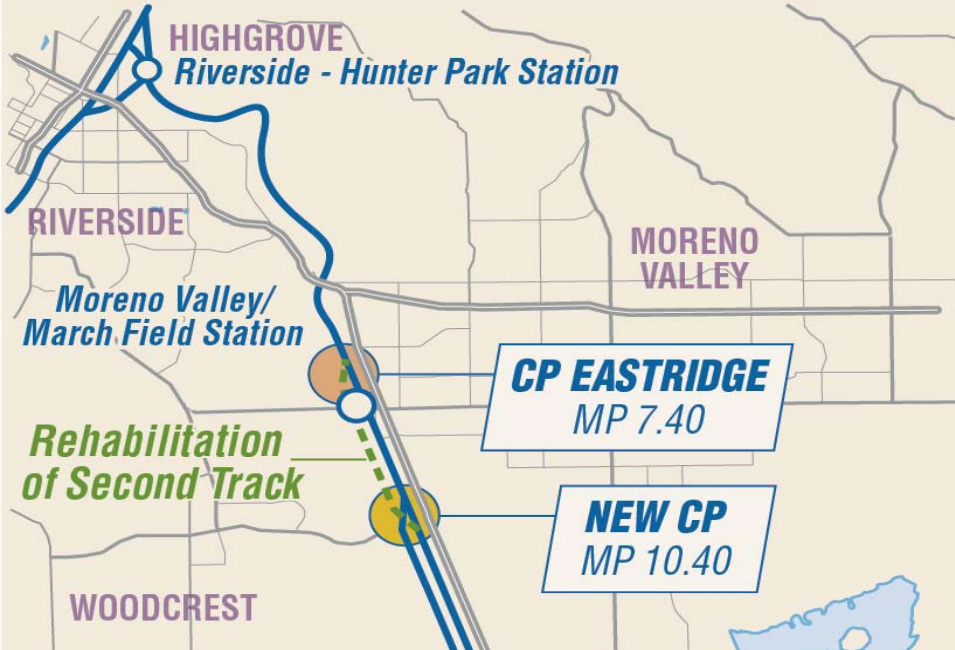


Figure 1: Project Location Map

Construction Status

The contractor was given a limited notice to proceed (NTP) on April 18, 2022, for the advance procurement of long lead time materials, followed by a full NTP for construction on October 10, 2022. Construction has since progressed and currently is approximately 65 percent complete, with an estimated completion date in the summer 2024.

As part of the construction scope, approximately 13,000 feet of existing track (rail and ties) were to be removed and upgraded to new heavier rail and concrete ties in order to meet current SCRRRA standards. Initially, it was assumed during the Project's design that the existing ballast material, which supports the rail and ties, was in adequate condition based on visual assessments. However, upon track removal and replacement, it was discovered that the existing ballast material beneath the surface was significantly degraded and insufficient in depth to support the new track in numerous locations. Following consultation with the Engineer of Record and SCRRRA, it was concluded that replacement with new compliant ballast material and additional excavation and grading below the ballast would be necessary. A total of 8,000 feet of existing track requires ballast replacement. This additional scope will require the issuance of a Contract Change Order(s) (CCO) for the contractor to proceed with the work.

The estimated cost to address the existing ballast issue amounts to \$1,675,985, which constitutes a significant portion (76 percent) of the project contingency. Considering other CCOs that have been executed and potential or pending CCOs due to other construction issues, the current contingency will not be sufficient to cover project expenses until completion. Table 1 summarizes the current CCO contingency status.


Table 1: Contract Change Order (CCO)/Contingency Summary

Commission Approved Contingency	\$2,211,112
Executed CCO's to Date	\$554,296
Pending CCO's Related to Ballast Issues	\$1,657,985
Other Potential/Pending CCO's	\$485,844
Total Anticipated CCO's to Date	\$2,698,125
Current Contingency Status	-\$487,013

FISCAL IMPACT:

Based on the current status of the overall project, staff estimates that increasing the contingency from 10 percent (\$2,211,112) to 16 percent (\$3,537,779), for a difference of \$1,326,667, will be sufficient to cover the total anticipated CCO's to date while providing enough remaining contingency (\$839,654) to account for any future issues that may be encountered through the end of the Project.

Staff recommends approval of an additional \$1,326,667 of STA funds to complete the Project and an amendment to the FY 2023/24 SRTP to reflect this increase. Staff also recommends approval of a budget adjustment for associated revenues and expenses in FY 2023/24.

Financial Information					
In Fiscal Year Budget:	No	Year:	FY 2023/24	Amount:	\$1,326,667
Source of Funds:	State Transit Assistance (STA) Funds \$1,326,667		Budget Adjustment:	Yes	
GL/Project Accounting No.:	Revenue: 004026 000 59001 0000 265 33 59001 Transfer In (1,326,667) Expenditure: 004026 81301 00000 0000 265 33 81301 Granite (\$1,326,667) 002204 97001 00000 0000 241 62 97001 Transfer Out (\$1,326,667)				
Fiscal Procedures Approved:				Date:	02/15/2024

Attachment: Amendment No. 5 of RCTC FY 2023/24 SRTP

<i>Approved by the Western Riverside County Programs and Projects Committee on February 26, 2024</i>					
In Favor:	9	Abstain:	0	No:	0



Table 4.0 - Summary of Funding Request - FY2023/24
RCTC Western County Rail, Coachella Valley Rail, and Vanpool Programs

Operating																			
Project	Total Amount of Funds	5307 RS	5307 OB	5307 RS CARES - OB	5337	5337 OB	CMAQ	LCTOP PUC99313	LTF	LTF - OB	MA CR	OTHR LCL	SGR PUC99313	SGR PUC99314	STA PUC99313	SGR-OB PUC99313	SGR-OB PUC99314	STA-OB	Farebox
Western County Rail																			
Metrolink Operating Subsidy & Preventative Maintenance ¹	\$29,890,387				\$ 7,365,769				\$ 22,524,618										\$ -
Next Generation Rail Study Phase II	\$0																		
Program Management and Support ²	\$6,753,800								\$ 1,709,800		\$ 3,544,000	\$ 1,500,000							
Property Management General - Rail	\$2,557,200										\$ 2,110,200	\$ 447,000							
Station Operations and Security	\$7,913,200										\$ 7,544,300	\$ 368,900							
Transfer Agreements	\$100,000																		
Free Rail Pass Program	\$1,007,009							\$ 1,007,009	\$ 100,000										
Working Capital Loan	\$5,000,000										\$ 5,000,000								
Vanpool																			
RCTC VanClub Operating Expenses	\$1,803,144			\$ 193,700		\$ 423,400					\$ 121,900	\$ 37,200							\$ 1,026,944.00
Sub-total Operating	\$55,024,740	\$0	\$0	\$193,700	\$7,365,769	\$0	\$423,400	\$1,007,009	\$24,334,418	\$0	\$18,320,400	\$2,353,100	\$0	\$0	\$0	\$0	\$0	\$0	\$1,026,944
Capital																			
Project	Total Amount of Funds	5307 RS	5307 OB	5307 RS CARES	5337	5337 OB	CMAQ	LCTOP PUC99313	LTF	LTF - OB	MA CR	OTHR LCL	SGR PUC99313	SGR PUC99314	STA PUC99313	SGR-OB PUC99313	SGR-OB PUC99314	STA-OB	Farebox
Western County Rail																			
Rail Stations Capital Rehabilitation FY 21-1	\$-147,005																		
Rail Stations Capital Rehabilitation FY22 WC 22-1	\$-57,744																		
Rail Stations Capital Rehabilitation WC 24-1	\$7,020,121		\$ 5,776,598										\$ 768,811	\$ 281,974					
RCTC Metrolink Capital Obligation WC 22-4	\$-424,109					\$ (424,109)													
RCTC Metrolink Capital Obligation WC 23-1	\$-57,165																		
RCTC Metrolink Capital Obligation ³ WC 24-2	\$15,691,304	\$ 2,257,740			\$ (57,165)	\$ 12,952,290													
RCTC Passenger Amenities New Stations - 17-4	\$-229,800																		
Moreno Valley/March Field Station Ped Bridge ⁴ WC 24-3	\$ 1,893,358																		\$ 1,893,358
Riverside-Downtown At Grade Crossing - WC 24-4	\$2,200,000																		
Riverside Downtown Station Track and Platform WC 22-3	\$ (9,640,156)																		\$ (1,893,358)
Coachella Valley Rail																			
CV Rail Environmental/Service Development Plan - CV 24-1	\$750,000														\$750,000				
Sub-total Capital	\$16,998,804	\$2,257,740	\$0	\$0	\$12,952,290	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$768,811	\$281,974	\$750,000	\$-12,011	\$-134,994	\$0	\$0
Total Operating & Capital	\$72,023,544	\$2,257,740	\$0	\$193,700	\$20,318,059	\$0	\$423,400	\$1,007,009	\$24,334,418	\$0	\$18,320,400	\$2,353,100	\$768,811	\$281,974	\$750,000	\$-12,011	\$0	\$0	\$1,026,944

¹ Metrolink Subsidy is \$28,231,736 plus 6% contingency. FTA 5337 directly allocated to Metrolink.
² Includes Rail program administration, capital support, marketing, Operation Lifesaver, professional services, and special trains. Allocations for salaries and benefits
³ 5307 RS FY23 \$2,257,740; 5307 OB FY22 \$57,165 funds not included in Metrolink's capital grant, funds already authorized by Commission; 5337 FY23 \$12,952,290; 5337 OB FY22 \$424,109 were not included in Metrolink Rehab grant, funds already authorized by Commission. FTA 5307 and 5337 directly allocated to Metrolink.
⁴ State Transit Assistance Funds savings from Riverside Downtown Station to Moreno Valley/March Field station.



Table 4.0 - Summary of Funding Request - FY2023/24

RCTC Western County Rail, Coachella Valley Rail, and Vanpool Programs

Operating																				
Project	Total Amount of Funds	5307 RS	5307 OB	5307 RS CARES - OB	5337	5337 OB	CMAQ	LCTOP PUC99313	LTF	LTF - OB	MA CR	OTHR LCL	SGR PUC99313	SGR PUC99314	STA PUC99313	SGR-OB PUC99313	SGR-OB PUC99314	STA-OB	STA PUC99314	Farebox
Western County Rail																				
MetroLink Operating Subsidy & Preventative Maintenance ¹	\$29,890,387				\$ 7,365,769				\$ 22,524,618											
Next Generation Rail Study Phase II	\$0																			
Program Management and Support ²	\$6,753,800								\$ 1,709,800		\$ 3,544,000	\$ 1,500,000								
Property Management General - Rail	\$2,557,200										\$ 2,110,200	\$ 447,000								
Station Operations and Security	\$7,913,200										\$ 7,544,300	\$ 368,900								
Transfer Agreements	\$100,000																			
Free Rail Pass Program	\$1,007,009							\$ 1,007,009	\$ 100,000											
Working Capital Loan	\$5,000,000										\$ 5,000,000									
Vanpool																				
RCTC VanClub Operating Expenses	\$1,803,144			\$ 193,700			\$ 423,400				\$ 121,900	\$ 37,200								\$ 1,026,944.00
Sub-total Operating	\$55,024,740	\$0	\$0	\$193,700	\$7,365,769	\$0	\$423,400	\$1,007,009	\$24,334,418	\$0	\$18,320,400	\$2,353,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,026,944
Capital																				
Project	Total Amount of Funds	5307 RS	5307 OB	5307 RS CARES	5337	5337 OB	CMAQ	LCTOP PUC99313	LTF	LTF - OB	MA CR	OTHR LCL	SGR PUC99313	SGR PUC99314	STA PUC99313	SGR-OB PUC99313	SGR-OB PUC99314	STA-OB	STA PUC99314	Farebox
Western County Rail																				
Rail Stations Capital Rehabilitation FY 21-1	\$-147,005																			
Rail Stations Capital Rehabilitation FY22 WC 22-1	\$-57,744																			
Rail Stations Capital Rehabilitation WC 24-1	\$7,020,121		\$ 5,776,598										\$ 768,811	\$ 281,974						
RCTC MetroLink Capital Obligation WC 22-4	\$-424,109					\$ (424,109)														
RCTC MetroLink Capital Obligation WC 23-1	\$-57,165		\$ (57,165)																	
RCTC MetroLink Capital Obligation ³ WC 24-2	\$15,691,304	\$ 2,257,740	\$ (57,165)		\$ 12,952,290	\$ 424,109														
RCTC Passenger Amenities New Stations - 17-4	\$-229,800																			
Moreno Valley/March Field Station Ped Bridge WC 24-3	\$ 3,220,025																	\$ 1,893,358	\$ 1,326,667	
Riverside-Downtown At Grade Crossing - WC 24-4	\$2,200,000		\$ 2,200,000																	
Riverside Downtown Station Track and Platform WC 22-3	\$ (9,640,156)		\$ (7,746,798)																\$ (1,893,358)	
Coachella Valley Rail																				
CV Rail Environmental/Service Development Plan - CV 24-1	\$750,000														\$750,000					
Sub-total Capital	\$18,325,471	\$2,257,740	\$0	\$0	\$12,952,290	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$768,811	\$281,974	\$750,000	\$-12,011	\$0	\$0	\$1,326,667	\$0
Total Operating & Capital	\$73,350,211	\$2,257,740	\$0	\$193,700	\$20,318,059	\$0	\$423,400	\$1,007,009	\$24,334,418	\$0	\$18,320,400	\$2,353,100	\$768,811	\$281,974	\$750,000	\$-12,011	\$0	\$0	\$1,326,667	\$1,026,944

¹ MetroLink Subsidy is \$28,231,736 plus 6% contingency. FTA 5337 directly allocated to MetroLink.

² Includes Rail program administration, capital support, marketing, Operation Lifesaver, professional services, and special trains. Allocations for salaries and benefits

³ 5307 RS FY23 \$2,257,740; 5307 OB FY22 \$57,165 funds not included in MetroLink's capital grant, funds already authorized by Commission; 5337 FY23 \$12,952,290; 5337 OB FY22 \$424,109 were not included in MetroLink Rehab grant, funds already authorized by Commission. FTA 5307 and 5337 directly allocated to MetroLink.

⁴ State Transit Assistance Funds savings from Riverside Downtown Station to Moreno Valley/March Field station.

AGENDA ITEM 6F

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 13, 2024
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Jonathan Marin, Senior Management Analyst David Knudsen, External Affairs Director
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Quarterly Public Engagement Metrics Report, October - December 2023

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Receive and file the Quarterly Public Engagement Metrics Report for October - December 2023.

BACKGROUND INFORMATION:

The Public Affairs staff continues to measure a wide range of public engagement activities to prepare the Quarterly Public Engagement Metrics Report for the Commission. Activities include social media interactions, website visits, public sentiment, and other forms of engagement originating from the Commission’s various digital communication channels. Through these channels, staff continuously highlight the Commission’s successes, project deliveries and updates, significant milestones, partnerships, programs, and investments made through Measure A.

The quarterly reports are a data-driven approach to monitor the Commission’s progress toward public engagement goals, its efforts’ effectiveness, and provide transparency into how the Commission is using its resources to engage with the public. This report covers the fourth quarter of 2023, from October to December.

The metrics provided are compared against the previous quarter, which can produce varying results based on the activity level in any one quarter.

This quarter’s report includes three sets of data:

- 1) Metrics for RCTC’s overall public engagement activities including public sentiment on social media; social media followers, engagement, and reach; email notifications; website use and access; and top pages visited.

- 2) Metrics for RCTC's 15/91 Express Lanes Connector Project including email activity, text messages, website sessions, and social media followers. The 15/91 Express Lanes Connector opened on November 21, 2023. Construction closures are no longer nightly. This will be the last metrics reporting for this project.
- 3) Metrics for RCTC's 71/91 Interchange Project including email activity, website sessions, and social media following.

RCTC Overall Public Engagement

1) Social Media

- a. Public sentiment during the fourth quarter was positive overall. Posts highlighting the IE Commuter program, completion of the Clinton Keith Project in southwest Riverside County, and Traffic Relief Plan presentations to city councils contributed to increased levels of positive engagement experienced during this quarter.
- b. **Facebook:** A modest increase of 0.1% in followers occurred during the fourth quarter – increasing to 13,502 from 13,491. Engagement (likes, comments, video views, and shares) increased 61%, totaling 39,267 compared to 24,613 in the third quarter. Posts reached 330,304 unique users (followers and non-followers), representing a 19% increase from the previous quarter's mark of 227,261.
- c. **X (formerly known as Twitter):** Followers on the platform grew slightly from 1,745 to 1,772 – a 2% increase. Engagement decreased 47%, from 975 to 520, while impressions decreased by 43%, from 19,337 to 10,923.
- d. **Instagram:** The platform experienced a 3% growth in followers, increasing to 3,843 compared to the previous quarter's mark of 3,796. Engagement during the fourth quarter grew by 45%, from 7,966 to 11,585. Content on this platform reached 296,973 users – representing an increase of 66% compared to last quarter's 179,160.
- e. The strong increase in engagement and reach from quarter-to-quarter was due to the high-profile 71/91 Interchange Project closures that took place during this fourth quarter.

- 2) **The Point E-Newsletter:** Producing engaging and high-quality content for RCTC's official blog, **The Point**, continues to be a priority. The monthly email newsletter features news stories about the Commission's successes, project milestones, and local transportation programs. During the fourth quarter of 2023, newsletter subscribers grew from 6,191 to 6,685 – an 8% increase. 43% of the newsletter subscribers opened **The Point** email, and 4.7% clicked on the email links to read more. The open rate for the newsletter continues to outperform the industry (government) average of 34%.

3) Website

- a. Website sessions were down slightly during this quarter, from 124,781 to 123,330 - a 1% decrease. 100,078 unique users visited the website, a decrease of 9%, compared to the previous quarter's mark of 111,025.

- b. Direct website visits (typing in *rctc.org*) made up 57% of total sessions, while visitors using a search engine accounted for 26%. Paid search Google Ads were responsible for 7% of all website visits during this quarter. Referrals from external sites, such as the Go511 and The Press-Enterprise websites, made up 5% of total visits. Social media links drove 4% of website traffic and email links were responsible for 1%.
- c. Website access by desktop comprised most of the web traffic at 64%, while mobile (phones and tablets) made up the remaining 36%.
- d. The 71/91 Interchange Project closures webpage was the most visited during the fourth quarter, followed by the 71/91 Interchange Project construction updates page, then the homepage (*rctc.org*).

15/91 Express Lanes Connector Public Engagement

- 1) **Emails:** Subscribers during the past quarter totaled 3,135, a decrease from the previous quarter's total of 3,152. The project team has received 34 emails to date.
- 2) **Texts:** A total of 727 people registered to receive text message updates, representing a 38% increase from the previous quarter.
- 3) **Webpage:** 6,140 visits to the project page occurred during the third quarter, totaling 48,426 visits to date.
- 4) **Social Media:** Followers on the project's Facebook page increased to 3,392, an increase from the previous quarter's total of 3,365. X (formerly known as Twitter) followers grew from 448 to 474. Instagram followers increased from 971 to 982 followers.

71/91 Interchange Project Public Engagement

- 1) **Emails:** Email sign-ups during the fourth quarter totaled 2,903, representing a 16% increase in subscribers. The project team received 17 inquiries.
- 2) **Texts:** 1,527 people registered to receive text message updates of the project – a 38% increase from the previous quarter.
- 3) **Webpage:** 34,643 visits to the project, construction update, and closures webpages occurred during the fourth quarter.
- 4) **Social Media:** Facebook page followers totaled 1,413 compared to the third quarter's 1,195 - a 18% increase. Instagram followers increased by 13%, from 1,748 to 1,982. Followers on X (formerly known as Twitter) grew by 25% from 135 to 161.

FISCAL IMPACT:

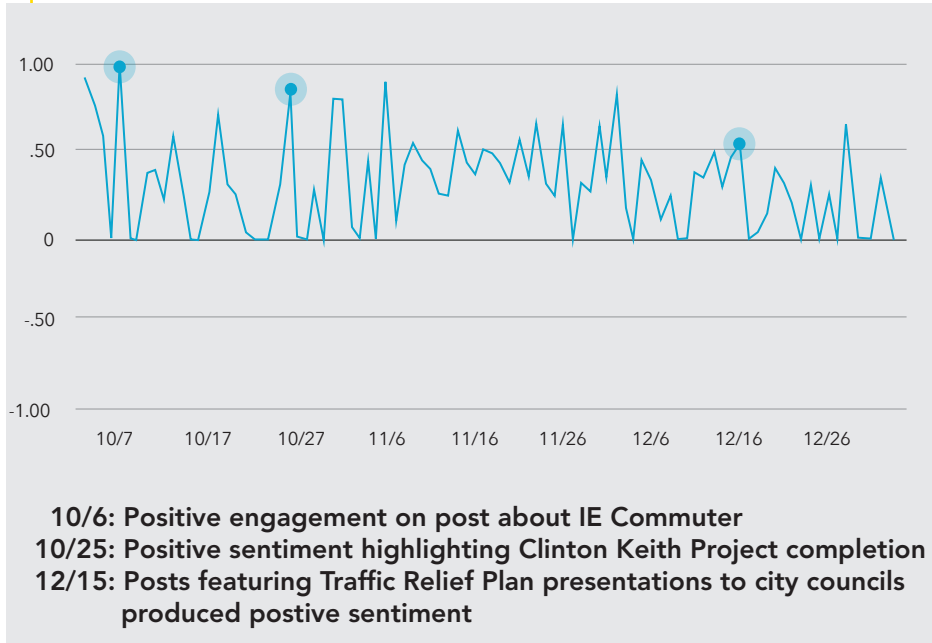
This is an informational item. There is no fiscal impact.

Attachments:

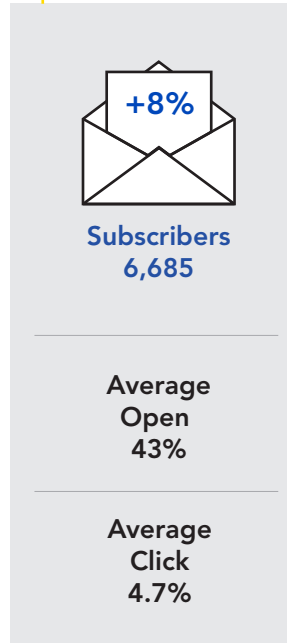
- 1) RCTC Overall Public Engagement Metrics
- 2) 15/91 Express Lanes Connector Construction Public Engagement Metrics
- 3) 71/91 Interchange Construction Public Engagement Metrics

RCTC Public Engagement Metrics: Q4

Overall Social Media Sentiment



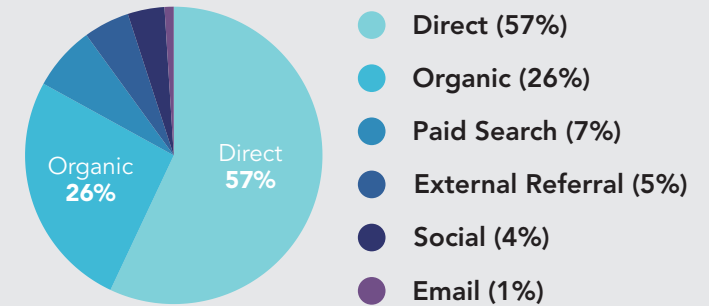
Eblasts



Web



Top Channels

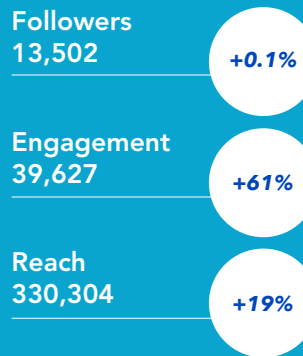


Differences

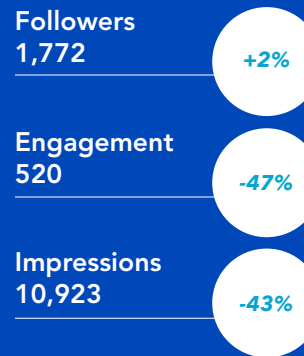
Organic and paid search web traffic increased during the quarter as a result of the 71/91 Interchange Project closures. Referrals from external websites, such as FasTrak, Go511, and Press Enterprise, also increased.

Social Media

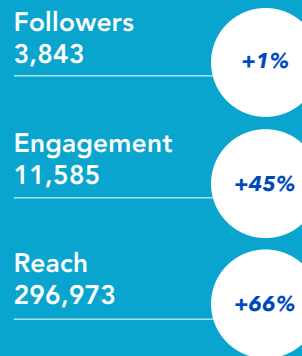
Facebook



X formerly known as Twitter



Instagram



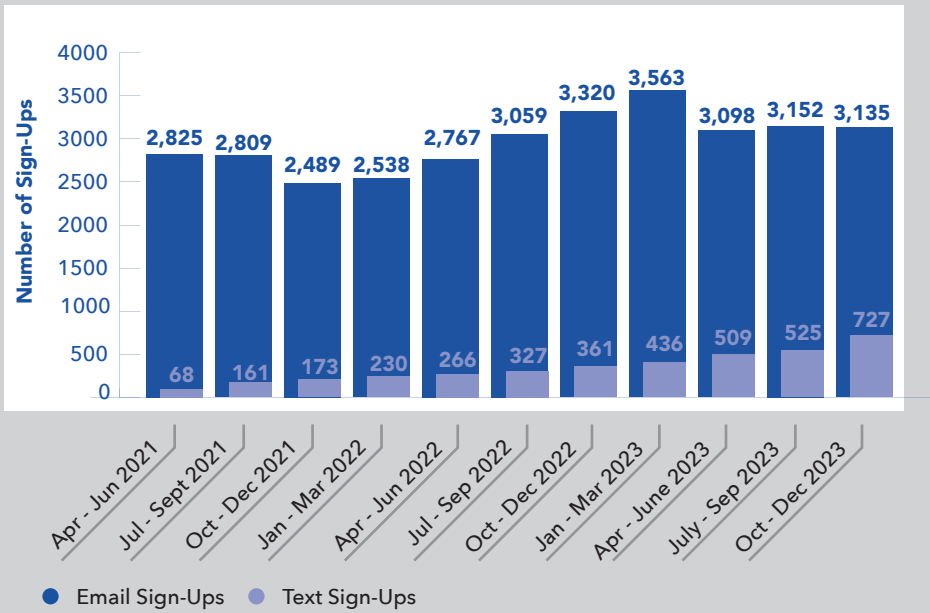
Top Pages Visited

- 71/91 Interchange Project - Closures
- 71/91 Interchange Project - Construction Updates
- Home Page

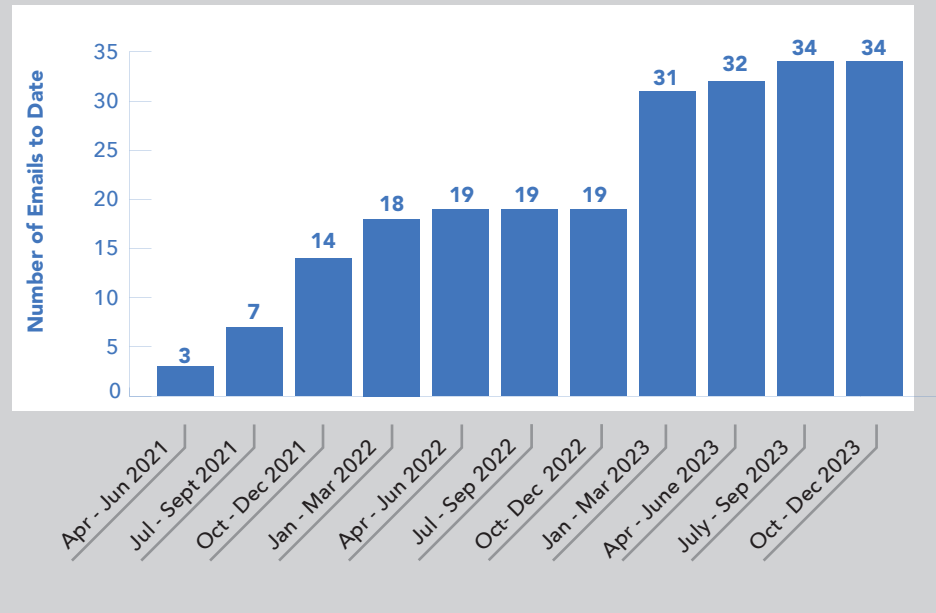
Desktop vs Mobile Users



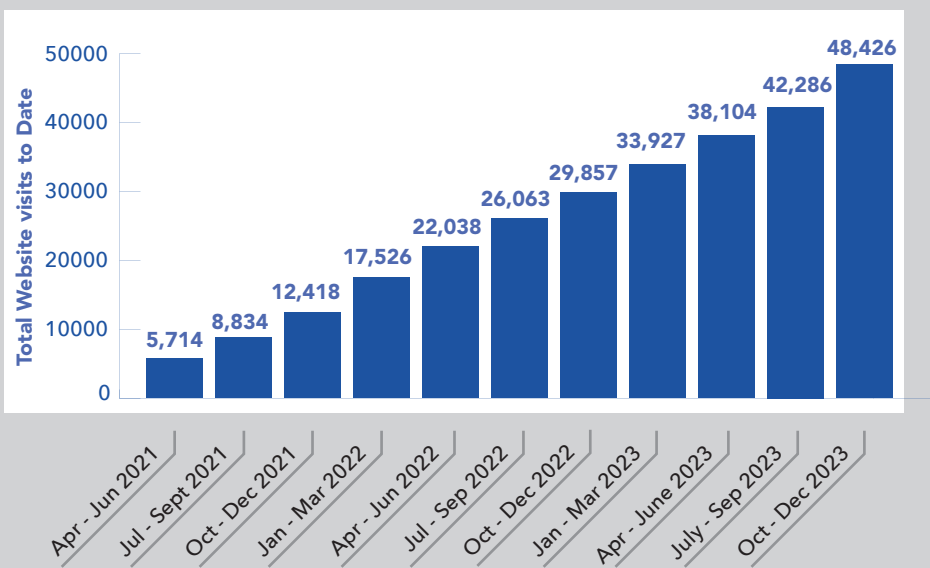
Email & Text Alert Sign-Ups



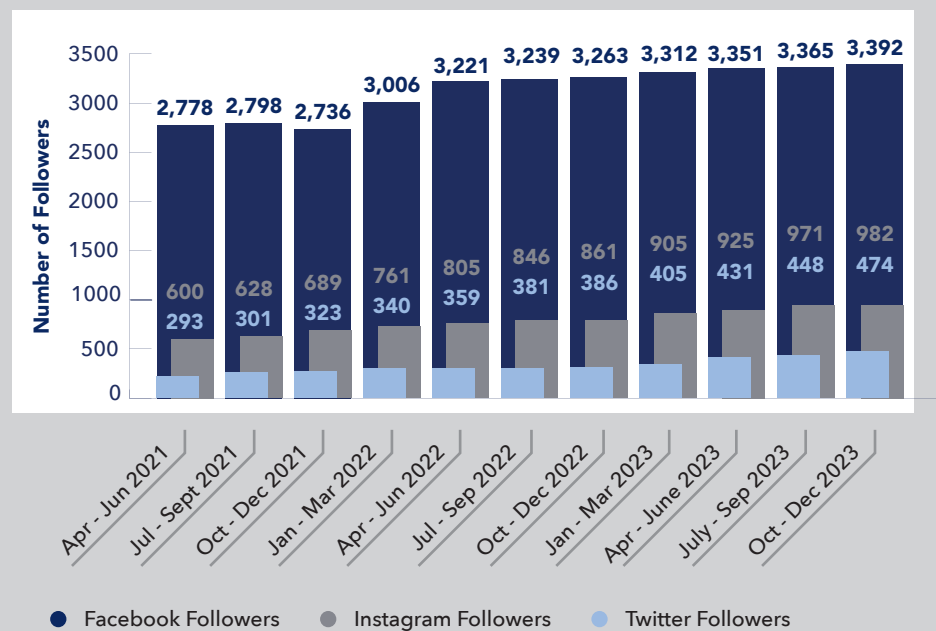
Emails to Project Team



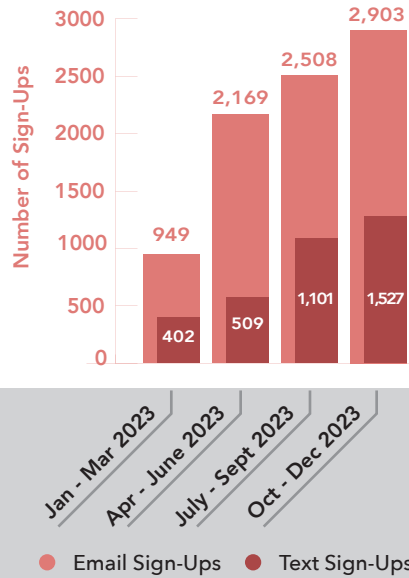
Website Sessions



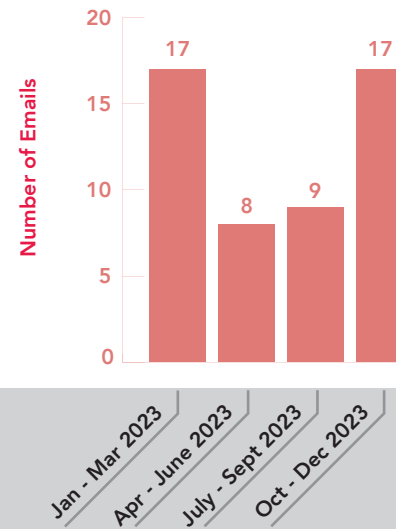
Social Media Followers



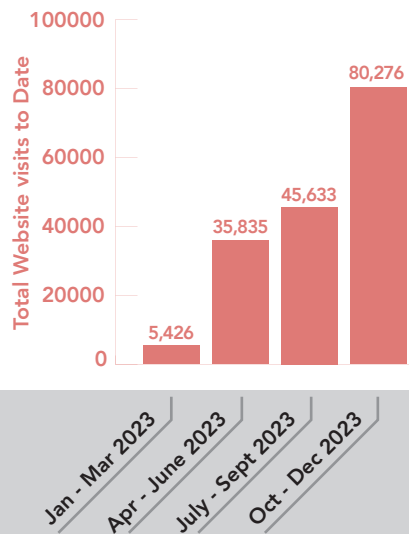
Email & Text Alert Sign-Ups



Emails to Project Team

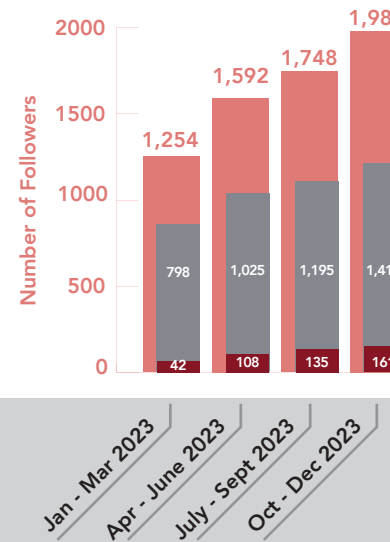


Website Sessions



Includes project, construction update, and closures pages

Social Media Followers



● Instagram Followers ● Facebook Followers ● Twitter Followers

AGENDA ITEM 6G

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 13, 2024
TO:	Riverside County Transportation Commission
FROM:	Western Riverside County Programs and Projects Committee David Lewis, Capital Projects Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	State Route 60 Potrero Boulevard Interchange Project Cooperative Agreement with the City of Beaumont

WESTERN RIVERSIDE COUNTY PROGRAMS AND PROJECTS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Approve Cooperative Agreement No. 24-72-064-00, with the city of Beaumont for the State Route 60 Potrero Boulevard Interchange Project in an amount not to exceed \$5,706,000;
- 2) Authorize Commission staff to be the lead agency on behalf of the city of Beaumont, as stated in the terms of Cooperative Agreement No. 24-72-064-00;
- 3) Authorize the Executive Director, pursuant to legal counsel review, to execute the agreement and future non-funding agreements and/or amendments on behalf of the Commission; and
- 4) Authorize the Executive Director, pursuant to legal counsel review, to acquire required parcels for the State Route 60 Potrero Boulevard Interchange Project in accordance with the Commission’s Right of Way Policies and Procedures Manual.

BACKGROUND INFORMATION:

The SR-60/Potrero Boulevard Interchange Phase 2 project is located in the city of Beaumont (City) at the western end of the San Gorgonio Pass area of Riverside County on SR-60, between Jack Rabbit Trail and the SR-60/ Interstate Highway 10 Junction.

The SR-60/Potrero Boulevard Interchange Project received approval of the environmental document on March 1, 2013. The proposed project was planned to be constructed in two phases. Phase 1 involved the construction of the Potrero overcrossing structure, installation of concrete median barrier throughout the project limits, and extension of the existing Potrero Boulevard. No ramp connections to the SR-60 mainline were constructed as part of Phase 1. Phase 2 involves widening of San Timoteo Creek Bridge and constructing the remainder of the proposed project. Initially targeted for completion in 2015 to deliver a full interchange to the community, however the final design for Phase 2 was put on hold before final design was completed. Final design

activities resumed in 2018, with a 95 percent submittal to Caltrans in May 2019, followed by comments in July 2019. However, in July 2019, the project was suspended due to insufficient funding.

The proposed improvements include the following:

- Widening Potrero Boulevard on both sides of SR-60 to six (6) lanes;
- Adding two (2) new diagonal on-ramps;
- Adding two (2) new loop on-ramps;
- Adding two (2) new diagonal off-ramps;
- Realigning Western Knolls Avenue to a new T-intersection with Potrero Boulevard located to the north of the proposed interchange; and
- Adding auxiliary lanes on SR-60 for the entrance and exit ramps.


Cooperative Agreement:

The City has requested that the Commission be the lead agency for the plans, specifications, & estimates (PS&E) and right of way (ROW) phases and desires to enter into a cooperative agreement. This draft cooperative agreement details the Commission’s authority to act as the lead agency, reimbursement to the Commission for all RCTC staff time and project management cost and ROW related costs, and other general matters related to the delivery of the project. It is anticipated the project will commence construction in 2025, at that time RCTC will seek an amendment to this agreement to incorporate the construction management and construction phase of the project.

At this time, the draft Cooperative Agreement No. 24-72-064-00 has been reviewed by the City and RCTC legal concurrence has been obtained.

FISCAL IMPACT:

Funding for the project consists of local city funds allocated by the City for development of a PS&E and ROW phases for the project. The cooperative agreement with the City allocates \$1,153,000 for RCTC Program Management and RCTC ROW Support, and \$4,553,000 for ROW expenses, for a total of \$5,706,000. The City will manage financial reimbursement to RCTC for RCTC staff time and for their design consultants directly for final design costs.

Financial Information					
In Fiscal Year Budget:	N/A	Year:	FY 2024/25+	Amount:	\$5,706,000
Source of Funds:		Local City Funds		Budget Adjustment:	No
GL/Project Accounting No.:		005139 81101 00019 0000 210 72 81101			
Fiscal Procedures Approved:				Date:	02/15/2024

Attachment: Draft Cooperative Agreement No. 24-72-064-00 – Agreement with City of
Beaumont

*Approved by the Western Riverside County Programs and Projects Committee on
February 26, 2024*

In Favor: 9 Abstain: 0 No: 0

**COOPERATIVE AGREEMENT
BETWEEN**

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION AND THE
CITY OF BEAUMONT**

**FOR THE SR-60/POTRERO BOULEVARD INTERCHANGE PHASE II PROJECT
PLANS, SPECIFICATIONS, AND ESTIMATES AND RIGHT OF WAY PHASES**

1. Parties and Date. This Cooperative Agreement is made and entered into this ____ day of _____, 2024 (“Effective Date”), by and between the Riverside County Transportation Commission (“RCTC”) and the City of Beaumont (“City”). RCTC and the City are sometimes referred to herein individually as a “Party” and collectively as the “Parties”.

2. Recitals.

2.1 The City is undertaking the SR-60 Potrero Boulevard Interchange Phase II Project, which includes the design and construction of a six ramp, partial cloverleaf interchange (“Project”). The City has engaged the services of an architectural and engineering consultant to prepare the plans, specifications and estimates (“PS&E”) for the Project (the “PS&E Consultant”).

2.2 The City is currently working to complete the PS&E phase of the Project, which includes preparation and management of the PS&E final design (“PS&E Phase”); and the right-of-way (“ROW”) phase of the Project, which includes right-of-way management, right-of-way acquisitions, and right-of-way utility coordination (ROW Phase”).

2.3 In order to meet funding deadlines, the City has requested that RCTC serve as the lead agency for the PS&E Phase and ROW Phase (collectively, “PS&E and ROW Phases”), with the City to provide support and to fund all costs incurred by RCTC for the PS&E and ROW Phases including, but not limited to, RCTC staff and consultant project management costs, ROW acquisition costs and legal services.

2.4 RCTC has agreed to act as the lead agency for the PS&E and ROW Phases. The City shall continue to be the contracting entity under the professional services agreement with the PS&E Consultant.

2.5 The Parties anticipate entering into a future amendment to this Cooperative Agreement to include the construction phase of the Project.

2.6 The Project is located adjacent to and within the jurisdictional boundaries of the City and may require improvements to streets within the City.

2.7 RCTC shall be the direct recipient of any federal and state funds provided for the Project, and shall utilize the funding disbursed by Caltrans solely for the Project.

3. Terms.

3.1 Estimated Cost of PS&E and ROW Phases. The Parties estimate that the total cost for the PS&E and ROW Phases to be incurred by RCTC, including, but not limited to, RCTC staff and consultant project management costs, ROW acquisition costs, legal services, outreach costs, and other direct costs (but excluding the PS&E Consultant costs, which are not covered under this Cooperative Agreement) shall be Five Million, Seven Hundred Six Thousand Dollars (\$5,706,000) ("Estimated PS&E and ROW Phase Costs"). The Estimated PS&E and ROW Phase Costs are further detailed in Exhibit A attached to this Cooperative Agreement and incorporated herein by reference.

3.2 PS&E and ROW Phases of Work.

A. RCTC shall be the lead agency for the PS&E and ROW Phases. All costs and expenses incurred by RCTC for the PS&E and ROW Phases shall be reimbursed by the City using local funding sources, or such other funding sources available to the City. The Parties agree that RCTC shall not have any obligation to fund the PS&E or ROW Phases using its own funds. In the case that funds in addition to the funding amount specified in Section 3.1 above are needed to complete the PS&E and ROW Phases, the City shall be responsible for identifying and obtaining such additional funding. Allocation of additional funding shall be by amendment to this Cooperative Agreement or by separate agreement.

B. RCTC shall manage the PS&E Consultant and shall complete such other work and services required for the PS&E and ROW Phases within the term of this Cooperative Agreement, as provided in Section 3.3, unless extended by mutual agreement of the Parties.

3.3 Term of Agreement. The term of this Cooperative Agreement shall extend from the Effective Date and shall remain in effect through December 31, 2030, or until written agreement by the Parties that the PS&E and ROW Phases have been completed, unless earlier terminated as provided in this Cooperative Agreement.

3.4 Cooperation. RCTC and the City agree to cooperate in the development of the PS&E and ROW documents required for Project, completion of the PS&E and ROW Phases, and the implementation of this Cooperative Agreement.

3.5 Reporting. RCTC shall, in a timely manner, provide milestone reports to the City, detailing the progress of the PS&E and ROW Phases.

3.6 Obligations of the City.

A. RCTC shall submit invoices no less frequently than quarterly in any quarter in which reimbursable expenses are incurred but not to exceed once per month. The City shall timely review and pay approved invoices

within thirty (30) days. The City shall promptly notify RCTC of any disputed charges.

- B. The City may provide a City oversight engineer or other City staff to oversee any PS&E Phase or ROW Phase work or services at its own cost.
- C. At the request of RCTC, and subject to the City's reasonable discretion, the City shall exercise any rights of the City as the contracting entity under the PS&E Consultant contract.
- D. The City shall process any City encroachment permits required for the PS&E and ROW Phases at no cost to RCTC or its consultant(s) provided that RCTC or the consultant(s), as the case may be, submits a complete application for such encroachment permits consistent with City's requirements. The determination on whether the application is complete and whether an encroachment permit may be issued shall be made by the City in its sole and absolute discretion pursuant to its municipal code, policies, procedures, and any other applicable law.
- E. The City shall timely review design plans for the Project including, but not limited to, the PS&E and ROW documents and provide any approvals or comments within thirty (30) days of receipt of the plans. If the City fails to provide any comments or its approval within said time period, RCTC shall provide notice to the City Engineer of the City that the design plans or construction documents shall be deemed approved by the City if no comments are received within an additional 15 days. The CITY shall inspect any other PS&E or ROW Phases work or services upon written notice of completion of the work or services by RCTC to the City, and shall timely provide approval or identify any nonconformities identified by the City within thirty (30) days, or such other reasonable period requested by RCTC.
- F. The City shall not allow any encroachment within the City's right of way if such encroachment may interfere with the Project or the Project construction, without first coordinating the same with the Contractor and RCTC.
- G. The City shall not take any action with the intent or effect of unnecessarily impacting the timely implementation of the Project by RCTC.
- G. The City shall work cooperatively, and shall provide prompt responses and assistance to RCTC to ensure the timely completion of the PS&E and ROW Phases.
- H. The City shall promptly exercise all rights it may have, or shall assist RCTC in exercising rights on behalf of the City, under any franchise

agreements or Caltrans Master Agreements for utilities that require relocation or protection for the Project.

3.7 Obligations of RCTC

- A. RCTC shall serve as the lead agency for the PS&E and ROW Phases. RCTC shall be responsible for obligating state or federal funds, to the extent applicable; procuring, retaining and overseeing consultant(s) as required or reasonably necessary for completion of the PS&E and ROW Phases; and managing the PS&E Consultant.
- B. As part of managing the PS&E Consultant, RCTC shall review PS&E Consultant invoices and submit approved invoices to the City for payment by the City directly to the PS&E Consultant.
- C. RCTC shall provide the City an opportunity to review and approve all design and construction documents for the Project prior to finalization of such design document for the Project for public bidding purposes.
- D. RCTC shall invoice the City for PS&E and ROW Phases expenses, incurred in accordance with this Cooperative Agreement, no less frequently than quarterly in any quarter in which reimbursable expenses are incurred, but not to exceed once per month. Invoices submitted to the City shall be in a form and include such detail as reasonably requested by the City.
- E. To the extent applicable, RCTC shall be the direct recipient of any federal and state funds to be provided for the Project, and shall invoice Caltrans for Project costs at minimum once every six months, or as otherwise required by Caltrans.
- F. RCTC shall create any necessary Project records, reports and financial accounts to permit disbursement of allocated funds to RCTC, and shall ensure, to the extent applicable, that federal and state reporting requirements are met.
- G. As of the Effective Date, RCTC shall be solely responsible and liable for ensuring that the PS&E and ROW phases are completed in compliance with all applicable federal and state rules and regulations to ensure future federal funding eligibility of the Project.
- H. RCTC shall process any required FTIP amendments.
- I. Additional ROW Phase Obligations.

1. RCTC is responsible for all ROW work required for the Project except as expressly set forth in this Cooperative Agreement.

2. RCTC shall make all necessary arrangements with utility owners for the timely accommodation, protection, relocation, or removal of any existing utility facilities that conflict with construction of the Project.

3. RCTC shall provide City a copy of conflict maps, relocation plans, proposed notices to owner, reports of investigation, and utility agreements (if applicable) for City's concurrence prior to issuing the notices to owner and executing the utility agreement. All utility conflicts will be fully addressed prior to ROW certification and all arrangements for the protection, relocation, or removal of all conflicting facilities will be completed prior to construction contract award and included in the Project plans, specifications, and estimate.

4. RCTC will provide a land surveyor licensed in the State of California to be responsible for surveying and right-of-way engineering. All survey and right-of-way engineering documents will bear the professional seal, certificate number, registration classification, expiration date of certificate, and signature of the responsible surveyor.

5. Acquisition of ROW will not occur prior to the approval of the environmental document without written approval from the CEQA lead agency for the Project.

6. RCTC will utilize a properly licensed consultant for all ROW activities. RCTC shall provide the City with copies of appraisal reports and acquisition documents upon request. RCTC will prepare ROW certification prior to advertising the construction contract. Physical and legal possession of the ROW must be completed prior to advertising the construction contract, unless Parties mutually agree to other arrangements in writing.

7. RCTC shall be the lead agency on eminent domain activities, if required for the Project.

8. Title to any property to be transferred to City by RCTC shall be free of all encumbrances and liens, except as to those items which City agrees are not in conflict with use of the property for roadway purposes. Upon acceptance, RCTC will provide City with a policy of title insurance in City's name.

3.8 Mutual Indemnification.

A. RCTC shall, at its sole cost and expense, indemnify, defend and hold the City, its officials, officers, employees, consultants and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, judgments, penalties, damages or injuries, in law or in equity, to property or persons, including wrongful death, whether actual, alleged or threatened, which arise in any manner out of, pertain to, or relate to, in whole or in part, to any negligent acts, omissions or breach of law, recklessness, or willful misconduct of RCTC, its officials, officers,

employees, agents, consultants or contractors in the performance of RCTC's obligations under this Cooperative Agreement, including but not limited to the payment of expert witness fees and reasonable attorneys' fees and costs.

B. The City shall, at its sole cost and expense, indemnify, defend and hold RCTC and its officials, officers, employees, consultants and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, judgments, penalties, damages or injuries, in law or in equity, to property or persons, including wrongful death, whether actual, alleged or threatened, which in any manner arise out of, pertain to, or relate to, in whole or in part, to any negligent acts, omissions or breach of law, recklessness, or willful misconduct of City, its officials, officers, employees, agents, consultants or contractors in the performance of City obligations under this Cooperative Agreement, including but not limited to the payment of expert witness fees and reasonable attorneys' fees and costs.

3.9 Amendments. The terms and conditions of this Cooperative Agreement shall not be altered or modified at any time except by a written amendment executed by the mutual consent of the Parties by an instrument in writing.

3.10 Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of either Party shall be deemed to waive or render unnecessary such Party's consent to or approval of any subsequent act of the other Party. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Cooperative Agreement.

3.11 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Cooperative Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Funding Agreement, which shall be interpreted to carry out the intent of the parties hereunder.

3.12 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Cooperative Agreement, shall survive any such expiration or termination.

3.13 RCTC Disclaimer. In no event shall RCTC be responsible or liable for the quality, suitability, operability or condition of any design or construction by the Project consultants or the contractor, as applicable, and RCTC expressly disclaims any and all express or implied representations or warranties with respect thereto, including any warranties of suitability or fitness for use.

3.14 Third Party Beneficiaries. There are no third-party beneficiaries to this Cooperative Agreement.

3.15 Termination. Any Party may terminate this Cooperative Agreement by giving thirty (30) days written notice thereof.

3.16 Assignment or Transfer. The Parties shall not assign, hypothecate, or transfer, either directly or by operation of law, this Cooperative Agreement or any interest herein without the prior written consent of the other Parties. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.17 Binding Effect. Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns. This section shall not be construed as an authorization for any Party to assign any right or obligation

3.18 Notices. All notices, demands, invoices, and written communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

To RCTC: Riverside County Transportation Commission
4080 Lemon Street, Third Floor
P.O. Box 12008
Riverside, CA 92502-2208
Attention: Executive Director

Copy to: Best, Best & Krieger, LLP
3390 University Ave. 5fl.
Riverside, CA 92501
Attention: Steven C. DeBaun

To City: City of Beaumont
550 E. 6th Street
Beaumont, CA 92223
Attention: Director of Public Works | City Engineer

Copy to: Attention: City Attorney

Depending upon the method of transmittal, notice shall be deemed received as follows: by facsimile, as of the date and time sent; by messenger, as of the date delivered; and by U.S. Mail first class postage prepaid, as of 72 hours after deposit in the U.S. Mail.

3.19 Time of Performance. Time is of the essence in the performance of this Agreement.

3.20 Governing Law. This Agreement is in all respects governed by California law and venue for any dispute shall be in Riverside County.

3.21 Insurance. The Parties each verify that they are self-insured or maintain insurance coverage through a Joint Powers Authority in reasonable and customary amounts for their respective operations.

3.22 Authority to Enter into Agreement. Each Party warrants that the individuals who have signed this Cooperative Agreement have the legal power, right and authority to make this Cooperative Agreement and bind each respective Party.

3.23 Counterparts. This Cooperative Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

3.24 Electronically Transmitted Signatures; Electronic Signatures. A manually signed copy of this Cooperative Agreement which is transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Cooperative Agreement for all purposes. This Cooperative Agreement may be signed using an electronic signature.

3.25 Entire Agreement. This Cooperative Agreement contains the entire agreement of the Parties relating to the subject matter hereof and supersedes all prior negotiations, agreements or understandings.

IN WITNESS WHEREOF, the parties hereto have executed this Cooperative Agreement on the date first herein above written.

[Signatures on following page]

**SIGNATURE PAGE
TO
SR-60/POTRERO BOULEVARD INTERCHANGE PROJECT PLANS,
SPECIFICATIONS, AND ESTIMATES AND RIGHT OF WAY PHASES
COOPERATIVE AGREEMENT**

IN WITNESS WHEREOF, the parties hereto have executed this Cooperative Agreement as of the Effective Date.

**RIVERSIDE COUNTY
TRANSPORTATION COMMISSION**

CITY OF BEAUMONT

By: _____
Anne Mayer, Executive Director

By: _____
Title: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
Counsel to RCTC

By: _____
Title: _____

ATTEST:

By: _____
Title: _____

EXHIBIT "A"

PS&E Phase and ROW Phase Cost Estimate Breakdown

RCTC staff/Bechtel/legal support during PSE and ROW phases	\$1,153,000
Right of Way expenses	\$4,553,000
Total	\$5,706,000

Draft

AGENDA ITEM 7

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 13, 2024
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Sergio Vidal, Chief Financial Officer
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Proposed Policy Goals and Objectives for Fiscal Year 2024/25 Budget

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Review and approve the proposed Commission Policy Goals and Objectives for the Fiscal Year (FY) 2024/25 Budget; and
- 2) Review and approve the Fiscal Accountability Policies for the FY 2024/25 Budget.

BACKGROUND INFORMATION:

The initial step in the budget process is to develop policy goals and objectives for the upcoming fiscal year consistent with the Commission’s overall strategic direction. Furthermore, the adoption of the Commission Policy Goals and Objectives (Goals) along with the Fiscal Accountability Policies (Policies) for the annual fiscal year budget provides an opportunity to match the Commission’s spending priorities in a manner that implements commitments made to the citizens of the County of Riverside in the Measure A Expenditure Plan along with fulfilling other Commission responsibilities. The Commission FY 2024/25 Goals and Policies also reflects feedback received from the recent Commission workshop held in January 2024, along with minor administrative changes from the prior year’s approved FY 2023/24 Goals and Policies.

The Commission is driven by four core objectives for the people of Riverside County and the transportation system upon, which they rely:

- Quality of life;
- Operational excellence;
- Connecting the economy; and
- Responsible partner

Summary of the changes by objectives are as follows:

- *Quality of life*
 - Administrative changes

- *Operational Excellence*
 - Administrative changes
- *Connecting the Economy*
 - Administrative changes
- *Responsible Partner*
 - RCTC will seek to form partnerships with public and private stakeholders ensuring support for projects, relief from regulatory restrictions, and developing solutions for shared challenges

Furthermore, based on the above-referenced objectives, the following short-term objectives were added for the upcoming fiscal year:

- Continue as the lead agency for delivering the Coachella Valley Rail Project (CV Rail) during the next phase of the project
- Continue design phase work on the I-15 Express Lanes Southern Extension (ELPSE)
- Commence Plans, Specifications, and Estimates (PS&E) and Right of Way acquisition for the 79 Corridor Project Segment 3
- Continue communicating current and future financial performance for RCTC issued debt financings ensuring strong ratings

Additionally, the fiscal accountability policies that promote fiduciary responsibility and organizational excellence are summarized in six categories:

- Financial planning;
- Revenues;
- Expenditures/expenses;
- Debt management;
- Cash management; and
- Accounting and financial reporting.

The Commission Policy Goals and Objectives will be linked to the individual department goals and objectives included within the FY 2024/25 Budget, and the Fiscal Accountability Policies will guide the development and monitoring of the FY 2024/25 Budget.

FISCAL IMPACT:

There is no fiscal impact related to the approval of the Commission Policy Goals and Objectives and the Fiscal Accountability Policies for the FY 2024/25 Budget. The fiscal impact will be determined upon adoption of the FY 2024/25 Budget during the upcoming June 2024 Commission meeting.

Attachments:

- 1) Proposed Commission Policy Goals and Objectives – FY 2024/25

2) Fiscal Accountability Policies - FY 2024/25

Approved by the Budget and Implementation Committee on February 26, 2024

In Favor: 14 Abstain: 0 No: 0

POLICY GOALS AND OBJECTIVES

As approved at its March 13, 2024 meeting, the Commission is driven by four core mission statements and underlying goals for the residents of Riverside County and the transportation system upon which they rely:

QUALITY OF LIFE

RCTC is focused on improving life for the people of Riverside County and empowering them to live life at their pace.

Choice	RCTC empowers the residents of Riverside County to choose how to safely get to where they are going.
Environmental Stewardship	RCTC protects and preserves the County's environment for its residents as the managing agency of the Western Riverside County Regional Conservation Authority. RCTC also preserves the environment by designing and operating energy efficient and water conserving facilities and implementing sustainable practices for its capital projects.
Mobility	RCTC provides access, equity, and choice in transportation; RCTC is a multimodal mobility partner.
Equity	RCTC supports transportation services and projects that address inequities, especially those in rural, low income, and disadvantaged communities.
Access	RCTC projects and programs are the connection to employment, housing, schools, community institutions, parks, medical facilities, and shopping in the region, and should be equitably accessible to all communities served.
Goods Movement	RCTC facilitates the funding and delivery of projects that mitigate the impact of increased goods movement flow through Riverside County and advocates for a reasonable balance between the need to maintain the supply chain and to protect public health. RCTC identifies solutions to reduce truck congestion and community impacts from the flow of goods from nearby ports.
Public Engagement	RCTC is committed to engaging Riverside County residents through ongoing two-way public communication and outreach.

OPERATIONAL EXCELLENCE

RCTC is a responsible and conservative steward of taxpayer dollars.

State of Good Repair	RCTC invests in road safety and maintenance in its residents' neighborhoods as well as sustainable practices to maintain its stations and facilities.
Promises Fulfilled	Projects are completed on-time, on-budget; RCTC delivers on its promises as a steward of Riverside County residents' investment.
Efficiency	RCTC operates in an efficient and cost-effective manner.
Innovation	RCTC seeks to implement innovative transportation solutions.
Information	RCTC seeks to provide information to the public that is transparent and easily accessible; ensures customers receive prompt, dependable, and quality service.

CONNECTING THE ECONOMY

RCTC is a driver of economic growth in Riverside County.

Workforce Mobility	RCTC improves the economy by creating a robust workforce-to-workplace system; RCTC fosters workforce development by improving transportation access from housing to employment and education centers.
Population Growth	Since 1976, RCTC has been responsible for connecting the County's economy as the County's population has quadrupled from 550,000 to nearly 2.5 million today. RCTC is sensitive to each geographic area's unique needs.
Economic Impact	RCTC has invested over \$4.8 billion in the County's economy in both Measure A and toll revenues, which has a multiplier impact in terms of jobs and economic opportunity throughout Riverside County.

RESPONSIBLE PARTNER

RCTC partners with local, tribal, regional, and state governments to deliver transportation projects and programs.

Streets and Roads	RCTC has invested over \$1.5 billion in local priorities for maintaining streets and roads and fixing potholes.
Transit	RCTC partners with transit operators to provide residents mobility choices, flexibility, intercity and intercounty connectivity, and access—especially during a post-pandemic recovery.
Active Transportation Facilities	RCTC continually improves its stations for better bicycle and pedestrian access and partners with agencies within the County to promote active transportation alternatives, including the building of regional trails and bicycle and pedestrian facilities in accordance with local general plans and active transportation plans.
Grants	RCTC is a steward of state and federal grants to leverage Measure A dollars and improve mobility for our communities.
Local Measure A Value	RCTC invests Measure A dollars into projects and programs that benefit local communities throughout the County.
Partnerships	RCTC strives to form collaborative partnerships with key stakeholders in both the public and private sector to ensure support for projects and programs, relief from regulations, and to find solutions for shared challenges.

Staff used these core mission statements and goals to prepare this budget and develop the following short-term objectives to further guide the planning for the FY 2024/25 budget.

CAPITAL PROJECT DEVELOPMENT AND DELIVERY

- Continue preliminary engineering, design, right of way acquisition, and/or construction of projects included in the Western County Highway Delivery Plan and development of those projects that improve operations of Metrolink commuter rail service.
- Continue as the lead agency for delivering the Coachella Valley Rail Project (CV Rail) during the next phase of the project
- Continue design phase work on the I-15 Express Lanes Southern Extension (ELPSE)
- Commence Plans, Specifications, and Estimates (PS&E) and Right-of-Way acquisition for the 79 Corridor Project Segment 3.
- Continue to support operations planning and design of projects led by other agencies.
- Continue as lead agency for partner agency projects, continue preliminary engineering of the I-10/Highland Springs Avenue Interchange project, continue environmental clearance, design, and construction efforts for the Santa Ana River Trail, continue final design and eventual construction for SR-60/Potrero Boulevard Interchange Phase II Project, commence design of the I-15 Franklin interchange project, and commence development of Project Study Reports for I-15 Wildomar Trail and I-15 Bundy Canyon Road interchanges.
- Consider opportunities to implement technology-based strategies, or Smart Freeway projects, to manage traffic, reduce congestion and pollution, increase safety, and improve the quality of commutes. Continue implementation of the Smart Freeway project on I-15 in Temecula.

- Maintain and enhance communication and collaboration with the California Department of Transportation (Caltrans) to improve the Commission’s ability to deliver critical projects.
- Collaborate with local jurisdictions to implement Transportation Uniform Mitigation Fee (TUMF) regional arterial program projects and facilitate the delivery of eligible arterial improvements in western Riverside County (Western County).
- Continue active engagement in state and federal efforts to streamline and modernize the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) to improve the Commission’s ability to deliver critical projects.

OPERATIONS

- Efficiently operate the 91 and 15 Express Lanes and achieve high customer satisfaction through reduction in congestion, mobility improvements, and management of demand.
- Efficiently and cost effectively operate the nine Commission owned and operated commuter rail stations and 91/Perris Valley Line (PVL) rail corridor to ensure reliable high quality commuter rail service.
- Efficiently provide motorist assistance services so that motorists can conveniently travel and use transportation facilities as safely as possible.

REGIONAL PROGRAMS

- Proactively engage state and federal legislators and agencies to advance principles identified in the adopted Legislative Platform to ensure that the Commission receives due consideration for transportation projects and funding to key regional needs and mobility choice.
- Monitor transit trends and the associated economic, social, and public health factors that impact ridership and create barriers to transit growth.
- Continue to subsidize reliable and cost-effective Metrolink commuter rail service to and from Riverside County; the Southern California Regional Rail Authority (SCRRA) is the operator of Metrolink.
- Provide continued leadership in the planning and development for the Coachella Valley Rail Corridor Service (CV Rail).
- Support innovative programs that provide transit assistance in rural areas as well as for riders with special transit needs.
- Promote cost controls and operating efficiency for transit operators.
- Maintain effective partnerships among commuters, employers, and government to increase the efficiency of our transportation system by encouraging and promoting telework and motorized and non-motorized transportation alternatives such as vanpools.

MANAGEMENT SERVICES

- Maintain close communication with Commissioners and educate policy makers on all issues of importance to the Commission including Measure A and Key Commission Funding Sources.
- Develop and execute a communication, public information, and community engagement strategy for the purposes of education, partnership building, information sharing, and customer service.
- Maintain administrative program delivery costs below the policy threshold of 4% of Measure A revenues; the FY 2024/25 Management Services budget is **X.XX**% of Measure A revenues.
- Maintain administrative salaries and benefits at less than 1% of Measure A revenues; the FY 2024/25 administrative salaries and benefits is **X.XX**% of Measure A revenues.
- Maintain prudent cash reserves to provide for unplanned expenditures or economic downturns.
- Continue communicating current and anticipated financial performance for RCTC issued debt financings ensuring the corresponding rating is achieved and issued by the applicable rating agencies.
- Establish and maintain revenues and related reserves generated from toll operations to be available for debt service in accordance with toll supported debt agreements, maintenance, repair and rehabilitation, administration, operations, and capital projects within the corridor.

FINANCIAL OVERVIEW

FISCAL ACCOUNTABILITY POLICIES

As the steward of local, state, and federal resources, RCTC maintains financial policies that promote fiduciary responsibility and organizational excellence.

FINANCIAL PLANNING

Balanced Budget	RCTC adopts an annual budget in which recurring operating and capital expenditures and other financing uses are equal to or less than identified / recurring revenues and other financing sources including available fund balances.
Administration	<p>Allocations from local and state sources and toll operations fund administrative costs, including salaries and benefits.</p> <ul style="list-style-type: none"> • Administrative salaries and benefits cannot exceed 1% of Measure A sales tax revenues. • Administrative costs will not exceed 4% of Measure A sales tax revenues (inclusive of the 1% salary limitation).
Retirement Benefits	RCTC contributes 100% of the annual requirement related to its proportionate share of the unfunded accrued actuarial liability (UAL) and for postretirement health care benefits.
Capital Projects	Multi-year capital projects are consistent with the strategic plan and budgeted each fiscal year based on best available estimates.
Reserves	RCTC establishes and maintains reserves in accordance with Measure A and TDA policies as well as existing financing agreements.

REVENUES

Sales Tax	RCTC prepares annual and mid-year revenue projections incorporating current and relevant data; staff may adjust amounts during the budget process to reflect current economic trends.
Tolls	<p>RCTC-adopted policies establish congestion pricing to optimize throughput on toll facilities while generating revenue to meet all financial commitments related to:</p> <ul style="list-style-type: none"> • Debt issued to construct or repair any portion of the toll facility, payment of debt service, and satisfaction of other covenants and obligations related to indebtedness of the toll facility, including applicable reserves; • Development, maintenance, repair, rehabilitation, improvement, reconstruction, administration, and operation of the toll facilities, including toll collection and enforcement and applicable reserves; and • Projects within the corridor that generated the revenue.
Funding Sources	RCTC leverages local funding sources to maximize federal and state funding of projects.
Sale of Properties	RCTC returns proceeds from the disposition of excess properties to the programs that provided the funding sources for the property acquisition.

EXPENDITURES/EXPENSES

Priorities	RCTC annually reviews established priorities for planning and programming of capital projects annually.
Accountability	RCTC compares actual expenditures/expenses to the budget on at least a quarterly basis and appropriately explains, and justifies significant deviations.
Procurement	RCTC ensures competitive, transparent, objective, and fair procurement selection processes in accordance with policies adopted on February 10, 2021.
Capital and Intangible Assets	<p>On a government-wide basis, RCTC records capital and intangible assets at historical costs, estimated historical costs if purchased or constructed, or estimated fair value at date of donation. RCTC maintains such assets in a state of good repair and safeguards them from misuse and misappropriation.</p> <ul style="list-style-type: none">• RCTC does not capitalize infrastructure, which title will be vested with Caltrans or another governmental agency.• RCTC depreciates capital and amortizes intangible assets over the estimated useful

DEBT MANAGEMENT

Debt Limitation	Outstanding sales tax revenue debt cannot exceed \$975 million, in accordance with Measure K approved by a majority of the voters in November 2010; RCTC can issue toll-supported debt for specific highway projects based on amounts authorized by the Commission.
Management	RCTC maintains and updates the Debt Management Policy, as adopted on March 11, 2020, and Interest Rate Swap Policy, as adopted July 12, 2006, for matters related to sales tax revenue and toll-supported indebtedness.
Coverage	RCTC maintains a minimum debt service coverage ratio of 2.0x on all senior sales tax revenue debt and 1.3x on all toll-supported debt.
Issuance	RCTC issues debt for major capital projects including engineering, right of way, construction, and design-build; RCTC will not finance operating requirements except for initial toll operations. Costs of issuance, including the standard underwriter's discount, do not exceed 2% unless specifically authorized.
Maturity	All sales tax revenue debt matures prior to the termination of 2009 Measure A on June 30, 2039; all toll-supported debt matures prior to the expiration of toll facility agreements.

CASH MANAGEMENT

Management	RCTC invests funds in order of priority (safety, liquidity, and yield) in accordance with the Investment Policy adopted on October 11, 2023 or debt agreements.
Receipts	Where possible, RCTC encourages receipt of funds by wire or electronic funds transfer to its accounts.
Payments	RCTC remits cash disbursements to local jurisdictions and vendors/consultants in a timely manner.
Operating Balances	RCTC maintains amounts in the bank operating account at the amount necessary to meet monthly expenditures/expenses.

ACCOUNTING AND FINANCIAL REPORTING

Accounting System	RCTC maintains an ERP system that integrates project and toll operations accounting needs and improves accounting efficiency.
Reporting	RCTC issues an annual financial report; separate financial reports for the LTF, STA, Proposition 1B Rehabilitation and Security Project Accounts, SB 1 SGR Program, Low Carbon Transit Operations Program (LCTOP), and toll operations; and the State Controller’s Transportation Planning Agency Financial Transactions Report and
Audits	An independent accounting firm conducts an annual audit of the Commission’s accounting books and records; RCTC obtains audits of Measure A and TDA funding recipients for compliance and other matters in a timely manner.

FUNCTIONAL MANAGEMENT

Unlike many governments that provide direct services to the public, the Commission’s overall responsibility is to manage transportation planning and funding for the County. As a result, its budget in terms of dollars, is comprised primarily of capital-related programs and projects; the operating component of the budget is related to toll operations, multimodal programs (transit planning, rail operations, and commuter and motorist assistance services), and regional conservation. Management services, consisting of executive management, administration, external affairs, and finance, provide support to both capital and operating programs and projects. Chart 9 depicts the organization of the Commission’s oversight and management functions.

CHART 9 – FUNCTIONAL ORGANIZATION CHART FY 2024/25

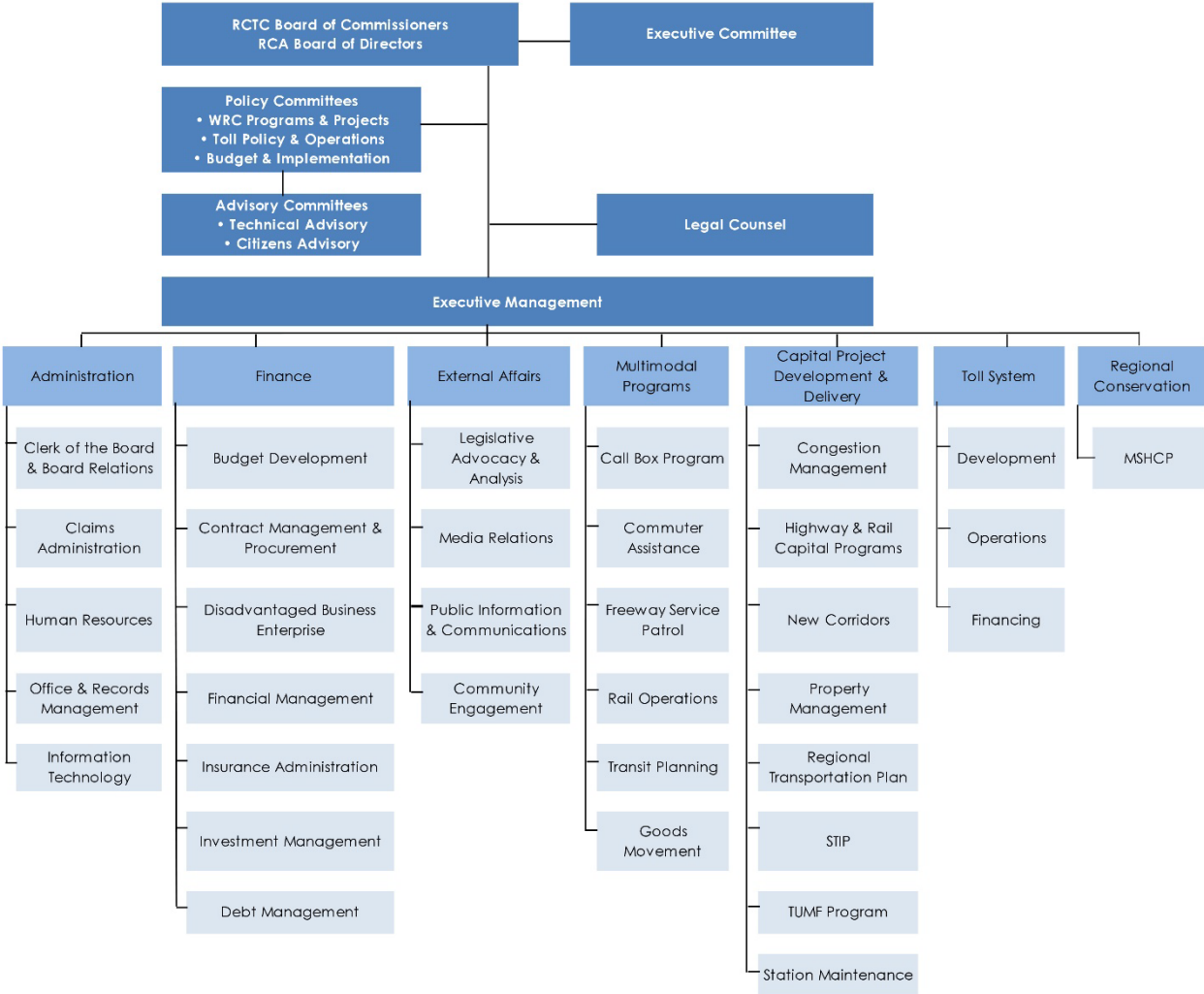


Chart 10 illustrates the relationship between the Commission’s functional management or departments and the Commission’s fund structure.

CHART 10 – RELATIONSHIP OF FUNCTIONAL MANAGEMENT AND FUND STRUCTURE

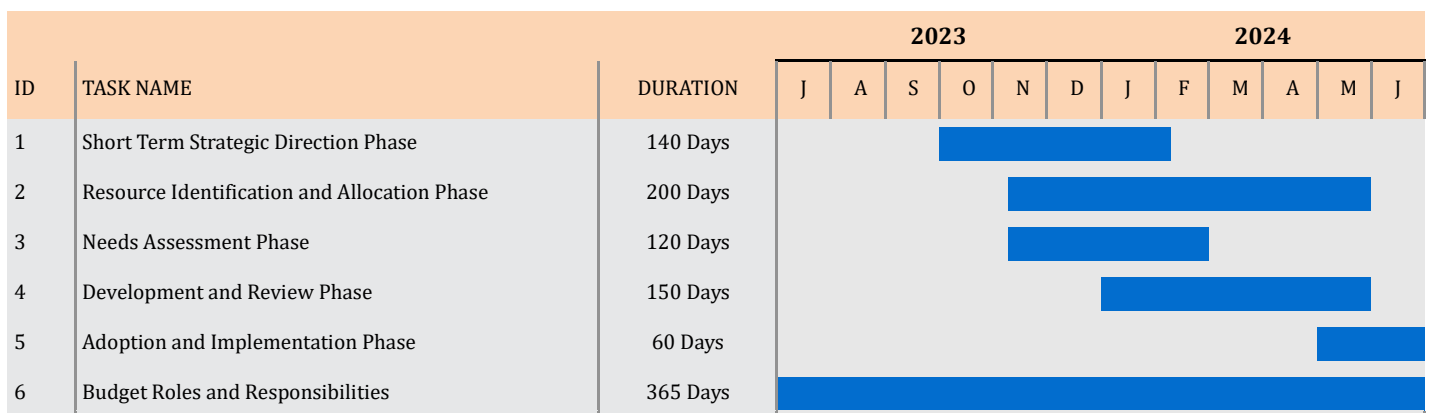
Functional Management/Department	General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise Fund
		Fund	Fund	Fund	
Management Services					
Executive Management	X				
Administration	X				
External Affairs	X				
Finance	X	X		X	
Regional Programs					
Planning and Programming Services	X	X			
Rail Maintenance and Operations	X	X			
Public and Specialized Transit	X	X			
Commuter Assistance		X			
Motorist Assistance		X			
Regional Conservation		X			
Capital Projects Development and Delivery		X	X	X	
Toll Operations					X

BUDGET PROCESS

The budget is the primary performance tool used to measure and control accountability of public agencies for taxpayer dollars. The budget communicates to all stakeholders (i.e., elected officials, regional agencies, and citizens) how the investment they made will be put to use by providing detailed information on the specifics of resource allocation and uses. The Commission monitors progress on a monthly basis, and it makes revisions and updates as necessary to reflect changing dynamics and accommodate unplanned requests. This results in a budget document that is useful and meaningful as a benchmark against which to evaluate government accomplishments and/or challenges and to assess compliance with fiscal accountability.

The budget process consists of six primary tasks conducted in phases throughout the fiscal year. Chart 11 illustrates the budget process for the development of the FY 2024/25 budget and monitoring of the FY 2023/24 budget. Each task is summarized below.

CHART 11 – BUDGET PROCESS



SHORT-TERM STRATEGIC DIRECTION PHASE

The first phase of the budget process is to determine the direction of the Commission in the short-term and to integrate this with the Commission's long-term goals and objectives, including the Western County Delivery Plan as updated and discussed in the Capital Project Development and Delivery department section. Annually, a workshop is held for the Board to evaluate and determine where the Commission plans to be and what it desires to accomplish over the next five to 10 years. The Commission held a workshop in January 2024. Commissioners provided direction regarding Coachella Valley Rail (CV Rail), the draft 2024 Traffic Relief Plan, adoption of a proposed segment for the SR-79 Realignment Project.

Staff convenes in early January to both assess actual results compared to the current year budget, and map changes in strategy for the ensuing fiscal year. Additionally, staff reviews and, if necessary, updates Commission goals and departmental mission statements. Those goals, upon review by the Board, become the Commission's short-term strategic direction.

RESOURCE IDENTIFICATION AND ALLOCATION PHASE

Simultaneous with the short-term strategic direction phase, staff focuses on available funding sources and estimated carryover amounts from the current year. The Commission analyzes its fund balances, the excess of fund assets over fund liabilities, for available appropriation in the following fiscal year. Resource identification occurs throughout the year, but it is finalized in the upcoming fiscal year budget. In connection with the long-term strategic planning process, the Commission determines borrowing needs, but it adjusts such amounts in the annual budget to reflect current information.

NEEDS ASSESSMENT PHASE

Staff and consultants evaluate projects and studies for consideration in the next year. Project priority and sequencing set in the long-term strategic plan are the top candidates for budget submission. However, priorities may have changed due to economic necessities or political realities, resulting in rescheduling projects by acceleration or postponement. The Commission may add new projects or delete existing priorities.

DEVELOPMENT AND REVIEW PHASE

Using all the data and information gathered from the previously mentioned stages, department managers submit their desired budgets to the Finance Department. Finance staff compiles the information, along with staff and overhead allocations, into a preliminary or draft budget. After review by the Executive Director and inclusion of the desired changes, staff presents the draft budget to the Board for input.

ADOPTION AND IMPLEMENTATION PHASE

Staff submits the proposed budget to the Commission no later than its June meeting, and the Commission conducts a public hearing to allow for public comment on the proposed budget. The Commission may choose, after the public hearing, to adopt the budget or to request additional information and/or changes to the budget. The budget, including the salary schedule, must be adopted no later than June 15 of each year. Upon adoption by the Commission, staff enters the budget into the ERP system effective July 1 for the next fiscal year.

BUDGET ROLES AND RESPONSIBILITIES

Involvement in the budget permeates all staffing levels at the Commission, as presented in the staff organization chart in Appendix B, from clerical support staff to policy makers. Each program manager develops a detailed line-item budget that consists of the operating and/or capital components and submits those budgets, by program, to the department director for review and concurrence. While all departments have operating components, Rail station operations and maintenance and Toll Operations represent the Commission's primary operation functions that consider long-range planning. Details on these operations are included in the Rail and Toll Operations department sections, respectively. The department managers submit their budgets to the Chief Financial Officer by mid-March, and the Finance Department compiles the department budgets. Both the capital and operating budgets are combined into the draft budget for the entire Commission. The Chief Financial Officer and Executive Director review the entire budget for overall consistency with both the short- and long-term strategic direction of the Commission, appropriateness of funding sources for the identified projects and programs, and reasonableness of the operating and capital budget expenditures/expenses.

Expenditure/expense activities of the funds are controlled at the budgetary unit, which is the financial responsibility level (General, Measure A, Motorist Assistance, LTF, STA, TUMF, Other Agency Projects, Regional Conservation, Capital Projects, Debt Service Funds, and Enterprise Fund) for each function (i.e., administration, operations, programs, intergovernmental distributions, debt service, capital outlay, and other financing uses). These functions provide the legal level of budgetary control (i.e., the level at which expenditures/expenses cannot legally exceed the appropriated amount).

Budget-to-actual reports are available to program managers and directors on a real-time basis through the ERP system for informational and management purposes, including identification and evaluation of any significant budget variations. During the fiscal year, management has the discretion to transfer budgeted amounts within the fiscal responsibility unit according to function or may provide support for supplemental budget appropriations requests, including reallocating budget authority between/across all Commission fund types if the overall authorized Commission approved budget authority is not increased. Supplemental budget appropriation requests that increase approved budget authority amounts, require the authorization of the Commission. The Commission may act at any monthly meeting to amend the budget. In some years, the Finance Department may compile miscellaneous requests and submit a budget appropriations adjustment at mid-year to the Commission for approval. Those budget amendments approved by the Commission are incorporated into the budget, as they occur, and are reflected in the annual financial report in the final budget amounts reported in the budgetary schedules.

AGENDA ITEM 8

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 13, 2024
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee David Lewis, Capital Projects Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	Reimbursement Agreement with Union Pacific Railroad for the Coachella Valley Rail Project

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Approve Reimbursement Agreement No. 24-25-063-00 with Union Pacific Railroad (UP) for preliminary engineering services for the Coachella Valley Rail Project in an amount not to exceed \$100,000;
- 2) Authorize the Executive Director or designee to approve future amendments to address the anticipated additional scope of work required by UP as the project progresses for an amount not to exceed \$500,000 as may be required for the Project for a total not to exceed contract of \$600,000;
- 3) Authorize the Chair or Executive Director, pursuant to legal counsel review, to execute the agreement on behalf of the Commission; and
- 4) Approve a budget adjustment of \$20,000 for expenses to be incurred in Fiscal Year 2023/24.

BACKGROUND INFORMATION:

Project Scope

The Coachella Valley – San Gorgonio Pass Corridor Program, also called the CV Rail Project, is a proposed 144-mile intercity passenger rail service starting from Los Angeles Union station and ending in the city of Coachella, pending final station selection. The proposed rail service potentially include construction of a third main track for the length, 77.5 miles, of the corridor in Riverside County, including a new connecting track between rail subdivisions, and five new rail stations and 1 existing rail station. The proposed rail service in this section will be operated over tracks primarily owned by UP. A draft reimbursement agreement has been developed between UP and RCTC for reimbursement of preliminary engineering services performed by UP as a part of the proposed project.

Project Status


The Tier 1 Environmental Impact Report (EIR) / Environmental Impact Study (EIS) was completed and adopted by the Commission on July 13, 2022, and the Tier 2 project level environmental analysis is planned to begin this year. The Tier 1 EIR/EIS evaluated at a broad level of build alternatives and their potential cultural and environmental impacts. The Tier 2 project level environmental analysis will include refined engineering design, additional public involvement, site specific quantitative analysis of environmental effects as well as identify any site-specific avoidance, minimization, and mitigation measures. Staff is anticipating releasing a Request for Proposals (RFP) for the Tier 2 EIR/EIS later this year.

DISCUSSION

The proposed reimbursement agreement between UP and RCTC would allow UP staff and consultants to review design and environmental technical studies along with allowing access to conduct the necessary field studies needed for the project. This reimbursement agreement specifies an initial estimated cost of \$100,000 for this work to be completed by UP. Staff anticipates that UP will exceed the proposed amount as the work progresses and foresees UP eventually exceeding estimated costs prior to receiving formal RCTC authorization. To ensure UP is not delayed in their reviews and participation in the project due to RCTC approval processes for additional funding, staff proposes to include an additional \$500,000 that will only be authorized in future amendments subject to legal counsel and Executive Director approval. The additional funding will allow staff to pivot quickly if issues arise as the consultant team commences the detailed Tier II tasks and UP could potentially require additional resources to review the Tier II environmental deliverables and design packages. This work includes but is not limited to field diagnostics, inspections, plan, specification and construction review, project design, preparation of project estimates, meetings, and travel time. At this time, the draft reimbursement agreement is under review by legal counsel. The agreement will not be executed until legal counsel approval is received.

FISCAL IMPACT:

The Commission approved an allocation of State Transit Assistance (STA) Funds for the FY 2023/24 Short-Range Transit Plan. Staff anticipates that approximately \$20,000 will be utilized in FY 2023/24. The remaining \$580,000 will be included in future budgets.

Financial Information					
In Fiscal Year Budget:	No	Year:	FY 2023/24 FY 2024/2025+	Amount:	\$20,000 \$580,000
Source of Funds:	STA Funds \$20,000			Budget Adjustment:	Yes
GL/Project Accounting No.:	004203 81101 00000 0000 245 25 81101				
Fiscal Procedures Approved:				Date:	02/15/2024

Attachment: Draft Agreement No. 24-25-063-00

<i>Approved by the Budget and Implementation Committee on February 26, 2024</i>					
In Favor:	14	Abstain:	0	No:	0

**REIMBURSEMENT AGREEMENT
PRELIMINARY ENGINEERING SERVICES**

Effective Date:

Estimate: \$100,000.00

THIS REIMBURSEMENT AGREEMENT (**Agreement**) is made and entered into as of the **Effective Date**, by and between UNION PACIFIC RAILROAD COMPANY, a Delaware corporation (**Railroad**), and RIVERSIDE COUNTY TRANSPORTATION COMMISSION (**Agency**).

RECITALS

- A. Agency desires to initiate the project more particularly described on Exhibit A attached hereto (**the Project**).
- B. The Project will affect Railroad's track and right of way at or near the Project area more particularly described on Exhibit A.
- C. Railroad agrees to collaborate with Agency on the conceptualization and development of the Project in accordance with the terms and conditions of this Agreement.

AGREEMENT

1. NOW THEREFORE, the parties hereto agree as follows:
2. Railroad, and/or its representatives, at Agency's sole cost and expense, agrees to perform (or shall cause a third-party consultant to perform on Railroad's behalf) the preliminary engineering services work described on Exhibit B attached hereto (**PE Work**). Agency acknowledges and agrees that: (a) Railroad's review of any Project designs, plans and/or specifications, as part of the PE Work, is limited exclusively to potential impacts on existing and future Railroad facilities and operations; (b) Railroad makes no representations or warranties as to the validity, accuracy, legal compliance or completeness of the PE Work; and (c) Agency's reliance on the PE Work is at Agency's own risk.
3. Notwithstanding the Estimate (**Estimate**), Agency agrees to reimburse Railroad and/or Railroad's third-party consultant, as applicable, for one hundred percent (100%) of all actual costs and expenses incurred for the PE Work. During the performance of the PE Work, Railroad will provide (and/or will cause its third-party consultant to provide) progressive billing to Agency based on actual costs in connection with the PE Work. Within sixty (60) days after completion of the PE Work, Railroad will submit (and/or will cause its third-party consultant to submit) a final billing to Agency for any balance owed for the PE Work. Agency shall pay Railroad (and/or its third-party consultant, as applicable) within thirty (30) days after Agency's receipt of any progressive and final bills submitted for the PE Work. Bills will be submitted to the Agency using the contact information provided on **Exhibit C**. Agency's obligation hereunder to reimburse Railroad (and/or its third-party consultant, as applicable) for the PE Work shall apply regardless if Agency declines to proceed with the Project or Railroad elects not to approve the Project.

4. Agency acknowledges and agrees that Railroad may withhold its approval for the Project for any reason in its sole discretion, including without limitation, impacts to Railroad's safety, facilities or operations. If Railroad approves the Project, Railroad will continue to work with Agency to develop final plans and specifications and prepare material and force cost estimates for any Project related work performed by Railroad.

5. If the Project is approved by Railroad, Railroad shall prepare and forward to Agency a Construction and Maintenance Agreement (**C&M Agreement**) which shall provide the terms and conditions for the construction and ongoing maintenance of the Project. Unless otherwise expressly set forth in the C&M Agreement, the construction and maintenance of the Project shall be at no cost to Railroad. No construction work on the Project affecting Railroad's property or operations shall commence until the C&M Agreement is finalized and executed by Agency and Railroad.

6. Neither party shall assign this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed.

7. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties.

8. This Agreement sets forth the entire agreement between the parties regarding the Project and PE Work. To the extent that any terms or provisions of this Agreement regarding the PE Work are inconsistent with the terms or provisions set forth in any existing agreement related to the Project, such terms and provisions shall be deemed superseded by this Agreement to the extent of such inconsistency.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the Effective Date.

**RIVERSIDE COUNTY TRANSPORTATION
COMMISSION**

UNION PACIFIC RAILROAD COMPANY,
a Delaware Corporation

Signature

Signature

Printed Name

Kenneth Tom
Printed Name

Title

Manager I, Engineering – Public Projects
Title

Exhibit A

Project Description and Location

Project Description

Riverside County Transportation Commission proposes to evaluate the feasibility of conducting passenger service within Railroad's existing corridor at the location referred to below.

Location

Yuma Subdivision

Milepost
540-620

DRAFT

Exhibit B Scope of Project Services

Scope of work includes, but is not limited to the following

- Field diagnostic(s) and inspections
- Plan, specification and construction review
- Project design
- Preparation of Project estimate for force account or other work performed by the Railroad
- Meetings and travel

DRAFT

Exhibit C
Billing Contact Information

Name	Erik Galloway
Title	Project Delivery Director
Address	4080 Lemon Street, Riverside, CA, 90504
Work Phone	(951) 757-4015
Cell Phone	
Email	egalloway@rctc.org
Agency Project No.	

DRAFT

AGENDA ITEM 9

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 13, 2024
TO:	Riverside County Transportation Commission
FROM:	Western Riverside County Programs and Projects Committee Jillian Guizado, Planning and Programming Director
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	County of Riverside Funding Request #2 for Construction of Jurupa Road Grade Separation Project

WESTERN RIVERSIDE COUNTY PROGRAMS AND PROJECTS COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Approve programming up to an additional \$35 million of 2009 Measure A Western County Regional Arterial (MARA) funds for the city of Jurupa Valley’s Jurupa Road Grade Separation project;
- 2) Direct staff to explore all potential funding alternatives for the Jurupa Road Grade Separation project to minimize the impact to MARA;
- 3) Approve Amendment No. 1 to Agreement No. 21-72-121-00 between the Commission and the County of Riverside (County) as the lead agency for the programming of up to an additional \$35 million of MARA for the construction phase of the Jurupa Road Grade Separation project; and
- 4) Authorize the Chair or Executive Director, pursuant to legal counsel review, to finalize and execute the amendment.

BACKGROUND INFORMATION:

The Commission’s 2017 Companion Study to the 2012 Grade Separation Priority Update Study identifies three priority grade separations on critical urban freight corridors: McKinley Road (Corona), Jurupa Road (Jurupa Valley), and Third Street (Riverside). At the time, the Jurupa Road grade separation had no funding identified. A few months after the 2017 Companion Study was completed, the California State Legislature passed Senate Bill (SB) 132, providing \$108.4 million to deliver the Jurupa Road Grade Separation project. SB 132 included a statutory provision that the funds had to be encumbered by June 30, 2023.

The Commission has a history of providing discretionary funding to priority grade separation projects in the county. In 2001, the Commission approved a funding commitment to priority grade separation projects in Riverside County by providing a 10 percent local share match to the California Public Utilities Commission grade separation funding program. In 2007, the

Commission committed to providing 25 percent of federal formula funds to priority grade separation projects. The Commission also approved Alameda Corridor East grade separation projects as eligible projects for 2009 Measure A Western County Economic Development funds. In the same year, Proposition 1B was approved by California voters which included a program to improve trade corridors which offered grade separation project funding.

The County is the lead agency on the Jurupa Road Grade Separation project for the city of Jurupa Valley. Since SB 132's passage in 2017, the County has been working to deliver the project. Coordination with the Union Pacific Railroad (UP) has been especially challenging, particularly throughout the COVID-19 pandemic. To keep the project moving forward, the County developed a phased approach to construction which allowed it to advertise the construction contract while still finalizing the design and right of way. On May 19, 2021, the County opened construction bids. The low bid was favorable and very close to the engineer's estimate. Once the construction cost became known, the County developed an updated project cost estimate which indicated a funding shortfall of \$25,000,000. The County submitted a letter to the Commission regarding the shortfall and requested financial assistance to fully fund the project. Commission staff conducted an analysis of available fund types and determined that the only fund type eligible and available given the various project details and circumstances was MARA. On July 14, 2021, the Commission approved programming \$25 million of available MARA funds to fully fund the Jurupa Road Grade Separation project and entering into Agreement No. 21-72-121-00 for purposes of providing funding for the project on a reimbursable basis.

DISCUSSION:

The SB 132 encumbrance deadline on June 30, 2023, influenced decisions the County made on phasing the project delivery and costs it incurred for the project while trying to finalize the construction and maintenance (C&M) agreement with UP. Unfortunately, it took more than two years for UP to finalize the C&M agreement with the County for this project. In that time, inflation, labor costs, supply chain challenges, and lack of authority to proceed with construction within UP jurisdiction have led to additional costs incurred and anticipated for the project to be completed. The County estimates additional project costs at approximately \$46 million and has been working diligently to identify non-Commission sources to move the project forward. The County submitted a letter to the Commission regarding the cost increase and is requesting financial assistance to fully fund the project.


Due to the unique circumstances surrounding this project, staff believes there are limited fund sources the project qualifies for. However, this weighty request demands a thorough examination of all fund sources, which staff is committed to performing. In the interest of the project moving forward with the best outcome possible for the public, staff is recommending programming up to an additional \$35 million of MARA funds while also directing staff to explore all other potential fund sources this project could utilize to minimize the impact to MARA.

FISCAL IMPACT:

Total Commitments for this project are as follows:

- \$25.0 million – July 2021
- \$35.0 million – March 2024 (pending Commission approval)
- **\$60.0 million total – potential project funding commitment**

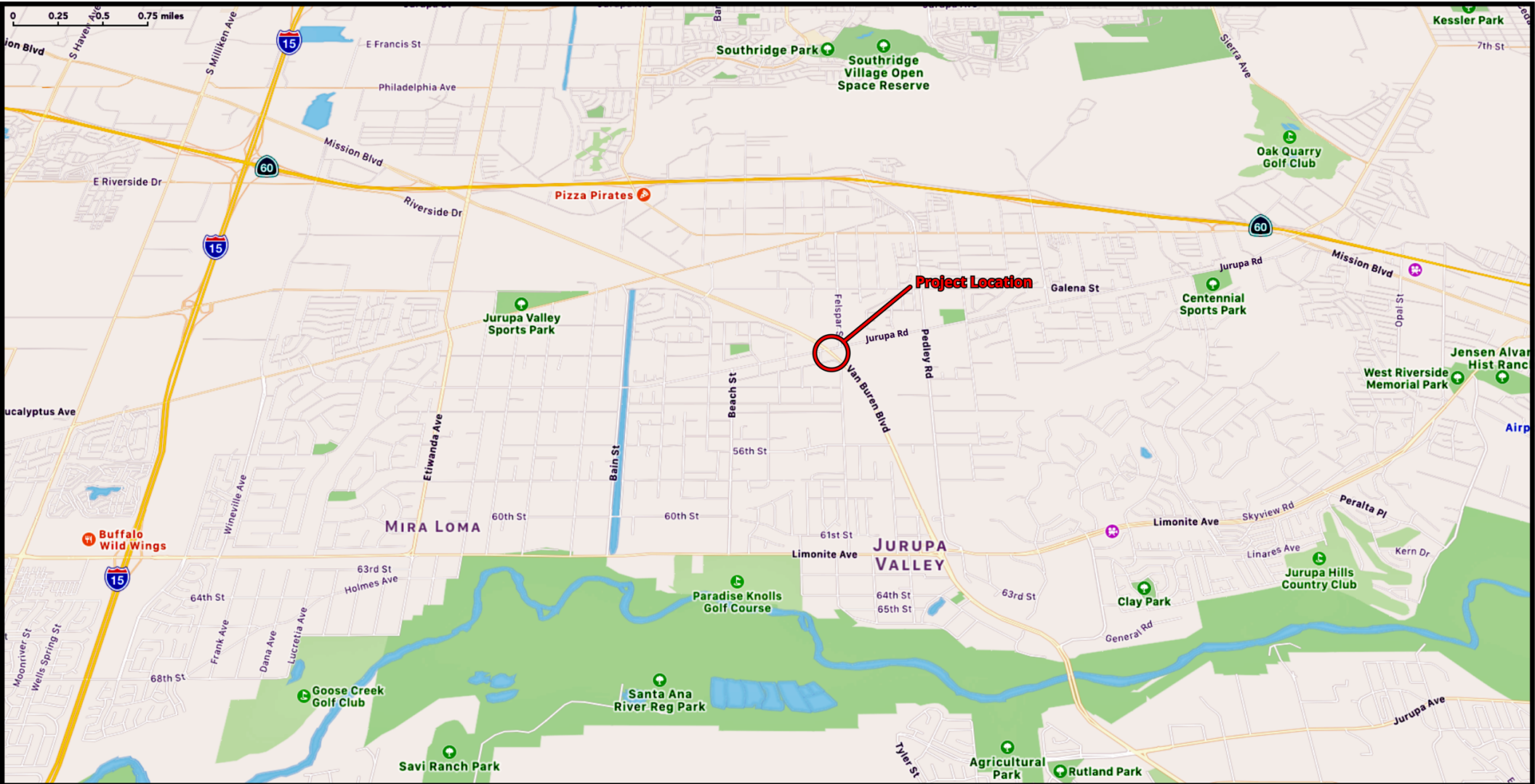
The County will invoice the Commission on a reimbursable basis for Contract Change Orders which exceed the originally authorized contract value as they are approved. The Commission will retain any cost savings realized on the project.

Financial Information					
In Fiscal Year Budget:	N/A	Year:	FY 2024/25+	Amount:	Up to \$35,000,000
Source of Funds:	2009 Measure A Western County Regional Arterial funds		Budget Adjustment:	N/A	
GL/Project Accounting No.:	663041 81301 00000 0000 266 72 81301				
Fiscal Procedures Approved:				Date:	02/20/2024

Attachments:

- 1) Project Location Map
- 2) February 16, 2024, Letter from County of Riverside

<i>Approved by the Western Riverside County Programs and Projects Committee on February 26, 2024</i>					
In Favor:	8	Abstain:	1	No:	0





COUNTY OF RIVERSIDE
TRANSPORTATION AND
LAND MANAGEMENT AGENCY

Patricia Romo, P.E.
Interim Director

Dennis Acuna, P.E.
Deputy for Transportation/Capital
Projects

Russell Williams
Deputy for Transportation/Planning and
Development

Transportation Department

February 16, 2024

Ms. Anne Mayer
 Executive Director
 Riverside County Transportation Commission
 4080 Lemon Street, 3rd Floor
 Riverside, CA 92501

Subject: Jurupa Road Grade Separation Additional Funds Request

Dear Ms. Mayer:

The County is the lead agency on the Jurupa Road Grade Separation project for the City of Jurupa Valley. The Jurupa Road Grade Separation project was implemented to address safety concerns of this at-grade crossing of Jurupa Road and the Union Pacific Railroad (UPRR) tracks and was identified as a priority grade separation on a critical urban freight corridor on the Commission's 2017 Companion Study to the 2012 Grade Separation Priority Update Study.

In April of 2017, the California State Legislature passed Senate Bill (SB)132, providing \$108.4 million to deliver a new grade separation at the Jurupa Road and UPRR at-grade crossing, to eliminate the conflict of vehicular traffic and freight trains. In late 2017, the County of Riverside selected a consultant to begin environmental clearance and design, and by October 2018 the County began to acquire the needed right of way for the project. The County bid the project in March 2021 and awarded a construction contract in July 2021. The total construction funding included \$108.4 million in SB 132 funds, \$25 million in Measure A Regional Arterial Funds (MARA), and \$3.2 million in Jurupa Community Service District. The total amount of the construction contract was \$64,790,010. An additional \$6,479,001 (10% of the construction contract) was included in the construction budget for contingency.

The contract needed to be awarded in July 2021 because of the statutory provision of SB132 that required the funds to be expended by June 2023.

A necessary component of this project is obtaining a Construction and Maintenance (C&M) agreement for the work within the UPRR right-of-way. When the contract was awarded, it was believed that the executed C&M agreement would be forthcoming. The contractor was issued a Notice to Proceed on the portion of the work outside of the UPRR right-of-way, with the intent that they could begin construction as needed to meet the time-frames specified in SB 132, while the C&M agreement would be completed within a few weeks. More than two years after work commenced, in early January 2024, the County finally obtained a fully executed C&M Agreement, which contained approved plans and specifications in which the contractor could commence track work. The over 2-year delay in obtaining an executed C&M agreement prohibited the contractor

from having the ability to proceed with the full construction of railroad track on their anticipated construction schedule. In that time, inflation, labor costs, supply chain challenges, a change in UPRR construction standards, and lack of authority to proceed with construction within UPRR jurisdiction have led to additional costs incurred and not anticipated for the project to be completed.

Below is the comparison of the budget at the time of contract award and the updated budget based on the new UPRR standards and escalation costs due to delayed C&M agreement approval:

	Budget July 2021	Budget February 2024
Engineering/Environmental	\$10,381,000	\$13,720,000
Right of Way	\$31,000,000	\$20,650,000
Construction, Const Mgmt, & UPRR	\$92,019,000	\$145,441,918
Total Project cost	\$133,400,000	\$179,812,000

The County is tasked with delivering this project on behalf of the City of Jurupa Valley and is actively working at different fronts to try to fill the funding shortfall. We believe the project is important to complete and regret that it has taken longer than expected to be able to commence work on the tracks. We believe that we are now in a position to complete the work and anticipate that work can be completed within two years. We would like to request that the Commission consider an allocation of additional funds so that the County can complete this important priority grade separation project.

Thank you in advance for your consideration of this request for additional funds.

Regards,



Patricia Romo

AGENDA ITEM 10

RIVERSIDE COUNTY TRANSPORTATION COMMISSION	
DATE:	March 13, 2024
TO:	Riverside County Transportation Commission
FROM:	Budget and Implementation Committee Andrew Sall, Senior Management Analyst, Legislative Affairs Tyler Madary, Legislative Affairs Manager
THROUGH:	Anne Mayer, Executive Director
SUBJECT:	State and Federal Legislative Update

BUDGET AND IMPLEMENTATION COMMITTEE AND STAFF RECOMMENDATION:

This item is for the Commission to:

- 1) Receive and file a state and federal legislative update; and
- 2) Adopt the following bill position:
 - a) AB 2535 (Bonta)—Oppose.

BACKGROUND INFORMATION:

State Update

California State Legislature Update

The second year of the 2023-2024 Legislative Session is in full swing as legislators consider policy proposals and begin to hold hearings on the FY 2024-2025 Budget. Two-year bills originally introduced in 2023 were required to pass out of their house of origin by January 31. One bill that failed passage includes Assembly Bill 1525 by Assemblymember Mia Bonta (Oakland), which was opposed by RCTC on April 11, 2023, as it sought to drastically shift how a majority of state transportation funds are expended and narrow the location and type of projects eligible for funding. Additionally, legislators faced a deadline to introduce any new bills by February 16. Staff continue to monitor bill proposals for opportunities to support, oppose, and provide feedback on legislation pertinent to the Commission’s transportation priorities, including lessening the impact that vehicle miles traveled (VMT) policies have on the planning, funding, and delivery of vital mobility improvements in Riverside County and across the state.

On February 8, newly elected Senate Speaker Pro Tempore Mike McGuire (Healdsburg) announced new Senate leadership and committee assignments. Senator David Cortese (San Jose) was appointed Chair of the Senate Transportation Committee, replacing Senator Lena Gonzalez (Long Beach), who was appointed Senate Majority Leader. Senator Aisha Wahab (Hayward) was named the Chair of Senate Budget Subcommittee 5 on Corrections, Public Safety,

Judiciary and Transportation. Notably, Senator Anna Caballero (Salinas) was appointed as Chair of the Senate Appropriations Committee. Senator Caballero represents a Central Valley district and has a history of advocating against one-size-fits-all applications of VMT policies.

Regional Advocacy Meetings

On January 26, Executive Director Anne Mayer participated in a discussion hosted by Senator Rosilicie Ochoa Bogh in Beaumont to discuss regional infrastructure priorities. The panel included a discussion on regional transportation challenges, investments, and opportunities to improve mobility for residents across Riverside County.

Separately, over recent weeks and months RCTC staff have conducted several meetings with district office staff from Riverside County's state legislative delegation. In addition to meeting with Senator Kelly Seyarto (Murrieta), meetings were held with staff from the offices of Assemblymembers Bill Essayli (Corona), Eduardo Garcia (Coachella), Corey Jackson (Moreno Valley), Kate Sanchez (Rancho Santa Margarita), and Greg Wallis (Bermuda Dunes), as well as Senator Steve Padilla (Chula Vista) to provide updates on the draft Traffic Relief Plan and legislative priorities for RCTC and the Western Riverside County Regional Conservation Authority (RCA).

Assembly Bill 1957 (Wilson) – Support via Platform

On February 15, RCTC took a support position on Assembly Bill 1957 by Assemblymember Lori Wilson (Suisun City), per the Commission's adopted 2024 State and Federal Legislative Platform. AB 1957 would remove the sunset date on a pilot program allowing for counties to utilize the best value procurement process for construction projects in excess of \$1 million. The current pilot program is utilized only in the counties of Alameda, Los Angeles, Monterey, Riverside, San Bernardino, San Diego, San Mateo, Santa Clara, Solano, and Yuba, and Assembly Bill 1957 removes this restriction.

Extending this program indefinitely will enable the County of Riverside to continue to benefit from utilizing the best value procurement process for construction projects.

Supporting this legislation is consistent with the Commission's adopted 2024 State and Federal Legislative Platform, including:

Innovation

- Support implementation and expansion of state and federal initiatives to expedite and advance innovative transportation policies, programs, and technologies.

Project Delivery Streamlining

- Support the availability of project delivery tools such as the design-build and progressive design-build project delivery methods, construction manager/general contractor (CM/GC, or construction manager at-risk) project delivery method, and

public-private partnerships to the Commission, the state, federal agencies, and other infrastructure agencies. Oppose efforts to add barriers to effective implementation of such tools.

Alignment of Responsibilities

- Support policies that provide decision-making authority and flexibility to agencies bearing financial risk for projects. Oppose policies that place unfunded mandates and other undue burdens and restrictions on agencies that bear financial risk for projects.

Assembly Bill 2535 (Bonta) Staff Recommendation – Oppose

RCTC staff recommend that the Commission oppose Assembly Bill 2535 by Assemblymember Mia Bonta (Oakland). AB 2535 would prohibit the California Transportation Commission (CTC) from allocating funding under the Trade Corridor Enhancement Program (TCEP) established under Senate Bill 1 in 2017 towards projects that add a general-purpose lane to a highway or expand highway capacity in communities with high levels of pollution.

Additionally, the bill proposes that the CTC may only allocate TCEP funding towards expanding a highway’s footprint if the project completed project-level environmental review, ensures smooth and free-flowing truck traffic on limited-access rights-of-way, deploys zero-emission freight technology, and completes an analysis of cumulative pollution burdens and potential adverse cumulative impacts caused by the project, along with a mitigation plan.

Furthermore, the bill requires that at least 50 percent of TCEP funding be allocated to investments in zero-emission freight infrastructure.

While RCTC continues to support a regionally equitable, environmentally responsible, and multi-modal approach to transportation, as well as incentives to advance zero-emission vehicle adoption, Assembly Bill 2535 constitutes a rewrite of the TCEP program. If enacted, the bill would limit the discretion of the California Transportation Commission and could harm RCTC’s competitiveness for vital trade corridor improvements in the region.

Opposing this legislation is consistent with the Commission’s adopted 2024 State and Federal Legislative Platform, including:

Equity and Fairness

- State and federal funding should be distributed equitably to Riverside County. This includes core formula funding as well as supplemental distributions.

Projects

- Oppose policies that inhibit the efficient, timely delivery of such projects.

Funding

- Support maintaining the legislative intent behind Senate Bill 1 (Statutes 2017) and historic base program funding, by:
 - Opposing efforts to tie distribution of transportation funding to ancillary policy matters, such as housing.
 - Opposing efforts to deviate from legislative intent and existing statute.
 - Ensuring program guidelines are as broad as possible with respect to mode, to the extent appropriate while adhering to legislative intent.

Federal Update

Fiscal Year 2024 Appropriations discussions continue between the House and Senate. As previously reported, Congress approved an additional Continuing Resolution to keep the government open at existing funding levels on January 18. Congress has a new deadline of March 1 to pass budget legislation related to Agriculture, Energy-Water, Military Construction-Veterans Affairs, and Transportation-Housing and Urban Development, and must pass all other appropriations legislation by March 8.

As discussions to finalize and approve funding for Fiscal Year 2024 continue, staff await details regarding Fiscal Year 2025 appropriations, which includes the Community Project Funding (CPF)/Congressionally Directed Spending (CDS) process, otherwise known as earmarks. While application and funding guidelines for CPF/CDS requests are typically released in February, this information is likely to be released in early March following President Biden’s budget proposal. Staff anticipate a shortened timeline to prepare and submit CPF/CDS applications and are preparing accordingly.

As noted above, staff have been conducting meetings with district office staff with elected officials, which includes Riverside County’s federal elected representatives. Meetings were held with staff from the Offices of Senator Alex Padilla and Laphonza Butler, as well as the Office of Representative Raul Ruiz to discuss the draft Traffic Relief Plan and legislative priorities for RCTC and RCA.

FISCAL IMPACT:

This is a policy and information item. There is no fiscal impact.

Attachment: Legislative Matrix – March 2024

Approved by the Budget and Implementation Committee on February 26, 2024

In Favor: 14 Abstain: 0 No: 0

RIVERSIDE COUNTY TRANSPORTATION COMMISSION - POSITIONS ON STATE AND FEDERAL LEGISLATION – MARCH 2024

Legislation/ Author	Description	Bill Status	Position	Date of Board Adoption
AB 6 (Friedman)	This bill provides significant new oversight to the California Air Resources Board in the approval process of a metropolitan planning organization’s Sustainable Communities Strategy and the methodology used to estimate greenhouse gas emissions. These new burdensome requirements will likely result in significant delays to transportation projects.	Passed the Assembly, referred to the Senate Transportation and Environmental Quality Committees on June 14, 2023. Two-year bill. September 15, 2023	<i>Oppose Based on Platform</i>	5/24/2023
AB 7 (Friedman)	This bill requires the California State Transportation Agency, California Department of Transportation, and California Transportation Commission to consider specific goals as part of their processes for project development, selection, and implementation. AB 7 may impact the allocation of billions of dollars in state transportation funding, infringing on RCTC’s ability to deliver critically needed transportation infrastructure in Riverside County.	Ordered to the inactive file. Two-year bill. September 11, 2023	<i>Oppose Based on Platform</i>	5/25/2023
AB 558 (Arambula)	This bill restructures the Fresno County Transportation Authority (FCTA) by increasing its board membership from nine to thirteen members. This restructuring is done without the consensus and support from regional stakeholders and sets a concerning precedent for RCTC and other regional transportation agencies that rely upon a collaborative process to be effective. Additionally, the bill was amended on April 18 to subject a county transportation expenditure plan prepared by the Fresno County Transportation Authority (FCTA) to the requirements of the California Environmental Quality Act.	Failed deadline. January 31, 2024	<i>Oppose Based on Platform</i>	4/10/2023
AB 1385 (Garcia)	This bill would raise RCTC’s maximum tax rate authority from 1% to 1.5%.	Approved by the Governor. October 8, 2023	<i>Support</i>	3/8/2023
AB 1525 (Bonta)	This bill significantly narrows the location and types of projects eligible to receive state transportation funding by requiring 60% of funds to be allocated to priority populations.	Failed deadline. January 31, 2024	<i>Oppose Based on Platform</i>	4/11/2023

Legislation/ Author	Description	Bill Status	Position	Date of Board Adoption
AB 1957 (Wilson)	This bill removes the sunset date on a pilot program allowing for specified counties to utilize the best value procurement process for construction projects in excess of \$1 million. The bill additionally expands the program to all counties.	Referred to the Assembly Local Government Committee. February 12, 2024	<i>Support Based on Platform</i>	2/15/2024
SB 617 (Newman)	This bill, until January 1, 2029, would authorize a transit district, municipal operator, consolidated agency, joint powers authority, regional transportation agency, or local or regional agency, as described, to use the progressive design-build process for up to 10 public works projects in excess of \$5 million for each project. The bill would specify that the authority to use the progressive design-build process.	Approved by the Governor. October 4, 2023	<i>Support Based on Platform</i>	4/5/2023