

# Agenda Report

April 13, 2026

**TO:** Honorable Mayor and City Council

**FROM:** Departments of Public Works and Transportation

**SUBJECT: AUTHORIZE THE CITY MANAGER TO AMEND CONTRACT NO. 30489-0 WITH HDR ENGINEERING, INC. BY \$2,147,667 FOR A TOTAL AMOUNT NOT TO EXCEED \$8,107,089 FOR PROFESSIONAL SERVICES FOR THE PASADENA TRANSIT OPERATIONS AND MAINTENANCE FACILITY PROJECT**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find the authorization to amend a contract for professional services is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required;
2. Authorize the City Manager to amend Contract No. 30489-0 with HDR Engineering, Inc. by \$2,147,667, increasing the not-to-exceed amount to \$8,107,089 for professional services for the Pasadena Transit Operations and Maintenance Facility project; and
3. To the extent this transaction could be considered a separate procurement subject to the Competitive Selection Process, grant the proposed contract amendment with HDR Engineering, Inc. an exemption from the Competitive Selection Process set forth in the Competitive Bidding and Purchasing Ordinance pursuant to the Pasadena Municipal Code Section 4.08.049(B), contracts where the best interests of the City are served.

## **BACKGROUND:**

The project involves the design and construction of a Transit Operations and Maintenance Facility (TOMF) to support the operations of Pasadena Transit fixed-route services and Pasadena Dial-A-Ride paratransit services. The proposed facility will be situated on three parcels located at 2180 East Foothill Boulevard, 2160 East Foothill Boulevard, and 2211 East Walnut Street.

On January 25, 2016, the City Council authorized a contract with Maintenance Design Group (MDG) for design and construction administration services for the TOMF for an amount not to exceed \$1,813,087. In January 2019, an assignment and assumption of the design services agreement was executed to revise the Consultant party to HDR Engineering, Inc. (HDR), as MDG was acquired by HDR during the contract period; as such, MDG will hereafter be referred to as HDR. The contract remained at its original amount until June 10, 2024, when the City Council authorized an amendment in the amount of \$4,146,335 to implement the redesign of the TOMF, increasing the contract's not-to-exceed amount to \$5,959,422. The current amendment in the amount of \$2,147,667 will further increase the total contract amount to \$8,107,089.

Since the original contract authorization in 2016, the project has undergone significant changes in scope, scale, and site configuration. The facility has expanded from a single 0.76-acre parcel serving a smaller fleet to a multi-parcel site designed to accommodate long-term fleet growth and the City's transition to zero-emission vehicles. These changes required substantial redesign, additional environmental and entitlement updates, and expanded engineering services. The requested amendment reflects the level of effort required to complete the design of the current, fully funded project as it exists today.

HDR's original contract amount was based on a preliminary project budget estimate of \$9,000,000 to design and construct the facility on the 0.76-acre parcel located at 2180 East Foothill Boulevard. During the contract performance period HDR completed several deliverables under their original scope of services. Two community meetings were held to introduce the project and concepts developed. A Basis of Design and Facility Space Needs Program report was finalized and two Design Commission presentations completed for preliminary consultation and concept design review. A conditional use permit application and Initial Study/Mitigated Negative Declaration (IS/MND), drafted as part of the California Environmental Quality Act (CEQA) guidelines, were also approved.

The originally proposed facility design would support operations and maintenance of an existing fleet size of 25 fixed-route buses and 11 Dial-A-Ride paratransit services, with a forecasted growth of 29 fixed-route buses and 13 paratransit service vehicles. However, the planning and conceptual design phase of the project revealed a need for a much larger space to accommodate future growth and programming of the Pasadena Transit fleet. Given the increase in project scope and cost, the project was halted at the direction of the City Manager in May 2018, until additional funding could be identified.

Between November 2018 and January 2020, the City coordinated with the Pasadena Unified School District (PUSD) to evaluate potential opportunities for a shared or co-located maintenance facility, consistent with City Council's interest in achieving operational efficiencies. This effort included multiple meetings, site discussions at Muir High School and the PUSD Service Center at Woodbury Road and Canada Avenue, the exchange of programming information to assess compatibility of uses, and the development of conceptual site layouts. Despite these efforts, PUSD decided not to move forward with a potential co-located facility in 2020. This process resulted in

additional time and design efforts for the HDR team and required the City to refocus efforts on the current site at 2180 E Foothill Blvd.

In September 2022, the City was awarded \$65,400,000 in Metro Measure R Mobility Improvement Program funding to fully support the design and construction of the Transit Operations and Maintenance Facility (TOMF) in accordance with its Facility Space Needs Program. In May 2023, HDR was directed to resume design services under the existing contract, including incorporating the City's transition from its current compressed natural gas (CNG) and unleaded fuel fleet to zero-emission vehicles.

As part of this effort, Pasadena Transit's programming needs were re-evaluated based on projected fleet growth through 2036. The fleet is anticipated to expand to 50 fixed-route buses, 19 Dial-A-Ride paratransit vehicles, and ten (10) non-revenue vehicles. Accordingly, the total required programming area increased from 2.44 acres to 3.48 acres.

To accommodate the facility's expanded programming needs, the City pursued acquisition of an abutting 0.52-acre property located at 2211 East Walnut Street. On May 20, 2024, City Council approved the pending Agreement of Purchase and Sale for the property. The acquired parcel allows for expansion of the facility's footprint to 1.28 acres and will accommodate future expanded transit services, including the transition of its fleet to zero-emission vehicles, with charging equipment located on site.

On June 10, 2024, the City Council authorized an amendment to HDR's contract in the amount of \$4,146,335 to implement the redesign of the Transit Operations and Maintenance Facility (TOMF), increasing the contract's not-to-exceed amount accordingly. HDR subsequently prepared conceptual design alternatives and a rough order of magnitude construction cost estimate that exceeded the available project budget. Subsequent design refinements reduced the functionality of the site and required a portion of the transit fleet to be parked offsite. To address these constraints and maintain full operational capacity, the City is pursuing acquisition of an adjacent 0.34-acre parcel located at 2160 East Foothill Boulevard.

Acquisition of the parcel at 2160 East Foothill Boulevard will increase the available site area and improve the operational efficiency of the facility. The additional space will allow the project to eliminate the previously contemplated subterranean parking level and third-level parking deck while maintaining the ability to accommodate the full Pasadena Transit fleet onsite. The expanded site area also provides increased opportunities for the implementation of solar infrastructure across the three parcels. Removal of the subterranean and third-level structures is anticipated to reduce construction costs significantly while maintaining the facility's operational requirements.

To advance the TOMF project, additional professional design services by HDR are required. HDR serves as the project's architect/engineer of record and is responsible for the preparation and coordination of the project's design and construction documents. Under this amendment, HDR will advance the design and complete required project deliverables, including updates to environmental documentation, modifications to

entitlement approvals including the Conditional Use Permit, completion of Design Commission review, updates to comply with current building codes, and preparation of final construction drawings and specifications, along with an updated construction cost estimate for submission for plan check and permitting.

As previously approved by Council on February 3, 2025 the project will be delivered using the Construction Manager at Risk (CMAR) delivery method. Under this approach, the CMAR contractor will provide preconstruction services during the design phase, including constructability review, cost estimating, schedule development, and coordination with the design team. HDR will remain responsible for the design and will work collaboratively with the selected CMAR contractor to refine the project and develop a Guaranteed Maximum Price (GMP) for construction. A Request for Proposals (RFP) to solicit CMAR services is being finalized. After the proposal evaluation process is complete staff will return to the City Council with a recommendation for contract award at a future date.

Construction administration services by HDR are not included in the scope of this amendment and will be negotiated following completion of the GMP phase. A separate contract amendment will be presented to the City Council at that time. HDR has served as the project's design consultant since project initiation and has developed a comprehensive understanding of the project requirements and Pasadena Transit's operational and maintenance needs. As the architect/engineer of record, HDR has prepared the project's design concepts and prior design deliverables and is most familiar with the facility program and site constraints. Retaining HDR to complete the redesign and preparation of construction documents will maintain continuity of the design, avoid duplication of prior work, and support the project schedule. Procuring a new design consultant at this stage would require significant time for onboarding and review of previously completed work and could result in project delays and additional costs to the City.

To determine that the proposed amendment cost is fair and reasonable, staff reviewed HDR's detailed scope of work, proposed labor hours, and hourly billing rates for HDR and its subconsultants. Staff evaluated the level of effort associated with each task and confirmed that the proposed billing rates are consistent with those previously approved under the contract and are within industry standards for comparable professional engineering and architectural services. Staff also compared the proposed scope and level of effort with the services required to advance the project through final construction documents and negotiated revisions to the scope and labor hours where appropriate. Based on this review and negotiation, staff determined the final proposal cost to be fair and reasonable for the services to be provided. Staff is recommending the contract with HDR be amended in the amount of \$2,147,667, resulting in a revised total not-to-exceed contract amount of \$8,107,089.

**COUNCIL POLICY CONSIDERATION:**

This contract is consistent with the City Council's goal to maintain fiscal responsibility and stability and improve mobility and accessibility throughout the City.

**ENVIRONMENTAL ANALYSIS:**

CEQA excludes, from environmental review, actions that are not "projects" as defined by CEQA Section 21065 and CEQA Guidelines Section 15378. The proposed action to amend a contract for professional services is an administrative activity that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action does not constitute a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required. The contract is for professional engineering services only and the proposed action does not involve the City's approval of or commitment to undertaking any specific project.


**FISCAL IMPACT:**

The total cost of this action will be \$2,147,667 for a revised contract amount not to exceed \$8,107,089. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the *Construction of Transit Operations Maintenance Facility (75707)* Capital Improvement Program project. There will be no impact to the General Fund. It is anticipated that all costs will be expended in fiscal years FY 2026 thru FY 2028. Preliminary construction cost estimates identify an unfunded budget of \$27 M for this project. As a cost reduction strategy, City staff is in the process of acquiring the abject property to eliminate the need for a subterranean level and a third above ground level of the parking structure, significantly reducing construction costs. A future updated cost estimate will be developed as part of the design phase, and the funding will be requested through Measure R Mobility Improvement Project (MIP) funding.


Respectfully submitted,

  
For \_\_\_\_\_  
GREG DE VINCK  
Director of Public Works


With Concurrence,

  
\_\_\_\_\_  
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