



Staff Report

TO: Honorable Mayor and Members of the City Council
FROM: Robert L. Vestal, City Engineer | Public Works Director
BY: Dustin Christensen, Principal Engineer
DATE: February 17, 2026
SUBJECT: On-call Task Order for STC Traffic, Inc

Description: Authorize a task order for STC Traffic, Inc. for AI traffic signal design services for implementing AI traffic signals along Highland Springs Avenue – Capital Improvement Project (CIP) R26-05.

Background and Analysis:

On February 7, 2023, City Council awarded professional services agreements to EXP Inc, STC Traffic, Inc. and Fehr & Peers for on-call traffic engineering services. On January 20, 2026, the City Council approved the first amendment to extend the contract term by an additional two (2) years and established not-to-exceed amounts for each consultant. For STC, the established not-to-exceed amount is \$480,000 for the remainder of the on-call contract.

In August of 2025, STC completed a feasibility study for implementing smart technology at traffic signals throughout the City. The recommendations in that study provided a phased approach for implementation as follows:

1. Phase 1 - Signals along Highland Avenue
2. Phase 2 - Signals along Beaumont Avenue, First Street, Second Street, and Sixth Street
3. Phase 3 - Signals along Oak Valley Parkway and Fourth Street

On January 28, 2026, STC provided a quote to perform the design, construction support, and implementation of Phase 1 for a not-to-exceed amount of \$298,000. City staff are proposing to utilize the on-call agreement for traffic engineering with STC to complete the project design.

Although the proposed amount is within the existing agreement, City Council approval is needed prior to issuing the purchase order as the individual task exceeds the threshold of \$75,000. The proposed purchase order for \$298,000 will bring the current total annual amount for STC Traffic to \$425,525, which is below the approved not-to-exceed amount of \$480,000.

The detailed Phase 1 AI traffic signal design proposal for Highland Avenue submitted by STC Traffic has been provided as Attachment D for reference.

Fiscal Impact:

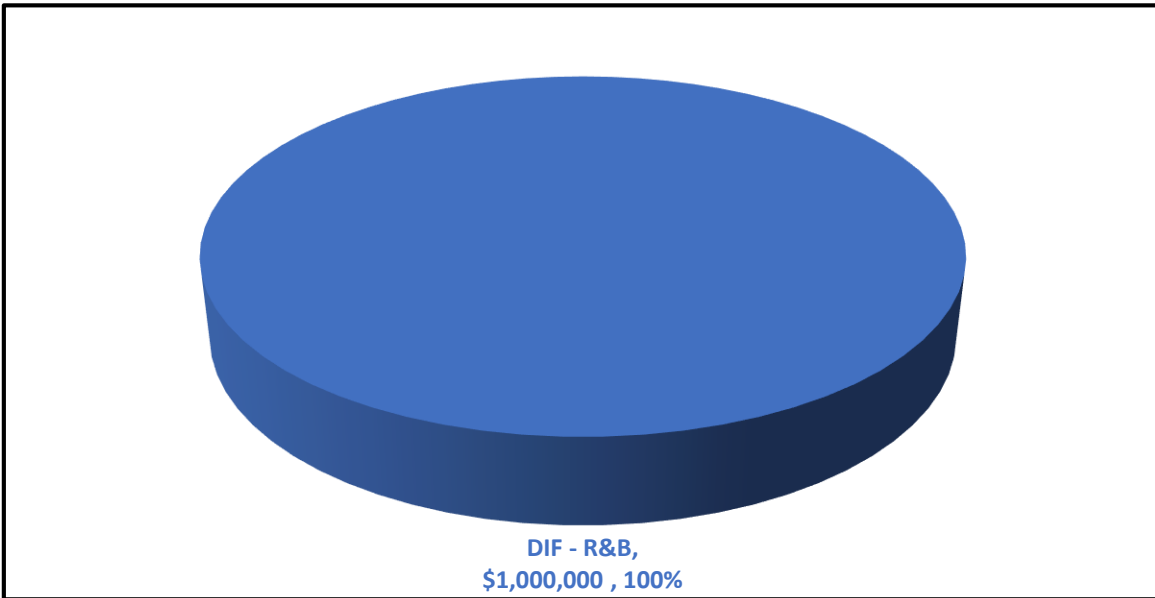
The cost to prepare this staff report is estimated to be \$350.

Funding for this Project is provided by CIP R26-05 Citywide Traffic Signal System Upgrade (Project). The following is a summary of the funding and budget for CIP R26-05.

CIP R26-05 Citywide Traffic Signal System Upgrade Project Funding Summary

Estimated Total Project Budget= \$1,000,000

Current Project Budget= \$1,000,000



CIP R26-05 Citywide Traffic Signal System Upgrade Project Budget Summary

Project Component	Est. Total Budget	Current Budget	Paid to Date	Remaining Budget
Project Management				
Preliminary Services				

Environmental				
Design	\$300,000	\$300,000		
Permits				
Right-of-Way				
Construction	\$700,000	\$700,000		
Construction Management				
Equipment				
Total	\$1,000,000	\$1,000,000	\$-	\$1,000,000

Recommended Action:

Authorize staff to issue a Purchase Order to STC Traffic, Inc. in the amount of \$298,000 for Traffic Signal Design Services under the existing On-Call Agreement.

Attachments:

- A. Existing On-Call Traffic Design Services Agreement – STC
- B. Amendment #1 to Existing on-call Agreement
- C. Certificate of Insurance
- D. STC Design Proposal