



CITY COUNCIL STAFF REPORT

TO: City Council **DATE:** June 22, 2026

DEPARTMENT: Public Works/Engineering

PREPARED BY: Chantell O'Neal, Assistant Director; Engineering

PRESENTER: Kevin McDannold, Engineering Technician

AGENDA TITLE: Receive Report and Consider Adoption of City Council Resolution Approving Professional Services Agreement with Alpha CM to Provide Construction Management Services for the Raw Water Line Replacement Project, City Project WTR-00016, and Authorizing City Manager to Execute Contract (Amount Not to Exceed \$435,501), Subject to an Existing Mitigated Negative Declaration

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution awarding a Professional Services Agreement to Alpha Construction Management, Inc. (Alpha CM) to provide construction management, inspection, environmental compliance documentation, and project administration services for the Raw Water Line Replacement Project (WTR-00016), in an amount not to exceed \$435,501, and authorize the City Manager to execute the Agreement.

BACKGROUND

A full description of the project history, permitting status, funding reinstatement, and bid results are provided in the construction contract award staff report, which appears earlier on this agenda. That report should be referenced for all project background and context.

In summary:

- The Raw Water Line Replacement Project was originally awarded in 2024, partially constructed, and later halted due to a lapse in State grant funding.
- Funding has now been reinstated through the FY 2026 State Budget.
- All required CDFW Lake and Streambed Alteration Agreements and easements are now secured or in final execution.
- Construction is recommended for award to Mercer-Fraser Company under a separate agenda item.
- Additional design services are recommended for award to Lumos under a separate agenda item.

AGENDA ITEM NO. 8D

Construction Management services are required to support the City through the 2026 construction season.

DISCUSSION AND ANALYSIS

1. RFP Process and Lack of Proposals

The City issued a Request for Proposals (RFP) for Construction Management Services on May 4, 2026, with Addendum 1 issued on May 26, 2026. The RFP closed on June 4, 2026, and no proposals were received (attachment 4 RFP Response Summary).

One firm—Alpha CM—had expressed interest but notified the City that they could not perform the pipeline redesign work required under Addendum 1 because they do not carry design E&O insurance. The City did not modify the RFP.

2. Post-RFP Negotiations

Following the failed solicitation, staff:

- Confirmed that Lumos & Associates (the project engineer for the pump station redesign) could perform the redesign work under a separate contract amendment (included as separate agenda item).
- Contacted Alpha CM to determine whether they remained interested in providing construction management only, without design liability.

Alpha CM confirmed continued interest and submitted a responsive, negotiated proposal on June 11, 2026.

3. Procurement Compliance

Under **FBMC 3.20.030(B)**:

“Contracts for professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms shall be on the basis of demonstrated competence and professional qualifications...”

Because: the RFP yielded zero proposals, Alpha CM is a qualified CM firm, and the City has a demonstrated need for CM services to administer a State-funded project, the City is authorized to negotiate directly with Alpha CM.

4. Scope of Services

Alpha CM will provide:

- Daily inspection
- Environmental and permit compliance documentation
- SWPPP oversight
- RFI and submittal management

- Change order review
- Schedule review
- Materials testing
- DWR reporting support
- Project close-out documentation

Biological monitoring will be performed under a separate City contract and is not included in Alpha's scope.

FISCAL IMPACT/FUNDING SOURCE

Alpha CM's proposed not-to-exceed fee is: \$435,501.

This amount is consistent with typical CM costs for a project of this size and duration.

The project is funded by the Department of Water Resources Urban & Multibenefit Drought Relief Grant.

As of June 2026, the City has \$5,104,392.55 in remaining construction-phase grant funds. The CM contract will be fully grant-funded.

There is no impact to the General Fund or water enterprise funds to fill this contract, the redesign change order, and the construction contract.

ENVIRONMENTAL ANALYSIS:

Construction Management services are not a project under CEQA. The underlying construction project is covered by the 2022 IS/MND, previously adopted by the City Council. No additional CEQA action is required.

STRATEGIC PLAN/COUNCIL PRIORITIES/GENERAL PLAN CONSISTENCY

This action supports:

- **Goal 2** – Implement Resilient Infrastructure and Encourage Environmental Stewardship
- **Goal 6** – Champion a Sustainable Municipal Organization

ALTERNATIVES:

1. **Approve the Agreement** (recommended).
2. **Reject the Agreement** and direct staff to re-advertise the RFP.
 - This would delay construction and jeopardize reinstated State funding.
3. **Self-perform CM functions** with City staff.
 - Not feasible due to staffing capacity and materials testing requirements.

ATTACHMENTS:

1. Draft Resolution
2. Raw Water Line Request for Proposals (RFP)
3. RFP Addendum 1
4. RFP Response Summary
5. Alpha CM Proposal
6. Alpha CM Draft Professional Services Agreement

NOTIFICATION:

1. Alpha CM