

INDIAN WELLS CITY COUNCIL

April 6, 2023



To: City Council
From: Public Works Department
Prepared by: Dina Purvis, Public Works Manager
Subject: **Supplemental Appropriation for Whitewater Channel Design**

RECOMMENDED ACTIONS:

Council **APPROVES** supplemental appropriation for \$126,000 to Q3 Consulting Services ("Q3") contract to provide design plans for the Whitewater River Channel; and

AUTHORIZES the City Manager, or designee, to transfer funds into the appropriate account.

FINDS, pursuant to the Mitigated Negative Declaration (MND) prepared under CEQA for the Miles Crossing Specific Plan (Project) that all environmental impacts of the Whitewater Channel Design Contract have been addressed within the MND and no additional environmental review is required.

DISCUSSION:

On October 6, 2022, the Council authorized the City to assume responsibility to complete the design and regulatory permitting for the Whitewater River Channel improvements. Brixton Development was responsible for project management (e.g., design, permits, etc.) prior to October 6, 2022. Q3 is near completing the design work necessary to complete the construction plans for the improvements along the Whitewater Channel, both north and south sides between the Renaissance Esmerelda Resort and Mountain View Villas. This includes property owned by Genton and Brixton Development, as well as the Indian Wells Housing Authority. The project is to provide concrete lining and expansion of the vacant properties along Highway 111, to facilitate future development. A map of the project area is attached. The completion of the Whitewater River Channel improvements is a current City Council Goal.

As part of the transition of the City taking over the project, the City assumed the existing design contract to keep the project moving without delay. Q3 has been working on the design based upon previously approved funding by the three parties (Genton, Brixton, and Housing Authority). Q3 is now requesting the remaining balance of \$121,538 to

complete the design plans. In addition, staff is recommending a contingency of \$18,462 for a total design cost of \$140,000.

The Indian Wells Housing Authority, Genton Development, and Brixton Development are responsible for their proportionate share of design and permit costs based on the linear footage of all partners' properties. The proportionate share to complete the channel improvements design is divided as follows:

- Brixton Development \$68,600
- Genton Development \$57,400
- Indian Wells Housing Authority \$14,000
- \$140,000

The Indian Wells Housing Authority share was previously approved in the City's Capital Improvement Project budget. Genton Development has agreed to pay their share. Brixton Development is not prepared to fully fund their share at this time.

Prior to October 6, 2022, the City/Housing Authority and Brixton had an agreement for the City to reimburse Brixton for the City's proportionate costs as the project manager. The City and Brixton are finalizing the amount the City is to reimburse Brixton, which is currently estimated at \$25,000. Brixton has agreed to utilize those funds to pay their proportionate share of the design costs.

Staff is seeking approval to advance Brixton's share of \$68,600 to prevent delay in the completion of the design, with the understanding that City's advancement will be reduced by approximately \$25,000 in the next couple of weeks. Staff will address the deficiency with Brixton prior to making any improvements to their property but supports the funding to keep the project momentum moving forward. Staff does not want to delay this project, as permits from the various regulatory agencies have expiration dates in the next year. If those permits expire, City will incur significant cost increases and project delay.

This approval is for the completion of the overall design and does not include any authorization to construct the improvements.

FISCAL IMPACT:

Staff is requesting a supplemental appropriation of \$126,000 from the City's Capital Improvement Fund to the Professional Services account of the Public Works engineering operating budget for this expense. The City's Capital Reserves will be credited upon receipt of Genton Development's \$57,400 and approximately \$25,000 in funding from Brixton Development. The net Fiscal Impact is approximately \$43,600 towards Brixton's share of the design work.

California Environmental Quality Act (CEQA):

This action has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the environmental regulations of the City. The City, acting as Lead Agency, finds, pursuant to the Mitigated Negative Declaration (MND) prepared under CEQA in order to analyze all potential adverse environmental impacts of the Mills Crossing Specific Plan (Project) that all environmental impacts of the Whitewater Channel Design Contract have been addressed within the MND, that no new or additional mitigation measures are required and no substantial evidence in the administrative record supporting a fair argument that the Whitewater Channel Design Contract may result in any significant environmental impacts beyond those analyzed in the MND.

ATTACHMENT:

1. Channel Map of Improvements Project Area