

**CITY OF TEMECULA  
AGENDA REPORT**

**TO:** City Manager/City Council

**FROM:** Patrick Thomas, Director of Public Works/City Engineer

**DATE:** March 12, 2019

**SUBJECT:** Approve Amendment Number 1 to the Cooperative Agreement with the County of Riverside for the Rancho California Road Widening as part of the Butterfield Stage Road – Phase III, PW15-11

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**PREPARED BY:** Amer Attar, Principal Civil Engineer  
Kendra Hannah-Meistrell, Senior Civil Engineer

**RECOMMENDATION:** That the City Council approve Amendment Number 1 to the Cooperative Agreement with the County of Riverside for the Rancho California Road Widening as part of the Butterfield Stage Road – Phase III, PW15-11.

**BACKGROUND:** On December 13, 2016 City Council approved the Cooperative Agreement with the County of Riverside (County) for the administration, design, and construction of the Rancho California Road Widening as part of the Butterfield Stage Road – Phase III project.

This Cooperative Agreement memorialized the mutual understandings between the City and County with respect to the extension of the widening of the westbound lanes along Rancho California Road east of Butterfield Stage Road beyond the design parameters established by the traffic studies for the Butterfield Stage Road – Phase III project.

The Butterfield Stage Road – Phase III project will provide for the ultimate width widening of Butterfield Stage Road to four lanes with a raised median from La Serena Way to Rancho California Road. The project also includes modifications to the existing traffic signal at Butterfield Stage Road and Rancho California Road, as well as widening Rancho California Road from Butterfield Stage Road to Armada Place to the east.

On December 11, 2018 City Council awarded a construction contract to Mamco, Inc. dba Alabbasi for the Butterfield Stage Road – Phase III, PW15-11.

The extended length of widening along Rancho California Road was bid as an additive bid item with the Butterfield Stage Road – Phase III project. The amount of the additive bid is \$138,095 which exceeds the construction estimate within the Agreement of \$99,000. This Amendment Number 1 increases the construction estimate to match the amount of the additive bid, increases the contingency to ten percent of the additive bid and adds a five percent amount for the Multiple Species Habitat Conservation Plan fee.

## MAYOR NAGGAR WILL NOT PARTICIPATE IN COUNCIL CONSIDERATION OF THIS ACTION.

Europa Vineyard Estates is located on approximately 290.7 acres southeasterly of Butterfield Stage Road and La Serena Way in unincorporated Riverside County. It is owned by Temecula Vineyard Estates, LLC, and is adjacent to Butterfield Stage Road. Mayor Mike Naggar does not have any direct investments or ownership interests in the Temecula Vineyard Estates, LLC. Europa Vineyard Estates had been owned by Temecula Vineyard Estates, LLC. Europa Vineyard Estates is now owned by an entity related to Temecula Vineyard Estates, LLC, Sirah Vineyard Development Corporation. Mayor Naggar does not have any direct investments or ownership interests in the Europa Vineyard Estates Project, Temecula Vineyard Estates, LLC or Sirah Vineyard Development Corporation. The managing member of Temecula Vineyard Estates, LLC, has been Mr. Daniel Stephenson. Mayor Naggar, however, has ownership interests and is a member of other limited liability companies that are developing property outside of the City of Temecula and in which Mr. Stephenson is also the managing member. The Europa Vineyard Estates Project, Temecula Vineyard Estates, LLC, and Sirah Development Corporation are, therefore, “otherwise related business entities” for Mayor Naggar within the meaning of § 18700.2 of the FPPC Regulations. Tract Map 32594 for the Europa Vineyard Estates Project was approved by the County of Riverside in September 2006 after the City Council’s approval of the Roripaugh Ranch Specific Plan and the Development Agreement in December 2002. One of the County’s conditions of approval requires the owners of Europa Vineyard Estates to improve a portion of Butterfield Stage Road along its westerly property line south of La Serena prior to the County’s issuance of a certificates of occupancy for homes on 80% of the lots in the Project.

The City Attorney has determined that this action will have no material financial effect, indeed no effect at all, on Europa Vineyard Estates, or the owners of the Europa Vineyard Estates project. The Roripaugh Ranch Developers’ have been obligated to construct the Phase III Improvements to Butterfield Stage Road since approval of the original Development Agreement and Specific Plan in December 2002 which was prior to the County approval of Europa Vineyard Estates. This obligation has not changed despite the many issues that delayed development of the Roripaugh Ranch Project. This is consistent with the Fair Political Practices Commission Legal Staff’s March 2008 opinion (A-08-015) allowing Mayor Naggar’s participation in a decision to acquire property located 372 feet south of Europa Villages Estates necessary for the construction of the Phase III Improvements. However, Mayor Naggar has elected not to participate in this action due to the appearance of a conflict, as the road improvements are adjacent to the Europa Vineyards Estates project. Alabbasi is a client of Mayor Naggar.

Approval of Amendment Number 1 to the Cooperative Agreement is on the City Council’s Consent Calendar. Unless the item is pulled by a Council Member for further discussion, Mayor Naggar will simply need to register an abstention on this item when the vote on the Consent Calendar is called and does not need to leave the dais.

**FISCAL IMPACT:** The Butterfield Stage Road – Phase III is part of the Butterfield Stage Road Extension project included in the City’s Capital Improvement Program for Fiscal Years 2019-23. With approval of the Amendment Number 1, the County will pay for actual costs incurred so there is no fiscal impact to the project.

**ATTACHMENTS:**

1. Amendment Number 1
2. Project Location
3. Project Description