



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: FEBRUARY 7, 2023**

**FROM: PUBLIC WORKS DEPARTMENT      WARDS: ALL**

**SUBJECT: RFP NO. 2198 – PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH KIMLEY HORN & ASSOCIATES, INC., OF SACRAMENTO, CALIFORNIA, FOR A CITYWIDE VEHICLE MILES TRAVELED (VMT) MITIGATION THROUGH FEES, BANKS & EXCHANGES PROGRAM FOR A TERM THROUGH JANUARY 23, 2026, IN THE AMOUNT OF \$334,936.01 PLUS 10% CONTINGENCY FOR A NOT TO EXCEED AMOUNT OF \$368,429.61 – SUPPLEMENTAL APPROPRIATION**

## **ISSUE:**

Approve a Professional Consultant Services Agreement with Kimley Horn & Associates Inc., of Sacramento, California, to complete a Citywide Vehicle Miles Traveled (VMT) Mitigation Through Fees, Banks & Exchanges Program for a term through January 23, 2026, in the amount of \$334,936.01 plus 10% contingency in the amount of \$33,493.60, for a not to exceed amount of \$368,429.61; and authorize a supplemental appropriation.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve a Professional Consultant Services Agreement with Kimley Horn & Associates, Inc. of Sacramento, California, to complete a Citywide Vehicle Miles Traveled (VMT) Mitigation Through Fees, Banks & Exchanges Program for a term through January 23, 2026, in the amount of \$334,936.01, plus 10% contingency in the amount of \$33,493.60, for a not to exceed amount of \$368,429.61;
2. Authorize the City Manager, or designee, to execute the Professional Consultant Services Agreement, including making minor and non-substantive changes, subject to the availability of budgeted funds; and
3. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation from available fund balance in the amount of \$292,550.42 to the Transportation Development Impact Fee Fund, VMT Mitigation Bank Program.

## **BACKGROUND:**

On September 27, 2013, Governor Jerry Brown signed SB 743 into law which required changes to the guidelines, such as implementing the California Environmental Quality Act (CEQA) Guidelines and establishing criteria for determining the significance of transportation impacts.

On December 2018, the changes to the CEQA guidelines were implemented. The changes require all lead agencies to adopt Vehicle Miles Traveled (VMT) as a replacement for automobile delay-based level of service (LOS) as the new measure to evaluate transportation impacts. Vehicle Miles Traveled was identified as the appropriate measure of transportation impacts due to its correlation with emissions. Vehicle emissions make up a substantial portion of particulate matter and greenhouse gas emissions in the State of California and reducing the total VMT statewide can reduce these emissions and potentially mitigate harmful impacts to air quality and surface temperatures.

On July 2020, the City of Riverside adopted its new Traffic Impact Analysis Guidelines, which provide guidelines to analyze traffic impacts using a VMT metric. Projects with VMT impacts are required to mitigate impacts using the following VMT Mitigation Measures:

1. Modify the project characteristics to reduce VMT generated by the project.
2. Implement Transportation Demand Management (TDM) measures to reduce VMT generated by the project.
3. Participate in a VMT fee program and/or VMT mitigation exchange/banking program to reduce VMT from the project or other land uses to obtain acceptable levels.

The City of Riverside does not have a mitigation program for projects to participate and contribute their fair share to reducing the project's VMT impacts. The City of Riverside seeks to create a VMT fees, bank & mitigation program to help streamline the development process and facilitate project mitigation in City of Riverside. The VMT Mitigation Program will assess and pilot a possible VMT "banking", "fee", or "exchange" framework that would allow developers and institutions whose projects would lead to VMT increases to offset such increase through payment of fees toward, or direct implementation of, projects that will lessen VMT. The development of the VMT Mitigation Program will include public input from local stakeholders and community outreach to gain more insight on the challenges and opportunities associated with the program.

## **DISCUSSION:**

On August 31, 2022, the City issued Request for Proposal (RFP 2198) to provide services for the preparation of a Citywide Vehicle Miles Traveled Mitigation Through Fees, Banks & Exchanges Program in accordance with Senate Bill (SB) 743 requirements and to meet the needs of the local community in the City of Riverside. The due date for proposals was October 6, 2022, and the City received one proposal from Kimley-Horn & Associates, Inc. (KHA). The proposal was evaluated by city staff and deemed to be a qualified proposal.

With more than 55 years of experience, KHA currently provides services throughout Southern California. KHA has been selected to prepare thresholds, policies, VMT tools and develop VMT Banking/Mitigation Programs for other California public agencies such as Fresno COG, Stan COG, County of Santa Cruz and the Cities of Salinas, Tracy, and Watsonville. KHA's local office

in Riverside, California will be conducting the work on this project. Upon its successful completion, staff intends to adopt the VMT Mitigation Through Fees, Banks & Exchanges Program at a future City Council meeting.

The Purchasing Manager concurs that the recommended action to approve the agreement is in compliance with Purchasing Resolution No. 23914.

### **STRATEGIC PLAN ALIGNMENT:**

This item contributes to **Strategic Priority 6 – Infrastructure, Mobility and Connectivity** and **Goal 6.2** – Maintain, protect, and improve assets and infrastructure within the City's built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

1. **Community Trust** –The VMT Mitigation Through Fees, Banks & Exchanges Program would provide a comprehensive review of VMT Mitigation measures, fees, banks & exchanges & CEQA Nexus Study. Stakeholder meetings and public outreach meetings will be incorporated into the development of the program to gather input from the community and address feedback.
2. **Equity** – The VMT Mitigation Through Fees, Banks & Exchanges Program will provide mitigation alternatives with the dual purpose of reducing single car riders while facilitating walking, biking and transit in Riverside.
3. **Fiscal Responsibility** – The proposed project would allow developers and institutions to offset VMT increases by payment of fees toward, or direct implementation of projects that will reduce VMT in other places or populations and would simplify project review for City Staff.
4. **Innovation** – The VMT Mitigation Through Fees, Banks & Exchanges Program is the first of its kind in the region and is a unique program that complies with the state's CEQA requirements to address transportation impacts through VMT evaluation, impact, and assessment.
5. **Sustainability & Resiliency** – The proposed project encourages more long-term reliance of sustainable modes of transportation and furthers our community's goal of improving air quality in the region. The VMT Mitigation Program will streamline transportation study impacts and expedite the development review process.

### **FISCAL IMPACT:**

The estimated total fiscal impact including design and contingencies is \$368,429.61 (Table 1).

A supplemental appropriation of \$292,550.42 is required from available fund balance to the Transportation Development Impact Fee Fund, VMT Mitigation Bank Program account number 9920636-440304. All other funding sources are budgeted and available, as listed in Table 2 below.

Table 1 —Total Project Costs

| <b>Task</b>                                | <b>Amount</b>       |
|--------------------------------------------|---------------------|
| Professional Consultant Services Agreement | \$334,936.01        |
| 10% Contingency                            | \$33,493.60         |
| <b>Total</b>                               | <b>\$368,429.61</b> |

Table 2—VMT Project Funds

| <b>Fund</b>                           | <b>Program/Project</b>      | <b>Account</b> | <b>Amount</b>       |
|---------------------------------------|-----------------------------|----------------|---------------------|
| Transportation Development Impact Fee | VMT Mitigation Bank Program | 9920636-440304 | \$292,550.42        |
| Measure A                             |                             | 9920633-440313 | \$40,879.19         |
| Development Grants                    | SB2 VMT Mitigation Analysis | 9340690-440210 | \$35,000.00         |
| <b>Total</b>                          |                             |                | <b>\$368,429.61</b> |

Prepared by: Gilbert Hernandez, Public Works Director  
 Certified as to  
 availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/  
 City Treasurer  
 Approved by: Kris Martinez, Assistant City Manager  
 Approved as to form: Phaedra A. Norton, City Attorney

## Attachments:

1. Agreement
2. Award Recommendation