



**STAFF REPORT**  
**2/28/2024**

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**TO:** Honorable Mayor and City Council Members

**FROM:** Andrew Simmons, P.E., City Engineer

**SUBJECT:** Authorize the City of Coachella City Manager to Finalize and Execute a Cooperative Agreement between the City of Coachella and the Twenty Nine Palms Mission Indians For Improvements to Dillon Road and Authorize \$1,658,329.99 fund transfer from the General Fund (Fund 101) to Road Maintenance -Dillon Road (Fund 108)

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**STAFF RECOMMENDATION:**

Authorize the City of Coachella City Manager to Finalize and Execute a Cooperative Service Agreement between the City of Coachella and the Twenty Nine Palms Mission Indians for reimbursement of Paving Improvements of Dillon Road between Vista Del Norte and 44<sup>th</sup> Avenue.

Approve a fund transfer of \$1,658,329.99 from the General Fund (Fund 101) to lend money to the Road Maintenance-Dillon Road (Fund 108) account.

**BACKGROUND:**

In 2022, The City approved the creation of Fund 108, which is the Road Maintenance- Dillon Road account. This account receives quarterly deposits from the County as a percentage of total tipping fees at the County operated Landfill located on Dillon Road north of the City limits. This fund was established to provide maintenance and repairs to Dillon Road, which is currently rated in a failed condition as a result of the high traffic volumes on this Main Arterial corridor.

In January 2024, the City of Coachella City Council authorized an MOU by and between the City of Coachella (City) and Twenty-Nine Palms Band of Mission Indians (Tribe). This agreement included authorization of major street improvements on Dillon Road between Vista Del Sur and Harrison Place along the frontage of the Spotlight 29 Casino Complex Properties. The City recognized these valuable improvements to the Dillon Road Corridor and reached out to the Tribe to provide a cost estimate to expand their project limits and complete necessary street improvements on Dillon road north of their project frontage and extending to the City Limits at 44<sup>th</sup> Avenue.

**DISCUSSION/ANALYSIS:**

City staff has worked closely with the Tribe to complete street improvement plans and construction estimates for the portion of Dillon Road between Vista Del Norte and 44<sup>th</sup> Avenue. Since the Tribe is currently doing extensive roadwork within the Dillon Road corridor, it is beneficial to the community and to the City to complete the entire Dillon road corridor as one complete project. By cooperating with the Tribe and their onsite contractors, the City can realize cost saving benefits from consolidated management, mobilization and operational costs. The City also saves considerable staff time and costs relative to internal management of the project by cooperating with the Tribe and their contractors on this valuable offsite work.

The City has received and analyzed improvement plans and project estimates from the Tribe and has compared the proposed work and estimated costs against standard costs found on similar projects. Based on this analysis, it has been determined that the City will save considerable time money and staff resources by completing the proposed paving projects under the Cooperative Agreement presented herein. The Cooperative Service Agreement, which includes the project estimate and project plans are attached as Exhibit A. The primary work to be completed is the complete removal and reconstruction of all asphalt paved surfaces on Dillon road from the intersection of Vista Del Norte to the Northern City limits at 44<sup>th</sup> Avenue. The project will also include repair and improvements to existing curbs, ADA ramps and Concrete cross gutters as needed to complete the project.

**FISCAL IMPACT:**

The total cost of the project is estimated at \$1,816,596.55, which includes the project estimate of \$1,651,451.55 plus a 10% contingency of \$165,145. The project is to be funded from the Road Maintenance- Dillon road (Fund 108) account which has a current balance of \$158,266.56. It is recommended that the General Fund lend the remaining project balance to Fund 108 with a transfer of \$1,658,239.99. Fund 108 shall reimburse the General Fund the full value of the transfer over the next 12 to 15 years as quarterly payments continue to replenish the account.

Dillon Road North Budget		
Project Estimate:	\$1,651,451.55	
10% contingency	\$165,145	
<b>Total Project Cost:</b>	<b>\$1,816,596.55</b>	
Funding Source (Fund 108)		\$158,266.56
General Fund Loan (Fund 101)*		\$1,658,329.99
Total Funding:		<b>\$1,816,596.55</b>

\*Note: Reimbursement for general fund is anticipated to take about 15 years, which is consistent with expected and standard maintenance periods on a newly reconstructed roads.

**ATTACHMENTS:**

1. Exhibit A – City/Tribe Cooperative Agreement Dillon Road North Draft.