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Title: Department of Transportation recommending the Board authorize the Chair to sign the revised Reimbursement Agreement for the construction of the "Road Widening Improvement Plans for the Crossings at El Dorado Missouri Flat and Crossings Road" between the County and LLL & A, LLC (AGMT 22-55037), for improvements included in CIP Project 36105066 "Missouri Flat Widening from Plaza Drive to Headington Road." (District 3)

FUNDING: Missouri Flat Area Master Circulation & Funding Plan (MC&FP) Program.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Counsel Approval, 2. B - Agmt 22-55037, 3. C - RIA 21-54981, 4. Executed Agreement 22-55037

Date	Ver.	Action By	Action	Result
9/26/2023	1	Board of Supervisors	Approved	Pass

Department of Transportation recommending the Board authorize the Chair to sign the revised Reimbursement Agreement for the construction of the "Road Widening Improvement Plans for the Crossings at El Dorado Missouri Flat and Crossings Road" between the County and LLL & A, LLC (AGMT 22-55037), for improvements included in CIP Project 36105066 "Missouri Flat Widening from Plaza Drive to Headington Road." (District 3)

FUNDING: Missouri Flat Area Master Circulation & Funding Plan (MC&FP) Program.

DISCUSSION / BACKGROUND

The Crossings at El Dorado, also known as the Crossings Planned Development, PD97-0011 (Project), is a commercial development project located on Missouri Flat Road in the unincorporated area of Placerville adjacent to the Target and Safeway shopping centers. The initial development was approved as the "Sundance Plaza" project on December 8, 1998. On May 8, 2014, the Planning Commission approved a Finding of Consistency on the Project, which updated the project phasing to its current structure and the project name to "The Crossings at El Dorado."

The Project requires access from Missouri Flat Road, which necessitates widening Missouri Flat Road, adding turn lanes, signaling the existing Headington / Missouri Flat Road intersection, and adding an extension of Headington Road (referred to as Crossings Lane in Attachment E) as the fourth leg of the intersection and access to the development. These improvements are included in the Capital Improvement Program (CIP) as projects #36105066/71374, "Missouri Flat Widening from Plaza Drive to Headington Road," and #36105022/71375, "Headington Road Extension - Missouri Flat Road to El Dorado Road, the former of which is eligible for reimbursement under the Missouri Flat Master Circulation and Financing Plan (MC&FP) per the Project's Mitigation Measures and as part of CIP Project #36105066.

On December 15, 1998 (Item 80), the Board of Supervisors (Board) adopted the MC&FP, which was intended to implement the County's General Plan and to mitigate the impacts of proposed development in the area. The MC&FP is a funding source for several CIP projects which are needed to mitigate existing roadway capacity deficiencies in the MC&FP area, which may include new roadways, roadway widenings, roadway intersection improvements, interchange improvements, transit, etc. These improvements may include developer-driven projects, funded by developers in advance and reimbursed through the program under a reimbursement agreement.

LLL& A, LLC (Developer) has prepared improvement plans for the intersection, which the Department of Transportation (Transportation) approved on May 9, 2022. On August 30, 2022 (Legistar# 22-1539, Item 17), the County and the Developer entered into Road Improvement Agreement (RIA) #21-54981 defining the Project's construction requirements. Based on initial Project cost estimates, the total reimbursable amount is estimated to be \$2,195,444.44; the actual reimbursable costs will be determined upon project completion and after approval by County staff, including Transportation, Chief Administrative Office, County Counsel, and Auditor departments. Subsequent to the approval of the RIA, the Developer has publicly bid the Project for construction; Doug Veerkamp General Engineering was the sole bidder with a bid of \$2,771,438.97. Of the total bid amount, a portion of the improvements are private, with the majority of the bid reflecting public improvements. The public portion of the bid was estimated at \$1,981,321.34.

On August 29, 2023 (Item 30, Legistar 23-1456), Transportation presented a Reimbursement Agreement on the Project for the Board's approval. The Board directed staff to utilize an alternative reimbursement schedule, and to return with the revised Reimbursement Agreement for its approval. As directed, the Reimbursement Agreement presented in this item represents an accelerated reimbursement schedule.

Based upon the desire to keep a minimum balance of \$200,000 in the MC&FP Fund as a reserve, the payment schedule in the Reimbursement Agreement is:

First Reimbursement Payment = Up to \$200,000.00
Second Reimbursement Payment = Up to \$1,000,000.00
Third Reimbursement Payment = \$995,444.44, representing the remaining balance due based upon the estimated balance

Total = \$2,195,444.44

This projected schedule is based upon the existing cost estimates for the Project. Should the actual costs be greater than the estimate, the Agreement allows for the Third Payment to be up to \$1,000,000, with an additional Fourth Payment if necessary up to the remaining balance due.

ALTERNATIVES

The Board could choose not to approve the Reimbursement Agreement as revised, and provide direction to make additional revisions to the terms of the reimbursement.

PRIOR BOARD ACTION

See Discussion / Background section above.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

The MC&FP Account will contain sufficient funds to reimburse the Project on the projected schedule described above, assuming tax revenues deposited into the fund follow historical trends of approximately \$1,200,000 per year. Transportation is also bringing a separate item today, Legistar #23-1379 on options for Diamond Springs Parkway Phase 1B funding, which will affect the MC&FP Fund balance, and financial impacts of the two items should be considered together. Per the terms of the revised Reimbursement Agreement, a minimum balance of \$200,000 is to be maintained in the MC&FP Account, and reimbursement payments will be adjusted accordingly if insufficient funds exist in the MC&FP Account at the time reimbursement is due.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Obtain Chair's signature on two (2) original copies of the Reimbursement Agreement.
- 2) Return one (1) fully executed original Reimbursement Agreement to the Department of Transportation, attn: Lindsay Tallman, for additional processing.

STRATEGIC PLAN COMPONENT

The MC&FP is a significant funding source for the CIP, which is a vital part of the Infrastructure component of the County Strategic Plan. Adequate infrastructure is necessary for the Economic Development component and is a requirement of the County General Plan. Safe roads are a crucial factor in the Public Safety component of the County's Strategic Plan.

CONTACT

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