

MEMO REPORT

DATE: June 19, 2008
TO: Honorable Mayor and Members of the City Council
Honorable Chairman and Members of the Board
FROM: Kevin McCarthy, Finance Director
SUBJECT: Approval of the Highway 111 Beautification Improvement Project
Implementation and Phasing Plan

Summary

During the May 29, 2008 Study Session review of the Biennial Operating Budget and the Five Year Capital Improvement Plan for the City and the Redevelopment Agency, the City Council directed Staff to develop an implementation plan for the Highway 111 Beautification Improvement Project.

The development of the phasing plan incorporated four specific requirements:

1. Grant funding has to be readily available from CVAG within a known time frame. This means grant funding may not be available on the day we begin design but it would be guaranteed based on the requirements of the cash flows.
2. Construction of the Highway 111 Beautification Improvement Project must cause minimal disruption to our residents.
3. Construction of the Highway 111 Beautification Improvement Project must cause minimal disruption to the Skin's Game event held in November.
4. All construction work must be completed prior to the annual Tennis Tournament held in March.

Staff has met with officials of CVAG to secure availability of funding. CVAG staff has been provided expected funding requirements based on the expected costs of the Highway 111 Beautification Improvement Project. Available funding from CVAG for this project has not been finalized. The City must still submit its funding request to the CVAG Executive Committee for final approval. Staff is completing the necessary requirements to secure available funding.

Staff developed a phasing approach for the Highway 111 Beautification Improvement Project. Under the plan construction would be separated into three (3) phases and

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would roughly begin in June/July and would end as late as February of each year. As planned each Phase includes all of the required improvements such as widening, sound mitigation, medians, and landscaping requirements.

Beginning in fiscal year 2009/10, Phase 1 of the projects includes improvements from Hospitality to Cook Street. Phase 2 construction from Cook Street to Club Drive is scheduled to begin in fiscal year 2010/11. Finally Phase 3 construction from Club Drive to the Deep Canyon Channel is scheduled to begin in fiscal year 2011/12.

Attached is the Highway 111 Agency funding plan. WEC Engineering has provided a detailed Highway 111 design and construction phasing plan analysis for your review and consideration.

Recommendation

Approve the Highway 111 Beautification Improvement Project Implementation and Phasing Plan as presented and Direct Staff to finalize Funding Availability with CVAG



City Manager/Executive Director

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City and Agency Capital Budget

Highway 111 Improvement Project and Phasing Plan

Phasing of Highway 111

- Developed Implementation Requirements
 - Funding readily available from CVAG within a known time frame
 - Must protect quality of life for our residents
 - Minimum disruption
 - Complete each section at one time
 - Must create minimum disruption during Skins Game
 - Annual work must be completed prior to Tennis Tournament in March

Phasing of Highway 111

- Implementation of Highway 111 Phasing
 - Phase 1 – fiscal year 2009/10
 - Hospitality to Cook – North & South Sides
 - Phase 2 – fiscal year 2010/11
 - Cook to Club Drive – North & South Sides
 - Phase 3 – fiscal year 2011/12
 - Club Drive to Deep Canyon Channel – North & South Sides

Highway 111 Agency Funding Plan

	Account	2008-2009 Projection	2009-2010 Projection	2010-2011 Projection	2011-2012 Projection
Revenues					
Inv. Earnings	4511	340,278	355,591	424,392	165,307
Hwy 111 Reimbursements from CVAG	4651	309,000	13,450,075	16,623,750	8,906,250
Proceeds from Loan	4911	2,538,351	2,614,502	2,817,478	2,895,849
TOTAL REVENUES		3,187,629	16,420,167	19,865,620	11,967,406
Expenditures					
Administration Overhead		2,538,351	2,614,502	2,692,937	2,773,725
Professional Services and Debt fees		193,465	127,007	124,541	122,124
Skins Game Cost/Tennis Garden Sponsorship	2705	2,070,000	2,143,500		
CIPs:					
Golf Resort Facility Improvements	9704	270,000			
Hwy 111 Phase 1 Sound Walls Design	9314	520,000			
Hwy 111 Phase 1 Sound Walls Construction	9314		6,650,000		
Hwy 111 Phase 1 Road Work	9312		7,630,000		
Hwy 111 Phase 1 Landscape Hospitality to Cook	9315		800,000		
Hwy 111 Phase 2 Sound Walls Design	9314		325,000		
Hwy 111 Phase 2 Sound Walls Construction	9314			4,140,000	
Hwy 111 Phase 2 Road Work	9312			18,025,000	
Hwy 111 Phase 2 Landscape Cook to Club Drive	9315			1,300,000	
Hwy 111 Phase 3 Road Work	9312				11,875,000
Hwy 111 Phase 3 Landscape	9315				1,400,000
IWGR Event Parking	9908	3,736,727			
TOTAL EXPENDITURES		9,328,543	20,290,009	26,282,478	16,170,849
NET INCOME (LOSS)		(6,140,914)	(3,869,841)	(6,416,858)	(4,203,443)
Net Transfer In/Out		270,655	171,942	(60,260)	186,728
BEGINNING CASH BALANCE		20,177,957	14,307,698	10,609,799	4,132,681
ENDING CASH BALANCE		14,307,698	10,609,799	4,132,681	115,966

HIGHWAY 111 DESIGN & CONSTRUCTION PHASING PLAN

PHASE 1

Description	Start Date	Completion Date	Design Time (Months)	Bid Time (Months)	Construction Time (Months)	Right-of-Way Needed	Temporary Construction Easements Needed	Design Costs	Construction Costs	CM & Inspection Costs	Landscape Costs	Contingency	Total Estimated Costs	CVAG Reimbursable Percentage	Total Dollars of Reimbursement	Total City Share
Right-of-Way Acquisition	07/01/08	11/01/08	4	n/a	n/a	Yes	Yes	n/a	n/a	n/a	n/a	n/a	\$ 1,500,000.00	75%	\$ 1,125,000.00	\$ 375,000.00
Design Desert Horizon Sound Wall (4,500 LF)	10/01/08	02/01/09	4	n/a	n/a	No	Yes	\$ 280,000.00	n/a	n/a	n/a	n/a	\$ 280,000.00	75%	\$ 210,000.00	\$ 70,000.00
Design Casa Dorado Sound Wall (1,270 LF)	11/01/08	02/01/09	3	n/a	n/a	No	Yes	\$ 115,000.00	n/a	n/a	n/a	n/a	\$ 115,000.00	75%	\$ 86,250.00	\$ 28,750.00
Design Sundance Sound Wall (1,338 LF)	12/01/08	03/01/09	3	n/a	n/a	No	Yes	\$ 125,000.00	n/a	n/a	n/a	n/a	\$ 125,000.00	75%	\$ 93,750.00	\$ 31,250.00
Bid Mira Monte Sound Wall, Water Line & Roadway Construction	09/01/08	10/01/08	n/a	1	n/a	No	Yes	n/a	n/a	n/a	n/a	n/a	n/a			
Bid Phase 1 Sound Walls (7,100 LF)	03/01/09	05/01/09	n/a	2	n/a	No	Yes	n/a	n/a	n/a	n/a	n/a	n/a			
Bid Phase 1 Road Work (Hospitality to Cook & Rancho Palmeras Drive Rt Turn & Drainage)	03/01/09	05/01/09	n/a	2	n/a	Yes	Yes	n/a	n/a	n/a	n/a	n/a	n/a			
Construct Phase 1 Road Work (Hospitality to Cook both sides, Medians & AHRM Overlay & Rancho Palmeras Rt Turn Pocket & Drainage on South Side)	07/01/09	01/01/10	n/a	n/a	6	Yes	Yes	n/a	\$ 5,300,000.00	\$ 480,000.00	\$ 800,000.00	\$ 350,000.00	\$ 6,930,000.00	75% (except of New Median Landscaping)	\$ 4,597,500.00	\$ 2,332,500.00
Construct Phase 1 Sound Walls (7,100 LF)	07/01/09	01/01/10	n/a	n/a	6	No	Yes	n/a	\$ 5,600,000.00	\$ 450,000.00	n/a	\$ 600,000.00	\$ 6,650,000.00	75%	\$ 4,987,500.00	\$ 1,662,500.00
SUBTOTAL													\$ 15,600,000.00		\$ 11,100,000.00	\$ 4,500,000.00

PHASE 2

Description	Start Date	Completion Date	Design Time (Months)	Bid Time (Months)	Construction Time (Months)	Right-of-Way Needed	Temporary Construction Easements Needed	Design Costs	Construction Costs	CM & Inspection Costs	Landscape Costs	Contingency	Total Estimated Costs	CVAG Reimbursable Percentage	Total Dollars of Reimbursement	Total City Share
Design Colony Sound Wall (2,412 LF)	10/01/09	01/01/10	3	n/a	n/a	No	Yes	\$ 160,000.00	n/a	n/a	n/a	n/a	\$ 160,000.00	75%	\$ 120,000.00	\$ 40,000.00
Design Casa Rosado Sound Wall (1,050 LF)	11/01/09	01/01/10	2	n/a	n/a	No	Yes	\$ 95,000.00	n/a	n/a	n/a	n/a	\$ 95,000.00	75%	\$ 71,250.00	\$ 23,750.00
Design Mira Monte Sound Wall (510 LF) & CVWD Water Line	09/01/09	01/01/10	4	n/a	n/a	No	Yes	\$ 70,000.00	n/a	n/a	n/a	n/a	\$ 70,000.00	75%	\$ 52,500.00	\$ 17,500.00
Bid Phase 2 Sound Walls (3,970 LF)	03/01/10	05/01/10	n/a	2	n/a	No	Yes	n/a	n/a	n/a	n/a	n/a	n/a			
Bid Phase 2 Road Work (Club Drive to Cook Street)	01/01/10	04/01/10	n/a	3	n/a	No	No	n/a	n/a	n/a	n/a	n/a	n/a			
Construct Phase 2 Road Work (Club Drive to Cook Street both sides, Medians & AHRM Overlay)	05/01/10	03/01/11	n/a	n/a	10	No	No	n/a	\$ 15,300,000.00	\$ 1,325,000.00	\$ 1,300,000.00	\$ 1,400,000.00	\$ 19,325,000.00	75% (except of New Median Landscaping)	\$ 13,518,750.00	\$ 5,806,250.00
Construct Phase 2 Sound Walls (3,460 LF)	06/01/10	10/01/10	n/a	n/a	4	No	Yes	n/a	\$ 3,600,000.00	\$ 240,000.00	n/a	\$ 300,000.00	\$ 4,140,000.00	75%	\$ 3,105,000.00	\$ 1,035,000.00
SUBTOTAL													\$ 23,790,000.00		\$ 16,867,500.00	\$ 6,922,500.00

PHASE 3

Description	Start Date	Completion Date	Design Time (Months)	Bid Time (Months)	Construction Time (Months)	Right-of-Way Needed	Temporary Construction Easements Needed	Design Costs	Construction Costs	CM & Inspection Costs	Landscape Costs	Contingency	Total Estimated Costs	CVAG Reimbursable Percentage	Total Dollars of Reimbursement	Total City Share
Bid Phase 3 Road Work (Deep Canyon Channel to Club Drive)	01/01/11	04/01/11	n/a	3	n/a	No	No	n/a	n/a	n/a	n/a	n/a	n/a			
Construct Phase 3 Road Work (Deep Canyon Channel to Club Drive both sides, Medians & AHRM Overlay)	05/01/11	03/01/12	n/a	n/a	10	No	No	n/a	\$ 15,100,000.00	\$ 1,375,000.00	\$ 1,400,000.00	\$ 1,400,000.00	\$ 19,275,000.00	75% (except of New Median Landscaping)	\$ 13,406,250.00	\$ 5,868,750.00
SUBTOTAL													\$ 19,275,000.00		\$ 13,406,250.00	\$ 5,868,750.00
GRAND TOTAL													\$ 58,665,000.00		\$ 41,373,750.00	\$ 17,291,250.00