



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: DECEMBER 9, 2025**

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

**SUBJECT: FIRST AMENDMENT TO RFP NO. 2198 - PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH KIMLEY HORN & ASSOCIATES, INC., FOR A CITYWIDE VEHICLE MILES TRAVELED (VMT) MITIGATION FEES, BANK & EXCHANGES PROGRAM, TO AMEND THE SCOPE OF SERVICES AND EXTEND THE TERM THROUGH JANUARY 23, 2028**

## **ISSUE:**

Approve the First Amendment for Request for Proposal (RFP) No. 2198 - Professional Consultant Services Agreement with Kimley Horn & Associates, Inc., for the Citywide Vehicle Miles Traveled (VMT) Mitigation Fees, Bank & Exchanges Program, to amend the scope of services and extend the term through January 23, 2028.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the First Amendment to the RFP No. 2198 - Professional Consultant Services Agreement with Kimley Horn & Associates, Inc., for the Citywide Vehicle Miles Traveled (VMT) Mitigation Fees, Bank & Exchanges Program, to amend the scope of services and extend the term through January 23, 2028; and
2. Authorize the City Manager, or designee, to execute the First Amendment to the Professional Services Agreement with Kimley Horn & Associates, including amendments and extensions and making minor and non-substantive changes, subject to the availability of budgeted funds.

## **BACKGROUND:**

In 2013, Senate Bill (SB) 743 was signed into law which required local agencies implementing the California Environmental Quality Act (CEQA) Guidelines to establish a new metric for determining the significance of transportation impacts. In 2018, the CEQA guidelines required all local agencies to adopt Vehicle Miles Traveled (VMT) as the new measure to evaluate transportation impacts under CEQA with an effective implementation date of July 1, 2020.

On June 16, 2020, the City Council adopted Vehicle Miles Traveled (VMT) as the new transportation metric and established a modified Traffic Impact Analysis (TIA) Guidelines in compliance with the state mandate. The initial VMT adoption established VMT thresholds and

screening criteria such as projects located in a Transit Priority Area, Low-VMT generating area, Project Type Screening, and Redevelopment Projects.

If a development project cannot be exempted based on the screening criteria, then the project must be analyzed using the Riverside County Transportation Model (RIVCOM) travel demand model to determine the project's VMT impacts and determine potential mitigation. If a project cannot fully mitigate its VMT impacts, then this may result in a significant and unavoidable transportation impacts which could lead to the preparation of an Environmental Impact Report (EIR). EIR's have substantial costs, will delay the project for months and are subject to discretionary local approvals.

A VMT Mitigation Program can be a potential solution to mitigate transportation impacts and provide an opportunity for projects to avoid processing EIR's, streamline the development process, provide certainty to developers, and be utilized as a mitigation resource for other agencies. A VMT Mitigation Program can also be utilized as a potential funding source for non-vehicular improvements such as active transportation and transit projects.

On September 29, 2022, the City issued a Request for Proposal (RFP 2198) to provide services for the preparation of a Citywide Vehicle Miles Traveled (VMT) Mitigation Through Fees, Banks & Exchanges Program in accordance with the Senate Bill (SB) 743 requirements and to meet the needs of the local community in the City of Riverside.

## **DISCUSSION:**

On February 14, 2023, the City entered into an agreement with Kimley-horn and Associates to prepare a Volunteer VMT Mitigation Pilot Program that evaluated a bank, fee, or exchange alternatives that would allow developers a voluntary option to offset VMT impacts. The agreement included several major tasks as part of the project's scope of work.

During the development of the VMT Mitigation Bank Pilot Program, task 7 was completed with the preparation of a Categorical Exemption (CE) instead of the original task to complete a full Environmental Impact Report. Additional public meetings for the Board, Commission and Committees were required to complete the formal adoption process. Thus, task 7 was modified to prepare a CE and additional tasks 8 (stakeholder meetings) and 9 (support for an EIR to amend General Plan) were included in the revised scope of services. No additional funds were added to the project, but the original budget was re-allocated to task 8 and task 9. This change allowed the VMT program to begin in a voluntary participation format prior to the more extensive work of completing the General Plan Update.

On December 24, 2025, the City Council adopted the Voluntary VMT Mitigation Bank Pilot Program with the following consideration:

*"General Plan Update:\_The city is evaluating alternative approaches to SB 743 as part of its upcoming General Plan update which may alter this approach. A programmatic EIR for the General Plan would allow individual projects to tier and mitigate cumulative impacts by contributing to the bank. Under the program EIR for the General Plan, concerns of timeliness and economic feasibility and allow for tiering of individual projects that are consistent with the General Plan can be addressed."*

Task 9, “Support of Preparation of an EIR to Amend General Plan” remains outstanding and will be completed as part of City of Riverside 2050 General Plan Update.

The citywide General Plan 2050 Project update is anticipated to complete its Environmental Impact Report (EIR) sometime in 2027. Thus, the extension of the existing professional consultant services agreement with Kimley Horn Associates is pertinent to support the integration and transition to a permanent VMT Mitigation Bank Program as part of the EIR.

Purchasing Resolution 24101, Section 1104 “Change Orders” states that “Modifications to a Purchase Order shall be made only by Change Order. Subject to the availability of funds, Change Orders may be utilized for purposes of...(3) modifying scope of work/services being provided, where the modification is reasonably related to the original scope of work/services, [or]...(5) modifying contract completion time or the term of a Contract. Unless otherwise specifically authorized by the Awarding Entity, Change Orders which cumulatively exceed the following will require Awarding Entity approval: (d) A Contract amendment which extends the term of the agreement beyond one year of the original expiration date.”

The Purchasing Manager concurs that the recommended actions to approve the change order is in compliance with Purchasing Resolution 24101.

### **FISCAL IMPACT:**

There is no fiscal impact associated with this action as this is a time extension only and sufficient funds are still available from the original Professional Consultant Services Agreement amount of \$368,429.61, including contingency fees. Funds are budgeted and available in the following funds and accounts listed in the table below.

<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: Philip Nitollama, City Traffic Engineer  
Approved by: Gilbert Hernandez, Public Works Director  
Certified as to availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer  
Approved by: Kris Martinez, Assistant City Manager  
Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

### **Attachment:**

1. First Amendment to Professional Consultant Services Agreement
2. Executed Professional Consultant Services Agreement