



Folsom City Council Staff Report

MEETING DATE:	9/8/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	Resolution No 11698 – A Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Pinnacle Project Management for Owner’s Representative Services for the Folsom Plan Area
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

The Community Development Department recommends that the City Council pass and adopt Resolution No 11698 – A Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Pinnacle Project Management for Owner’s Representative Services for the Folsom Plan Area.

BACKGROUND / ISSUE

The development of the Folsom Plan Area (FPA) continues to require significant City resources for engineering plan review, construction management, and construction inspection associated with public infrastructure and subdivision improvements.

In 2015, the City Council recognized the substantial volume of development-related engineering services anticipated in the FPA and determined that these costs should not be subsidized by the City’s General Fund. The City subsequently implemented a full-cost-recovery program under which development-related engineering costs are recovered through applicable fees and developer deposits.

As development activity increased, the City determined that additional professional resources were needed to provide construction management and inspection oversight for the extensive backbone infrastructure and subdivision improvements being constructed throughout the FPA.

On July 12, 2016, the City Council adopted Resolution No. 9797 authorizing an agreement with Unico Engineering, Inc. for Owner's Representative Services for the FPA. The agreement was subsequently transferred, with the City's consent, to Pinnacle Project Management.

Pinnacle Project Management has provided Owner's Representative, construction management, and construction inspection services for the FPA for the last ten years. These services have provided the City with additional professional resources to coordinate construction activities, monitor compliance with City-approved plans and specifications, communicate with developers and contractors, and assist City staff with the delivery and acceptance of public improvements. All such services are full cost recovery paid by the developer at no impact to the City's General Fund.

FPA development and construction activity continues to require these services. Using an Owner's Representative allows the City to obtain specialized professional services as needed without adding permanent City positions for development-related work that may vary over time. The contract with Pinnacle Project Management has expired and staff propose to enter into a new Professional Services Agreement with Pinnacle Project Management to continue providing Owner's Representative services for the FPA over the next five-year period.

POLICY / RULE

Folsom Municipal Code Section 2.36.080 establishes the City's requirements for the award of contracts. The proposed agreement is being presented to the City Council for approval in accordance with the City's current contracting requirements.

ANALYSIS

Community Development Department staff recommends entering into a new Professional Services Agreement with Pinnacle Project Management based on the firm's experience providing construction management and inspection services for the FPA and its familiarity with the area's infrastructure, development program, and construction requirements.

Under the proposed agreement, Pinnacle Project Management will provide Owner's Representative services, including construction management and construction inspection, as authorized by the City. Services may include:

- Construction management and coordination for FPA public infrastructure and subdivision improvements;
- Construction inspection and field observation;
- Monitoring construction for compliance with City-approved plans, specifications, conditions of approval, and applicable City standards;
- Coordination with developers, contractors, engineers, consultants, utility providers, and City staff;
- Monitoring construction schedules and project progress;
- Assistance with construction meetings and resolution of field issues;
- Documentation of construction activities and deficiencies;

- Assistance with project closeout, punch-list activities, and acceptance of public improvements; and
- Other related Owner's Representative services authorized by the City.

The proposed agreement will allow the City to continue using specialized professional resources and adjust services based on actual development and construction activity.

Pinnacle Project Management's familiarity with the FPA also provides continuity and reduces the time required for a new consultant to become familiar with the area's infrastructure, development sequencing, construction standards, and coordination requirements.

The proposed agreement is limited to the scope and funding approved by the City Council with each fiscal year budget, including budget amendments as needed with City Council authorization given full cost recovery through developer deposits, invoicing, and reconciliation at various stages through mapping, capital and site improvements and acceptance, plan review, permit issuance and occupancies, as well as work covered under warranties.

FINANCIAL IMPACT

The proposed Professional Services Agreement with Pinnacle Project Management will be funded within the Community Development Department's adopted contract budget for engineering services. The agreement will be limited to the existing budget amount of \$690,000. Each subsequent year of the five-year contract term will have budget appropriation by the City Council through the adoption of the City's budget, along with any amendments approved by City Council.

Consistent with the City's full-cost-recovery program, costs associated with private development activity will be recovered from applicable developer fees and deposits to the extent permitted by the applicable fee program and agreements.

The Community Development Department will monitor revenues and expenditure throughout the term of the agreement and manage services within the approved contract amount and available funding.

Any amendment to increase funding will be reviewed and decided by the City Council. Funding for subsequent years of the five-year term will be included in future budget requests and appropriations.

ENVIRONMENTAL REVIEW

The proposed Professional Services Agreement is administrative in nature and does not approve a physical development project or authorize construction. Therefore, the proposed action is not a project subject to environmental review under the California Environmental Quality Act (CEQA).

Any future project-specific activities requiring environmental review will be evaluated separately as required by law.

ATTACHMENTS

1. Resolution No. 11698 – A Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Pinnacle Project Management for Owner's Representative Services for the Folsom Plan Area
2. Scope of Services and Fee Schedule with Pinnacle Project Management for Owner's Representative Services for the Folsom Plan Area

Submitted,

A handwritten signature in blue ink, appearing to read "Pam Johns", with a long horizontal flourish extending to the right.

Pam Johns, Community Development Director

ATTACHMENT 1

A Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Pinnacle Project Management for Owner's Representative Services for the Folsom Plan Area

RESOLUTION NO. 11698

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH PINNACLE PROJECT MANAGEMENT FOR OWNER'S REPRESENTATIVE SERVICES FOR THE FOLSOM PLAN AREA

WHEREAS, development of the Folsom Plan Area ("FPA") continues to require substantial engineering, construction management, construction inspection, and related professional services associated with public infrastructure and subdivision improvements; and

WHEREAS, in 2015, the City Council recognized the substantial volume of development-related engineering services anticipated in the FPA and determined that such costs should not be subsidized by the City's General Fund; and

WHEREAS, the City subsequently implemented a full-cost-recovery program under which development-related engineering and related professional service costs are recovered through applicable fees and developer deposits; and

WHEREAS, as development activity in the FPA increased, the City determined that additional professional resources were necessary to provide construction management, construction inspection, and Owner's Representative oversight for backbone infrastructure and subdivision improvements; and

WHEREAS, on July 12, 2016, the City Council adopted Resolution No. 9797 authorizing an agreement with Unico Engineering, Inc. for Owner's Representative Services for the FPA; and

WHEREAS, the agreement with Unico Engineering, Inc. was subsequently transferred, with the City's consent, to Pinnacle Project Management; and

WHEREAS, Pinnacle Project Management has provided Owner's Representative, construction management, and construction inspection services for the FPA for approximately ten years and has developed substantial familiarity with the FPA's infrastructure, development program, construction requirements, and coordination needs; and

WHEREAS, the existing agreement with Pinnacle Project Management has expired, and the Community Development Department recommends entering into a new Professional Services Agreement with Pinnacle Project Management to continue providing Owner's Representative services for the FPA; and

WHEREAS, the proposed services will provide the City with specialized professional resources to coordinate construction activities, monitor compliance with City-approved plans and specifications, coordinate with developers and contractors, assist City staff with field issues and construction meetings, and support the delivery, closeout, and acceptance of public improvements; and

WHEREAS, the proposed Professional Services Agreement will have an initial term of five years, subject to the availability and appropriation of funds by the City Council, with a not-to-exceed amount of \$690,000 for the initial term including the current fiscal year budget, as amended if necessary through City Council authorization; and

WHEREAS, services provided under the proposed agreement will be performed on an as-needed basis and within the scope and funding authorized by the City; and

WHEREAS, costs associated with private development activity will be recovered from applicable developer fees and deposits to the extent permitted by applicable fee programs and agreements, and no General Fund impact is anticipated; and

WHEREAS, Folsom Municipal Code Section 2.36.080 establishes the City's requirements for the award of contracts, and the proposed Professional Services Agreement is being presented to the City Council for approval in accordance with the City's contracting requirements; and

WHEREAS, the proposed Professional Services Agreement is administrative in nature, does not approve a physical development project or authorize construction, and therefore does not constitute a project subject to environmental review under the California Environmental Quality Act ("CEQA"); and

WHEREAS, City Council has appropriated \$690,000 for Engineering Division contract services as part of the FY 2026-27 annual budget and an additional appropriation may be requested of City Council as service demands; and

WHEREAS, any additional appropriation request will be offset by a corresponding increase in revenue received; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute a Professional Services Agreement with Pinnacle Project Management for Owner's Representative Services for the Folsom Plan Area.

PASSED AND ADOPTED this 8th day of September, 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Justin Raithel, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

ATTACHMENT 2

Scope of Services and Fee Schedule with Pinnacle Project
Management for Owner's Representative Services for the
Folsom Plan Area



Scope Purpose

This scope is in response to the request from a series of meetings and clarifying emails with Pam Johns and Rebecca Neves to renew the contract for our current services that we have provided to the City for the past 10 years. The scope of this proposal adheres to the verbal and written understandings garnered between the City and Pinnacle through the aforementioned correspondence, that includes the scope of services that Pinnacle is currently providing, as described in the following:

Tasks

Task 1 – Project Facilitation (Owner’s Representative) Services

- Attendance at all weekly construction and project coordination meetings
- Review of bid documents
- Coordination with City Staff and legal counsel as required
- Verification of bid advertisements for both duration and location
- Attendance at any required pre-bid meetings
- Attendance at all public bid openings
- Review of bids
- SPIFF and CFD support for eligibility and reconciliation
- Coordination meetings with individual City Departments and outside agencies involved in the facilitation of the project
- Plan constructability review
- City standards and policy updates
- Oversight of all site inspection and materials testing, which includes:
 - Project scheduling through all the contractors for their daily activities to maximize efficiency and coverage of inspections
 - Review of daily field reports
 - Inspector weekly work schedule review and approval
 - Response and routing of all field questions and concerns
 - Traffic control plan review and routing for approval
 - Review of payment and invoicing for inspection companies
- Project submittals review and routing for approval to the Engineer of Record and to the appropriate oversight department(s) at the City. In the case of private development this includes approval from the landowner of their representative
- Project RFI review and routing to follow suit with the submittal process
- Maintaining all site construction documentation related to the projects through a cloud-based service that provides up to date transparency to the project team and city staff
- Design consultant coordination
- Dry utility construction coordination
- Caltrans permitting assistance and coordination as needed
- Conflict resolution (i.e. Developer vs City, Contractor vs City, Intercity conflict related to the project, etc)



- Project accountability for the application and enforcement of plans, specifications, and standards in their appropriate application
- Random site visits to ensure the process is being held to the city's standard
- Project tours as needed
- Project accountability focused on cost and time implications
- Project closeout and acceptance

Task 2 – Utility GPS Location Services

- GPS location of all utilities within the city ROW or within city easements
- The GPS database is maintained in a state plane, comma delimited format, which is organized by utility type (water, sewer, storm, streetlighting, etc) with descriptions that include object type, size, material type, etc

Task 3 – Inspection Services for Backbone and Subdivision Projects

- Review project plans and specifications
- Document pre-construction conditions
- Monitor all construction activities for compliance with the contract plans and specifications
- Document all observations in a daily inspection report complete with pertinent photographs
- Inspection reports will be completed daily and uploaded to a secure cloud service that the City is provided with access to
- Collect and log all material tags into the project files
- Traffic Control Monitoring
- Assess and provide material quantities and costs as requested by the City
- Annotate final as-built drawings with any pertinent field changes
- Attend standing and weekly construction meetings, as needed
- Participate in final walk-through and prepare final field punch list

Billings

Client will be billed monthly on a time and material basis per the attached project fee schedule.



Rate and Fee Schedule

Name	Position	Company	Hourly Rate
Kelley Butcher	Project Facilitator/Owner's Rep	Pinnacle	\$170
Isaak Butcher	Document Control Manager	Pinnacle	\$70
	UNICO Inspector	UNICO	\$165
	UNICO GPS	UNICO	\$125
	Boswell Inspector	Boswell & Assoc	\$150

- No team members listed by name will be substituted without written authorization from the City.
- Overtime will be billed at 1.5 times the hourly rate for non-exempt employees.
- Per prevailing wage, a shift differential of 12.5% applies to any covered work shift beginning after 2PM.
- All expenses including mileage are included in the above rates.
- Any purchases made at the specific direction of the City will be billed on a cost + 10% basis.
- All listed rates will have a 5% yearly escalator that shall commence on 01/01/27.