



DATE: April 21, 2026

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Professional Services Agreement with Advanced Mobility Group, Inc., to 1) Extend the Term of Agreement by One Year, 2) Update the Agreement to Allow Two Additional One-Year Extensions, and 3) Increase the Contract Amount by \$250,000 Annually for a Total Not-to-Exceed Amount of \$1,000,000 for the One-Year Extension and \$1,500,000 for the Two Additional Extensions

RECOMMENDATION

That the City Council adopts a resolution (Attachment II) authorizing the City Manager to execute Amendment No. 1 to the existing Professional Services Agreement (PSA) with Advanced Mobility Group, Inc. (AMG) to continue on-call transportation consulting. The Amendment would 1) extend the term of agreement by one year through June 30, 2027, 2) update the agreement to allow two additional one-year extensions through June 30, 2029, and 3) increase the contract amount by \$250,000 annually for a total not-to-exceed amount of \$1,000,000 for one-year extension and not-to-exceed amount of \$1,500,000 for the two additional extensions.

SUMMARY

The City entered into a three-year agreement with AMG on June 28, 2023, to provide on-call transportation engineering design and related services, which expires June 30, 2026. To continue receiving on-call transportation consulting services, staff recommends that City Council adopt a resolution authorizing the City Manager to extend the term of agreement by one year through June 30, 2027 and update the agreement to allow two additional one-year extensions, for a total of three additional years, through June 30, 2029. In addition, the resolution authorizes the City Manager to increase the contract amount by \$250,000 annually.

FISCAL IMPACT

The impact of this amendment on the General Fund and Measure C is none to minimal. Currently the annual contract for AMG's on-call services is \$250,000. This amendment

maintains that annual amount, with no annual increase requested during this period. This reflects a continued commitment to fiscal stability and responsible stewardship of resources.

The majority of the contract increase will be funded through appropriated budgets in the City's Capital Improvement Program (CIP) as AMG provides consulting services on specific CIP projects. A majority of the Transportation CIP projects are funded by special revenues, such as Gas Tax and Measure BB. The remaining costs are related to development and encroachment plan reviews, which is a City service provided by the Transportation Division, and are budgeted in the General Fund. These costs are currently offset by associated plan review fees in the Master Fee Schedule (MFS). The Finance Department is bringing the MFS updates, which will reflect the most updated costs of service and fees, to City Council for approval on April 21, 2026.

BACKGROUND AND DISCUSSION

AMG has provided on-call transportation consulting services to the City since 2018. AMG's scope of work includes various transportation engineering services, including signal design & operations, development/improvement plan review, citizen request management, neighborhood traffic calming, grant writing, and outreach. The previous contract expired on June 30, 2023.

In 2023, due to key vacancies in the Transportation Division, the Public Works & Utilities Department sought to pre-qualify firms to provide on-call transportation engineering services. A Request for Proposals (RFP) was prepared by staff and released to eight firms and posted on the City's website on March 13, 2023. Staff evaluated two proposals and determined that AMG was more qualified for the services needed, based on their experience in providing similar services to the City and the firm's competitive rate structure.

On May 23, 2023¹, City Council authorized the City Manager to execute a PSA with AMG for a total amount of \$750,000 over three-years. The current three-year agreement was executed on June 28, 2023, with an effective date from July 1, 2023, to June 30, 2026. The existing PSA includes language regarding City's right to extend the term of the agreement in intervals of one month.

AMG's services have been used to increase staff capacity, provide expertise, and deliver projects on time. The Transportation Division has been using AMG's support on tasks such as traffic control plan review, managing resident requests through Access Hayward, grant applications, development/improvement plan review, signal timing analysis, and providing technical assistance and upgrades to the City's traffic signal system infrastructure.

The Transportation Division's current workload and staff vacancies require continuous on-call transportation consulting services to implement planned projects over the next three years.

¹ <https://hayward.legistar.com/LegislationDetail.aspx?ID=6230210&GUID=94F0338A-205B-4D08-8CB5-2E00D2D7ED02>

ECONOMIC IMPACT

This PSA provides significant benefits to Hayward residents, businesses, and patrons by facilitating timely transportation projects and improving traffic operations.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority to Invest in Infrastructure. Specifically, this item relates to the implementation of the following project:

- Project N1: Continue to implement major corridor traffic calming initiatives

Additionally, this item will also support Mobility Element goals in the Hayward 2040 General Plan, including providing complete streets, balancing multimodal systems, improving pedestrian facilities and bikeways, transportation demand management, and safe movement of goods throughout the City.

SUSTAINABILITY FEATURES

This agenda item supports mobility goals in the City's 2040 General Plan, primarily the provision of a multi-modal system of transportation facilities and services. Transportation engineering services support projects that also benefit residents of Hayward by improving air quality and reducing greenhouse gas emissions.

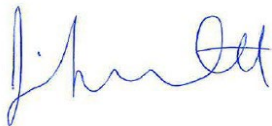
NEXT STEPS

If City Council approves, the City Manager will execute Amendment No. 1 to the existing PSA with AMG.

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Recommended by: Alex Ameri, Director of Public Works

Approved by:



Jennifer Ott, City Manager