



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Art Vela, Interim City Manager

**PREPARED BY:** Patrick Safari, Capital Improvement Projects Manager  
Nathan Smith, Deputy Director of Public Works/City Engineer

**MEETING DATE:** February 24, 2026

**SUBJECT:** Consideration of Resolution 2026-38, Approving Amendment No. 1 to the Professional Services Agreement with UltraSystems Environmental, Inc. for an Additional Amount of \$230,770 for Construction Environmental Monitoring Services Related to the Sun Lakes Boulevard Extension Project

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### **RECOMMENDATION:**

Adopt Resolution 2026-38

### **BACKGROUND:**

The Sun Lakes Boulevard Extension is a critical infrastructure project that will construct a new 1-mile roadway segment, providing a vital east-west connection between Highland Home Road and Sunset Avenue. The project is designed to improve traffic circulation, reduce congestion on parallel routes, and support planned community development.

On January 27, 2026, City Council adopted Resolution No. 2026-18, awarding a Professional Services Agreement to UltraSystems Environmental, Inc. (UltraSystems) for Construction Environmental Monitoring Services for the Sun Lakes Boulevard Extension Project in the amount of \$381,900.

Since the award of the contract, staff and UltraSystems have identified additional, non-discretionary permitting and regulatory compliance requirements that were not within the original scope of the environmental monitoring services agreement. While the original scope focused on field monitoring during construction (i.e., biological resources, nesting birds, and paleontological resources), the concurrent administration and compliance documentation for three specific state and federal permits require dedicated technical expertise.

These permits, administered by the California Department of Fish and Wildlife (CDFW) and the Regional Water Quality Control Board (RWQCB), carry strict reporting requirements, and failure to comply could result in substantial fines, project shutdowns, or legal liability. The City is legally bound to fulfill these requirements under the California Environmental Quality Act (CEQA) Mitigation Monitoring and Reporting Program (MMRP) and the terms of the permits themselves.

### **JUSTIFICATION:**

To ensure full regulatory compliance and avoid project delays, staff recommend approving Amendment No. 1 to the Professional Services Agreement with UltraSystems. This amendment will fund additional services related to the following permits, which are outside the current scope of work:

- **Incidental Take Permit (ITP) Compliance (CDFW):** Preparation of monthly and annual compliance reports, monitoring of avoidance and minimization measures specific to covered species, and coordination with CDFW regarding potential take events.
- **Streambed Alteration Agreement Compliance (CDFW):** Documentation of impacts to riparian habitat and streambeds, as-built surveying of temporary vs. permanent impacts, and preparation of the final compliance report required to close out the permit.
- **Waste Discharge Requirements / Dredge or Fill Discharge Permit Compliance (RWQCB):** Preparation and submittal of weekly construction site monitoring reports, stormwater compliance documentation, water quality sampling, and final site closure certification to satisfy Order R7-2025-0014 requirements.

These tasks are highly technical, time-sensitive, and were originally assumed to be covered under the City's general construction management or prime design contracts; however, those existing agreements do not include the specialized regulatory expertise required. UltraSystems, as the City's appointed environmental monitor, is uniquely positioned to perform this work efficiently without requiring a new procurement process, avoiding mobilization delays and ensuring continuity of documentation.

Staff has reviewed the proposed scope and fee of \$230,770 and finds it to be fair, reasonable, and in the best interest of the City of Banning. This change order brings the total "Not-to-Exceed" contract value to \$650,860.

**FISCAL IMPACT:**

Staff recommends approving Amendment No.1 to the Professional Services Agreement with UltraSystems Environmental Inc. for an additional amount of \$230,770.

The project costs remain eligible for reimbursement through previously awarded grant funding. As noted in the original Resolution 2026-18, the Transportation Uniform Mitigation Fee (TUMF) funds administered by the Western Riverside Council of Governments (WRCOG) and Measure A Regional Arterial (MARA) funds administered by the Riverside County Transportation Commission (RCTC) total \$33,500,000 in eligible reimbursements for design, construction, environmental monitoring, utilities relocation, and environmental permitting. Staff confirms that these additional permit compliance services qualify as eligible environmental permitting costs.

An appropriation from Measure A Fund in the amount of \$230,770 to Account No. 101-4900-431.93-16 is necessary to fund Amendment No.1 to the Professional Services Agreement with UltraSystems Environmental, Inc. for Environmental Monitoring Services for the Sun Lakes Boulevard Extension Project. City staff will submit monthly reimbursement invoices to RCTC and WRCOG.

**ALTERNATIVES:**

Do not approve Resolution 2026-38 and provide alternative direction to staff.

**BUDGETED?:**

Yes

**CONTRACT/AGREEMENT:**

Yes

**ATTACHMENTS:**

1. [Resolution\\_2026-38.docx](#)
2. [Resolution No. 2026-18.pdf](#)
3. [Incidental Take Permit Approval.pdf](#)
4. [Streambed Alteration Agreement.pdf](#)
5. [Waste Discharge Dredge or Fill Order.pdf](#)

6. UltraSystems Change Order.pdf