



**1503 N. IMPERIAL AVENUE, SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
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TRANSPORTATION COMMISSION AGENDA

**LARGE CONFERENCE ROOM
1503 N. IMPERIAL AVE., SUITE 104
EL CENTRO, CA 92243**

**WEDNESDAY, MARCH 25, 2026
6:00 PM**

CHAIR: KARIN EUGENIO

VICE CHAIR: GIL REBOLLAR

In compliance with the Brown Act and Government Code Section 54957.5, agenda materials distributed 72 hours prior to the meeting, which are public records relating to open session agenda items, will be available for inspection by members of the public prior to the meeting on the Commission's website: www.imperialctc.org.

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To join by phone dial (669) 444-9171
Meeting ID: 868 0253 0493
Passcode: 004838

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

II. EMERGENCY ITEMS

A. Discussion / Action of emergency items, if necessary.

III. PUBLIC COMMENT PERIOD (MATTERS NOT ON THE AGENDA)

This is an opportunity for members of the public to address the Commission on any subject matter within the Commission's jurisdiction, but not an item on the agenda. Any action taken because of public comments shall be limited to direction to staff. When addressing the Commission, state your name for the record prior to providing your comments. Please address the Commission as a whole, through the Chairperson. Individuals will be given three (3) minutes to address the Commission; groups or topics will be given a maximum of fifteen (15) minutes. Public comments will be limited to a maximum of 30 minutes. If additional time is required for public comments, they will be heard at the end of the meeting. Please remember to follow the Public Comment Code of Conduct: No profanity or obscenity, yelling or screaming, no slander or defamatory statements, no personal threats, or attacks, no hateful or demeaning language based on hate of a person's race, religion, sexual orientation, ethnicity, gender, or disability, respect all people that are present or watching, obey the direction of the Chair and Secretary to the Commission.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

IV. CONSENT CALENDAR

- | | | | |
|----------------------|------------------------------------|-------------------|-----------|
| A. | ICTC Commission Minutes: | February 25, 2026 | Page 4-16 |
| B. Receive and file: | | | |
| 1. | ICTC Management Committee Minutes: | February 19, 2026 | |
| 2. | ICTC TAC Minutes: | January 22, 2026 | |
| 3. | SSTAC Minutes: | February 4, 2026 | |

V. REPORTS (Up to 5 minutes per staff report)

- | | | |
|----|---|---------|
| A. | ICTC Executive Director | Page 18 |
| | <ul style="list-style-type: none"> • Executive Director Report | |
| B. | Southern California Association of Governments | |
| | <ul style="list-style-type: none"> • See attached report | |
| C. | California Department of Transportation – District 11 | Page 26 |
| | <ul style="list-style-type: none"> • See attached report | |
| D. | Commission / Committee Member Reports (if any) | |

VI ACTION CALENDAR

- | | | |
|----|----------------------------------|---------|
| A. | ICTC Fiscal Audit for FY 2024-25 | Page 45 |
|----|----------------------------------|---------|

This item was not ready for the Management Committee, therefore ICTC staff forwards this item to the Commission for their review and approval after public comment, if any:

1. Receive and file the fiscal audit for the Imperial County Transportation Commission, for FY 2024-25.
2. Direct staff to transmit the fiscal audit to the State Controller's Office and Federal Audit Clearinghouse.

- | | | |
|----|--|----------|
| B. | SAFE Program Transition, Call Box Sunset, and Motorist Assistance Program Enhancements | Page 147 |
|----|--|----------|

ICTC staff forwards this item to the Commission for their review and approval after public comment, if any:

1. Authorize Staff to explore the renewal of a Knightscope contract extension to maintain continuity of service during the transition period. A formal agreement will be brought to the Commission for final consideration at a future date.
2. Authorize Staff to proceed with the transition to the 511 Traveler Information Program and authorize staff to initiate a Memorandum of Understanding (MOU) with L.A. Metro. The final MOU will be brought to the Commission for consideration at a later date.
3. Approve the phased sunset of the SAFE Call Box Program and authorize staff to initiate a Request for Proposals (RFP) for the removal of call boxes and for the placement of new signage to promote the 511 program.
4. Authorize the Executive Director, to pursue additional opportunities for the SAFE program in conjunction with the recommended adjustments.

VII. MEETING DATE AND PLACE

- | | |
|----|--|
| A. | The next meeting of the Imperial County Transportation Commission is scheduled for Wednesday, April 22, 2026, at 6:00 p.m. , at the ICTC Offices located at 1503 N. Imperial Ave., Suite 104, El Centro, CA 92243 and remotely via Zoom Meeting for the public and non-voting members. |
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VIII. ADJOURNMENT

IV. CONSENT CALENDAR

- A. ICTC Commission Minutes: February 25, 2026

- B. Receive and file:
 - 1. ICTC Management Committee Minutes: February 19, 2026
 - 2. ICTC TAC Minutes: January 22, 2026
 - 3. SSTAC Minutes: February 4, 2026

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
MINUTES FOR February 25, 2026
6:00 p.m.**

VOTING MEMBERS PRESENT:

City of Brawley	Gil Rebollar
City of Calipatria	Javier Amezcua
City of Calexico	Lorenzo Calderon
City of El Centro	Sonia Carter
City of Imperial	Robert Amparano
City of Holtville	Mike Goodsell
City of Westmorland	Absent
County of Imperial	Absent
County of Imperial	John Hawk
Imperial Irrigation District	Absent

STAFF PRESENT: David Aguirre, Cristi Lerma, Espy Avila, Michelle Bastidas

OTHERS PRESENT: Andrew Briseno: ICTC Counsel; David Salgado: SCAG; John Garcia, Jose Marquez, Tully McCarthy: Caltrans; Coley Delany: the PUN Group; Eric Banghart, Fu Sun: HDR; Adriana Marquez: City of Calexico.

PUBLIC: None

The following action minutes are listed as they were acted upon by the Imperial County Transportation Commission and as listed on the agenda for the meeting held on Wednesday, February 25, 2026, together with staff reports and related documents attached thereto and incorporated therein by reference.

I. CALL TO ORDER AND ROLL CALL

Vice-Chair [Gil Rebollar](#) called the Commission meeting to order at 6:45 p.m. Roll call was taken, and a quorum was present.

II. EMERGENCY ITEMS

There were none.

III. PUBLIC COMMENTS

There were none.

IV. CONSENT CALENDAR

- A. ICTC Commission Minutes: January 28, 2026
- B. Receive and file:
 - 1. ICTC Management Committee Minutes: January 14, 2026
 - 2. ICTC TAC Minutes: January 22, 2026
 - 3. SSTAC Minutes: January 7, 2026

A motion was made by [Amparano](#) and seconded by [Carter](#) to approve the consent calendar as presented, roll call:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Yes
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Hawk	Yes

County of Imperial Singh	Absent
City of Westmorland	Absent
Imperial Irrigation District	Absent

V. REPORTS

A. ICTC Executive Director

Mr. Aguirre had the following updates:

- The Active Transportation Program (ATP) Cycle 8 call for projects will open following guideline adoption on March 19, 2026, with applications due June 22, 2026. The Fact Sheet was attached to the agenda.
- Unmet Transit Needs UTN Survey is available now. Each year, the ICTC holds an Unmet Transit Needs (UTN) Public Hearing to assist in identifying transit needs that are not currently being met. ICTC staff developed a survey to assist ICTC in the public comment process. The survey is available from February 4th, through March 13, 2026. The UTN hearing date and time will be identified at the February Commission Meeting.
- A Household Hazardous Waste site is in development in Calipatria.
- ICTC is working on a Bus Stop Improvement Project. ICTC is working towards procurement and hopes to start construction in early 2026.
- Construction for the Calexico Intermodal Transportation Center continues on target with an anticipated completion date in the May/June timeframe.
- The SR 86 (northbound) Border Patrol checkpoint project is still a priority for the region. ICTC provided the funding for the traffic study and the design plans and are now 100% complete. CBP will proceed with developing environmental documents and pursue funding for the construction of the facility.
- The Imperial County EV Charging Infrastructure Feasibility Study is underway. The consultant team conducted stakeholder meetings in January, and they are currently working on siting and regulatory analysis.
- ICTC has completed the property acquisition for the Calexico East Port of Entry Intermodal Transportation Center. Staff will be proceeding with the design phase after allocation is approved by the California Transportation Commission (CTC).
- ICTC recently received various bids from interested parties for the Electronic Fare Payments system. ICTC is evaluating the responses and intends to work towards a potential contract award in March 2026.
- A complete report is on page 19 of the agenda.

B. Southern California Association of Governments (SCAG)

Mr. Salgado had the following updates:

- SCAG Scholarship Program: <https://scag.ca.gov/scholarship>. Deadline to apply is March 20, 2026.
- SCAG General Assembly will be on May 7-8, 2026. All elected officials can attend the conference with complimentary registration.
- A complete report is on page 27 of the agenda.

C. California Department of Transportation (Caltrans)- District 11

Mr. Garcia had the following updates:

- Ms. Fox introduced Jose Marquez as the new Caltrans D11 Deputy District Director for Planning and Local Assistance.
- Industry Day hosted by CHP took place earlier in the day on February 25, 2026, at 9 a.m. location at 1700 E. Carr Road, Calexico Ca. Caltrans and so many partners attended the event.
- The City of Calexico received a Clean California grant for \$300,000.

- Caltrans will be hosting a PDT Partner Coordination Meeting for the Lithium Valley Transportation Connectivity Project (PID) on March 3, 2026, at the ICTC offices from 10-11:30 a.m.
- A complete report is on page 29 of the agenda.

- D. Commission Member Reports
- Updates were provided by various commissioners.

VI. ACTION CALENDAR

- A. Imperial County Transportation Commission (ICTC) resolution for Federal Fiscal Year (FFY) 2026/27 – 2031/32 Federal Transportation Improvement Program

1. Authorized the Chairperson to sign the resolution that certifies funding has been identified for the projects in the FFY 2026/2027 - 2031/2032 FTIP and affirms our commitment to implement all projects in the program.

A motion was made by [Amparano](#) and seconded by [Amezcu](#) to approve Action A as presented, roll call:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Yes
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Hawk	Yes
County of Imperial Singh	Absent
City of Westmorland	Absent
Imperial Irrigation District	Absent

Motion Carried.

- B. ICTC/IVT Administration, Operations and Maintenance Facility Architectural, Environmental and Engineering Services – Consulting Contract Award

1. Approved and Authorize the Chairperson to sign the Agreement and all required documents for Consulting Services between ICTC and HDR Engineering, Inc. for the Contract Price of \$4,498,577.45.

A motion was made by [Amparano](#) and seconded by [Carter](#) to approve Action B as presented, roll call:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Yes
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Hawk	Yes
County of Imperial Singh	Absent
City of Westmorland	Absent
Imperial Irrigation District	Absent

Motion Carried.

- C. Approval of Reimbursement Agreement between the Imperial County Transportation Commission (ICTC) and the City of Calexico – Roadway Improvements along 3rd Street, Heffernan Avenue and Rockwood Avenue near the Calexico Intermodal Transportation Center (ITC) Project Site
 - 1. Authorized the Chairman to sign the Reimbursement Agreement between the City of Calexico and ICTC to reimburse ICTC for any cost associated with the completion of the required roadway improvements. The reimbursement agreement is pending the final dollar value but is expected to exceed \$1,000,000.

A motion was made by [Rebollar](#) and seconded by [Amparano](#) to approve Action C as presented, roll call:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Yes
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Hawk	Yes
County of Imperial Singh	Absent
City of Westmorland	Absent
Imperial Irrigation District	Absent

Motion Carried.

- D. Unmet Transit Needs Public Hearing for Fiscal Year 2026-2027
 - 1. Appointed the Unmet Transit Needs Hearing Panel: Robert Amparano, Sonia Carter Lorenzo Calderon.
 - 2. Selected a Public Hearing date of April 2, 2026, at 4 p.m. to be held at the ICTC offices.
 - 3. Directed staff to conduct the administrative arrangements.

A motion was made by [Rebollar](#) and seconded by [Goodsell](#) to approve Action D as presented, roll call:

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	Yes
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Hawk	Yes
County of Imperial Singh	Absent
City of Westmorland	Absent
Imperial Irrigation District	Absent

Motion Carried.

VII. MEETING DATE AND PLACE

- A. The next meeting will be on March 25, 2026, at 6:00 p.m. at the ICTC Offices, 1503 N. Imperial Ave., Suite 104, El Centro, CA 92243, and via Zoom Meeting for the public.

IX. ADJOURNMENT

- A. Meeting Adjourned at 8:28 p.m.

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
MANAGEMENT COMMITTEE
MINUTES OF February 19, 2026
10:30 a.m.**

VOTING MEMBERS PRESENT:

City of Brawley	Rebecca Terrazas-Baxter
City of Calexico	Juan Contreras
City of Calipatria	Laura Gutierrez
City of El Centro	Robert Sawyer
City of Holtville	Nick Wells
City of Imperial	Thomas Garcia
County of Imperial	Dr. Kathleen Lang
County of Imperial	Naomi Robles
Imperial Irrigation District	Manuel Ortiz
City of Westmorland	Laura Bryant
ICTC	David Aguirre

STAFF PRESENT: Esperanza Avila, Cristi Lerma, Michelle Bastidas. Marlene Flores

OTHERS PRESENT: David Salgado: SCAG; Coley Dalaney: PUN Group; Jessica Padilla: Katherine Padilla & Associates; Mia Held: C&S Company; Alejandro Lopez-Rangel, Alvin Lee, Nick Ventrilla, Jose Marquez, M'Lynn Martin, Roy Abboud: Caltrans

The following minutes are listed as they were acted upon by the Imperial County Transportation Commission Management Committee and as listed on the agenda for the meeting held on Wednesday, February 19, 2026, together with staff reports and related documents attached thereto and incorporated therein by reference.

I. CALL TO ORDER AND ROLL CALL

Chair Laura Gutierrez called the meeting to order at 10:31 a.m., roll call was taken, and a quorum was present.

II. EMERGENCY ITEMS

There were none.

III. PUBLIC COMMENTS

There were none.

IV. CONSENT ITEMS

- A. Approval of Management Committee Draft Minutes January 14, 2026
- B. Receive and File:
 - 1. ICTC Commission Minutes: December 10, 2025
 - 2. ICTC TAC Minutes: December 11, 2025
 - 3. ICTC SSTAC Minutes January 7, 2025

A motion was made by Wells seconded by Sawyer to approve the consent calendar as presented; **Motion carried unanimously.**

V. REPORTS

- A. ICTC Executive Director
Mr. Aguirre had the following updates:

- The Active Transportation Program (ATP) Cycle 8 call for projects will open following guideline adoption on March 19, 2026, with applications due June 22, 2026. The Fact Sheet is attached.
- Unmet Transit Needs UTN Survey is available now. Each year, the ICTC holds an Unmet Transit Needs (UTN) Public Hearing to assist in identifying transit needs that are not currently being met. ICTC staff developed a survey to assist ICTC in the public comment process. We encourage everyone to forward the survey to members of your community that may be interested in participating in the UTN process for FY 2026-2027. The survey is available from February 4th, through March 13, 2026. The UTN hearing date and time will be identified at the February Commission Meeting.
- A Household Hazardous Waste site is in development in Calipatria.
- ICTC is working on a Bus Stop Improvement Project. ICTC is working towards procurement and hopes to start construction in early 2026.
- Construction for the Calexico Intermodal Transportation Center continues on target with an anticipated completion date of March to April timeframe.
- ICTC is working with Caltrans to develop an approach towards proceeding with the development of the required environmental and engineering phases for the rehabilitation 2nd Street/Anza Road Bridge Project. ICTC met with Caltrans to discuss the next steps and will begin development of the required actions to proceed with the project. ICTC will be working closely with Caltrans and the city of Calexico on further actions. Caltrans is assisting ICTC with the development of the Project Study Report (PSR) for submittal to the California Transportation Commission. The PSR acts as the design guidelines and preliminary design for the project. ICTC is anticipating environmental analysis and design in mid-2026.
- The SR 86 (northbound) Border Patrol checkpoint project is still a priority for the region. ICTC provided the funding for the traffic study and the design plans and are now 100% complete. CBP will proceed with developing environmental documents and pursue funding for the construction of the facility.
- All ICTC Executive Directors' updates can be found on page 20.

B. Southern California Association of Governments (SCAG)

Mr. Salgado had the following updates:

- SCAG Scholarship: Deadline to apply is March 20, 2026.
- Imperial County specific Economic
- SCAG updates can be found on page 28 of the agenda.

C. Caltrans Department of Transportation – District 11

Mr. Lopez-Rangel had the following updates:

- Mr. Garcia introduced Jose Marquez, as the new Caltrans D11 Deputy District Director for Planning and Local Assistance.
- Industry Day hosted by CHP is on February 26, 2026, at 9 a.m. location at 1700 E. Carr Road, Calexico Ca.
- The City of Calexico received a Clean California grant for \$300,000.
- Caltrans will be hosting a PDT Partner Coordination Meeting, Lithium Valley Transportation Connectivity Project – Phase 1 on March 3, 2026 at the ICTC offices from 10-11:30 a.m.
- Caltrans District 11 is hosting its Imperial Valley Procurement & Resource Fair on Thursday, April 2nd, from 10am to 12pm at the El Centro Library (1198 N Imperial Ave, El Centro, CA 92243). This event will provide a face-to-face networking opportunity for small businesses located in the Valley. Our Exhibitors will include

prime contractors and consultants, resource partners, and local/government agencies. The hope is that small businesses will walk away from the event with contacts and resources to begin doing business with a handful of these exhibitors. Handouts in both English and Spanish are attached to this email. If you have any questions, please reach out to D11.SmallBusiness@dot.ca.gov.Exhibitor

- Caltrans updates can be found on page 30 of the agenda.

- D. Committee Member Reports
 - There were no other reports.

VI. ACTION CALENDAR

- A. Imperial County Transportation Commission (ICTC) resolution for Federal Fiscal Year (FFY) 2026/27 – 2031/32 Federal Transportation Improvement Program

It was requested that the ICTC Management Committee forward this item and the recommended project to the ICTC Commission for their review and approval after public comment, if any:

1. Authorized the Chairperson to sign the resolution that certifies funding has been identified for the projects in the FFY 2026/2027 - 2031/2032 FTIP and affirms our commitment to implement all projects in the program.

A motion was made by Wells seconded by Baxter for approval as presented.

Motion carried unanimously.

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	yes
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Figueroa	Yes
County of Imperial Terrazas-Baxter	Yes
City of Westmorland	NP
Imperial Irrigation District	Yes

Motion carried.

- B. ICTC/IVT Administration, Operations and Maintenance Facility Architectural, Environmental and Engineering Services – Consulting Contract Award

It was requested that the ICTC Management Committee forward this item to the Commission for their review and approval after public comment, if any:

1. Approved and Authorized the Chairperson to sign the Agreement and all required documents for Consulting Services between ICTC and HDR Engineering, Inc. for the Contract Price of \$4,498,577.45.

A motion was made by Baxter seconded by Garcia for approval as presented.

Motion carried unanimously.

Agency	Roll Call
City of Brawley	Yes
City of Calipatria	yes
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Figueroa	Yes
County of Imperial Terrazas-Baxter	Yes
City of Westmorland	NP
Imperial Irrigation District	Yes

Motion carried.

C. Imperial County Local Transportation Authority Annual Financial Audit for Fiscal Year Ended June 30, 2025

It was requested that the ICTC Management Committee forward this item to the LTA Board for their review and approval after public comment, if any:

1. Receive, Approve and File the FY 2024-25 Imperial County Local Transportation Authority Annual Financial Audit for the following agencies: Brawley, Calipatria, Calexico, El Centro, Holtville, Imperial, Westmorland, the County of Imperial and the ICLTA.

A motion was made by [Lang](#) seconded by [Ortiz](#) for approval as presented.

Motion carried unanimously.

City of Brawley	Yes
City of Calipatria	yes
City of Calexico	Yes
City of El Centro	Yes
City of Holtville	Yes
City of Imperial	Yes
County of Imperial Figueroa	Yes
County of Imperial Terrazas-Baxter	Yes
City of Westmorland	NP
Imperial Irrigation District	Yes

Motion carried.

VII. PRESENTATION CALENDAR

- A. Imperial County EV Charging Station Passenger Vehicle Feasibility Study
 - A presentation regarding the Imperial County EV Charging Station Passenger Feasibility Study was provided by the consultants, Mia Held from C&S Engineers, Inc. and Jessica Padilla Bowen from Katherine Padilla & Associates.

VIII. The next meeting is scheduled for **March 11, 2026**, at the ICTC Office.

IX. ADJOURNMENT

The meeting was adjourned at 11:59 a.m.



1503 N. IMPERIAL AVE., SUITE 104
 EL CENTRO, CA 92243-2875
 PHONE: (760) 592-4494
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**TECHNICAL ADVISORY COMMITTEE
 MINUTES**

January 22, 2026

Present:

Fernando Williams	City of Calexico
Felix De Leon	City of El Centro
Abraham Campos	City of El Centro
Chandler Sinclair	City of Holtville
Hector Salcedo	City of Imperial
Marco Coronel	County of Imperial
Adolfo Garcia	County of Imperial
Ramiro Barajas	City of Westmorland
Manuel Ortiz	IID

Others:

Laura Bowen	City of Calexico
Michael Coyne	City of Calexico
Andrea Montaña	City of El Centro
Luis Alonzo	City of El Centro
Yvonne Cordero	City of Imperial
Isaiah Gonzalez	City of Imperial
Veronica Atondo	County of Imperial
Marlene Flores	ICTC
Cesar Beltran	ICTC
Maria Ibarra	Caltrans
Mia Held	C&S Companies
Barton Peters	C&S Companies
Jessica Padilla Bowen	KPA
David Salgado	SCAG
Ismael Garcia	ICAPCD
Jon Trujillo	BHE Renewables
Joel F. Lopez	IID

The meeting was called to order at 10:02 a.m. A quorum was present, and introductions were made. There were no public comments made.

1. A *motion* was made to adopt the minutes for December 11, 2025 ([Ortiz/Coronel](#)), **Motion Carried.**

2. Rotation of Chair and Vice-Chair Positions

A motion was made by [Montaño](#) and seconded by [Sinclair](#) to nominate the City of Calexico as the Chairperson. A second motion was made by [Montaño](#) and seconded by [Salcedo](#) to nominate the City of Holtville as the Vice-Chairperson of the ICTC TAC Committee for 2026.

3. Caltrans Updates / Announcements

Updates have been provided by Mrs. Flores

- Please review the recent email from Alma and Alejandro regarding the inactive projects.
- Friday March 13, 2026, is the final submittal deadline for (Allocations & Time Extensions) for the May 14-15, 2026, CTC meeting.

4. SCAG Updates / Announcements

No updates were given

5. ICTC Updates / Announcements

Updates have been provided by Mrs. Flores

6. Cities and County Planning / Public Works Updates:

Updates were given by the agencies.

7. General Discussion / New Business

New businesses were shared by the agencies.

8. EV Charging Station Passenger Vehicle Feasibility Study Stakeholders Interviews

Stakeholders Interviews were conducted by C&S and KPA Staff

Mr. Lopez provided an overview of key considerations that should be evaluated prior to planning the installation of an EV charging station. He highlighted electrical capacity, cost factor, charger type and capacity needs and future load and expansion.

Mr. Campos shared his experience as an EV owner, residing in the Imperial Valley. He emphasized that, in his case, the use of a public EV charging station is not necessary, as he is able to meet all of his charging needs at home. He also suggested some locations throughout the County to install EV charging stations.

Mr. Williams suggested several types of locations where individuals typically spend more than 60 minutes, noting that these areas could be suitable for electric vehicles (EV) charging due to the extended dwell time.

Mrs. Sinclair suggested that City of Holtville is considered to have EV charging stations installed due to people that commute from Yuma, Arizona and travelers crossing from Mexico through the East Port of Entry.

Mrs. Montaño mentioned some key locations coming south through the 86 where EV charging stations could be potentially installed.

Mr. Lopez commented that Ocotillo infrastructure does not have the capacity to support EV charging stations.

Ms. Held mentioned that extreme temperatures can wear out some EV charging stations components. Mr. Peters shared his experience with a small EV Nissan on extreme temperatures

and how the AC consumes the battery of the vehicle.

Ms. Held asked the agency members their opinion on what could be stopping people from buying an electric vehicle. Mr. Campos replied that cost and longevity of the electric vehicle. Mrs. Sinclair added about lack of information about electric vehicles. Mrs. Montaña added concerns about maintenance and where to service electric vehicles locally.

The next TAC meeting will be on February 26, 2026, at 10:00 a.m., via Zoom for the public and in person at the ICTC offices.

The meeting adjourned at 11:39 a.m.



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SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL

MINUTES February 04, 2026

Present:

Voting Attendees:

Sarah Enz	Public Administrator
Cristina Leal	ARC
Camilo Garcia	Workforce & Economic Development
Raul Cordova	IC Work Training Center
Gustavo Gómez	ICTC
Mike Hack	Consumer
Andrew Sanchez	Imperial Valley College

Non-Voting Attendees:

Helio Sanchez	IVT Transit
Cesar Sanchez	IVT Transit
Karla Pacheco	IVT ACCESS
Carolina Garcia	Imperial County Department Public Authority
Daniel Flores	Access to Independence
Priscilla Baca	ICTC

1. Ms. Enz called the meeting to order at 10:01 a.m. **A quorum was present.**
Introductions were made.
2. Minutes were adopted for January 7, 2026 **Motion was carried.**
3. CTSA Reports
Mr. Gomez presented the following information:
 - Bus stop improvement project in El Centro, Calipatria, and Westmorland are scheduled to go out to bid. We aim to hire a contractor to finish these projects by the end of this year.
 - The Comprehensive Operations Analysis (COA) Study is nearing completion of the final concept drafts. A third round of outreach is planned for February and March, and the final draft will be presented at a future SSTACT meeting
 - The GTFS study, awarded in December, will provide bus tracking options for passengers. We are installing routers on the newer buses and will activate the system once installation

is complete. An installation company is assisting with the work, and we expect this to be ready in the coming months.

- The contactless payment system is expected to be awarded in February and will work with the GTFS feed.
- The Calexico ICTC project is under construction and is expected to be completed by the end of April.
- We are working on bus stop maintenance in Calexico and El Centro. We are also working with other cities to set up a Memorandum of Understanding (MOU) to begin maintenance. Please report any dirty or graffiti-covered bus stops to ICTC.

Ms. Baca presented the following information:

- Completed a ride-along observation to Slab City
- Installed IVT Transit QR codes at all bus stops to improve rider access to transit information.
- Attended multiple outreach events at elementary schools in Calexico.

4. UTN Letter to the Hearing Panel Reviews:

Presented by Mr. Gomez:

- Panel discussed and updated the UTN list and approved it.

5. Transit Operator FY 2026-27 Quarter 1 Reports:

Imperial Valley Transit:

Mr. Sanchez had the following report:

- IVT Transit has apologized for the recent service disruption and is happy to be back to work following the strike.
- Please be aware that due to new construction projects in Heber and Imperial, there will be alternate detours for bus routes. While you may experience slight delays, all routes will continue to operate as normal.

IVT Access:

Ms. Pacheco had the following report:

- IVT ACCESS prioritize all the appointed for ACCESS.

IVT Ride Now:

Mr. Guillen had the following report on all IVT Ride services:

- IVT Ride Now gives priority to transportation requests for dialysis treatments and medical appointments.

IVT MedTrans:

Mr. Guillen had the following report:

- IVT MedTrans was not affected and was able to proceed to San Diego as planned.

6. General Discussion:

- Discussing the public hearing for The Unmet Transit Needs.

7. Adjournment

- The meeting adjourned at 10:30 a.m.
- The next meeting will be held on Wednesday, March 4, 2026, at the Imperial County Transportation Commission Office, 1503 N. Imperial Ave., Suite 104, El Centro, CA 92243.

V. REPORTS

- A. ICTC/LTA/IVRMA EXECUTIVE DIRECTOR REPORT
- B. SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REPORT
- C. CALIFORNIA DEPARTMENT OF TRANSPORTATION-DISTRICT 11
- D. COMMITTEE MEMBER REPORTS



1503 N IMPERIAL AVE SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

Memorandum

Date: March 20, 2026
To: ICTC Commission Meeting
From: David Aguirre, Executive Director
Re: Executive Director's Report

The following is a summary of the Executive Director's Report for the ICTC Commission meeting on March 25, 2026.

- 1) **ICTC Strategic Planning Workshop:** Staff will be hosting a **Strategic Planning Workshop for ICTC Commissioners on March 30, 2026, from 4 p.m. to 7 p.m. at the ICTC offices.** City Managers are also welcome to attend and participate in the discussion. We have engaged the consultant team from Reliance Public Relations, Inc. to facilitate the process. We appreciate everyone's participation and look forward to your valuable input.
- 2) **Active Transportation Program (ATP) Cycle 8:** The Active Transportation Program (ATP) Cycle 8 call for projects will open following guideline adoption on March 19/20, 2026, with **applications due June 22, 2026.** The program supports infrastructure, planning, non-infrastructure, and combination projects that improve safety, mobility, public health, greenhouse gas reduction, and equitable access for active transportation users. Statewide funding of approximately \$21 million is available across fiscal years 2027–28 through 2030–31, while projects not funded at the state level may be considered for regional ATP funding, with an estimated \$1.2 million available. We urge local agencies to begin preparing applications, and additional information will be shared as it becomes available.
- 3) **Unmet Transit Needs UTN Survey:** Each year, the ICTC holds an Unmet Transit Needs (UTN) Public Hearing to assist in identifying transit needs that are not currently being met. ICTC staff developed a survey to assist ICTC in the public comment process. The survey period ended on March 13, 2026. However, staff encourages the public to submit any written comments prior to the meeting and/or attend in person. **The UTN hearing is scheduled for April 2, 2026, at 4 p.m. at the ICTC Offices located at 1503 N. Imperial Ave., Suite 104, El Centro, CA 92243.**
- 4) **Imperial Mexicali Binational Alliance (IMBA):** IMBA's 2026 Chair is Tim Kelley representing the Imperial County Region and Vice-Chair is Cynthia Ramirez with CDEM representing the Mexicali Region. The March 12, 2026, meeting was held at the new SDSU IV STEM Building in Brawley. A tour of the facility was also provided for those in attendance. **The next IMBA meeting is scheduled for May 14, 2026, in the City of Mexicali.**
- 5) **Household Hazardous Waste Site in Calipatria:** The project to establish a Household Hazardous Waste (HHW) Facility in Calipatria has secured \$250,000 in funding. This allocation covers the full scope of development—from construction to procurement of all necessary equipment—ensuring that the facility is fully equipped to serve residents in the north end of the Imperial Valley. While its primary focus is on north end

residents, the facility's services will be available to all residents throughout Imperial County during operation days. Staff will be working with the City of Calipatria to move forward with project planning and development.

- 6) **Interstate 8 Wildlife Crossing** – ICTC has been approached by UC Davis about the potential to partner on the development of a Wildlife Crossing across westbound I-8 near the In Ko Pah Gorge. The project currently has funding to complete the initial development of the project which includes the Project Initiation Document (PID), Project Approval and Environmental Document (PAED) and some Plans, Specifications and Estimate (PSE) activities. ICTC's potential role on the project would be to serve as a project sponsor and to provide minor administrative support. Staff anticipate continued discussions with the grantee and Caltrans to explore the possibility. **ICTC's potential role may materialize during the closing phase of the project design or construction.**
- 7) **Bus Stop Maintenance Program:** ICTC has been working towards developing a bus stop maintenance program for many years. Part of the program was to develop a bus stop inventory which noted the gps locations of the bus stops in addition to a description of the assets (if any) at the bus stop. Under its existing structure, the cities/county (where the bus stops are located) are responsible for the maintenance and repair of the bus stops. In return, ICTC provides each of the cities/county funding to maintain and repair the bus stops. To provide a consolidated maintenance effort, ICTC is working with each of the cities/county to transition the maintenance and replacement of the bus stops to ICTC. ICTC will in turn utilize the funding it currently provides to the cities/county to complete the same effort. ICTC has begun the maintenance efforts associated with the bus stops for the cities of El Centro, Calexico, Calipatria, Holtville and the unincorporated communities of Seeley, Niland and Heber. ICTC is working with the city of Brawley to transition maintenance efforts soon.
- 8) **Bus Stop Improvement Project:** Staff are working on developing a bus stop improvement project across multiple cities throughout the county. The project consists of installing various bus shelters and potentially other amenities. ICTC will be coordinating with the various cities to complete the development. ICTC released the Request for Proposals for design services for the project. ICTC is looking to begin design services soon and have construction take place within FY23-24/FY24-25. The contract was awarded at the April Commission meeting. ICTC has already participated in a kickoff meeting with the consultant and all of the effected agencies. The project design is ongoing and is anticipated to be completed in the next few months. ICTC obtained additional funding to incorporate additional bus stop locations. The new location designs are being incorporated into the overall project design. The 65% percent improvement plans have been completed and were distributed to participating agencies. ICTC has received agency comments, and the comments have been forwarded to the consultant for incorporation into the project improvement plans. **The improvement plans have been finalized at the 100% completion level. Final preparation of the project specifications and contract documents have been completed. The project is currently out to bid and the bid opening is scheduled for March 30, 2026.**
- 9) **2024 Local Partnership Program, Cycle 5:** The Road Repair and Accountability Act of 2017 (Senate Bill 1) created the Local Partnership Program (LPP) as a program to reward and incentivize local or regional transportation agencies that have sought and received voter approval of taxes or that have imposed fees, which taxes or fees are dedicated solely for transportation improvements. The program is implemented by the California Transportation Commission (CTC). The CTC adopted the 2024 LPP Program Cycle 5 Guidelines on August 15-16, 2024. As a result of the adoption of the Cycle 5 Guidelines the Call for Projects has opened. The LPP Grant funds require a one-to-one match. The Imperial County Region's estimated allocation amount for FY 2025/26 is \$524 million and \$520 million for FY2026/27 for a total of \$1,044 million. **ICTC received news of an increase in Cycle 5 LPP funds following CTC's redistribution of unused Incentive Funds. This action resulted in a small increase of funds for FY 2025/26, available through June 2028. To access these funds, local agencies will work with ICTC and CTC staff in submitting Nomination Packet to the CTC for approval. Local agencies have begun forwarding their allocation packages to the CTC to secure the additional funding.** There is also a competitive program that is administered by the CTC. Guidelines for the program can be found at <https://catc.ca.gov/-/media/ctc-media/documents/programs/local-partnership-program/2024-lpp-competitive-guidelines-adopted-resolution.pdf>
- 10) **Calexico Intermodal Transportation Center (ITC):** A new Intermodal Transportation Center in the City of Calexico has been part of ICTC's long range transit planning. The new Calexico ITC will serve as a regional

mobility hub that will accommodate bus bays for Imperial Valley Transit in addition to private bus companies, taxis and farm labor buses. ICTC previously received a Congestion Mitigation and Air Quality federal program fund to complete the environmental and design plans of the new Calexico ITC. The environmental and design phase has been completed. Right of Way Acquisition for the project has been completed. ICTC was awarded multiple grants to complete the required construction efforts for the project. ICTC received grant awards from the Regional Early Action Planning (REAP) 2.0, Active Transportation Program (ATP) and Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant and Community Project Funding/Congressionally Directed Spending Programs. ICTC recently completed the construction procurement efforts, and a contract award was issued to Hazard Construction. The project is anticipated to take a year to complete. We had a successful groundbreaking ceremony on February 28, 2025, at 11 a.m. at the project site. The Contractor continues with construction activities for the project. Demolition activities have been completed and construction efforts associated with the development of building infrastructure are ongoing. Shade canopy improvements have been mostly completed, in addition to site electrical and plumbing work. Site grading and civil onsite work are currently taking place with most of the onsite concrete being placed. The project remains slightly behind schedule mostly due to weather events and is anticipated to be completed in early 2026. Utilizing the authority provided to the Executive Director to approve minor change orders, the Executive Director approved Change Order No. 11 (Additional Underground Conduits from the building to the Canopy Junction Box for the installation of the VMS and future electronic kiosks - \$29,335.37), Change Order No. 12 (Wireless Access Point Cabling from the Building to the applicable light poles for future Wireless Access Point Hardware - \$20,461.10), and Change Order No. 15 (High Canopy Flashing to minimize the impact of a gap between the customer service window and the canopy - \$4,626.96). **Future Change Orders are anticipated for the Video Messaging System and Storage Shed Infrastructure for the Mister Pump System. The project remains within budget capacity. A Ribbon Cutting Ceremony is anticipated at the end of April.**

- 11) **IVT Ride Service Modifications:** IVT Ride is a dial-a-ride service that is available to seniors (55 years of age or older) and persons with disabilities in the communities of Calexico, Heber, El Centro, Imperial and Brawley. The service primarily operates in an intracity capacity with the exception of the communities of El Centro, Imperial and Heber and the Westshores service which travels to the city of Brawley or the Coachella Valley. The Westshores service is also available to the general public. Due to continuing declining ridership on all IVT Ride services, staff are exploring the possibility of modifying the service to provide trips to the general public but still provide priority to the senior population. The possible modification would enable the service to capture additional passengers and implement a microtransit-like service in various communities. The possible modification would also require financial investment in technology and the development of a passenger web and mobile application. Staff anticipate bringing the further evaluated concept to the Management Committee and Commission in the coming months. Staff are also pursuing funding opportunities to facilitate the possible transition of the service. Staff provided the Commission with a presentation on August 28, 2024, with further details. There was consensus to proceed with the software development and hardware acquisition. This item received approval to proceed to further development by the commission. ICTC has received state funding to complete the software and hardware upgrades for the project. ICTC Staff developed a plan to conduct outreach (including in-person presentations and surveys) to the public about the proposed service modifications. ICTC redeveloped the service logo and finalized mobile software for anticipated use. ICTC also provided presentations about the service modifications to key stakeholders and the city councils of the affected communities. A public hearing was held on July 23, 2025, as required by law. **The service began operating in its new capacity on September 2, 2025, and offered free rides to all for the first week of operation. Ridership information will be shared to the Commission periodically at the Commission meetings.**
- 12) **Transit Comprehensive Operational Analysis:** Staff were able to secure grant funding to complete a Transit Comprehensive Operational Analysis (COA). The COA is a comprehensive evaluation of ICTC's existing transit services while also presenting evaluation findings and recommendations for further improvement of ICTC's existing public transit system. ICTC intends to evaluate all ICTC operated services in addition to incorporating an assessment of the feasibility of intercity passenger rail. Staff recently released the Request for Proposals to the public and issued a contract award in October 2024. **The analysis is anticipated to take a year to complete. The project has kicked off, and outreach efforts have taken place. The Analysis is currently being developed. The consulting and ICTC team will be conducting outreach efforts to share the proposed**

recommendations. Recommendations are currently being developed and are anticipated to be shared in the coming weeks.

- 13) **ICTC/IVT Operations and Maintenance Facility:** ICTC staff have engaged with the proposed property owner's representative about ICTC's interest in the property. ICTC has also communicated with the city of El Centro regarding action items that would need to take place to facilitate the goal of the project. ICTC has also communicated with grant agencies and our Zero Emission Bus Plan engineering consultant to develop a preliminary site plan of the proposed improvements. Next steps include executing a Letter of Intent with the property owner, continuing coordination with the city of El Centro, and to begin conducting the required environmental studies like a Phase 1 Site Assessment. ICTC will also continue to work on grant opportunities to fund the acquisition of the property. A preliminary site plan has been prepared and was shared with the commission. ICTC was recently informed that it had received a funding commitment for the completion of the design/environmental phases of the project. ICTC has completed a phase 1 and 2 site assessment for the proposed site. ICTC has obtained NEPA clearance from the FTA for the acquisition of the project. During the meeting on March 26, 2025, the Commission approved the acquisition of the property pending Federal Transit Administration (FTA) concurrence. ICTC completed the acquisition of the project site in June 2025. Request for Proposals (RFP) for the Environmental and Design Services was released on September 26, 2025, and due on December 1, 2025. It is anticipated that a consultant will be selected at the Commission meeting in February 2026. Staff also submitted multiple grant applications for the anticipated construction efforts under FTA 5339 for Bus Facilities and Low No Emission Programs. ICTC was informed that it was not selected under the recent grant cycle. ICTC will continue to pursue construction funding opportunities in the immediate future. **ICTC recently held its project kickoff meeting with key project stakeholders such as the consulting team, the City of El Centro and the IID.**

- 14) **CMAQ and STBG Call for Projects:** SCAG implemented a call for projects for the Congestion Mitigation Air Quality (CMAQ) and Surface Transportation Block Grant (STBG). The funding years associated with this call for projects are FFY 2026-27 and FFY 2027-28. SCAG adopted the CMAQ/STBG Guidelines at its March 6, 2025, Regional Council Meeting. This item was taken to the ICTC TAC in February and was presented to the Management Committee and Commission respectively in March 2025. ICTC adopted its scoring framework at the March 2025 Commission Meeting. The Call for Projects opened on March 31, 2025, and **closed on May 16, 2025**, at 5 p.m. Applications were due to SCAG via its online application portal. **The Imperial County region submitted a total of 15 applications from the cities of Calexico, Calipatria, El Centro, Holtville, Imperial and the County of Imperial. The scoring and ranking of projects were completed by members of the ICTC TAC in June 2025. The recommendations were presented to the Management Committee in July 2025 and to the commission in July 2025. Staff forwarded the final list of recommendations to SCAG for further evaluation in July 2025. SCAG is presenting its list of recommended projects to the SCAG Transportation Committee at its November 2025 Meeting. The final recommended list of projects was presented and was approved at the December 2025 SCAG Regional Council Meeting. ICTC staff will be working with SCAG and city/county staff to complete next steps associated with project delivery.**

- 15) **2nd Street/Anza Road Bridge Rehabilitation Project:** ICTC is working with Caltrans to develop an approach towards proceeding with the development of the required environmental and engineering phases for the rehabilitation 2nd Street/Anza Road Bridge Project. ICTC met with Caltrans to discuss the next steps and will begin development of the required actions to proceed with the project. ICTC will be working closely with Caltrans and the city of Calexico on further actions. **Caltrans is assisting ICTC with the development of the Project Study Report (PSR) for submittal to the California Transportation Commission. The PSR acts as the design guidelines and preliminary design for the project. ICTC is anticipating environmental analysis and design in mid-2026.**

- 16) **Imperial County EV Charging Infrastructure Feasibility Study:** ICTC recently submitted a grant application under the Carbon Reduction Program (CRP) to prepare a Countywide EV Charging Infrastructure Feasibility Study. The project will aim to identify strategic locations within the county for EV Charging Infrastructure. Caltrans is currently developing a similar project for locations along State facilities. ICTC has finalized the contract agreement with the selected firm, and a project kickoff meeting was completed on October 22, 2025. **ICTC and the Consultant team are working on the siting analysis and regulatory analysis.**

- 17) **EV Charger Acquisition Project:** Staff are working on developing an EV charger acquisition project across multiple cities throughout the county. ICTC will be coordinating with the various cities to complete the development. Once the charger stations are acquired, ICTC will proceed with the next steps associated with the installation. ICTC released the RFP for the project on August 29, 2025. **The agreement was presented to the Commission and was approved at the October 2025 Commission Meeting. The infrastructure has been ordered and will remain in storage until a project is identified.**
- 18) **New Border Express Route starting February 10, 2025:** Staff have coordinated the implementation of a demonstration route that will operate Monday through Friday at select times between the 3rd and Paulin Bus Stop to the Calexico East POE. This is being demonstrated in anticipation of a larger scale route associated with the upcoming transit facility that is anticipated to begin when the new East POE facility is completed. There is also an additional IVC Express Trip embedded in the new service which will help alleviate some of the congestion we see on some of our IVC Express trips. **Staff will be providing updates as it pertains to the development of the service.**
- 19) **Calexico East Port of Entry Intermodal Transportation Center:** ICTC was recently awarded \$12.6 million by the California State Transportation Agency (CalSTA) through its Transit Intercity Rail Capital Program (TIRCP) to acquire, design and construct a transit facility at the Calexico East Port of Entry (POE). The goal of the Calexico East POE Intermodal Transportation Center is to create a transformative transportation hub that integrates various modes of transportation including public transit buses. The facility is anticipated to offer amenities such as shade, seating, bicycle parking, signage, and travel guidance, addressing the current lack of amenities and transportation options for pedestrians crossing the border at the Calexico East POE. Additionally, this project will bring four new zero emission vehicles to provide public transit services to the area. The project will have several phases with an estimated completion date in 2030. The Master Agreement between ICTC and Caltrans was approved at the April 2025 Commission Meeting. ICTC received approval to proceed with Right of Way acquisition from the California Transportation Commission (CTC) in June 2025. **ICTC has completed the property acquisition phase and is now anticipating proceeding with the design phase after allocation with the CTC. Allocation is anticipated to take place in May 2026.**
- 20) **Electronic Fare Payments:** ICTC is currently pursuing the implementation of an electronic fare payment system to its fixed route transit services. The system would allow all of its fixed route buses to take card payments in addition to its existing cash payment system. ICTC has received approval to utilize grant funds and intends to proceed with the development of the project. **ICTC recently received various bids from interested parties for consideration. ICTC is evaluating the responses and intends to work towards a potential contract award in March 2026.**
- 21) **Forrester Road Project Study Report (PSR):** Caltrans District 11 has been working on a project report on behalf of ICTC. The PSR will analyze safety and operation improvements along Forrester Road between I-8 and SR86/SR78. Other improvements include the Westmorland bypass. A meeting to discuss the draft PSR took place at the ICTC offices on Wednesday, March 29, 2023, at 9 a.m. Further updates to the PSR are anticipated along with additional meetings to discuss the updated PSR. The updated PSR was recently completed, and the PSR was presented to the management committee and commission in September 2024. ICTC will proceed with further aspects of project development. Staff are preparing the action item to proceed with allocating the funding to proceed into the Project Approval and Environmental Document Phase. **ICTC has submitted its State Transportation Improvement Program (STIP) funding request to proceed with the Environmental and Design phases for the project.**
- 22) **State Route 86 (Northbound) Border Patrol Checkpoint:** State Route 86 (Northbound) Border Patrol Checkpoint: In August 2017 following a year of coordination, Caltrans, the County of Imperial and ICTC met with CBP management and operations staff achieved consensus for a new conceptual alternative prepared by Caltrans. The LTA Board met on September 27, 2017; staff presented the Board with a fund request for \$1.3 million from the 5% Regional Highway Set-Aside from the Measure D allocations. A Consultant Agreement with AECOM for design and construction engineering was approved by the LTA on February 28, 2018. Following our ICTC Board meeting in late September 2020, ICTC has initiated a traffic study as required by Caltrans. Design work has been delayed due to Border Patrol's concern related to their ability to provide

additional funding necessary to meet their operational requirements. On Wednesday, March 17, 2021, ICTC received confirmation from Border Patrol Headquarters in Washington D.C. that they wish to proceed with the original Canopy Design that is similar to Interstate 8 Pine Valley Checkpoint.

As discussed, and confirmed with Border Patrol, ICTC will only provide the remaining funds we had available (February 2021) of approximately \$1.3 million to complete the traffic study, 100% design plans, construction of the canopy, lighting related to the canopy, and traffic related improvements required by Caltrans. Border Patrol is committed to paying for all other construction-related costs and Border Patrol will lead the construction contract. Border Patrol, Caltrans and ICTC are having weekly meetings toward completing design plans. CBP will be working with Caltrans to obtain environmental clearance once funding for construction is obtained. The improvement plans have been prepared in the final draft form and have been submitted to Caltrans for review. Caltrans has provided review comments on the improvement plans. ICTC will work with the design engineer to complete the required updates. Environmental studies and Caltrans submittal are pending submittal by CBP. **ICTC’s consultant has finalized the project improvement plans and CBP will proceed with developing environmental documents and pursue funding for the construction of the facility. ICTC continues to engage in discussions with the CBP team on the next steps for the project. The project requires the finalization of the environmental documents prior to proceeding with the construction phase. CBP is currently reviewing the project with their HQ Team to attempt to secure funding.**

23) **Surface Transportation Block Grant Program (STBG), and Congestion Mitigation and Air Quality Program (CMAQ) 2025 Call for Projects Nominations – FFY 2026/2027 to FFY 2027/2028:** The STBG and CMAQ Call for Projects nominations began on March 31, 2025. Project Nominations were due on Friday, May 16, 2025, via the SCAG online application portal. All agencies were provided with guideline documentation and were encouraged to submit potential projects. In all, fifteen (15) projects were received totaling \$24.2 million. ICTC received projects from the cities of Calexico, Calipatria, El Centro, Holtville, Imperial, and County of Imperial.

With the use of the CMAQ & STBG Guidelines, Project Prioritization Framework, scoring results of all projects, TAC members were able to agree on a recommended list of projects and forward the ICTC recommended projects to SCAG as part of the final submittal process. SCAG recently approved the list of projects anticipated to receiving funding. The project list is as follows:

Imperial County Awarded Projects FTIP Status					
Applicant Agency	Application ID	Application Title	STBG Funding ¹ Recommended	CMAQ Funding Recommended	Total Funding Recommended
City of El Centro	IMP251210	8th St & Aurora Dr. Intersection Improvements	\$ 1,063	\$ -	\$ 1,063
City of Holtville	IMP251214	Melon Road Pedestrian Improvements Phase 3 between 7th Street and 6th Street	\$ -	\$ 436	\$ 436
County of Imperial	IMP251209	Niland Community Sidewalk Improvements on Various Roads Project	\$ -	\$ 1,309	\$ 1,309
City of Calipatria	IMP251211	Railroad Avenue Pedestrian Improvements between Main Street/SR 115 and Date Street	\$ -	\$ 519	\$ 519
City of El Centro	IMP251203	La Brucherie Rd. Rehabilitation Project	\$ 3,391	\$ -	\$ 3,391
City of Holtville	IMP251205	Cedar Avenue Road Rehabilitation between 4th Street and 5th Street	\$ 401	\$ -	\$ 401
City of Holtville	IMP251212	Melon Road Pedestrian Improvements Phase 1 between 9th Street and 8th Street	\$ -	\$ 375	\$ 375
City of Holtville	IMP251213	Melon Road Pedestrian Improvements Phase 2 between 8th Street and 7th Street	\$ -	\$ 406	\$ 406
City of Imperial	IMP251215	Old SR-86 Bike Lane and Sidewalk between Aten Blvd and 15th St	\$ -	\$ 218	\$ 218
County of Imperial	IMP251201	Dogwood Road Pavement Rehabilitation Improvements Project	\$ 1,526	\$ -	\$ 1,526
County of Imperial	IMP251202	Clark Road Rehabilitation From 0.5 Miles North of Heber Rd to City of El Centro City Limits	\$ 1,119	\$ -	\$ 1,119
City of Calexico	IMP251206	Cole Road between SR-98 and Bowker Road	\$ 681	\$ -	\$ 681
					\$ 11,444

ICTC staff are currently working with local agency staff and programming all approved projects in the Federal Transportation Improvement Program (FTIP).

- 24) **Reap 2.0 – Subregional Partnership Program:** ICTC was awarded a total of \$274,133 in funding from the Reap 2.0 Subregional Partnership Program to provide technical support to our local agencies with housing planning and to facilitate housing production. ICTC has notified each of our member agencies about the funding availability. Several cities have expressed interest in the funding and staff is working with each of the agencies to further evaluate their proposed projects. **Final projects have been identified and awarded by the commission. A project kickoff meeting was held with SCAG and the funding awardees. SCAG is working with the awardees to proceed with the project. The City of Calexico and City of Westmorland were able to secure additional funding from SCAG to further develop their projects.**
- 25) **Orchard Road & SR115 Traffic Concept Report:** During the Commission meeting of September 2022, the Commission asked ICTC staff to follow up on the SR 115 Transportation Concept Report (TCR). ICTC staff has conducted meetings with Caltrans and County Public Works staff during the week of October 17th. ICTC staff, in partnership with County and Caltrans staff, are continuing discussions for short-term options to deter trucks from using Orchard Road. The parties are also expected to discuss long-term options as well. More information will be shared as discussions continue.
- 26) **San Diego & Imperial Counties Sustainable Freight Strategy:** The study is posted to the ICTC website at: <https://www.imperialctc.org/assets/san-diego-imperial-counties-sustainable-freight-implementation-strategy-final-report-2024-02-01.pdf>
- 27) **Funding Opportunities:**
- Local Partnership Program (LPP)- Schedule and major milestones can be found at: <https://catc.ca.gov/programs/sb1/local-partnership-program/local-partnership-program-formulaic>
 - For a complete list of California specific grant opportunities go to <https://www.grants.ca.gov/>
 - For a complete list of federal transportation grant opportunities go to <https://www.transportation.gov/infrastructure-investment-and-jobs-act>
- 28) **Meetings/trainings attended on behalf of ICTC Executive Director and staff:**
Various project specific meetings are held throughout the month.
Various community presentations are held throughout the month by the Regional Mobility Coordinator
Various transit community services provided throughout the month by ICTC/Imperial Valley Transit
- February 20, 2026 – Title VI Training (attended by Michelle Bastidas)
 - February 23, 2026 – Ride along 15 South (attended by Priscilla Baca)
 - February 23, 2026 – Staff Lunch
 - February 24-26, 2026 – 2026 CSMFO Annual Conference (attended by Michelle Bastidas)
 - February 24, 2026 – UTN Survey in El Centro (attended by Priscilla Baca)
 - February 24, 2026 – 511 Program for ICTC (attended by Michelle Bastidas, Marlene Flores, and Espy Avila)
 - February 25, 2026 – IVT Blue Line Ride Along (attended by Priscilla Baca)
 - February 25, 2026 – CHP Industry Day (attended by Marlene Flores, David Aguirre, and Gustavo Gomez)
 - February 25, 2026 – UTN Survey Calexico (attended by Priscilla Baca)
 - February 25, 2026 – ICTC Commission and LTA Meeting at the ICTC Offices
 - February 26, 2026 – UTN Survey Calexico (attended by Priscilla Baca)
 - February 26, 2026 – Technical Advisory Committee at the ICTC Offices
 - February 27, 2026 – Ride Along (attended by Priscilla Baca)
 - March 02, 2026 – UTN Survey IVC (attended by Priscilla Baca)
 - March 03, 2026 – UTN Survey Brawley (attended by Priscilla Baca)
 - March 04, 2026 – SSTAC Meeting at the ICTC Offices
 - March 04, 2026 – ICTC and IVRMA Audits via zoom
 - March 05, 2026 – APWA/ASCE March 2026 Lunch (attended by David Aguirre)
 - March 06, 2026 – Meet to discuss the Strategic Planning at the ICTC office
 - March 09, 2026 – Sunline Workshop (attended by Gustavo Gomez)
 - March 09-11, 2026 – CalCOG Regional Leadership Forum (attended by David Aguirre)

- March 11, 2026 – Health Fair-Recursos Para Mujeres (attended by Priscilla Baca)
- March 12, 2026 – IMBA Meeting at San Diego State University (attended by Marlene Flores and Cesar Beltran)
- March 12, 2026 – Binational Working Group at the ICTC offices
- March 23, 2026 – SAFE Imperial County- Contract Discussion via zoom (attended by Michelle Bastidas, Marlene Flores, and Espy Avila)
- March 23, 2026 – Quarterly Meeting Ops, Safety, Dispatch, and Maintenance at the ICTC offices
- March 24, 2026 – Health Fair (attended by Priscilla Baca)

STATE ACTIVE TRANSPORTATION PROGRAM (ATP)

Call for Projects – Cycle 8

Overview

Program Description

The Regional Active Transportation Program (ATP) funds projects that encourage increased use of active modes of transportation such as biking and walking, increase safety and mobility for non-motorized vehicles, advance active transportation efforts of regional agencies to achieve greenhouse gas reduction goals, enhance public health, ensure that disadvantaged communities fully share in the benefits of the program and provide a broad spectrum of projects to benefit many types of active transportation users

Eligibility Project Types

- **Infrastructure Projects:** capital projects that will further the goals of the ATP.
- **Plans:** development of a community-wide active transportation plan.
- **Non-infrastructure (NI) Projects:** education and encouragement programs that further the goals of the ATP.
- **Combination infrastructure and NI project:** capital projects with education or encouragement programs.

Fiscal Years of Funding:

FY2027-28, 2028-29, 2029-30, and 2030-31

Amount of Funding Available:

\$21,000,000 Statewide

Application must be submitted using the [ATP online application](#) portal. Make sure to provide a copy of your State ATP application to ICTC Staff

ATP Regional Funding

Projects NOT funded in the state call will be eligible for ATP Regional funds.

Projects for ATP Regional funds will be evaluated by using the 2026 ATP Regional Guidelines.

Projected amount available funding of **\$1.2 Million**

Timeline for State

Activity	Date
Guidelines Adoption and Call for Projects	March 19, 2026
Project Application Deadline	June 22, 2026

If you have any questions, please contact:

Marlene Flores
marlene.flores@imperialctc.org
Cesar Beltran
cesar.beltran@imperialctc.org

For more information, visit:

www.dot.ca.gov



California Department of Transportation

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SAN DIEGO, CA 92110
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To: ICTC Commission

Date: March 2026

From: ANN FOX
Caltrans District 11 Director

Subject: DISTRICT DIRECTOR'S REPORT

Projects

District 11 Truck Parking and Medium/Heavy Duty ZEV Charging Station Site Assessment. California Senate Bill 671 Clean Freight Corridor Efficiency required identification of freight corridors, and the infrastructure needed to support zero-emission medium and heavy-duty vehicles. In July 2024, Caltrans completed a feasibility study that identified potential sites and conceptual plans for truck parking facilities with medium and heavy duty Zero Emission Vehicle charging stations in San Diego and Imperial Counties. Currently assessing 15 sites in the PID and developing the PEAR, PID draft, and estimates.

Status: Project team is preparing the PID for draft circulation.

Lithium Valley Connectivity Project – Phase 1 Project Initiation Document (PID).

Caltrans is preparing a Project Initiation Document (PID) that will identify multimodal, operational, and freight-focused improvements along SR-111, SR-115, SR-86, and SR-78 that support Phase 1 of the Lithium Valley Specific Plan. The PID will evaluate phased improvements to enable mobility for communities and goods movement as clean-energy development grows in Imperial County.

Status: District 11 continues to advance early project development activities for the Project Initiation Document (PID) that will identify multimodal, operational and freight-focused improvements along SR 111, SR 115, SR 86 and SR 78 that support Phase 1 of the Lithium Valley Specific Plan. A Public Engagement Plan is currently being developed, including an online project portal this is now live. Interested stakeholders, agencies, and members of the public can access project updates and provide input by completing the community survey through the "Participate" tab on the project website. Feedback received will help inform us about the

improvements being developed as part of the PID. The PID is expected to be completed by June 2026.

FY 2025-2026 Sustainable Transportation Planning Grant Awards Project. Caltrans has awarded four planning grants to local partners. One being County of Imperial: Gateway to las Americas – Mobility Improvements around the Calexico commercial Port of Entry.

Calexico East Land Port of Entry Joint Operations Systems. As the lead planning cross border planning agency, Caltrans works with ICTC and the Federal Government to improve reliability of cross border trade, reduce congestion, and reduce pollution at the California Mexico border. This project will create a commercial vehicle appointment system at the Calexico East Port of Entry. If successful, the pilot could be scaled to other POEs and potentially implemented at both northern and southern border POEs across the United States. This effort will develop a Concept of Operations for the first commercial vehicle appointment system at a land POE.

Status: Caltrans will work with the University of Riverside to support the development of the ConOps and the PID is expected to be complete in June 2026.

SR-86 at the intersection of Black Diamond Road. A Project Initiation Document (PID) draft is being prepared after conceptual approval for the Caltrans State Highway Operation and Protection Program (SHOPP) funding to install a roundabout on SR-86 at the intersection of Black Diamond Road.

Status: The Project Initiation Document (PID) draft is being prepared.

Electric Vehicle (EV) Electrification Feasibility Study. A Sustainable Transportation Planning Grant Program award was made to the Quechan Indian Tribe of the Fort Yuma Indian Reservation to complete an Electric Vehicle Electrification Feasibility Study. Some of the overall project objectives are to plan and implement the Tribes' fleet transition to electric vehicles and prioritize charger locations. The Plan will analyze usage patterns, traffic flow, and accessibility to determine the most strategic zones for electric vehicle charging locations.

Status: On January 14, 2026, the consultant distributed a draft final report with the Advisory Committee for internal review. The Advisory Committee meeting met on January 28, 2026 to review comments received on the draft final report.

Heart of El Centro Revitalization and Connection Project Study. A Sustainable Transportation Planning Grant Program award was given to the City of El Centro to complete the Heart of El Centro Revitalization and Connection Project. The

project aims to improve non-motorized mobility and public transit, enhance public spaces, and encourage mixed-use development to reduce reliance on single-occupancy vehicles. These measures would also accommodate growing demand for housing, improve active transportation, and provide economic and educational opportunities for the area's residents. Project will cover the City's Main Street Corridor covering Downtown El Centro and Civic Center between the Union Pacific Railroad and Imperial Avenue.

Status: The City of El Centro is conducting the consultant selection process.

SR-86 and Dogwood Road Intersection Widening and Installation of Traffic Signals.

Currently in design phase with a tentative updated construction start date of February 2027. 11-29420 - DEER/oversight type. Coordination with County of Imperial. Improvements are part of the mitigation measures listed under the Environmental Impact Report for the Imperial Valley Mall, the Imperial Valley Commons, and the Plaza at Imperial Valley. This project may require coordination with the McCabe Ranch II development project. The Local Mobility Analysis for the McCabe Ranch II project identified the SR-86/Dogwood Road intersection as one to monitor for potential traffic operational impacts.

Status: Consultant has completed updates to the plans and has been requested to submit the revised plans to Caltrans.

SR-186 Highway Realignment and Construct New Bridge over the All-American Canal (AAC).

The project will replace the existing structure crossing the AAC (carrying SR-186 traffic) with a new segmental concrete bridge, including standard 12-foot lanes, 8-foot shoulders, 6-foot sidewalks, and concrete barrier railing in each direction. Access for AAC maintenance and operation will be improved. Replacement of existing bridge structure was requested by the U.S. Bureau of Reclamation (BOR). Ongoing coordination with U.S. BOR, Imperial Irrigation District, Quechan Tribe of the Fort Yuma Indian Reservation, and International Boundary and Water Commission (IBWC).

Status: The Project Report was approved in September 2025. Next steps to be determined.

SR-98 Pavement Rehabilitation.

Caltrans ensures the reliability and maintenance of the State Transportation System. This is a SHOPP pavement preservation anchor asset project along SR-98 (22-lane miles). Also included in the scope of the project is lighting rehabilitation, sign panel replacement, upgrades to Americans with Disabilities Act (ADA) curb ramps, flashing beacons, census stations, traffic signals, complete street improvements, and replacing existing safety systems.

Status: Project Report and PA&ED phase approved in February 2026. PS&E schedule will likely be adjusted to reflect a Ready to List (RTL) milestone date of April 2028.

SR-86, SR-111, and SR-115 Curb Ramps & Complete Streets. Caltrans ensures the reliability and maintenance of the State Transportation System. This is a SHOPP Complete Streets anchor asset project on various routes. Proposed complete streets improvements include fixing existing sidewalk, and constructing new sidewalks. Satellite asset improvements include ADA curb ramp upgrades, lighting systems and traffic signal upgrades, overhead sign structure rehabilitation, roadside sign panel replacements, new enhanced visibility crosswalks, and guardrail upgrades. The project also proposes additional improvements to pavement including micro-surfacing or cold-plane and overlay for the traveled way and shoulders to preserve and extend the service life of segments on the SR-115 existing roadway.

Status: Project is in the Project Approval & Environmental Document (PA&ED), Project Engineer is circulating Project Report for signature.

California-Mexico Binational Rail Strategy. This strategy aims to develop an implementation roadmap for a more efficient, competitive, equitable and sustainable binational rail system between California and Baja California. The key goals include Coordinating investments, policies and programs across the border region. Supporting California's greenhouse gas (GHG) reduction goal. Reducing air quality impacts and exposure in environmental justice communities. Lowering VMT for both passenger and commercial travel and establishing a long-term framework for binational rail coordination.

Status: Caltrans hired Cordoba Corporation as the consultant team. A stakeholder kickoff meeting will be scheduled soon. Stakeholder participation is encouraged and appreciated.

The Future of Commercial AV, CV, EV, and AFVs Along the Southern Border Study
This study aims to examine the future of Autonomous Vehicles (AV), Connected Vehicles (CV), Electric Vehicles (EV), and Alternative Fuel Vehicles (AFVs) medium- and heavy-duty commercial vehicles across the U.S. Southern Border states—Texas (TX), New Mexico (NM), Arizona (AZ), and California (CA). The analysis will include demand forecasting and trend evaluation to guide infrastructure development and investment strategies. Additionally, the study will assess the interoperability of AV, CV, EV, and AFV technologies with existing infrastructure, with the goal of creating strategies for seamless integration. A key focus will be on developing a framework to ensure the operability of EV charging stations and related infrastructure, including operational planning.

Status: All participating states have committed a combined total of \$2.5 million. Sponsor states are currently finalizing the funding mechanism for study procurement.

California-Baja California Border Master Plan (BMP) The BMP is a binational framework focused on improving border transportation infrastructure and coordination. It aims to enhance crossing efficiency and reduce wait times. Improve freight operations via ITS. Strengthen binational rail integration. Support economic development while ensuring the secure movement of people and goods.

Status: Caltrans is preparing a Request for Proposals (RFP) to hire a consultant team.

Calexico West Pedestrian Feasibility Study This feasibility study will evaluate pedestrian enhancements that will improve the border crossing experience, improve efficiency of movement through the border, and encourage a greater number of pedestrian crossings at the Calexico West Port of Entry. This includes a Smart Pathway with biometric facial recognition to expedite security processes, wayfinding signage with real-time border crossing information, and other pedestrian amenities. These strategies will align with the objectives set forth in the 2021 CA – Baja CA Border Master Plan and will optimize the use of existing infrastructure and projects under development with a focus on innovative and multimodal strategies for improving active transportation facilities at the Calexico West Port of Entry.

Status: Caltrans is meeting with ICTC and the City of Calexico in April 2026 for a site visit. The study is expected to be completed in June 2026.

Middle-Mile Broadband Network (MMBN) Fiber Projects

California Department of Technology (CDT) has determined routes along which fiber will be constructed and selected third party joint builders to design and construct these routes, in their pursuit of bringing high speed and reliable internet access to underserved areas of Imperial County. Caltrans' role is as the Permit reviewer for the joint builder's projects Permit requests. Permit applications have been received for 8 projects with 1 being cancelled and folded under another permit. 5 of the remaining 7 projects have been approved. 3 of the 5 approved projects have completed construction. Routes included: I-8 from Arizona State Line to San Diego County Line. SR86 between El Centro and Brawley. SR111 north of Brawley to Riverside County Line. SR78 from Brawley to Riverside County Line. Construction Completion of all projects: by December 2026.

Middle-Mile Broadband Network (MMBN) Hub Projects

The fiber communication hubs are a critical element of the MMBN network in the pursuit of bringing high speed and reliable internet access to underserved areas of Imperial County. Caltrans has been instrumental to the California Department of Technology (CDT) in the design on most of the Imperial County MMBN hubs and has participated in the preliminary design work on the remaining MMBN hub, and the MMBN hubs will be constructed as a Permit job by a third-party joint builder for CDT. 2 Hub permits have been approved so far.

Hub 79 – Route 111 and Route 78 near Brawley. This hub designed by Caltrans is necessary for the North/South Route roughly following the rail line parallel to Route 86 between El Centro and Brawley and Route 111 north of Brawley to Riverside County line and the Northeast/Southwest route along Route 78 from Brawley to Riverside County line. Design Complete: October 2025. Construction Completion expected February 2026.

Hub 181 – Along Adams Avenue near Route 86 in El Centro. This hub designed by Caltrans is necessary for the East/West Route roughly following I-8/Old Highway 80/Evan Hewes Highway and parallel railroad and the North/South Route roughly following the rail line parallel to Route 86 between El Centro and Brawley and Route 111 north of Brawley to the Riverside County line. Design Complete: October 2025. Construction Completion expected February 2026.

Hub 182 – Near Route 8 and Route 186 near Winterhaven. This hub designed by Golden State Network is necessary for East/West Route roughly following I-8/Old Highway 80/Evan Hewes Highway and parallel railroad. No date scheduled.

Hub 183 – Along Route 111 north of Niland and south of Bombay Beach. This hub designed by Caltrans is necessary for the North/South Route roughly following the rail line parallel to Route 86 between El Centro and Brawley and Route 111 north of Brawley to Riverside County line. Design Complete: October 2025. Construction Completion expected February 2026.

MAINTENANCE AND TRAFFIC OPERATIONS

1. El Centro Traveled Way Crew – Fence repair: I-8/SR-111, Sealing intersections: SR-86, AC patching: SR-86 in El Centro.



2. El Centro Functional/Marking Crew – Sign/Landscape maintenance, Refresh pavement markings: SR-111/Ross Road.



3. Midway Traveled Way Crew – Crack sealing SR98/SR-7, Guardrail repair I-8/4th Avenue.



4. Brawley Traveled Way Crew – Sweeping/brush control
Crack sealing-SR-111/Calipatria, Dig out/Paving-SR-86 south of Salton City.



Minor B Emergency DO Storm Damage Repair Imperial County

1. Culvert Cleaning: I-8 PM83.63, Sunbeam Rest Area Clean-up: I-8 PM31.23



2. Shoulder Regrading from Erosion: SR-78 PM 7.0



3. Shoulder/Median Regrading from Erosion: SR-86, Culvert Cleaning: SR-86



4. Culvert Cleaning: SR-111 PM43.70



Pavement Preservation. Imperial County along I-8 from Imperial County Line (R0.0R) to 98/8 Flyover (R10.3) and 98/8 Interchange. The purpose of this project is to extend the service life of the existing asphalt concrete (AC) pavement by placing a Microsurfacing seal coat. For locations that have damaged AC, the AC will be removed and replaced by a Cold Planing (grinding) operation and the placement new the AC Pavement. Other work includes re-striping, upgrading roadway signs, shoulder backing and placing rumble strips to enhance safety. This project is in construction phase, and it is expected to be completed by March 2026. (11-2N178: IMP-8-PM R0.0R/R10.3. HM-1 Pavement Preservation).

Pavement Preservation. Imperial County along Route 111 near Brawley and Calipatria at various locations from 0.2 mile south of Route 78 to 0.4 mile south of Route 115. The purpose of this project is to extend the service life of the existing asphalt concrete (AC) pavement by placing a Microsurfacing seal coat and placing a thin rubberized hot mixed (RHMA) asphalt concrete (AC) at various locations. Locations that have damaged AC, will be removed and replaced by cold planing and placing a new layer of AC. Other work includes re-striping, upgrading roadway signs, shoulder backing and placing rumble strips to enhance safety at Various Locations. This project is in construction phase, and it is expected to be completed by March 2026. (11-2N197: IMP-111-PM 23.5/32.1. HM-1 Pavement Preservation).

Pavement Preservation. Imperial County along I-8 at various locations from 0.2 mile west of Bonds Corner Overcrossing to 0.2 mile east of Fourth Avenue Overcrossing. The purpose of this project is to improve the pavement condition and to extend the service life of the existing asphalt concrete (AC) at various ramps by placing a Microsurfacing seal coat. Other work includes shoulder backing, pavement delineation (re-striping), and install roadway signs at ramps. This stand-alone ramp pavement project completes all of the remaining ramps along IMP-8. This project is in construction phase and it is expected to be

completed by June 2026. (11-2N176: *Microsurfacing Ramps at IMP-8-PM R50.3/R96. HM1 Pavement Preservation*).

Pavement Preservation. Imperial County near Ocotillo Wells along Route 78 from San Diego County Line to north junction Route 86. The purpose of this project is extending the service life of the existing asphalt concrete (AC) by a placing a Microsurfacing seal coat and to further improve the ride quality. Other work includes placing rumble strips to prevent run-off-the road collision and cross over collision prevention and placing pavement delineation (re-stripe). This project is in construction phase, and it is expected to be completed by March 2026. (11-2N228: *IMP-78-PM 0/13.2. HM-1 Pavement Preservation*).

Safety Improvement Project. Imperial County along Route 86 in and near El Centro and Brawley from McCabe Road to Imperial Avenue and from I Street to 0.3 mile north of New River Bridge. The purpose of the project is to extend the service life of the existing asphalt concrete (AC) by placing a Microsurfacing seal coat. Other improvements include pavement marking and striping, rumble strips and shoulder backing. This project is in construction phase, and it is expected to be completed by March 2026. (11-2N230: *IMP-86-PM 4.5/L8.5 and 20.4/21.39. HM-1 Pavement Preservation*).

Safety Improvement Project. Imperial County in and near Calexico along Route 98 from 2.3 miles west of Route 111 to Evan Hewes Highway. The purpose of this project is to mainly enhance safety for motorists by installing rumble strips and pavement markings (re-stripe) to prevent run-off-the road collision and cross over collision prevention. This project is in construction phase, and it is expected to be completed by March 2026. (11-2N226: *IMP-98 PM 30/R57.0: HM4-Safety*).

Safety Improvement Project. Imperial County along Route 78 from Route 115 to East Highline Canal and from 9 miles north of Glamis to Palo Verde. The purpose of this project is to mainly enhance safety for motorists by installing rumble strips and pavement markings (re-stripe) to prevent run-off-the road collision and cross over collision prevention. Other work includes installing roadway signs. This project is in construction phase, and it is expected to be completed by June 2026. (11-2N225: *IMP-78-PM 21.0/27.0 and 50.0/80.36. HM4 Safety*).

Bridge Preservation. Imperial County along Route 111 near Salton Sea at Clay Wash and at Frink Wash. The purpose of this project is to repair two culvert boxes/bridges to extend their service life and to increase their service efficiency. This project is in construction phase, and it is expected to be completed by March 2026. (11-2N147: *IMP-111-PM 50.56/52.43. HM-3 Bridge Preservation*).

Safety Improvement Project. Imperial County at the intersection of SR-7 and Menvielle Road, and along Nina Lee Road. The purpose of this Traffic Safety and

Operations HM4 project is to enhance pedestrian safety by installing directional signage and a high visibility crosswalk at the intersection of SR-7 and Menvielle Road. Additionally, the project proposes pedestrian lighting on each side of Nina Lee Road, west of the intersection with Menvielle Road. This project is in design phase, and it is expected to be in construction by the summer of 2026 (*11-2N243: IMP-7-PM 0/1. HM-4 Pedestrian Safety*).

Pavement Preservation. Imperial County along Route 86 near El Centro from Route 111 to West McCabe Road and at Route 78/111 connectors near Brawley. The purpose of this project is to extend the service life of the existing asphalt concrete (AC) pavement by placing a Microsurfacing seal coat. For locations that have cracked AC, the AC will be treated by removing a top thin layer of AC and replacing it with a thin layer of Rubberized Hot Mix Asphalt (RHMA). Other work includes re-striping, upgrading roadway signs, shoulder backing and placing rumble strips to enhance safety at Various Locations. This project is in design phase, and it is expected to be in construction by the summer of 2026. (*11-2N252: IMP-86-PM R0.0/4.4, IMP-78/111 Connectors. HM-1 Pavement Preservation*).

Pavement Preservation. Imperial County near Calipatria along Route 115 from 0.1 mile south of Albright Road to 0.5 mile north of Blair Road. The purpose of this project is to extend the service life of the existing asphalt concrete (AC) pavement by placing a Microsurfacing seal coat. Other work includes re-striping, upgrading roadway signs, shoulder backing and placing rumble strips to enhance safety. This project is in design phase, and it is expected to be in construction by the summer of 2026. (*11-2N275: IMP-115-PM 30.0/34.5. HM-1 Pavement Preservation*).

COMPLETED PROJECTS

Hub 169 – Route 78 at Mitchell's Camp Road south of Palo Verde. This hub designed by Caltrans is necessary for Northeast/Southwest route along Route 78 from Brawley to Riverside/Imperial County line. Design Completed: December 2025.

DISTRICT 11 LOCAL ASSISTANCE REPORT

City of Brawley
City of Calexico
City of Calipatria

City of El Centro
City of Holtville
City of Imperial

County of Imperial
Imperial County Transportation Commission (ICTC)
Imperial Irrigation District (IID)
City of Westmorland

Imperial County Area Engineer: Alejandro Lopez-Rangel

Alejandro.Lopez-Rangel@dot.ca.gov

* ICTC Management Committee Attendee

* ICTC TAC Attendee

*****GRANTS*****

Selected Grant Funding Opportunities are listed below. Please click on below grant links for additional information on deadlines, qualifications, submittal information, etc.

Caltrans Grant Funding Newsletter and Letters of Support

Stay in touch with Caltrans and get updates sent directly to your inbox on current and future grant funding opportunities, including calls for Caltrans letters of support and application training webinars, by subscribing to the Caltrans Office of Strategic Investment Planning newsletter through the [Constant Contact link provided here](#).

For any grant and funding-related inquiries, including requests for Caltrans letters of support or partnership, please reach out directly to Caltrans District 11 Investment Planning Manager Brian Miller at brian.miller@dot.ca.gov.

U.S. Department of Transportation (USDOT) Grant Opportunities

The USDOT website provides a DOT Discretionary Grants Dashboard for grant opportunities in various areas such as: Strengthening Mobility and Revolutionizing Transportation (SMART), Rural Opportunities to Use Transportation for Economic Success (ROUTES), and Federal Transit Administration (FTA) grant programs. Directions, deadlines, and links to apply are [HERE](#).

U.S. Department of Transportation (USDOT) Competitive Grants Dashboard

The USDOT Competitive Grants Dashboard provides communities with an overview of competitive grant opportunities that can help meet their transportation infrastructure needs. Designed with all communities in mind, the Dashboard identifies grant programs with rural and Tribal set-asides or match waivers available. The Dashboard also includes Federal grant programs outside of USDOT that may be of particular interest to [rural communities](#). The Dashboard is updated weekly. Directions, deadlines, and links to apply are [HERE](#).

Key Notices of Funding Opportunity (NOFO)

To provide stakeholders with more visibility on upcoming funding opportunities, DOT publishes a list of anticipated dates for upcoming Notices of Funding Opportunity (NOFO) for key programs. This list is not comprehensive and is updated periodically with additional programs and revised dates as appropriate.

Some key programs and their deadlines:

1. ACTIVE NOFOS

Transit and Intercity Rail Capital Program (TIRCP) Cycle 8

TIRCP is a competitive state funding program administered by Caltrans and Secretary of the Transportation Agency to provide grants for capital improvements to modernize the state's intercity, commuter, rail systems and bus and ferry systems. The program may also fund a subset of transformative projects based on their ability to inspire a large modal shift to mass transit and alternative modes. Funding comes from a mixture of Senate and Assembly Bills, including Cap-and-Trade, which requires TIRCP goals to (1) achieve a reduction in greenhouse gas emissions, (2) expand transit services and increase ridership, (3) integrate rail operations, and (4) improve transit safety.

- * Up to \$950 million will be made available for Cycle 8 (pending final allocation)
- * [Final Cycle 8 Guidelines](#) and [Call for Projects](#) were published February 23, 2026, and final applications are **due electronically no later than 5:00pm on May 18, 2026.**
- * Please visit the website [HERE](#) for further information, including program guidelines, recorded workshops and upcoming events to support applicants.
- * Optional, time-limited meetings with applicants are *available now until March 13 upon request*. For more information on the appropriate program contact, please refer to [this contact list](#).

2. ANTICIPATED NOFOS

FHWA Bridge Investment Program (BIP)

The Bridge Investment Program is a competitive program focusing on existing bridges to reduce the overall number of bridges in poor condition, or in fair condition but risk falling into poor condition. BIP offers three types of funding: (1) large bridge projects (totaling over \$100 million), (2) regular bridge projects (totaling under \$100 million), and (3) bridge planning and related studies.

- * \$2.46 billion was made available for FFY 2026.
- * **Please note the BIP is currently on pause pending FHWA review.** FHWA is currently not accepting applications and has not provided information on the status of the program but is expected to keep it open. Caltrans will alert partners if the program

is re-opened or amended, but prospective applicants are encouraged to refer to USDOT via grants.gov for any updates at this time.

- * Please visit the link [HERE](#) for further information.

California Active Transportation Program (ATP) Cycle 8 – Statewide Projects

ATP Cycle 8 is a statewide competitive program to fund all types of active transportation projects designed to increase the number of trips taken by alternative active modes (i.e., bike or pedestrian) and improve user safety or promote safety awareness. Eligible project types may include a combination of active transportation infrastructure (capital), non-infrastructure (education), planning, and quick-build projects.

- * The CTC is hosting workshops and trainings (both virtual and in-person) on application support and program requirements for interested applicants now through Spring, 2026. Information on these sessions can be found [HERE](#) (*Please note that interested applicants may attend any session regardless of location!*).
- * Final Cycle 8 guidelines adoption and call for projects anticipated early 2026.
- * ATP Cycle 8 Statewide applications are due to CTC **June 22, 2026**.

California Senate Bill 1 (SB1) Cycle 5 Programs

SB1 Cycle 5 is a group of discretionary competitive programs held statewide to provide a variety of funding for local agencies seeking to fund multimodal transportation projects. Funding includes three programs: 1) Solutions for Congested Corridors Program (SSCP), 2) Trade Corridor Enhancement Program (TCEP), and 3) Local Partnership Programs (LPP). More information on program eligibility, workshops and dates, and other requirements for SB1 can be found through the link [HERE](#).

- * Caltrans and the CTC are hosting workshops for each SB1 program, including guidelines information sessions, project eligibility and requirements, and application development office hours **now through Spring 2026**. Information on these events and more can be found [HERE](#).
- * Final SB1 Cycle 5 guidelines adoption and call for projects expected Summer 2026.
- * SB1 Cycle 5 Applications are expected to be due **November 2026**.

Further details on active and upcoming NOFOs and programs are available via this link:
[Key Notices of Funding Opportunity \(US Department of Transportation\)](#)

Additional Grant Tool

The DOT Navigator is a resource to help communities understand how to apply for grants, and plan for and deliver transformative infrastructure projects and services. Use the search box to quickly find resources. See link [HERE](#).

Title VI Nondiscrimination Program

Local agencies must comply with all Title VI requirements (*LAPM* Section 9.2). Title VI compliance is subject to review at any time.

<https://dot.ca.gov/programs/local-assistance/local-civil-compliance/title-vi>



- PROJECT DELIVERY**
1. Truck Parking and ZEV Charging Project Initiation Document initiated
 2. Lithium Valley Project Initiation Document PID Completion Date June 2026
 3. '25-'26 Sustainable Transportation Planning Grant Four planning grants awarded to local partners
 4. Calexico East Land Port of Entry Joint Operations Systems PID Completion Date June 2026
 5. SR-86 at Black Diamond Road Roundabout Project Initiation Document being prepared
 6. Electrical Vehicle Electrification Feasibility Study Advisory Committee report internal review January 2026
 7. SR-86 and Dogwood Road Widening and Signals Tentative Construction Starting Date February 2027
 8. SR-186 All-American Canal Bridge Project Report approved in September 2025
 9. SR-98 Pavement Rehabilitation PS & E Completion October 2027
 10. ADA Curb Ramps & Complete Streets on SR-115, 86, 111 PA+ED Completion January 2026
 11. Middle Mile Broadband Network Projects
 12. Heart of El Centro Revitalization and Connection Project Study El Centro Selecting a Consultant
 13. Calexico West Pedestrian Feasibility Study Project Development team kick-off January 2026
- MAINTENANCE & TRAFFIC OPS**
1. El Centro Traveled Way Crew Fence Repair, Sealing, and Graffiti Abatement
 2. El Centro Functional/Marking Crew Sign Repair, Landscape Maintenance, and Pavement Markings
 3. Midway Traveled Way Crew Crack Sealing, Guardrail Repair
 4. Brawley Traveled Way Crew Crack Sealing, Brush Control
- CONSTRUCTION**
- 11-2N178. Pavement Preservation Completing February 2026
 - 11-2N197. Pavement Preservation Completing February 2026
 - 11-2N230 Safety Improvement Project Completing March 2026
 - 11-2N147 Bridge Preservation Project Completing April 2026
 - 11-2N226 Safety Improvement Project Completing May 2026
 - 11-2N225 Safety Improvement Project Completing July 2026
 - 11-2N228 Pavement Preservation Project Completing February 2026
 - 11-2N176 Pavement Preservation Completing June 2026
 - 11-2N243 Safety Project Starting Construction Summer 2026
 - 11-2N252 Pavement Preservation Starting Construction Summer 2026
 - 11-2N275 Pavement Preservation Starting Construction Summer 2026



- █ PROJECT DELIVERY
- █ MAINTENANCE AND TRAFFIC OPERATIONS
- █ CONSTRUCTION



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Questions can be directed to (619) 688-6699
 ct.public.information.d11@dot.ca.gov

Date: 03/17/2026



VI. ACTION CALENDAR

A. ICTC Fiscal Audit for FY 2024-25

This item was not ready for the Management Committee, therefore ICTC staff forwards this item to the Commission for their review and approval after public comment, if any:

1. Receive and file the fiscal audit for the Imperial County Transportation Commission, for FY 2024-25.
2. Direct staff to transmit the fiscal audit to the State Controller's Office and Federal Audit Clearinghouse.



1503 N. IMPERIAL AVE., SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

March 19, 2026

Karin Eugenio, Chairwoman
Imperial County Transportation Commission
1503 N. Imperial Avenue, Suite 104
El Centro, CA 92243

SUBJECT: ICTC Fiscal Audit for FY 2024-25

Dear Commission Members:

As required by the State of California, the Commission must conduct independent fiscal audits of its own financial activities on an annual basis. Attached, please find the following fiscal audit for FY 2024-25, performed by the CPA firm, Vasquez and Company, LLP.

- Transportation Development Act – receipt and allocation by ICTC of ¼ cent retail sales tax under Articles 8c, 8e and Article 3 under the State TDA, for transit programs and services (#7076001)
- State Transit Assistance – receipt and allocation of funding under the State Transit Assistance (STA) Program, The Transit Intercity Rail Capital Program (TIRCP), the State of Good Repair (SGR), the Low Carbon Transit Operations Program (LCTOP) and the Clean Mobility Options Program (CMO) (#7079001,7481001,7482001, 7553001)
- Regional Transit Planning and Programs – receipt and allocation of funding by ICTC for programs and services including transit service contracts, grants, project consultants and program staffing (#7416001)
- Regional Planning and Programming – receipt and allocation of funding by ICTC for planning programs and services including long and short-range highway, motorized and non-motorized projects, call for projects, capital projects, project consultants and program staffing (#7417001)
- Regional Collaboration – receipt and allocation of funding by ICTC for various regional projects whereby ICTC is the fiscal agent, including the Broadband deployment grant with the Imperial Valley Economic Development Corp (IVEDC) (#7577001)
- SB325 report for the State Controller’s Office
- Single Audit for Federal Funds
- Service for Freeway Emergencies (SAFE)
- Imperial Valley Resource Management Agency (IVRMA)

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

The audit team and staff will be presenting this item.

This item was not ready for the Management Committee, therefore ICTC staff forwards this item to the Commission for their review and approval after public comment, if any:

1. Receive and file the fiscal audit for the Imperial County Transportation Commission, for FY 2024-25.
2. Direct staff to transmit the fiscal audit to the State Controller's Office and Federal Audit Clearinghouse.

Sincerely,



David Aguirre
Executive Director

DA/mb

Attachments



Imperial County Transportation Commission
El Centro, California
Financial Statements
For the Year Ended June 30, 2025
With Independent Auditor's Reports

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Independent Auditor's Report

The Board of Directors
of the Imperial County Transportation Commission
El Centro, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Imperial County Transportation Commission (the Commission), as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the Commission's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Imperial County Transportation Commission, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

Prior Year Restatements

As discussed in Note 14 to the financial statements, the net positions of the governmental and business-type activities, and the fund balances of the Regional Planning and Programs Fund and Transit Planning and Programs Management Fund as of June 30, 2024, have been restated to correct misstatements. Our opinion is not modified with respect to this matter.



Other Matter

The financial statements of the Commission, as of and for the year ended June 30, 2024, before they were restated for the matter discussed in Note 14 to the financial statements, whose report, dated March 31, 2025, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.



- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Proportionate Share of the Net Pension Liability and Related Ratios, the Schedule Pension Contributions, and the Budgetary Comparison Schedules – Major Special Revenue Funds, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The combining and individual fund financial statements and budgetary comparison schedules as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated **REPORT DATE**, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Glendale, California

REPORT DATE



Report on Compliance for the Transportation Planning Agency Required by Transportation Development Act and Report on Internal Control Over Compliance

**The Board of Directors
of the Imperial County Transportation Commission**
El Centro, California

Report on Compliance for Transportation Planning Agency Required by Transportation Development Act

Opinion

We have audited the Imperial County Transportation Commission's (the Commission) compliance with the compliance requirements described in §6662 and §6663 of the California Code of Regulation, Title 21, Division 3, Chapter 3, Article 5.5 applicable to the Commission's compliance as Transportation Planning Agency (TPA) for the year ended June 30, 2025.

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that are applicable to the Commission as Transportation Planning Agency for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the requirements described in §6662 and §6663 of the California Code of Regulation, Title 21, Division 3, Chapter 3, Article 5.5 of the Transportation Development Act Guidebook. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance as required by the Transportation Development Act. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.



Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Transportation Development Act.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards in the United States of America and *Government Auditing Standards* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirements of the Transportation Development Act as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Transportation Development Act, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the Transportation Development Act on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the Transportation Development Act that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing on internal control over compliance and the results of that testing based on the requirements of §6662 and §6663 of the California Codes of Regulation, Title 21, Division 3, Chapter 3, Article 5.5. Accordingly, this report is not suitable for any other purpose.

Glendale, California
REPORT DATE

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Imperial County Transportation Commission
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 35,500,588	\$ 28,841,395	\$ 64,341,983
Receivables:			
Accounts receivable	1,830,228	-	1,830,228
Interest receivable	322,292	252,515	574,807
Due from other governments	485,353	4,700,118	5,185,471
Interfund balances	(35,000)	35,000	-
Capital assets:			
Nondepreciable	-	7,293,087	7,293,087
Depreciable, net of accumulated depreciation and amortization	33,829	10,254,372	10,288,201
Total assets	38,137,290	51,376,487	89,513,777
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pension	61,571	226,822	288,393
Total deferred outflows of resources	61,571	226,822	288,393
LIABILITIES			
Accounts payable	378,991	3,986,346	4,365,337
Accrued payroll	11,819	22,897	34,716
Unearned revenues	5,889,166	-	5,889,166
Compensated absences, due within one year	9,416	21,160	30,576
Lease liability, due within one year	21,014	50,434	71,448
Long-term liabilities:			
Compensated absences	9,594	21,561	31,155
Net pension liability	103,536	325,658	429,194
Lease liability, noncurrent	10,831	25,995	36,826
Total liabilities	6,434,367	4,454,051	10,888,418
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pension	62,799	131,195	193,994
Total deferred inflows of resources	62,799	131,195	193,994
NET POSITION			
Net investment in capital assets	1,984	17,471,030	17,473,014
Restricted	31,699,711	29,547,033	61,246,744
Total net position	\$ 31,701,695	\$ 47,018,063	\$ 78,719,758

See notes to financial statements.

Imperial County Transportation Commission
Statement of Activities
Year Ended June 30, 2025

Function/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
General government	\$ 859,282	\$ -	\$ -	\$ -	\$ -
Professional services	333,798	-	-	-	-
Transit and transportation	394,437	62,334	2,567,166	494,331	3,123,831
Total governmental activities	1,587,517	62,334	2,567,166	494,331	3,123,831
Business-type Activities:					
Transportation services	14,036,680	980,234	9,254,312	-	10,234,546
Total business-type activities	14,036,680	980,234	9,254,312	-	10,234,546
Total primary government	\$ 15,624,197	\$ 1,042,568	\$ 11,821,478	\$ 494,331	\$ 13,358,377

See notes to financial statements.

Imperial County Transportation Commission
Statement of Activities (Continued)
Year Ended June 30, 2025

Function/Programs	Net (Expenses) Revenues and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
Governmental Activities:			
General government	\$ (859,282)	\$ -	\$ (859,282)
Professional services	(333,798)	-	(333,798)
Transit and transportation	2,729,394	-	2,729,394
Total governmental activities	1,536,314	-	1,536,314
Business-type Activities:			
Transportation services	-	(3,802,134)	(3,802,134)
Total business-type activities	-	(3,802,134)	(3,802,134)
Total primary government	1,536,314	(3,802,134)	(2,265,820)
General revenues:			
Transportation Development Act sales taxes	9,434,649	-	9,434,649
Investment income	1,050,767	1,032,191	2,082,958
Other miscellaneous revenue	11,962	6,317	18,279
Loss on disposal of capital assets	-	(24,951)	(24,951)
Interest expense	(1,268)	(3,043)	(4,311)
Total general revenues	10,496,110	1,010,514	11,506,624
Transfers	(8,965,799)	8,965,799	-
Changes in net position	3,066,625	6,174,179	9,240,804
Net Position:			
Beginning of year, as previously reported	27,790,170	35,433,573	63,223,743
Restatement (see Note 14)	844,900	5,410,311	6,255,211
Beginning of year, as restated	28,635,070	40,843,884	69,478,954
End of year	\$ <u>31,701,695</u>	\$ <u>47,018,063</u>	\$ <u>78,719,758</u>

See notes to financial statements.

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FUND FINANCIAL STATEMENTS

Imperial County Transportation Commission
Balance Sheet
Governmental Funds
June 30, 2025

	Transportation Development Act Fund	State Transit Assistance Fund	Regional Planning and Programs Fund	Other Governmental Funds	Total
ASSETS					
Cash and investments	\$ 20,822,469	\$ 6,969,977	\$ 1,288,025	\$ 6,420,117	\$ 35,500,588
Receivables:					
Accounts receivable	1,423,981	-	283,348	122,899	1,830,228
Interest receivable	170,712	58,589	38,448	54,543	322,292
Due from other governments	-	485,356	-	-	485,356
Total assets	\$ 22,417,162	\$ 7,513,922	\$ 1,609,821	\$ 6,597,559	\$ 38,138,464
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 349,747	\$ -	\$ 28,246	\$ 998	\$ 378,991
Accrued payroll	-	-	11,069	751	11,820
Due to other funds	-	-	-	35,000	35,000
Unearned revenues	-	1,194,586	-	4,694,582	5,889,168
Total liabilities	349,747	1,194,586	39,315	4,731,331	6,314,979
Fund balances:					
Restricted	22,067,415	6,319,336	1,570,506	1,866,228	31,823,485
Total fund balances	22,067,415	6,319,336	1,570,506	1,866,228	31,823,485
Total liabilities and fund balances	\$ 22,417,162	\$ 7,513,922	\$ 1,609,821	\$ 6,597,559	\$ 38,138,464

See notes to financial statements.

**Imperial County Transportation Commission
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2025**

Total governmental fund balances	\$ 31,823,485
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds:	
Depreciable, net of accumulated depreciation and amortization	33,829
Lease liability arising from a lease in governmental activities are not financial resources, and therefore are not reported in the governmental funds:	
Lease liability	(31,845)
Net pension liabilities and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:	
Pension-related deferred outflows of resources	61,571
Net pension liability	(103,536)
Pension-related deferred inflows of resources	(62,799)
Compensated absences liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
	<u>(19,010)</u>
Net position of governmental activities	<u>\$ 31,701,695</u>

See notes to financial statements.

Draft 3.19.2026
Imperial County Transportation Commission
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

	Transportation Development Act Fund	State Transit Assistance Fund	Regional Planning and Programs Fund	Other Governmental Funds	Total
Revenues:					
State allocations	\$ -	\$ 2,169,823	\$ -	\$ 397,343	\$ 2,567,166
Federal allocations	-	-	494,331	-	494,331
TDA sales taxes	9,434,649	-	-	-	9,434,649
Investment income	636,332	211,587	140,864	61,984	1,050,767
Membership revenues	-	-	62,334	-	62,334
Other revenues	-	-	11,187	775	11,962
Total revenues	<u>10,070,981</u>	<u>2,381,410</u>	<u>708,716</u>	<u>460,102</u>	<u>13,621,209</u>
Expenditures:					
Current:					
TDA disbursements	394,437	-	-	-	394,437
General and administrative	-	-	799,622	34,994	834,616
Professional services	-	-	90,028	245,114	335,142
Interest expense	-	-	-	-	-
Capital outlay	-	-	20,714	-	20,714
Debt service:					
Principal	-	-	20,578	-	20,578
Interest	-	-	1,268	-	1,268
Total expenditures	<u>394,437</u>	<u>-</u>	<u>932,210</u>	<u>280,108</u>	<u>1,606,755</u>
Excess of revenues over expenditures	<u>9,676,544</u>	<u>2,381,410</u>	<u>(223,494)</u>	<u>179,994</u>	<u>12,014,454</u>
Other financing uses:					
Lease asset financing	-	-	20,714	-	20,714
Transfers in/(out)	(6,912,445)	(2,379,786)	361,432	(35,000)	(8,965,799)
Total other financing uses	<u>(6,912,445)</u>	<u>(2,379,786)</u>	<u>382,146</u>	<u>(35,000)</u>	<u>(8,945,085)</u>
Net change in fund balances	2,764,099	1,624	158,652	144,994	3,069,369
Fund balances:					
Beginning of year, as previously reported	19,303,316	6,317,712	566,955	1,721,234	27,909,217
Restatement (see Note 14)	-	-	844,899	-	844,899
Beginning of year, as restated	<u>19,303,316</u>	<u>6,317,712</u>	<u>1,411,854</u>	<u>1,721,234</u>	<u>28,754,116</u>
End of year	<u>\$ 22,067,415</u>	<u>\$ 6,319,336</u>	<u>\$ 1,570,506</u>	<u>\$ 1,866,228</u>	<u>\$ 31,823,485</u>

See notes to financial statements.

**Imperial County Transportation Commission
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Government-Wide Statement of Net Position
Year Ended June 30, 2025**

Net change in fund balances of governmental funds	\$ 3,069,369
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense:</p>	
Capital outlay	20,765
Depreciation and amortization expense	18,295
<p>Proceeds from lease asset financing provide current financial resources to governmental funds, but issuing lease liability increases long-term liability in the Statement of Financial Position. Repayment of lease liability principal is an expenditure in the governmental funds, but the repayment reduces long-term liability in the Statement of Net Position</p>	
Lease asset financing	(40,471)
<p>Some expenses reported in the statement of activities require the use of current financial resources and therefore are not reported as expenditures in governmental funds:</p>	
Interest expense associated with lease liability	(1,268)
<p>Changes in the net pension liability in the Statement of Activities did not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds</p>	
	63,892
<p>Changes in pension-related deferrals in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:</p>	
Pension-related deferred outflows of resources	(66,181)
Pension-related deferred inflows of resources	2,319
<p>Changes in compensated absences do not use current financial resources and, therefore are not reported as an expenditure in governmental funds:</p>	
	(95)
Change in net position of governmental activities	\$ 3,066,625

See notes to financial statements.

Imperial County Transportation Commission
Statement of Net Position
Proprietary Fund
June 30, 2025

	Enterprise Fund	
	Transit Planning and Programs Management Fund	Total
ASSETS		
Current assets:		
Cash and investments	\$ 28,841,395	\$ 28,841,395
Receivables:		
Due from other governments	4,700,118	4,700,118
Due from other funds	35,000	35,000
Interest receivable	252,515	252,515
Total current assets	33,829,028	33,829,028
Noncurrent assets:		
Nondepreciable	7,293,087	7,293,087
Depreciable, net of accumulated depreciation and accumulated amortization	10,254,372	10,254,372
Total noncurrent assets	17,547,459	17,547,459
Total assets	51,376,487	51,376,487
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to pension	226,822	226,822
Total deferred outflows of resources	226,822	226,822
LIABILITIES		
Current liabilities:		
Accounts payable	3,986,346	3,986,346
Accrued payroll	22,897	22,897
Compensated absences, due within one year	21,160	21,160
Lease liability, due within one year	50,434	50,434
Total current liabilities	4,080,837	4,080,837
Long-term liabilities:		
Compensated absences, noncurrent	21,561	21,561
Net pension liability	325,658	325,658
Lease liability, noncurrent	25,995	25,995
Total long-term liabilities	373,214	373,214
Total liabilities	4,454,051	4,454,051
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to pension	131,195	131,195
Total deferred inflows of resources	131,195	131,195
NET POSITION		
Net investment in capital assets	17,471,030	17,471,030
Restricted	29,547,033	29,547,033
Total net position	\$ 47,018,063	\$ 47,018,063

See notes to financial statements.

Draft 3.19.2026
Imperial County Transportation Commission
Statement of Revenues, Expenditures, and Changes in Net Position
Proprietary Fund
Year Ended June 30, 2025

	Enterprise Fund	
	Transit Planning and Programs Management Fund	Total
Operating revenue:		
Passenger fares	\$ 980,234	\$ 980,234
Total operating revenue	980,234	980,234
Operating expenses:		
Purchased transportation services	10,502,032	10,502,032
Professional services	1,070,054	1,070,054
General administration	914,864	914,864
Capital contributions	65,669	65,669
Maintenance	325,785	325,785
Depreciation and amortization	1,158,275	1,158,275
Total operating expenses	14,036,679	14,036,679
Operating loss	(13,056,445)	(13,056,445)
Nonoperating revenues (expenses):		
State transit revenues	1,005,179	1,005,179
Federal grant revenues	8,027,875	8,027,875
ICTC reimbursements	221,258	221,258
Interest income	1,032,191	1,032,191
Interest expense	(3,043)	(3,043)
Loss on disposal of capital assets	(24,951)	(24,951)
Other revenues	6,316	6,316
Total nonoperating revenues, net	10,264,825	10,264,825
Income before transfers	(2,791,620)	(2,791,620)
Transfers:		
Transfers in	8,965,799	8,965,799
Total transfers	8,965,799	8,965,799
Change in net position	6,174,179	6,174,179
Net position:		
Beginning of year, as previously reported	35,433,573	35,433,573
Restatement (see Note 14)	5,410,311	5,410,311
Beginning of year, as restated	40,843,884	40,843,884
End of year	\$ 47,018,063	\$ 47,018,063

See notes to financial statements.

Imperial County Transportation Commission
Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2025

	Enterprise Fund	
	Transit Planning and Programs Management Fund	Total
Cash flows from operating activities:		
Passenger fares	\$ 980,234	\$ 980,234
Payments to vendors	(10,114,488)	(10,114,488)
Payments to employees	(1,066,106)	(1,066,106)
Net cash used in operating activities	<u>(10,200,360)</u>	<u>(10,200,360)</u>
Cash flows from noncapital financing activities:		
Cash received from other funds	8,965,799	8,965,799
Non-operating grants received	8,250,087	8,250,087
Cash provided by noncapital financing activities	<u>17,215,886</u>	<u>17,215,886</u>
Cash flows from investing activities:		
Interest received	1,016,108	1,016,108
Cash provided by investing activities	<u>1,016,108</u>	<u>1,016,108</u>
Cash flows from capital and related financing activities:		
Payments of lease liability	(61,030)	(61,030)
Interest paid	(3,043)	(3,043)
Purchase of capital assets	(5,876,029)	(5,876,029)
Cash used in capital and related financing activities	<u>(5,940,102)</u>	<u>(5,940,102)</u>
Net increase in cash and investments	2,091,532	2,091,532
Cash and investments, beginning of year	<u>26,749,863</u>	<u>26,749,863</u>
Cash and investments, end of year	<u>\$ 28,841,395</u>	<u>\$ 28,841,395</u>
Reconciliation of operating loss to net cash used in operating activities		
Operating loss	\$ (13,056,445)	\$ (13,056,445)
Adjustment to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	1,158,275	1,158,275
Change in assets and liabilities:		
Pension-related deferred outflows of resources	115,086	115,086
Accounts payable	1,693,862	1,693,862
Accrued payroll	3,828	3,828
Compensated absences	174	174
Net pension liability	(111,106)	(111,106)
Pension-related deferred inflows of resources	(4,034)	(4,034)
Total adjustments	<u>2,856,085</u>	<u>2,856,085</u>
Net cash used in operating activities	<u>\$ (10,200,360)</u>	<u>\$ (10,200,360)</u>
SUPPLEMENTAL DISCLOSURES OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:		
Remeasurement of right-of-use lease asset due to modification	\$ 108,445	\$ 108,445
Remeasurement of lease liability due to modification	<u>\$ 108,445</u>	<u>\$ 108,445</u>

See notes to financial statements.

NOTE 1 REPORTING ENTITY

The Imperial County Transportation Commission, California (the Commission) was established under Senate Bill 607 (SB 607 - Ducheny) which was approved by the California Legislature and Governor Arnold Schwarzenegger in 2009. As a county transportation commission, the Commission member agencies are enabled to exercise basic initiative and leadership in the transportation planning and programming process. The Commission will act in accordance with all applicable laws and statutes for county transportation commissions. The Commission body will guide the development of the Regional Transportation Plan for the Imperial region and its Regional, State and Federal transportation improvement programs (TIPs) and their updates, including, but not limited to: the distribution and oversight of Local Transportation Fund monies; the preparation and submittal of applications for transportation related funds; approval of the allocation and claims for Transportation Development Act funds; the planning, programming and administration of regional transit services; and, encourage active citizen participation in the development and implementation of various transportation-related plans and programs.

As established under SB 607, the Commission Board is currently composed of ten voting members and one member consisting of two members of the Imperial County Board of Supervisors; one member from each incorporated city (seven) within Imperial County who shall be the mayor of the city or a member of its city council; one member of the Board of Directors of the Imperial Irrigation District; and, one non-voting member appointed by the Governor representing the California Department of Transportation (CalTrans). In the future, the governing Board of the Commission may also include the following ex-officio or non-voting members: one member representing the State of Baja California, Mexico, who may be appointed by the governor of the state; one member representing the municipality of Mexicali, Mexico, who may be the mayor or his or her designee; one member representing the Consul of Mexico in Calexico, California, who may be the consul or his or her designee; and, one member representing any federally recognized Native American tribe in Imperial County.

In addition to the responsibilities described above, the Commission provides direct management, administration, and oversight for the following local and regional transportation programs:

- Imperial Valley Transit (IVT) System and its Inner-City Circulator Service (Blue, Green, and Gold Lines)
- MedTrans (non-emergency medical demand response service to San Diego)
- IVT ACCESS (Americans with Disabilities Act - ADA paratransit service)
- IVT RIDE (curb to curb transit service for seniors; persons age 55 years and over, and persons with disabilities in the Cities of Brawley, Calexico, El Centro, Heber, Imperial and West Shores)
- Imperial County Local Transportation Authority (Measure D Sales Tax Program)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Commission have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Commission's accounting policies are described below.

Basis of Accounting and Measurement Focus

The accounts of the Commission are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The Commission's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the Commission accompanied by a total column.

These financial statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all of the Commission's assets and liabilities, including capital assets, as well as liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the Commission in the following categories:

- Charges for services;
- Operating grants and contributions;
- Capital grants and contributions.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Basis of Accounting and Measurement Focus (Continued)***Governmental Fund Financial Statements*

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances. An accompanying reconciliation explains the differences in fund balances as presented in these statements to the net position presented in the Government-Wide Financial Statements.

The governmental funds are accounted for on a spending or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except for revenues that are subject to accrual (generally 60 days after year-end) and are recognized when measurable and available. The primary revenue sources, which have been treated as susceptible to accrual by the Commission, are sales tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Revenues from grants and other contributions are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Commission must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the Commission on a reimbursement basis.

Unavailable revenues arise when potential revenues do not meet both the "*measurable*" and "*available*" criteria for recognition in the current period. Unearned revenues arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unavailable and unearned revenues are removed from the Balance Sheet and revenues are recognized.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Basis of Accounting and Measurement Focus (Continued)***Governmental Fund Financial Statements (Continued)*

The Commission reports the following major governmental funds:

Transportation Development Act Special Revenue Fund

This fund was established by the Commission in order to administer funds derived from ¼ cent of the local general sales tax collected statewide. The state Board of Equalization returns the ¼ cent to each county according to the amount of tax collected. Disbursements from the TDA fund are made to the County of Imperial (the County) and the cities located within the County.

State Transit Assistance Special Revenue Fund

This fund was established pursuant to SB 620 to supplement existing funding sources for public transit services. The revenues of the fund are derived from a portion of the sales tax on gasoline and are subject to appropriation by the legislature. Disbursements from the fund are made by the Imperial County Auditor-Controller based upon allocation instruction received from the Commission.

Regional Planning and Programs Special Revenue Fund

This fund was established in order to administer regional transportation programs and services.

Proprietary Fund Financial Statements

Proprietary funds account for operations (1) that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Proprietary funds are accounted for on a flow of “*economic resources*” measurement focus and accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation are included in the Statement of Net Position. Revenues are recognized when they are earned, and expenses and deductions are recognized when they are incurred. Non-exchange revenues are recognized when all eligibility requirements have been met. Cost reimbursement grant revenues are recognized when program expenses are incurred in accordance with program guidelines. When non-exchange revenues are received before eligibility requirements are met, they are reported as unearned revenues until earned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund’s principal ongoing operations. The principal operating revenue of the Commission’s proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the cost of services, general and administrative expenses, and depreciation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Basis of Accounting and Measurement Focus (Continued)***Proprietary Fund Financial Statements (Continued)*

All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Commission reports the following major enterprise fund:

Transit Planning and Programs Management Fund

This fund was established to administer the various transit programs, grants and services provided either in-house or under contract with various providers. The program receives various state and federal grants including the Federal Transportation Administration (FTA) Section 5307, 5310, and 5311. The specific federal funds received are programmed to be utilized for operation costs of Imperial Valley Transit ("IVT"), the IVT Blue, Green and Gold Lines, MedTrans, IVT ACCESS, the ADA paratransit system and the mobility coordination program.

Cash and Investments

The County of Imperial Auditor-Controller office acts as a trustee for the funds received and disbursed. Cash and investments are held in the Imperial County Investment Pool (the Pool) to facilitate cash management and maximize investment opportunities and yields. Investment income resulting from this pooling is allocated to the respective funds. The investment policies and the risks related to cash and investments are those of the Pool and are disclosed in the County's basic financial statements. The County's basic financial statements can be obtained at the County's Administrative Office.

Cash and investments are reported at fair value. The fair value measurements are based on fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Deposits and withdrawals in the Pool are made on the basis of \$1 and not fair value. Accordingly, investments in the Pool are based on uncategorized inputs not defined as Level 1, Level 2, or Level 3.

Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Due from/to other funds" (i.e., current portion of interfund loans) or "Advances to/from other funds" (i.e., long-term in nature). Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-Wide Financial Statements as "Interfund balances".

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include equipment, vehicles and construction in progress, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital asset lives are not capitalized.

Depreciable capital assets are depreciated or amortized using either the straight-line method over estimated useful lives or the unit of production method over the estimated useful mileage.

<u>Assets</u>	<u>Method</u>	<u>Useful Lives/Mileage</u>
Automobiles	Straight line	3 to 5 years
Buildings	Straight line	40 years
Improvements	Straight line	2 to 40 years
Radios and communication equipment	Straight line	3 years
Small furniture, fixtures, and office equipment	Straight line	5 years
Large furniture and durable goods	Straight line	10 years
Computer hardware	Straight line	3 years
Computer software	Straight line	3 years
Transit vehicles	Unit of production	70,000 to 500,000 mileage

Upon completion of capital assets under construction, they will be placed in service and depreciation will commence.

Right-of-use lease assets are recognized at the lease commencement date and represent the Commission’s right to use an underlying asset for the lease term. Right-of-use lease assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the leased asset into service. Right-of-use lease assets are amortized over the lease term using the straight-line method.

Unearned Revenue

Unearned revenues are reported for resources received before the eligibility requirements are met (excluding time requirements) or services are provided.

Compensated Absences

Personal time off (“PTO”) hours accumulated and not taken are accrued at fiscal year-end and liability is reported in the Government-Wide Financial Statements. The liability will be liquidated with resources from governmental and proprietary funds. Upon termination, an employee with a minimum of twelve months of continuous services will receive 100% of the unused PTO balance.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Compensated Absences (Continued)**

In 2025, the Commission implemented GASB Statement No. 101, *Compensated Absences* (GASB 101). In accordance with GASB 101, a liability is recorded for unused vacation, sick, and similar compensatory leave balances, since the employees' entitlement to these balances accumulates, is attributable to services already rendered, and it is more likely than not that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

Deferred Outflows and Inflows of Resources

The Statement of Net Position reports separate sections for deferred outflows of resources, and deferred inflows of resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and, therefore, are not recognized as revenue until that time.

The Commission reports deferred outflows and inflows of resources related to pension on the Government-Wide and Proprietary Fund Statement of Net Position, under full accrual basis of accounting. Pension-related deferred outflows of resources relate to contributions made subsequent to the measurement date, which will be reflected as a reduction of net pension liability in a future reporting period, difference between expected and actual experience, changes of assumptions, net difference between projected and actual earnings on pension plan investments, and adjustments due to differences in proportions. Pension-related deferred inflows of resources include the difference between expected and actual experience and adjustments due to differences in proportions, and will be recognized as part of pension expense in future reporting periods. Refer to Note 8 for items identified as deferred inflows and outflows related to pensions as of June 30, 2025.

Net Position Classifications

In the Government-Wide Financial Statements, net position is classified in the following categories:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets (where applicable). This portion of net position is not accessible for other purposes.

Restricted – This component of net position consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets. The restrictions are placed by third parties or enabling legislation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Net Position Classifications (Continued)**

Unrestricted – This component of net position is the remaining amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When an expense is incurred for purposes for which both restricted and unrestricted net positions are available, the Commission's policy is to apply restricted net position first.

Fund Balance Classifications

In the Governmental Fund Financial Statements, fund balances are classified in the following categories:

Nonspendable – Items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, and items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws, or regulations of other governments as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body and that remain binding unless removed in the same manner. The Commission Board of Directors is considered the highest authority for the Commission and must commit or uncommit fund balance via formal resolution.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The Board and the Executive Director have the authority to assign amounts to be used for specific purposes.

Unassigned – This category is for the remaining fund balance.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use externally restricted resources first, the unrestricted resources-committed, assigned, and unassigned-in order as needed. The Commission has no formal policy for the assignment of fund balance, so it is presumed that the order of spending is first committed fund balance, then assigned fund balance, and last of all, unassigned fund balance.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Commission's Imperial County Employees' Retirement System (ICERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the ICERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over five years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Governmental Accounting Standards Update

During the year ended June 30, 2025, the Commission implemented the following GASB standards. The financial statements included herein apply the requirements and provisions of the standard.

GASB 101, Compensated Absences

Statement 101 updates the recognition and measurement guidance for compensated absences through aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The standard is effective for fiscal years beginning after December 15, 2024, and all reporting periods thereafter.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GASB 101, Compensated Absences (Continued)

The Commission conducted a comprehensive review of its compensated absences balances as part of the implementation of GASB 101. The implementation of this standard did not have a significant impact to the Commission’s June 30, 2025 financial statements.

GASB No. 102, Certain Risk Disclosures

Statement 102 provides users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. The standard is effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The implementation of this standard did not have an impact to the Commission’s June 30, 2025 financial statements.

Released GASB Statements to be implemented in future financial statements are as follows:

GASB Statement No. 103 - Financial Reporting Model Improvements. The requirements of this statement are effective for reporting periods beginning after June 15, 2025.

GASB Statement No. 104 - Disclosure of Certain Capital Assets. The requirements of this statement are effective for reporting periods beginning after June 15, 2025.

NOTE 3 CASH AND INVESTMENTS

At June 30, 2025, cash and investments are classified in the financial statements as follows:

	Governmental Activities	Business-Type Activities	Total
Cash and investments	\$ 35,500,588	\$ 28,841,395	\$ 64,341,983

At June 30, 2025, cash and investments consisted of the following:

Imperial County Investment Pool	\$ 64,109,770
Deposits in banks	232,213
Total	\$ 64,341,983

NOTE 3 CASH AND INVESTMENTS (CONTINUED)**Demand Deposits**

At June 30, 2025, the carrying amount of the Commission's total deposits in banks is \$232,213. These deposits are covered by federal depository insurance or by collateral held by the Commission's agent in the Commission's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the Commission's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the Commission's name.

The market value of pledged securities must equal at least 110% of the Commission's cash deposits. California law also allows institutions to secure the Commission deposits by pledging first trust deed mortgage notes having a value of 150% of the Commission's total cash deposits. The Commission may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The Commission has waived the collateralization requirements for deposits insured by FDIC.

Cash Pooled with Imperial County Investment Pool

The Commission is a participant in the Imperial County Investment Pool (the Pool) and maintained cash in the amount of \$64,341,983 in the Imperial County Treasury at June 30, 2025. The County pools these funds with those of other entities in the County and invests the cash. Cash on deposit in the Pool is stated at fair value. The Pool values participant shares at fair market value during the year and adjusts to fair value at year-end.

Required disclosure information regarding the categorization of investments and other deposit and investment risk disclosures can be found in the County of Imperial's Annual Comprehensive Financial Report.

The Pool is not registered with the Securities and Exchange Commission (SEC), and a treasury oversight committee provides oversight to ensure that investments comply with the approved County investment policy.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. At June 30, 2025, the Commission's deposit in the Pool has a weighted average maturity of less than 12 months.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Pool does not have a rating provided by a nationally recognized statistical rating organization.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)**Concentration of Credit Risk**

The investments of the Commission are in accordance with limitations on the amount that can be invested in any one issuer as stipulated by the California Government Code. The County does not have any investments in any one issuer (other than the Pool) that represent 5% or more of the Commission's total investment portfolio.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposit made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit).

Custodial Credit Risk

The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the Commission's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

NOTE 4 FEDERAL, STATE, AND LOCAL GRANTS**Federal Assistance**

The Commission receives Federal operating assistance funds through the U.S. Department of Transportation Grants (Urbanized Area Formula Program – Federal Grant 5307, Rural Area Formula Program – Federal Grant 5311, Enhanced Mobility of Seniors and Individuals with Disabilities – Federal Grant 5310, Highway Planning and Construction Program, and Congestion Mitigation and Air Quality Improvement Program – CMAQ) and Environmental Protection Agency. Total Federal assistance provided under these programs during the fiscal year ended June 30, 2025 was \$8,522,206.

Transportation Development Act

The Commission is subject to provisions pursuant to Sections 6634 and 6637 of the California Administrative Code (CAC) and Sections 99268.3, 99268.4, and 99268.5 of the Public Utilities Code.

NOTE 4 FEDERAL, STATE, AND LOCAL GRANTS (CONTINUED)

Section 6634

Pursuant to Section 6634, a transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant’s capital and operating costs less the required fare, local support, and the amount received during the year from a city or county to which the operator has provided service beyond its boundaries.

CMAQ

Congestion Mitigation and Air Quality grants from the Environmental Protection Agency and Better Utilizing Investment to Leverage Development.

Section 6637

Pursuant to Section 6637, the claimant must maintain its accounts and records in accordance with the Uniform System of Accounts and Records adopted by the State Controller.

Sections 99268.3, 99268.4 and 99268.5

The Commission has several fare box recovery ratios for the various services provided.

	<u>Required</u>	<u>Actual</u>
IVT	17.00%	8.00%
IVT Access	10.00%	3.00%
IVT Ride	10.00%	9.00%
MedTrans	10.00%	4.00%

The fare box recovery ratio measures the extent to which passenger fare revenues fund the operating costs of providing transit services. Differences in the Commission’s fare box recovery ratios among services primarily reflect variations in service type, ridership characteristics, fare structures, and cost profiles. Demand-response and specialized services, such as IVT Access, IVT Ride and MedTrans, generally have lower recovery ratios due to higher operating costs per passenger trip and the nature of the populations served.

Proposition 1B

The Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Fund and California Transit Security Grant Program (CTSGP) are part of the State of California’s Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Bond Act), approved by California voters as Proposition 1B on November 7, 2006. A total of \$19.9 billion was deposited into the State Prop 1B fund, \$3.6 billion of which was made available to project sponsors in California for allocation to eligible public transportation projects over a 10-year period.

Proposition 1B funds can be used for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or for rolling stock procurement, rehabilitation, or replacement. The unearned balances for PTMISEA and CTSGP as of June 30, 2025 are \$0.

NOTE 4 FEDERAL, STATE, AND LOCAL GRANTS (CONTINUED)

Low Carbon Transit Operations Program (LCTOP)

LCTOP is one of several programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862. The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. The unearned balance for LCTOP funds as of June 30, 2025 was \$1,194,585.

State of Good Repair

The State of Good Repair Program provides funding to agencies for transit infrastructure repairs and service improvements. SGR funds are made available for eligible transit maintenance, rehabilitation, and capital projects. The total unearned balance for State of Good Repair funds as of June 30, 2025 was \$701,198.

STIP-PPM Program

During the fiscal year ended June 30, 2025, the Commission applied for and received proceeds of \$258,000 from the State of California STIP-PPM Program. As of June 30, 2025, Category A, B, and C proceeds have been fully expended. This is detailed as follows:

Schedule III - STIP-PPM Category A	
Salaries & Benefits	\$ 87,207
Professional & Special Services	12,793
Subtotal category A	<u>\$ 100,000</u>
Schedule IV - STIP-PPM Category B	
Salaries & Benefits	\$ 12,189
Professional & Special Services	87,811
Subtotal category B	<u>100,000</u>
Schedule V - STIP-PPM Category C	
Salaries & Benefits	47,909
Travel	10,091
Subtotal category C	<u>58,000</u>
Total	<u>\$ 258,000</u>

Better Utilizing Investment to Leverage Development (BUILD) & Rebuilding American Infrastructure with Sustainability and Equity (RAISE)

The BUILD program is a federal competitive grant that looks to enhance America's infrastructure. The Commission was awarded a \$20 million grant for the Calexico East Port of Entry Bridge Widening Project. As of June 30, 2025, the Commission has spent \$19,032,416 of the awarded proceeds on the project.

The program was renamed RAISE during FY2024, for which the Commission was awarded a \$12,887,507 grant to fund the construction activities for a new intermodal transportation center in the City of Calexico's downtown and will consolidate public and private transportation providers into one facility. As of June 30, 2025, the Commission has spent \$3,914,107 of the awarded proceeds on the project.

NOTE 5 INTERFUND TRANSACTIONS

Transfers

Interfund transfers consisted of the following for the year ended June 30, 2025:

Transfers In	Transfers Out/(In)				Total
	Transportation Development Act Fund	State Transit Assistance Fund	Regional Planning and Programs Fund	Other Governmental Funds	
Enterprise Fund:					
Transit Planning and Programs Management Fund	\$ 6,912,445	\$ 2,379,786	\$ (361,432)	\$ 35,000	\$ 8,965,799
Total	\$ 6,912,445	\$ 2,379,786	\$ (361,432)	\$ 35,000	\$ 8,965,799

Interfund transfers are generally used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

NOTE 6 CAPITAL ASSETS

Governmental Activities

A summary of changes in the Governmental Activities capital assets for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Governmental Activities				
Capital assets, being depreciated				
Transit equipment	\$ 27,408	\$ -	\$ -	\$ 27,408
Total capital assets, being depreciated	27,408	-	-	27,408
Capital assets, being amortized				
Right-of-use lease asset	45,185	51	-	45,236
	45,185	51	-	45,236
Less: accumulated depreciation				
Transit equipment	(22,352)	(2,544)	-	(24,896)
Total accumulated depreciation	(22,352)	(2,544)	-	(24,896)
Less: accumulated amortization				
Right-of-use lease asset	(34,758)	-	20,839	(13,919)
Total accumulated amortization	(34,758)	-	20,839	(13,919)
Total capital assets, being depreciated and amortized, net	15,483	(2,493)	20,839	33,829
Governmental activities capital assets, net \$	15,483	(2,493)	20,839	33,829

NOTE 6 CAPITAL ASSETS (CONTINUED)

Governmental Activities (Continued)

Depreciation and amortization expense for the year ended June 30, 2025 was from the following funds and was charged to the general government function for the governmental activities on the Government-Wide Financial Statements:

Regional Planning and Programs Fund	\$ <u>2,544</u>
Total governmental activities depreciation and amortization	\$ <u><u>2,544</u></u>
General government	\$ <u><u>2,544</u></u>

Business-Type Activities

A summary of changes in the Business-type Activities capital assets for the year ended June 30, 2025 is as follows:

	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>
Business-type Activities:				
Capital assets, not being depreciated				
Properties	\$ 2,890,000	\$ 2,250,000	\$ -	\$ 5,140,000
Construction in progress	<u>-</u>	<u>2,153,087</u>	<u>-</u>	<u>2,153,087</u>
Total capital assets, not being depreciated	<u>2,890,000</u>	<u>4,403,087</u>	<u>-</u>	<u>7,293,087</u>
Capital assets, being depreciated				
Furniture	14,045	-	-	14,045
Transit equipment	<u>18,107,843</u>	<u>1,472,942</u>	<u>(38,812)</u>	<u>19,541,973</u>
Total capital assets, being depreciated	<u>18,121,888</u>	<u>1,472,942</u>	<u>(38,812)</u>	<u>19,556,018</u>
Capital assets, being amortized				
Right-of-use lease asset	<u>108,445</u>	<u>122</u>	<u>-</u>	<u>108,567</u>
	<u>108,445</u>	<u>122</u>	<u>-</u>	<u>108,567</u>
Less: accumulated depreciation				
Furniture	(14,045)	-	-	(14,045)
Transit equipment	<u>(8,268,056)</u>	<u>(1,108,567)</u>	<u>13,860</u>	<u>(9,362,763)</u>
Total accumulated depreciation	<u>(8,282,101)</u>	<u>(1,108,567)</u>	<u>13,860</u>	<u>(9,376,808)</u>
Less: accumulated amortization				
Right-of-use lease asset	<u>(83,419)</u>	<u>(49,708)</u>	<u>99,722</u>	<u>(33,405)</u>
Total accumulated amortization	<u>(83,419)</u>	<u>(49,708)</u>	<u>99,722</u>	<u>(33,405)</u>
Total capital assets, being depreciated and amortized, net	<u>9,864,813</u>	<u>314,789</u>	<u>74,770</u>	<u>10,254,372</u>
Business-type activities capital assets, net	<u>\$ 12,754,813</u>	<u>\$ 4,717,876</u>	<u>\$ 74,770</u>	<u>\$ 17,547,459</u>

NOTE 6 CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense for the year ended June 30, 2025 was from the following funds and was charged to the transportation services for the business-type activities on the Government-Wide Financial Statements:

Transit Planning and Programs Management Fund	\$ <u>1,158,275</u>
Total business-type activities depreciation and amortization	\$ <u><u>1,158,275</u></u>
Transportation services	\$ <u><u>1,158,275</u></u>

NOTE 7 COMPENSATED ABSENCES

Changes in compensated absences for the year ended June 30, 2025, were as follows:

	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>	<u>Due in One Year</u>	<u>Due in More Than One Year</u>
Governmental Activities:						
Compensated absences	\$ <u>18,915</u>	\$ <u>29,844</u>	\$ <u>(29,749)</u>	\$ <u>19,010</u>	\$ <u>9,416</u>	\$ <u>9,594</u>
Business- type Activities:						
Compensated absences	\$ <u>42,547</u>	\$ <u>54,142</u>	\$ <u>(53,968)</u>	\$ <u>42,721</u>	\$ <u>21,160</u>	\$ <u>21,561</u>

The Commission’s policy relating to employees leave benefits is described in Note 2, *Compensated Absences*. The long-term portion of compensated absences is expected to be paid in future years from future resources from the Regional Planning and Programs, Regional Collaborations, SAFE and Transit Planning and Programs Management funds.

NOTE 8 PENSION

General Information about the Pension Plan

Plan Description

ICERS was established by the County of Imperial in 1951. ICERS is administered by the Board of Retirement and governed by the County Employees’ Retirement Law of 1937 (California Government Code Section 31450 et. Seq.). ICERS is a cost-sharing multiple-employer public employee retirement system whose main function is to provide service retirement, disability, death, and survivor benefits to members employed by the Commission.

The management of ICERS is vested with the Imperial County Board of Retirement. The Board consists of nine members and two alternates. The County Treasurer is a member of the Board of Retirement by law. Four members are appointed by the Board of Supervisors, one of whom may be a County Supervisor. Two members are elected by the General membership; one member and one alternate are elected by the Safety membership; one member and one alternate are elected by the retired members of the System. All members of the Board of Retirement serve terms of three years except for the County Treasurer whose term runs concurrent with their term as County Treasurer.

NOTE 8 PENSION (CONTINUED)

General Information about the Pension Plan (Continued)

Plan Description (Continued)

ICERS issues an audited stand-alone financial report which may be obtained by contacting the Board of Retirement at 1221 W. State Street, El Centro, CA 92243.

Employees Covered by Benefit Terms

At the June 30, 2024 measurement date, plan membership consisted of the following:

Active employees	10
Retired employees and beneficiaries	0
Total	10

Benefits Provided

ICERS provides service retirement, disability, death, and survivor benefits to eligible employees. All regular full-time employees of the County of Imperial or contracting districts who work a minimum of 30 hours per week become members of ICERS effective on the first day of the first full pay period after employment. There are separate retirement plans for General and Safety member employees. Safety membership is extended to those involved in active law enforcement, fire suppression, and certain probation officers. Any new Safety Member who becomes a member on or after January 1, 2013 is designated as PEPRA Safety and is subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA) and California Government Code 7522 et seq. All other employees are classified as General members. New general members employed after January 1, 2013 are designated as PEPRA General subject to the provisions of California Government Code 7522 et seq.

General members hired prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 with 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 52, with five years of retirement service credit.

The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier.

General member benefits are calculated pursuant to the provisions of Sections 31676.11 and 31676.14 for Regular and Regular plus Supplemental Benefits, respectively. The monthly allowance is equal to 1/60th of final compensation for Regular and Regular plus Supplemental Benefits, times years of accrued retirement service credit times age factor from either Section 31676.11 (Regular Benefit) or Section 31676.14 (Regular plus Supplemental Benefit). General member benefits for those who are first hired on or after January 1, 2013, are calculated pursuant to the provision of California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a).

NOTE 8 PENSION (CONTINUED)

General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

For members with membership dates before January 1, 2013, the maximum monthly retirement allowance is 100% of final compensation. However, for members with membership dates on or after January 1, 2013 the maximum amount of pensionable compensation that can be taken into account for 2024 is equal to \$181,734 (reference Section 7522.10). This limit is adjusted on an annual basis. Members are exempt from paying member contributions and employers are exempt from paying employer contributions on compensation in excess of the annual cap.

Final average compensation consists of the highest 12 consecutive months for a general or safety member and the highest 36 consecutive months for a PEPRA general member or PEPRA safety member.

Contributions

The County of Imperial and contracting districts contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from ICERS' actuary after the completion of the annual actuarial valuation. The average employer contribution rate as of June 30, 2024 for 2023-2024 (based on the June 30, 2022 valuation) was 20.05% of compensation.

All members are required to make contributions to ICERS regardless of the retirement plan or tier in which they are included. The average member contribution rate as of June 30, 2024 for 2023-2024 (based on the June 30, 2022 valuation) was 12.70% of compensation.

Net Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liability (TPL) is measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. In particular, the following actuarial assumptions were applied in the June 30, 2024 measurement:

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:	
Discount rate	6.75%
Inflation	2.50%
Salary increases	4.00% to 10.75%
Administrative expenses	2.10% of payroll allocated to both the employer and member based on the components of the total contribution rate (before expenses) for the employer and member.

NOTE 8 PENSION (CONTINUED)

Net Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses are summarized in the following table.

This information was used in the derivation of the long-term expected investment rate of return assumption used for the June 30, 2024 actuarial valuation. This information is subject to change every three years based on the actuarial experience study.

Long-term Expected Rate of Return

<u>Asset class¹</u>	<u>Target Allocation</u>	<u>Long-term Expected Arithmetic Real Rate of Return</u>
Large cap U.S. equity	26.00%	6.00%
Small cap U.S. equity	7.00%	6.65%
Developed international equity	14.00%	7.01%
Emerging markets equity	6.00%	8.80%
U.S. core fixed income	22.00%	1.97%
TIPS	5.00%	1.77%
Real estate	5.00%	3.86%
Value added real estate	5.00%	6.70%
Private credit	5.00%	6.69%
Private equity	5.00%	10.12%
	100.00%	

Discount Rate

The discount rate used to measure the Total Pension Liability (TPL) was 6.75% as of the June 30, 2024 measurement date. For plan member contributions, the projection of cash flows used to determine the discount rate assumed employee contributions will be made at the current contribution rates and that the contributions will be made at rates equal to the actuarially determined contribution rates. For employer contributions, the projection of cash flow used to determine the discount rate assumed employer contributions will be made at rates equal to the actuarially determined contribution rates.

NOTE 8 PENSION (CONTINUED)

Net Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Discount Rate (Continued)

For this purpose, only employee and employer contributions that are intended to fund the benefits of current plan members and their beneficiaries are included. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as part of the June 30, 2024 measurement date.

Sensitivity of the Commission's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Commission's share of the net pension liability calculated using the discount rate of 6.75%, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

Plan's Net Pension Liability		
Discount Rate - 1%	Current Discount	Discount Rate + 1%
(5.75%)	Rate (6.75%)	(7.75%)
\$ 1,076,974	\$ 429,194	\$ 31,358

Pension Plan Fiduciary Net Position

Detail information about the plan's fiduciary net position is available in the separately issued ICERS financial report and can be obtained from the County of Imperial's website under Documents.

Proportionate Share of Net Pension Liability and Pension Expense

At June 30, 2025, the Commission reported a liability of \$429,194 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The Commission's proportion of the net pension liability was based on the projection of the long-term share of contributions to the pension plan related to the projected contributions of all pension plan participants, actuarially determined. At the June 30, 2024 measurement date, the Commission's proportionate share of net pension liability was 0.383%. This is a 0.036% decrease from the previous year.

NOTE 8 PENSION (CONTINUED)**Net Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***Proportionate Share of Net Pension Liability and Pension Expense (Continued)*

For the year ended June 30, 2025, the Commission recognized pension expense of \$117,879. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool for the measurement period ended June 30, 2024.

1. In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool on the valuation date (June 30, 2023). The risk pool's fiduciary net position ("FNP") subtracted from its total pension liability ("TPL") determines the net pension liability ("NPL") at the valuation date.
2. Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date. Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2024 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2023-2024).
3. The individual plan's TPL, FNP and NPL are also calculated at the valuation date. TPL is allocated based on the rate plan's share of the actuarial accrued liability. FNP is allocated based on the rate plan's share of the market value assets.
4. Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
5. The plan's TPL as of the measurement date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan's FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
6. The plan's NPL at the measurement date is the difference between the TPL and FNP calculated in (5).

NOTE 8 PENSION (CONTINUED)**Net Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***Proportionate Share of Net Pension Liability and Pension Expense (Continued)*

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5 years straight line. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the risk pool. The EARSL for the risk pool for 2023-2024 measurement period is 6.58 years, which was obtained by dividing the total service years (the sum of the remaining service lifetimes of the active employees) by the total number of participants: active, inactive, and retired.

At June 30, 2025, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contribution after measurement date	\$ 117,879	\$ -
Difference between expected and actual experience	9,970	(102,123)
Changes of assumptions	115,727	-
Net difference between projected and actual earnings on pension plan investments	-	(20,267)
Adjustment due to differences in proportions	44,817	(71,604)
Total	<u>\$ 288,393</u>	<u>\$ (193,994)</u>

\$117,879 reported as deferred outflows of resources related to pensions resulting from the Commission's contributions made subsequent to the measurement date will be recognized as a reduction of the collective net pension liability in the year ended June 30, 2026.

NOTE 8 PENSION (CONTINUED)

Net Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Measurement Period Ended June 30,</u>	Deferred Outflows/ (Inflows) of Resources
2025	\$ (5,218)
2026	(5,218)
2027	(5,218)
2028	(5,218)
2029	(2,608)
Thereafter	-
	<u>\$ (23,480)</u>

At June 30, 2025, the Commission did not owe anything to the Plan.

NOTE 9 DISBURSEMENTS TO LOCAL AGENCIES

The Local Transportation Fund (LTF) accounts for the one-quarter percent state sales tax collected within the County. The funds can be used for various programs, including administration, planning, and programming for the Transportation Development Act (TDA), bicycle and pedestrian projects, commuter rail, streets and rail, and transit operations. The Commission’s governing board approves an annual allocation which includes funding for local agencies to spend in accordance with TDA guidelines. During the fiscal year ended June 30, 2025, the Commission allocated \$106,315 of LTF funds to local agencies as shown below.

<u>Local Agency</u>	Bicycles and Pedestrians	Benches and Shelters	Total
City of El Centro	\$ 41,895	\$ 18,836	\$ 60,731
County of Imperial	32,372	13,212	45,584
Total allocations	<u>\$ 74,267</u>	<u>\$ 32,048</u>	<u>\$ 106,315</u>

NOTE 10 RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. These risks are covered by third-party commercial insurance. There have been no reductions in insurance coverage as compared to the previous year, and for the past fiscal year, no settlement amounts have occurred.

The Commission’s purchased commercial insurance coverage is as follows:

<u>Insurance</u>	<u>Amount</u>
Property	\$ 200,000,000
General liability	50,000,000
Cyber liability	18,000,000
Auto physical damage	10,000,000
Alliant deadly weapon response	2,500,000
Employment practices	1,000,000

NOTE 11 COMMITMENTS AND CONTINGENCIES

Grants

The Commission recognizes as revenues, grant monies received as reimbursement for costs incurred in certain federal and state programs it administers. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Commission expects such amounts, if any, to be immaterial.

Commitments

As of June 30, 2025, the Commission did not have significant outstanding commitments.

NOTE 12 NET POSITION AND FUND BALANCE

Net Investment in Capital Assets

At June 30, 2025, the net investment in capital assets category of net position consisted of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net investment in capital assets:		
Nondepreciable capital assets	\$ -	\$ 7,293,087
Depreciable capital assets, net	1,984	10,177,943
Total net investment in capital assets	<u>\$ 1,984</u>	<u>\$ 17,471,030</u>

Fund Balance Classifications

The following table shows the classification of the Commission's fund balances as of June 30, 2025:

<u>Fund Balance Category</u>	<u>Transportation Development Act Fund</u>	<u>State Transit Assistance Fund</u>	<u>Regional Planning and Programs</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Restricted:					
Transportation projects	\$ 22,067,415	\$ 6,319,336	\$ 1,570,506	\$ 1,866,228	\$ 31,823,485
Total fund balances	<u>\$ 22,067,415</u>	<u>\$ 6,319,336</u>	<u>\$ 1,570,506</u>	<u>\$ 1,866,228</u>	<u>\$ 31,823,485</u>

NOTE 13 OTHER REQUIRED DISCLOSURES

Expenditures Exceeding Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations in the following funds:

<u>Fund</u>	<u>Function</u>	<u>Excess Expenditures</u>
State Transit Assistance Fund	TDA disbursements	\$ 2,250,000

NOTE 14 RESTATEMENT OF BEGINNING BALANCES

Error Corrections

During the fiscal year 2025, the Commission determined that:

- a. The Commission had overstated the due to other governments for its Regional Planning and Programs Fund as of June 30, 2024 by \$844,900.
- b. The Commission had overstated its enterprise payable and understated the deferred revenue as of June 30, 2024 by \$5,500,241 and \$89,930, respectively.

NOTE 14 RESTATEMENT OF BEGINNING BALANCES (CONTINUED)

The effects of correcting the above errors are shown in the *Error Corrections* column below.

	June 30, 2024		
	As Previously	Error	June 30, 2024
	Reported	Corrections	As Restated
Government-Wide			
Governmental Activities	\$ 27,790,170	\$ 844,900	\$ 28,635,070
Business-Type Activities	35,433,573	5,410,311	40,843,884
Total Primary Government	<u>\$ 63,223,743</u>	<u>\$ 6,255,211</u>	<u>\$ 69,478,954</u>
Governmental Funds			
Major Funds:			
Transportation Development			
Act Fund	\$ 19,303,316	-	\$ 19,303,316
State Transit Assistance Fund	6,317,712	-	6,317,712
Regional Planning and			
Programs Fund	566,955	844,900	1,411,855
Prop 1B Fund	2	-	2
State of Good Repair Fund	-	-	-
Regional Collaborations Fund	1,288	-	1,288
SAFE Fund	1,719,944	-	1,719,944
Nonmajor Funds:			
Special Revenue Funds	-	-	-
	<u>\$ 27,909,217</u>	<u>\$ 844,900</u>	<u>\$ 28,754,117</u>
Proprietary Funds			
Major Fund:			
Transit Planning and Programs			
Management Fund	\$ 35,433,573	\$ 5,410,311	\$ 40,843,884
	<u>\$ 35,433,573</u>	<u>\$ 5,410,311</u>	<u>\$ 40,843,884</u>

NOTE 15 SUBSEQUENT EVENTS

In preparing these financial statements, the Commission has evaluated events and transactions for potential recognition or disclosure through **REPORT DATE**, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

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Imperial County Transportation Commission Required Supplementary Information (Unaudited) Schedule of Proportionate Share of the Net Pension Liability and Related Ratios Last Ten Fiscal Years

Fiscal Year Ended June 30, Measurement Date	2025 <u>June 30, 2024</u>	2024 <u>June 30, 2023</u>	2023 <u>June 30, 2022</u>	2022 <u>June 30, 2021</u>	2021 <u>June 30, 2020</u>
Proportion of the net pension liability	0.38%	0.42%	0.64%	0.56%	0.68%
Proportionate share of the net pension liability	\$ <u>429,194</u>	\$ <u>604,192</u>	\$ <u>717,737</u>	\$ <u>60,788</u>	\$ <u>937,450</u>
Covered payroll	\$ <u>662,960</u>	\$ <u>617,902</u>	\$ <u>740,517</u>	\$ <u>718,949</u>	\$ <u>698,009</u>
Proportionate share of the net pension liability as percentage of covered payroll	<u>64.74%</u>	<u>121.60%</u>	<u>96.92%</u>	<u>8.46%</u>	<u>134.30%</u>
Plan's proportionate share of the fiduciary net position as a percentage of the total pension liability	<u>90.46%</u>	<u>87.54%</u>	<u>92.80%</u>	<u>82.42%</u>	<u>81.98%</u>

*Historical information is presented only for measurement periods for which GASB 68 is implemented.

**Imperial County Transportation Commission
Required Supplementary Information (Unaudited)
Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
(Continued)
Last Ten Fiscal Years**

Fiscal Year Ended June 30, Measurement Date	2020 <u>June 30, 2019</u>	2019 <u>June 30, 2018</u>	2018 <u>June 30, 2017</u>	2017 <u>June 30, 2016</u>	2016 <u>June 30, 2015</u>
Proportion of the net pension liability	0.50%	0.42%	0.41%	0.37%	0.36%
Proportionate share of the net pension liability	\$ <u>613,149</u>	\$ <u>588,681</u>	\$ <u>546,878</u>	\$ <u>491,187</u>	\$ <u>317,478</u>
Covered payroll	\$ <u>715,480</u>	\$ <u>599,646</u>	\$ <u>542,755</u>	\$ <u>483,874</u>	\$ <u>452,450</u>
Proportionate share of the net pension liability as percentage of covered payroll	<u>85.70%</u>	<u>98.17%</u>	<u>100.76%</u>	<u>101.51%</u>	<u>70.17%</u>
Plan's proportionate share of the fiduciary net position as a percentage of the total pension liability	<u>87.76%</u>	<u>86.20%</u>	<u>85.31%</u>	<u>83.39%</u>	<u>89.78%</u>

*Historical information is presented only for measurement periods for which GASB 68 is implemented.

**Imperial County Transportation Commission
Required Supplementary Information (Unaudited)
Schedule of Pension Contributions
Last Ten Fiscal Years**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Actuarially determined contribution	\$ 117,878	\$ 103,298	\$ 126,141	\$ 141,167	\$ 152,886
Contributions in relation to the actuarially determined contributions	<u>(117,878)</u>	<u>(103,298)</u>	<u>(126,141)</u>	<u>(141,167)</u>	<u>(152,886)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	<u>\$ 662,960</u>	<u>\$ 617,902</u>	<u>\$ 740,517</u>	<u>\$ 718,949</u>	<u>\$ 698,009</u>
Contributions as a percentage of covered payroll	<u>17.78%</u>	<u>16.72%</u>	<u>17.03%</u>	<u>19.64%</u>	<u>21.90%</u>

Notes to Schedule:

Benefit Changes: There were no changes to the benefit terms.

**Imperial County Transportation Commission
Required Supplementary Information (Unaudited)
Schedule of Pension Contributions (Continued)
Last Ten Fiscal Years**

	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 145,001	\$ 101,098	\$ 92,719	\$ 85,263	\$ 80,762
Contributions in relation to the actuarially determined contributions	<u>(145,001)</u>	<u>(101,098)</u>	<u>(92,719)</u>	<u>(85,263)</u>	<u>(80,762)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 698,009	\$ 715,480	\$ 599,646	\$ 542,755	\$ 483,874
Contributions as a percentage of covered payroll	<u>20.77%</u>	<u>14.13%</u>	<u>15.46%</u>	<u>15.71%</u>	<u>16.69%</u>

Notes to Schedule:

Benefit Changes: There were no changes to the benefit terms.

Imperial County Transportation Commission
 Required Supplementary Information
 Budgetary Comparison Schedule – Transportation Development Act Fund
 For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
TDA sales taxes	\$ 8,983,330	8,983,330	\$ 9,434,649	\$ 451,319
Investment income	-	-	636,332	636,332
Total revenues	8,983,330	8,983,330	10,070,981	1,087,651
Expenditures:				
TDA disbursements	8,983,330	8,983,330	394,437	8,588,893
Total expenditures	8,983,330	8,983,330	394,437	8,588,893
Excess of revenues over expenditures	-	-	9,676,544	9,676,544
Other financing sources:				
Transfers out	-	-	(6,912,445)	(6,912,445)
Total other financing sources	-	-	(6,912,445)	(6,912,445)
Net change in fund balance	\$ -	\$ -	2,764,099	\$ 2,764,099
Fund balance:				
Beginning of year			19,303,316	
End of year			\$ 22,067,415	

Imperial County Transportation Commission
 Required Supplementary Information
 Budgetary Comparison Schedule – State Transit Assistance Fund
 For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
State allocations	\$ 3,226,460	\$ 3,226,460	\$ 2,169,823	\$ (1,056,637)
Investment income	-	-	211,587	211,587
Total revenues	3,226,460	3,226,460	2,381,410	(845,050)
Expenditures:				
TDA disbursements	2,250,000	2,250,000	-	2,250,000
Total expenditures	2,250,000	2,250,000	-	2,250,000
Excess of revenues over expenditures	976,460	976,460	2,381,410	1,404,950
Other financing sources:				
Transfers out	(976,460)	(976,460)	(2,379,786)	(1,403,326)
Total other financing sources	(976,460)	(976,460)	(2,379,786)	(1,403,326)
Net change in fund balance	\$ -	\$ -	1,624	\$ 1,624
Fund balance:				
Beginning of year			6,317,712	
End of year			\$ 6,319,336	

Imperial County Transportation Commission
 Required Supplementary Information
 Budgetary Comparison Schedule – Regional Planning and Programs Fund
 For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
State allocations	\$ 5,106,805	\$ 5,106,805	\$ -	\$ (5,106,805)
Federal allocations	3,996,495	3,996,495	494,331	(3,502,164)
Investment income	20,000	20,000	140,864	120,864
Membership revenues	100,000	100,000	62,334	(37,666)
Other revenues	388,928	388,928	11,187	(377,741)
Total revenues	9,612,228	9,612,228	708,716	(8,903,512)
Expenditures:				
General and administrative	9,049,453	9,049,453	799,622	8,249,831
Professional services	562,775	562,775	90,028	472,747
Capital outlay	-	-	20,714	(20,714)
Debt service	-	-	21,846	(21,846)
Total expenditures	9,612,228	9,612,228	932,210	8,680,018
Excess of revenues over expenditures	-	-	(223,494)	(223,494)
Other financing sources:				
Lease asset financing	-	-	20,714	(20,714)
Transfers out	-	-	361,432	(361,432)
Total other financing sources	-	-	382,146	(382,146)
Net change in fund balance	\$ -	\$ -	158,652	\$ (223,494)
Fund balance (deficit):				
Beginning of year, as restated			1,411,854	
End of year			\$ 1,570,506	

Budget and Budgetary Accounting

The Imperial County Transportation Commission (the Commission) establishes accounting control through formal adoption of an annual budget for all of its funds. The Overall Work Plan and Budget are developed by Commission staff and the Executive Director and demonstrate a comprehensive agency-wide budget that conveys the work to be performed by the Commission. Staff has the ongoing responsibility to monitor actual revenues and expenditures. When it becomes necessary to modify the adopted budget, the amendment procedure will depend on the type of change that is needed. It is proposed that administrative changes that do not result in an increase in the overall program budget, but require line item transfers of costs and revenues within a work program budget, will only require approval of the Executive Director. Amendments that result in an increase to the total expenditures for a program would require Commission approval and will be presented to the Commission in a formal agenda item.

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OTHER SUPPLEMENTARY INFORMATION

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NONMAJOR FUNDS

Proposition "1B" Fund – This fund was established in order to account for funding received from bonds issued by the State. These funds provide for transit capital, corridor mobility improvements, goods movement, state-local partnership funds and local streets and roads.

State of Good Repair Fund – This fund was established to account for the funding received for the provisions of SB1 which apportions funding by formula for any transit-related capital maintenance purposes, including repair, refurbishment and replacement of existing transit vehicles and infrastructure.

Regional Collaborations Fund – This fund was established for the purpose of tracking activities of joint projects with other agencies in the region.

SAFE Fund – This fund was established for the purpose of tracking activities of the Service Authority for Freeway Emergencies revenues received from the Department of Motor Vehicles user registration fees.

Imperial County Transportation Commission
 Combining Balance Sheet
 Other Governmental Funds
 June 30, 2025

	Special Revenue Funds				Total
	Prop 1B Fund	State of Good Repair Fund	Regional Collaborations Fund	SAFE Fund	
ASSETS					
Cash and investments	\$ 3,994,287	\$ 609,382	\$ (2,358)	\$ 1,818,806	\$ 6,420,117
Receivables:					
Accounts receivable	-	86,841	-	36,058	122,899
Interest receivable	34,099	4,975	17	15,452	54,543
Total assets	\$ 4,028,386	\$ 701,198	\$ (2,341)	\$ 1,870,316	\$ 6,597,559
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 998	\$ 998
Accrued payroll	-	-	259	492	751
Due to other funds	35,000	-	-	-	35,000
Unearned revenues	3,993,384	701,198	-	-	4,694,582
Total liabilities	4,028,384	701,198	259	1,490	4,731,331
Fund balances:					
Restricted	2	-	(2,600)	1,868,826	1,866,228
Total fund balances	2	-	(2,600)	1,868,826	1,866,228
Total liabilities and fund balances	\$ 4,028,386	\$ 701,198	\$ (2,341)	\$ 1,870,316	\$ 6,597,559

**Imperial County Transportation Commission
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds
Year Ended June 30, 2025**

	Special Revenue Funds				Total
	Prop 1B Fund	State of Good Repair Fund	Regional Collaborations Fund	SAFE Fund	
Revenues:					
State allocations	\$ 35,000	\$ -	\$ 146,994	\$ 215,349	\$ 397,343
Federal allocations	-	-	-	-	-
TDA sales taxes	-	-	-	-	-
Investment income	-	-	359	61,625	61,984
Membership revenues	-	-	-	-	-
Other revenues	-	-	-	775	775
Total revenues	<u>35,000</u>	<u>-</u>	<u>147,353</u>	<u>277,749</u>	<u>460,102</u>
Expenditures:					
TDA disbursements	-	-	-	-	-
General and administrative	-	-	1,022	33,972	34,994
Professional services	-	-	150,219	94,895	245,114
Interest expense	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>151,241</u>	<u>128,867</u>	<u>280,108</u>
Excess of revenues (under) over expenditures	<u>35,000</u>	<u>-</u>	<u>(3,888)</u>	<u>148,882</u>	<u>179,994</u>
Other financing uses:					
Transfers in/(out)	(35,000)	-	-	-	(35,000)
Total other financing uses	<u>(35,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(35,000)</u>
Net change in fund balances	-	-	(3,888)	148,882	144,994
Fund balances:					
Beginning of year	2	-	1,288	1,719,944	1,721,234
End of year	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ (2,600)</u>	<u>\$ 1,868,826</u>	<u>\$ 1,866,228</u>

Imperial County Transportation Commission
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Prop 1B Fund
 Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
State allocations	\$ 768,045	\$ 768,045	\$ 35,000	\$ (733,045)
Total revenues	768,045	768,045	35,000	(733,045)
Expenditures:				
TDA disbursements	768,045	768,045	-	768,045
Total expenditures	768,045	768,045	-	768,045
Excess of revenues over expenditures	-	-	35,000	35,000
Other Financing Sources:				
Transfers out	-	-	(35,000)	(35,000)
Total other financing sources	-	-	(35,000)	(35,000)
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance:				
Beginning of year			2	
End of year			\$ 2	

Imperial County Transportation Commission
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 State of Good Repairs Fund
 Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
State allocations	\$ 250,000	\$ 250,000	\$ -	\$ (250,000)
Total revenues	250,000	250,000	-	(250,000)
Expenditures:				
Professional services	250,000	250,000	-	250,000
Total expenditures	250,000	250,000	-	250,000
Excess of revenues over expenditures	-	-	-	-
Other financing sources:				
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance:				
Beginning of year			-	
End of year			\$ -	

**Imperial County Transportation Commission
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 Regional Collaborations Fund
 Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
State allocations	\$ 200,000	\$ 200,000	\$ 146,994	\$ (53,006)
Investment income	-	-	359	359
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>147,353</u>	<u>(52,647)</u>
Expenditures:				
General and administrative	-	-	1,022	(1,022)
Professional services	200,000	200,000	150,219	49,781
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>151,241</u>	<u>48,759</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(3,888)</u>	<u>(3,888)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(3,888)</u>	<u>\$ (3,888)</u>
Fund balance:				
Beginning of year			1,288	
End of year			<u>\$ (2,600)</u>	

Imperial County Transportation Commission
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 SAFE Fund
 Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
State allocations	\$ 201,765	\$ 201,765	\$ 215,349	\$ 13,584
Investment income	15,000	15,000	61,625	46,625
Other revenues	-	-	775	775
Total revenues	<u>216,765</u>	<u>216,765</u>	<u>277,749</u>	<u>60,984</u>
Expenditures:				
General and administrative	78,302	78,302	33,972	44,330
Professional services	138,463	138,463	94,895	43,568
Total expenditures	<u>216,765</u>	<u>216,765</u>	<u>128,867</u>	<u>87,898</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>148,882</u>	<u>148,882</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>148,882</u>	<u>\$ 148,882</u>
Fund balance:				
Beginning of year			<u>1,719,944</u>	
End of year			<u>\$ 1,868,826</u>	

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Imperial Valley Resource Management Agency
El Centro, California
Audited Financial Statements
For the Year Ended June 30, 2025
With Independent Auditor's Report

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Independent Auditor's Report

**To the Board of Directors
of the Imperial Valley Resource Management Agency**
El Centro, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Imperial Valley Resource Management Agency (the "Agency"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of June 30, 2025, the changes in its net position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



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Required Supplementary Information

Management has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The Budgetary Comparison Schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Budgetary Comparison Schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Budgetary Comparison Schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **January __, 2026**, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Glendale, California
REPORT DATE

Imperial Valley Resource Management Agency

Statement of Net Position

June 30, 2025

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ASSETS

Current assets:

Cash and cash equivalents (Note 3)	\$ 238,001
Grants receivable (Note 4)	8,950
Total current assets	<u>246,951</u>

Noncurrent assets:

Capital assets, net (Note 5)	105,045
Right-of-use lease asset, net (Note 5)	6,184
Total noncurrent assets	<u>111,229</u>

Total assets 358,180

LIABILITIES

Current liabilities:

Accounts payable	26,323
Lease liability – current (Note 5)	6,391
Total current liabilities	<u>32,714</u>

Noncurrent liabilities:

Lease liability – noncurrent (Note 5)	-
Total noncurrent liabilities	<u>-</u>

Total liabilities 32,714

NET POSITION

Net investment in capital assets	104,838
Restricted	
City-county program	65,496
Unrestricted	155,132
Total net position	<u>\$ 325,466</u>

See accompanying notes to the basic financial statements.

Imperial Valley Resource Management Agency
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2025

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OPERATING REVENUES	
Memberships	\$ 510,026
Waste tire clean-up program	162,701
City-county payment program	59,942
Used oil program	47,596
Total operating revenues	<u>780,265</u>
 OPERATING EXPENSES	
Operations and maintenance	181,012
Professional services	673,204
Depreciation and amortization (Note 5)	22,876
Total operating expenses	<u>877,092</u>
 OPERATING LOSS	 <u>(96,827)</u>
 NON-OPERATING EXPENSE	
Interest expense	537
Total non-operating expense	<u>537</u>
 CHANGE IN NET POSITION	 <u>(97,364)</u>
 NET POSITION	
Beginning of year	422,830
End of year	<u>\$ 325,466</u>

See accompanying notes to the basic financial statements.

Imperial Valley Resource Management Agency

Statement of Cash Flows

Year Ended June 30, 2025

Draft 3.19.2026

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:

Cash received from member agencies	\$	510,026
Cash received from grantors		393,713
Cash payments for operating goods and services		<u>(917,113)</u>
Net cash used in operating activities		<u>(13,374)</u>

CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:

Purchases of capital assets		(115,555)
Payments on lease liability		(12,363)
Interest paid		<u>(537)</u>
Cash used in capital and related financing activities		<u>(128,455)</u>

Decrease in cash and cash equivalents		(141,829)
--	--	-----------

CASH AND CASH EQUIVALENTS:

Beginning of year		379,830
End of year	\$	<u><u>238,001</u></u>

RECONCILIATION OF OPERATING INCOME TO NET CASH USED IN OPERATING ACTIVITIES:

Operating income	\$	(96,827)
Adjustments to reconcile operating income to net cash used in operating activities:		
Depreciation and amortization		22,876
Decrease in:		
Grants receivable		123,474
Decrease in:		
Accounts payable		<u>(62,897)</u>
Total adjustments		<u>83,453</u>
Net cash used in operating activities	\$	<u>(13,374)</u>

See accompanying notes to the basic financial statements.

Draft 3.19.2026

NOTE 1 REPORTING ENTITY

The Imperial Valley Resource Management Agency (the “Agency”) was formed in 2005 under the Joint Powers Agreements pursuant to Title 1, Division 7, Chapter 5 of the California Government Code, among the cities of Brawley, Calexico, Calipatria, El Centro, Holtville, Imperial and Westmorland, and the County of Imperial, all municipal corporations duly organized and existing under the laws of the State of California. The Agency provides coordination of economical and regional source reduction and recycling of solid waste to meet the diversion requirements mandated by the California Integrated Waste Management Act of 1989 including the monitoring and reporting of source reduction recycling information. The Agency is governed by a Board consisting of nine directors chosen from the participating entities. In February 2020, under Resolution 20-07, the administration of the Agency was transferred to Imperial County Transportation Commission.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Agency have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applied to governmental agencies. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies of the Agency are described below.

Basis of Accounting and Measurement Focus

The basic financial statements include the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, and Notes to Financial Statements.

The accompanying financial statements are presented on an economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the Agency’s assets and liabilities are included in the accompanying Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents the changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred. The financial statements are accounted for on a cost of services or economic resources measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with the activity are included in the Statement of Net Position. Their reported fund equity presents the total net position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position.

Use of Restricted and Unrestricted Assets

When both restricted and unrestricted resources are available for use, it is the Agency’s policy to use restricted resources first, then unrestricted resources as they are needed.

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NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Cash and Cash Equivalents**

The Agency maintains cash and cash equivalents in the Imperial County Investment Pool. The Imperial County Investment Pool is an external investment pool, is not rated and is not registered with the Securities Exchange Commission (“SEC”). These pooled funds are carried at cost, which approximates fair value. Interest earned is deposited quarterly into participating funds. For further information regarding the Imperial County Investment Pool, refer to the County of Imperial’s (“the County”) financial statements. Proceeds from the sale of bonds and amounts held for the repayment of principal and interest are held by a third-party fiscal agent. Funds held by the third-party fiscal agent are reported at fair value. The Agency considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Capital Assets

Capital assets are defined by the Agency as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital asset lives are not capitalized.

Capital assets are depreciated or amortized using either the straight-line method over estimated useful lives or the unit of production method over the estimated useful mileage.

Leases

The Agency, as a lessee, recognizes a lease liability and an intangible right-of-use lease asset, in accordance with GASB Statement No. 87 – *Leases*. Under this statement, the Agency is required to recognize certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. See also Note 5.

Net Position

In the Statement of Net Position, net position is classified in the following categories:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets (where applicable). This portion of net position is not accessible for other purposes.

Restricted – This component of net position consists of restricted assets reduced by liabilities related to those assets. The restrictions are placed by third parties or enabling legislation.

Unrestricted – This component of net position is the remaining amount of the assets and liabilities that are not included in the determination of the restricted component of net position.

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NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Net Position Flow Assumption**

Sometimes the Agency will fund outlays for a particular purpose from both restricted (e.g., grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the basic financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Implementation of New Accounting Pronouncements

During the year ended June 30, 2025, the Agency implemented the following GASB standards. The implementation of these standards did not have an impact on the Agency's financial statements.

GASB Statement No. 101 – *Compensated Absences*. The requirements of this statement are effective for reporting periods beginning after December 15, 2023.

GASB Statement No. 102 – *Certain Risk Disclosures*. The requirements of this statement are effective for reporting periods beginning after June 15, 2024.

Released GASB Statements to be implemented in future financial statements are as follows:

GASB Statement No. 103 – *Financial Reporting Model Improvements*. The requirements of this statement are effective for reporting periods beginning after June 15, 2025.

GASB Statement No. 104 – *Disclosure of Certain Capital Assets*. The requirements of this statement are effective for reporting periods beginning after June 15, 2025.

NOTE 3 CASH AND CASH EQUIVALENTS

At June 30, 2025, the Agency had \$238,001 deposited in the Imperial County Investment Pool.

The Agency follows the practice of pooling cash and cash equivalents with the County for all funds. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on the average monthly invested cash balance in each participating fund.

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NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

At June 30, 2025, all cash and cash equivalents of the Agency have been pooled with the County and are not presented by specific, identifiable investment securities. Investment policies and associated risk disclosures applicable to the Agency are those of the County and are included in the County's financial statements. The County's financial statements can be obtained on the County's website at www.imperialcounty.org.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. At June 30, 2025, the Agency's deposit in the Imperial County Investment Pool has a weighted average maturity of less than 12 months.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Imperial County Investment Pool does not have a rating provided by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investments of the Agency are in accordance with limitations on the amount that can be invested in any one issuer as stipulated by the California Government Code. The County does not have any investments in any one issuer (other than for Imperial County Investment Pool) that represent 5% or more of the Agency's total investment portfolio.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposit made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the Agency's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker - dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

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NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

Custodial Credit Risk (Continued)

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

NOTE 4 GRANTS RECEIVABLE

Grants receivable represents amount due to the Agency from its grantors. As of June 30, 2025, the amount due to the Agency was \$8,950.

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2025 is as follows:

	<u>Balance at July 1, 2024</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance at June 30, 2025</u>
Capital assets at cost:				
Vehicles	\$ -	\$ 115,555	\$ -	\$ 115,555
Right-of-use lease asset	<u>24,733</u>	<u>-</u>	<u>-</u>	<u>24,733</u>
Total capital assets	<u>24,733</u>	<u>115,555</u>	<u>-</u>	<u>140,288</u>
Less: Accumulated depreciation and amortization				
Vehicles	-	(10,510)	-	(10,510)
Right-of-use lease asset	<u>(6,183)</u>	<u>(12,366)</u>	<u>-</u>	<u>(18,549)</u>
Total accumulated depreciation and amortization	<u>(6,183)</u>	<u>(22,876)</u>	<u>-</u>	<u>(29,059)</u>
Total capital assets, net	<u>\$ 18,550</u>	<u>\$ 92,679</u>	<u>\$ -</u>	<u>\$ 111,229</u>

Depreciation and amortization expense for the capital assets for the year ended June 30, 2025 was \$22,876.

Right-of-use Lease Assets

The Agency entered into an agreement to lease an office space, which commenced on January 1, 2024, for 24 monthly payments of \$1,075 and with an option to renew the lease for a period agreed upon 30 days prior to the expiration of the existing lease. As a result of the lease, the Agency recorded a right-of-use asset and lease liability amounting to \$24,733 at the commencement date. The lease liability is measured at a discount rate of 4.45%.

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NOTE 5 CAPITAL ASSETS (CONTINUED)

Right-of-use Lease Assets (Continued)

A summary of changes in the lease liability for the year ended June 30, 2025 is as follows:

	<u>Balance at July 1, 2024</u>	<u>Additions</u>	<u>Deletion</u>	<u>Balance at June 30, 2025</u>	<u>Due Within One Year</u>
Lease liability \$	18,754	-	(12,363)	6,391	6,391

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2025, were as follows:

<u>Years ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	6,391	59	6,450
	\$ 6,391	\$ 59	\$ 6,450

NOTE 6 OPERATING REVENUES

Memberships – The Agency receives dues and reimbursements from its member cities and the County. Revenues provided by memberships during the fiscal year ended June 30, 2025 amounted to \$510,026.

Waste tire clean-up program – The Agency implements a tire clean-up program pursuant to Section 42889(b)(5) of the Public Resources Code. The purpose of this program is to conduct cleanup, abatement, or other remedial actions related to the regional disposal of Imperial County's illegally dumped waste tires. The Waste Tire Cleanup Program includes the collection, removal, transportation, recycling, and disposal of Imperial County-collected waste tires from illegal tire piles and areas where illegal dumping has occurred along public rights-of-way. Total assistance provided under this program during the fiscal year ended June 30, 2025 amounted to \$162,701.

City-county payment program – The city-county payment program funds beverage container recycling projects implemented by cities and counties to help reach the state's 80% recycling goal. Total assistance provided under this program during the fiscal year ended June 30, 2025 amounted to \$59,942.

Used oil program – The Agency implements the used oil program pursuant to Section 48600 of the Public Resources Code. Used oil, used oil filter collection, other recycling activities, and educational activities are statutory components of the local used oil collection program (PRC section 48691). Total assistance provided under this program during the fiscal year ended June 30, 2025 amounted to \$47,596.

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NOTE 7 RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance through the Public Entity Risk Management Agency.

NOTE 8 SUBSEQUENT EVENTS

The Agency has evaluated events or transactions that occurred subsequent to the financial statement date through **REPORT DATE**, the date the accompanying financial statements were available to be issued, for potential recognition or disclosure in the financial statements and determined that no subsequent matters required disclosure or adjustment to the accompanying basic financial statements.

Draft 3.19.2026

SUPPLEMENTARY INFORMATION

Imperial Valley Resource Management Agency
 Budgetary Comparison Schedule
 Year Ended June 30, 2025

Draft 3.19.2026

	Original Budget	Final Budget	Actual	Variance Positive/ (Negative)
OPERATING REVENUES				
Memberships	\$ 745,841	\$ 745,841	\$ 510,026	\$ (235,815)
Waste tire clean-up program	237,000	237,000	162,701	(74,299)
City-County payment program	109,000	109,000	59,942	(49,058)
Used oil program	141,000	141,000	47,596	(93,404)
Total operating revenues	1,232,841	1,232,841	780,265	(452,576)
OPERATING EXPENSES				
Operations and maintenance	88,312	88,312	148,700	(60,388)
Professional services	657,529	657,529	327,587	329,942
Waste tire clean-up program	237,000	237,000	218,490	18,510
City-county payment program	109,000	109,000	97,798	11,202
Used oil program	141,000	141,000	61,641	79,359
Depreciation and amortization	-	-	22,876	(22,876)
Total operating expenses	1,232,841	1,232,841	877,092	355,749
OPERATING LOSS	-	-	(96,827)	(96,827)
NON-OPERATING EXPENSE				
Interest expense	-	-	537	(537)
Total non-operating expense	-	-	537	(537)
CHANGE IN NET POSITION	\$ -	\$ -	(97,364)	\$ (97,364)
NET POSITION				
Beginning of year			422,830	
End of year			\$ 325,466	

See accompanying notes to the basic financial statements.

Draft 3.19.2026

NOTE 1 BUDGETARY INFORMATION

The Agency adheres to the following general procedures in establishing the budgetary data reflected in the Budgetary Comparison Schedule:

- The annual budget adopted by the Agency includes all proposed expenditures and estimated revenues.
- The budget is formally integrated into the accounting system.
- The budget for the Agency is adopted on a basis consistent with generally accepted accounting principles. The accrual basis of accounting is employed in the preparation of the budget.



Draft 3.19.2026

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**Independent Auditor’s Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

**The Board of Directors
of the Imperial Valley Resource Management Agency**
El Centro, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Imperial Valley Resource Management Agency (the “Agency”), as of and for the year ended June 30, 2025, and the related notes to the basic financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated **January _____, 2026**.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Glendale, California

REPORT DATE

Draft 3.19.2026



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VI. ACTION CALENDAR

- B. SAFE Program Transition, Call Box Sunset, and Motorist Assistance Program Enhancements
1. Authorize Staff to explore the renewal of a Knightscope contract extension to maintain continuity of service during the transition period. A formal agreement will be brought to the Commission for final consideration at a future date.
 2. Authorize Staff to proceed with the transition to the 511 Traveler Information Program and authorize staff to initiate a Memorandum of Understanding (MOU) with L.A. Metro. The final MOU will be brought to the Commission for consideration at a later date.
 3. Approve the phased sunset of the SAFE Call Box Program and authorize staff to initiate a Request for Proposals (RFP) for the removal of call boxes and for the placement of new signage to promote the 511 program.
 4. Authorize the Executive Director, to pursue additional opportunities for the SAFE program in conjunction with the recommended adjustments.



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PHONE: (760) 592-4494
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March 21, 2026

Karin Eugenio, Chairwoman
Imperial County Transportation Commission
1503 N. Imperial Avenue, Suite 104
El Centro, CA 92243

SUBJECT: SAFE Program Transition, Call Box Sunset, and Motorist Assistance Program Enhancements

Dear Commission Members:

EXECUTIVE SUMMARY

Since its establishment in 1990, the Imperial County Service Authority for Freeway Emergencies (SAFE), funded through a \$1 vehicle registration fee, has provided motorist aid services, including the operation of emergency call boxes along Interstate 8 and State Route 86. These call boxes were originally installed to provide motorists with direct access to emergency assistance, particularly in rural areas.

However, advancements in technology and the widespread adoption of mobile phones have significantly reduced reliance on call boxes. ICTC's recent analysis indicates declining utilization across the system, with many call boxes experiencing little to no activity. This trend reflects a broader statewide shift away from traditional roadside communication systems.

At the same time, the SAFE program continues to incur ongoing operational and maintenance costs, and the current maintenance contract is approaching expiration. In addition, ongoing service performance challenges and limited vendor availability have raised concerns regarding the long-term reliability and sustainability of the program. Funding for the program remains limited while maintenance costs are expected to rise.

Staff have evaluated the declining usage of the callbox system in addition to rising costs and eligible funding uses. Staff has developed a series of recommendations to maximize the effectiveness of the program. Staff will be sharing current performance data to support Staff's recommendations.

In response to these factors, staff recommends proceeding with a phased transition of the SAFE program. This includes initiating the procurement process for call box removal services and shifting toward more modern, efficient motorist assistance solutions, such as the 511 Traveler Information System.

This approach supports responsible use of SAFE funds, aligns with statewide trends, and allows ICTC to invest in innovative technologies that better meet the current and future needs of the traveling public.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

SERVICE INFORMATION

The SAFE Program was established under California Streets and Highways Code Sections 2550–2559 to provide emergency roadside assistance funded through a \$1 vehicle registration fee.

In Imperial County, the SAFE program currently operates:

- **166 emergency call boxes**
- Coverage along **I-8 and SR-86 corridors**
- Annual revenues of approximately **\$200,000**

The program was designed at a time when cellular communication was limited. Today, however, nearly all motorists carry mobile phones, significantly reducing reliance on call boxes.

ICTC's current agreement with Knightscope is anticipated to expire in May 2026. ICTC's current operational expenses are approximately \$160,000 per year.

How Call Boxes Work

A call box is designed to operate much like a cell phone. It also relies on cellular technology to provide communication services, and as network systems evolve, call boxes must be upgraded to remain compatible with the cellular network.

Each call box unit consists of the following components:

- Breakaway pole
- Protective call box enclosure, which houses the hardware, chipset, tilt sensor, and battery. When opened, it reveals a handset and a TTY keyboard for the hearing impaired.
- Blue reflective sign with a unique call box identification number
- Small solar panel to recharge the internal battery
- External antenna

When a call box is activated, the call is directed to the California Highway Patrol (CHP). CHP assists the motorist in requesting CHP rotation tow service, or contact the motorist's roadside assistance provider (e.g., AAA or auto insurance), or a friend or family member.

It is important to note that the CHP rotation tow service is not a complimentary service. Motorists are responsible for the cost of the tow, which is billed directly by the responding towing company dispatched by CHP. Some callers, upon receiving the tow cost information, may instead opt to contact their own roadside assistance provider or arrange alternate help.

Call Box System Analysis – Imperial County

Staff continuously evaluates the system performance and has been exploring opportunities to improve the network and value to the traveling public. ICTC staff conducted a comprehensive internal evaluation of the SAFE Call Box Program to assess system performance, utilization, and overall cost-effectiveness within the Imperial County region.

This analysis included a detailed review of call activity, geographic distribution of usage, operational costs, and maintenance performance.

Based on the most recent data, the SAFE system recorded approximately 320 calls during calendar year 2025, distributed across all 166 call boxes. While this reflects continued use of the system, the analysis identified that call activity is highly sporadic and unevenly distributed. A limited number of call boxes primarily located near the Imperial County/San Diego County boundary (the grade) account for a higher frequency of usage, while a significant portion of the system experiences little to no activity. Specifically, ICTC identified that 24 call boxes along SR-86 and 78 call boxes along I-8 were not used at all during the reporting period, representing a substantial portion of the overall system. This indicates that nearly half of the system provides minimal to no direct benefit to motorists despite ongoing operational and maintenance costs.

In addition, the analysis highlighted that many calls received through the system do not result in direct assistance. A large portion of users ultimately rely on alternative communication methods, such as personal mobile devices, after initiating contact. These further underscores the shift in how motorists access emergency services and roadside assistance.

ICTC's evaluation also considered system reliability and maintenance performance. Recent challenges associated with the current service provider, including delays in maintenance and operational issues, have raised concerns about the ability to consistently provide reliable service across the network. These reoccurring issues also create significant future concern for the system. These findings are consistent with feedback from other regional agencies experiencing similar issues.

Overall, the analysis demonstrates that while the call box system continues to provide some level of service, its declining usage, uneven distribution of benefits, and increasing cost per call indicate that the program is no longer operating as efficiently or effectively as originally intended. These findings support the need to transition toward more modern, scalable, and cost-effective motorist assistance solutions.

DISCUSSION

To maintain and operate an effective call box program, three critical services are required: (1) a cellular data plan for each unit, (2) call answering center (CAC) services available 24/7, and (3) a maintenance provider to perform repairs and system upkeep.

Recent operational challenges have raised concerns regarding the long-term sustainability of the program. The current maintenance provider, Knightscope, has experienced performance limitations and reduced service capacity following industry changes, including the transition from in-house technicians to subcontracted services. These challenges have been reported statewide, with limited vendor availability and increasing costs across statewide SAFE programs.

Additionally, procurement efforts across the state have consistently resulted in a single qualified vendor, limiting competition and increasing costs. In addition, the sole vendor has continued to inform its clients that renewal costs with their firm will result in increased costs due to operational deficiencies.

Given these factors, continuing the call box program would likely require entering into a new agreement with Knightscope, likely at a higher cost, while still facing ongoing service and reliability concerns. Consistent with statewide trends, agencies are transitioning toward more modern motorist assistance solutions, including the 511 Traveler Information System, which provides real-time information directly to users without reliance on physical infrastructure.

RECOMMENDATION

Staff are recommending removing the call box system entirely or consider removal of a portion of the system. Staff are also recommending incorporating the 511 Traveler Information System as a modern and more effective approach to providing motorist assistance. The 511 program is a statewide and national traveler information service that provides real-time traffic conditions, road closures, incident alerts, and travel updates through phone, web, and mobile applications. The 511 Traveler Information System is administered at the state level by Los Angeles Metro, which oversees the statewide network and ensures consistent traveler information services. L.A. Metro operates and manages local system components through agreements with SAFE operators allowing agencies like ICTC to integrate into an existing, established platform. This system allows motorists to access critical information instantly without the need for physical infrastructure such as call boxes. The implementation of the 511 program represents a shift toward a more innovative, technology-driven solution that aligns with current user behavior. Today, most motorists rely on mobile devices for navigation and emergency communication. Unlike call boxes, which require motorists to physically locate and walk to a fixed location, the 511 system provides immediate access to information directly from a user's phone, enhancing both safety and convenience.

From a fiscal standpoint, transitioning to the 511 program is expected to result in long-term cost savings. The current call box system requires ongoing expenses related to maintenance, cellular service, and vendor contracts. By comparison, the 511 system reduces reliance on physical infrastructure and allows SAFE funds to be reallocated toward more efficient and scalable solutions. This transition supports responsible use of public funds while maintaining a high level of service to the traveling public. The transition to the 511 program would also require the addition of roadway signage marketing the program while also informing the public of the change.

Additionally, ICTC's proposed move toward the 511 program is consistent with statewide trends and best practices. Regional agencies such as Riverside County Transportation Commission (RCTC), and San Diego Association of Governments (SANDAG) have already implemented or are advancing similar transitions toward 511 and other Intelligent Transportation Systems. As more agencies adopt these modern tools, ICTC has the opportunity to integrate into a broader regional network, improving coordination and enhancing the overall traveler experience across Southern California.

It is anticipated that the transition will take approximately one year to complete with multiple steps incorporated into the process. As a result of the length of time required to complete the transition, ICTC will be required to complete a limited contract extension with its current vendor Knightscope to continue operation and maintenance of the current system while the transition is implemented.

Based on ICTC's analysis, staff recommend proceeding with a phased transition of the SAFE program to ensure continued service, improve cost-efficiency, and align with current technology and user behavior.

ICTC staff forwards this item to the Commission for their review and approval after public comment, if any:

1. Authorize Staff to explore the renewal of a Knightscope contract extension to maintain continuity of service during the transition period. A formal agreement will be brought to the Commission for final consideration at a future date.
2. Authorize Staff to proceed with the transition to the 511 Traveler Information Program and authorize staff to initiate a Memorandum of Understanding (MOU) with L.A. Metro. The final MOU will be brought to the Commission for consideration at a later date.
3. Approve the phased sunset of the SAFE Call Box Program and authorize staff to initiate a Request for Proposals (RFP) for the removal of call boxes and for the placement of new signage to promote the 511 program.
4. Authorize the Executive Director, to pursue additional opportunities for the SAFE program in conjunction with the recommended adjustments.

Sincerely,



David Aguirre
Executive Director

DA/mf/mb

Attachments