

Financing plan for Nisqualli interchange in place

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VICTORVILLE • The city this week presented its plan to fund the long-awaited Nisqualli Interchange for Interstate 15, relying in part on future revenue streams from developers.

Councilman Ryan McEachron, who is the city's representative to the county transportation board SANBAG, said they are pushing to move forward quickly because an environmental study finished for the bridge in August 2006 has a three-year timeframe.

"Basically what could happen is the state or Caltrans may say you have to redo that study - or at least the biological part - if we go beyond August," McEachron said.

He said if the project hasn't gone out for bid by then it could push the project back for years, since it took four years to get through the process.

However, Assistant City Engineer Brian Gengler said the city's consultant is already in the process of preparing a re-evaluation. Gengler said it's "a minor effort and minor cost" to update the study.

Three things still have to happen in order for the project to be ready for bid by August: The city needs to buy all of the property in the interchange's right of way, Caltrans needs to sign off on the design and SANBAG has to approve the funding agreement.

To settle the right of way, McEachron said the city is still dealing with a few remaining property owners. He said the biggest piece of land the city still needs to get is the wash area that belongs to San Bernardino County Flood Control.

"That's been moving but it needs to move a little faster," McEachron said. "But even if we haven't fully finished that negotiation there is an action that the council can take to take immediate possession of the land and still deal with the financial part of it after the fact," - which means a court date is possible.

Regarding the design, Gengler said the engineering plans, specifications and estimates, or PS&E, is nearly 95 percent complete.

"We are on a clock right now and I'm pushing Caltrans to get the plans back to us early in July if not late June," McEachron said, "so that if there's anything we need to change or update and get back to them we can do that."

The last piece of the puzzle is figuring out how to fund the \$93 million project.

Though delaying projects usually means the price tag goes up, McEachron is hoping a recent trend of construction projects coming in significantly below original estimates due to the competitive market might also carry over to Nisqualli.

"We would suspect that because of the economy there should be some savings there too," he said.

The city has spent \$6.6 million of the \$9 million needed for environmental and engineering, plus the majority of the \$24 million estimated for buying all of the right of way.

With SANBAG working on a plan to fund \$30 million of the construction, staff has now submitted a plan for funding the remaining \$30 million.

SANBAG requires that the city's matching funds come from development impact fees, and so the city plans to use all \$16.7 million in DIFs designated for road service currently on hand and use projected future DIFs to carry construction through each year.

To fund the additional cost and give the city a bit of cushion - in case DIFs are lower than expected or costs are higher - the back-up plan is to borrow up to \$7.5 million from the Local Transportation Fund.

However McEachron is still hopeful they'll be able to convince SANBAG to let them use tax increment from the city's large redevelopment areas in addition to DIFs, since those funds came from work by developer's too.

"We should be able to use whatever funding is available to us," McEachron said. "At the end of the day the citizens of any city don't care about how a project is ultimately funded. They just want it done."

If the city goes out to bid in August or September, by the time bids come back in and everything is finalized McEachron estimates construction could start by the end of this year or the beginning of 2010.