

Attachment 2

RESOLUTION 24-XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES AUTHORIZING ENGAGEMENT OF CANNON CORPORATION TO PROVIDE CONSTRUCTION MANAGEMENT SERVICES FOR THE RECYCLED WATER DISTRIBUTION SYSTEM

WHEREAS, the City is developing a recycled water system, to provide an alternative water supply for irrigation of parks, vineyards, and golf courses on the east side of the City. Recycled water will help preserve the City's potable water supplies and supplement the Paso Robles Groundwater Basin.

WHEREAS, the City completed construction of tertiary treatment facilities at the Wastewater Treatment Plant (WWTP) in 2019. These facilities produce high-quality recycled water. In order to deliver the recycled water to users, the City has been planning and designing a Recycled Water Distribution System. The Recycled Water Distribution System is identified as a critical project in the Groundwater Sustainability Plan for the Paso Robles Groundwater Basin.

WHEREAS, in 2023, the City received State financing and significant grants (\$3.5 million and \$9.73 million) for construction of the Recycled Water Distribution System. The State's financing agreement requires the City to expend the funds in a timely manner.

WHEREAS, in May 2023, City Council approved of major preparations for bidding and construction, including acquiring easements and land and extending a contract with the project's engineer of record, Carollo Engineers, to finalize the project plans and specifications.

WHEREAS, the City advertised the Recycled Water Distribution System for construction bids on January 5, 2024. Construction is planned to begin in Spring 2024 and will require approximately 31 months. The engineer's estimate of probable construction cost is \$23,800,000. For a project of this size and complexity, the City requires the services of a professional construction management team.

WHEREAS, in 2022, the City received a \$3.5 million State grant for construction of the Salinas River Segment of the Recycled Water Distribution System. In September 2022, the City solicited proposals from engineering firms that are known to provide construction management services for water-related infrastructure in this area. A committee of City staff independently reviewed the proposals and found Cannon Corporation of San Luis Obispo best met the selection criteria and was the best fit for the work. In November 2022, City Council approved hiring Cannon for the Salinas River Segment construction management work.

WHEREAS, construction of the Salinas River Segment is now substantially complete. The project was completed within budget and two months ahead of schedule.

WHEREAS, considering Cannon's good performance on the Salinas River Segment, and staff's determination of Cannon's demonstrated competence and qualifications, and in reliance on the proposal process pursuant to which Cannon was selected, staff invited Cannon to submit a proposal for construction management services required for the Recycled Water Distribution System. Cannon's proposal contains all the services needed to deliver a quality project on time and within budget. The scope of work includes assistance with bidding, conducting weekly construction progress meetings, inspecting the quality of the construction work, materials testing, preparing, and managing technical

Attachment 2

contract documents, mitigating the potential for change orders, schedule tracking, recording as-built information, closing out the project, and warranty period review.

WHEREAS, staff negotiated with Cannon to reduce their proposed fee. Cannon's proposed fee is \$1,998,505 for the scope of work approved and required by the City. Staff has determined that the proposed fee is fair and reasonable.

WHEREAS, the City has fulfilled the requirements of the California Environmental Quality Act for the Recycled Water Distribution System project. The City prepared an Initial Study and Mitigated Negative Declaration (IS/MND) and circulated it for public comment (State Clearinghouse #2018051033). The City certified the IS/MND and filed a Notice of Determination in August 2018. This action is consistent with the previously certified MND.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the above recitals are true and correct and incorporated herein by reference.

Section 2. The City Council authorizes the City Manager, pursuant to legal counsel review, to enter a professional services agreement with Cannon for construction management services for the Recycled Water Distribution System, or an amendment to Cannon's existing construction management services agreement, for an amount not to exceed \$1,998,505.

Section 3. This Resolution shall take effect on the date it is approved by the City Council.

APPROVED this 6th day of February 2024, by the following vote:

AYES:

NOES:

John R. Hamon, Jr., Mayor

ATTEST:

Melissa Boyer, City Clerk