

File ID: 2026-00893

5/19/2026

[Contract Amendment] Drainage Engineering Extension of Staff

File ID: 2026-00893

Location: Citywide

Recommendation: Pass a **Motion:** 1) authorizing the City Manager or designee to execute Contract Amendment No. 1 to City Agreement No. 2025-0417 with Dugan Management and Engineering, Inc. (DME) to provide additional extension of staff services through June 30, 2027, (W14000200, Fund 6021), for an amount not to exceed \$275,000, bringing the agreement's total not-to-exceed amount to \$518,440; and 2) Ratifying purchases made to DME in the amount of approximately \$99,000 since the agreement expired December 31, 2025.

Contact: Brett Grant, Supervising Engineer, (916) 808-1413, bgrant@cityofsacramento.org; Sherill Huun, Engineering & Water Resources Division Manager, (916) 808-1455, shuun@cityofsacramento.org; Dalia Fadl, Director, (916) 808-3765, dfadl@cityofsacramento.org; Department of Utilities

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Contract Amendment

Description/Analysis

Issue Detail: Staff recommends City Council approve Contract Amendment No. 1 with DME for additional Drainage Engineering extension of staff services. These services include, but are not limited to project management, design, and additional miscellaneous Capital Improvement Project (CIP) related tasks. Approval would allow the Consultant to complete work on several critical CIP's to which they are currently providing assistance.

Policy Considerations: City Council approval is required for contract amendments to agreements of \$250,000 or more per City Code 3.04.020.

Economic Impacts: None.

Environmental Considerations: The proposed activity is not a project pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(2 and 5). The activities described in this report are continuing administrative activities, such as purchases or personnel-related activities, and organizational or administrative activities that will not result in direct or indirect physical changes on the environment. This activity is not subject to CEQA pursuant to CEQA Guidelines Section 15060 (c)(3).

Sustainability: The proposed project is consistent with Goal PFS-3.1 in the 2040 General Plan as it continues to provide reliable water, wastewater, and stormwater drainage utility services.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: DME, the Consultant, is currently performing work as an extension of City of Sacramento (City) staff under Contract No. 2025-0417. Their familiarity with the City's projects and processes allows DME to provide complete project delivery on time and within budget with the extension of services. DME is currently providing design assistance with the North 5th Street Parallel Trunk Main and the Saint Luke's Detention Basin projects that are currently incomplete and need to go to construction this summer.

Financial Considerations: The original not-to-exceed amount of the agreement was \$243,440. The proposed Contract Amendment No. 1, in the amount of \$275,000, would increase the agreement not-to-exceed amount to \$518,440. Sufficient funds are available in the Base CIP Contingency-Drainage Program (W14000200, Fund 6021) to execute the agreement.

The original agreement has sufficient funds to ratify purchases made to DME since the original agreement expiration date of December 31, 2025.

There are no General Funds allocated or planned for this project.

Local Business Enterprise (LBE): Dugan Management and Engineering, Inc. is an LBE.

Background: In December 2024, the Department of Utilities issued an RFQ for extension of staff services in the drainage engineering program. Statements of Qualifications were due January 16, 2025. Dugan Management and Engineering was the sole respondent and was selected to supplement staff. DME is currently the lead designer for two CIP Projects that will be going to construction this summer. They also provide miscellaneous support as needed for other CIP needs. The contract amendment is needed to continue services for an additional year.

The motion to ratify purchases made to DME since the original agreement expiration date of December 31, 2025, is requested because of an inadvertent error made by DOU engineering and billing staff. During the expiration time period, the original project manager terminated employment

with the City, and a new project manager was assigned. Because of the budget remaining at the time, the new project manager did not confirm the agreement expiration date and assumed it extended to the end of the fiscal year, common for these types of agreements. This Council action will help correct this error and allow for payment of the outstanding invoices.

Contract Routing Sheet

Payment / Performance Bond Only

General Routing Information

Department: Utilities Department

Contract Coordinator: Jamie McKinley Email: Jmckinley@cityofsacramento.org

Effective Date: _____ Expiration Date: 06/30/2027

Grant/Project Name: Drainage Engineering Extension of Staff

Other Party: Dugan Management & Engineering, Inc.

Original Not to Exceed Amount: \$243,440

Assessor's Parcel Number(s): _____

Project Number: W14000200 Bid/RFO/RFP#: Q24141311044

Supplements/Addendums/Change Orders

Adjusted Amount of this Change (+/-): \$275,000 New Not to Exceed Amount: \$518,440

Change In Scope: Yes

Original Contract Number: 2025-0417 Supplement Number: 01

Council Approval

Original Meeting Date: _____ Council File ID: _____

Supplement Meeting Date: 5/19/2026 Council File ID: 2026-00893

Processing Information

- Clerk's Office to Mail for Recording
- Return to Dept for Other Party Signature
- Real Estate
- Return to Dept for Recording
- Construction Related
- Additional Originals Attached – Return to Dept.

Add notes/instructions, including any other contract or council file ID numbers related to this agreement:

Signing Authority - Department Directors up to \$100K; \$100K - \$250K City Manager or Assistant City Manager; \$250K+ Council Approval & Council Appointee or designee.

Department Review and Routing

AB 339 Review Confirmation (if needed) Gary Gulseth Apr 17, 2026
Gary Gulseth (Apr 17, 2026 10:12:43 PDT)

Sign Construction Mgmt: [Signature] Apr 17, 2026

Sign Supervisor: [Signature] Apr 20, 2026

Sign Division Manager: Sherril Houn Apr 21, 2026
Sherril Houn (Apr 21, 2026 16:19:35 PDT)

Sign Fiscal: [Signature] Apr 17, 2026
Gabriel [Signature] (Apr 17, 2026 16:41:48 PDT)

Sign Director of Utilities: [Signature] Apr 22, 2026
Dalia Fadil (Apr 22, 2026 15:07:10 PDT)

CITY OF SACRAMENTO

**CONTRACT AMENDMENT
CHANGE IN SCOPE AND NOT-TO-EXCEED AMOUNT**

The City of Sacramento ("City") and Dugan Management & Engineering ("Contractor"), as parties to that certain contract designated as Contract Number 2025-0417, including any and all prior amendments modifying the contract (the contract and all amendments are hereafter collectively referred to as the "Contract"), hereby amend the Contract as follows:

1. The scope set forth in Exhibit A of the Contract is amended as follows:

Additional scope and fee is added as Attachment 2 to Exhibit A, attached hereto and incorporated herein by this reference. Contract expiration extended to 6/30/2027.

2. The maximum not-to-exceed amount that is specified in the Contract for payment of Contractor's fees and expenses is **increased** by \$275,000, and the Contract's maximum not-to-exceed amount is amended as follows:

Contract's original not-to-exceed amount:	\$243,440
Net change by previous amendments:	\$0
Not-to-exceed amount prior to this amendment:	\$243,440
Increase by this amendment:	\$275,000
New not-to exceed amount including all amendments:	\$518,440

3. Contractor agrees that the amount specified in section 2 above shall fully compensate Contractor under the Contract, as modified by this amendment, including any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, and costs associated with any changes and/or delays in schedules or in the delivery of other services by Contractor.
4. Contractor warrants and represents that the person or persons executing this contract amendment on behalf of Contractor is duly authorized by Contractor to sign this amendment and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform as required under the Contract, as modified by this amendment.

[SIGNATURES ON FOLLOWING PAGE]

SUPPLEMENTAL CONTRACT

Approval Recommended By:

Gary Gulseth Apr 17, 2026

Gary Gulseth (Apr 17, 2026 10:12:49 PDT)

Project Manager

Approved As To Form By:

Michael Voss

Apr 22, 2026

City Attorney

Approved By:

Thomas Dugan Apr 17, 2026

Thomas Dugan (Apr 17, 2026 11:29:03 PDT)

Contractor

Approved By:

Ryan Moore, Assistant City Manager
City of Sacramento

Attested To By:

City Clerk

Attachment 2 to Exhibit A

April 10, 2026

Client: City of Sacramento
Department of Utilities
1395 35th Avenue
Sacramento, CA 95822

Consultant: Dugan Management and Engineering, Inc.

General Description: DME is submitting the proposed scope and fee to PSA – W14000200 to continue Drainage Extension of Staff services through June 2027. This will extend our current project management and engineering services specifically to the Sump 111 Basin – N. 5th Street 72-Inch Pipeline and St. Luke Detention Basin. At the City's request, additional drainage project related tasks may be added under written agreement.

Not-to-Exceed Amount: \$275,00.00 without DOU written authorization

Duration: April 10, 2026 – June 31, 2027

Billing Rates (Avg. 2026/27 Fee Schedule):

- Tom Dugan (Project Manager II) – \$201/hour
- Adam Motiejunas (Project Engineer III) – \$182/hour

Scope of Services

Dugan Management and Engineering, Inc. (Consultant) will continue providing project management, engineering design, and technical support services for the following City drainage infrastructure improvement efforts:

1. **Sump 111 Basin – N. 5th Street 72-Inch Pipeline**
2. **St. Luke Detention Basin Project**

Tom Dugan and Adam Motiejunas will be the primary personnel on-site. Additional support staff may be utilized on an as-needed basis. Tom will continue to provide project management and bid document support; Adam will continue to provide engineering design and plan development for the tasks listed above. Tom and Adam will continue collaborating with the City Staff on design services and construction engineering services throughout both project durations and any other tasks as assigned.

Both Tom and Adam will continue utilizing the City furnished hardware, software, and access to City facilities as defined in the original scope.

Attachment 2 to Exhibit A

Level of Effort

Due to the DWR Grant and SACOG GMG Grant deadline of December 31, 2026 and the various scope adjustments to both projects, the City is requiring an increased level of effort (LOE) to meet the condensed timeline to get both project bid, constructed, and completed. DME will increase the staff-hours to match the City's timeline. DME will utilize additional supporting staff who will be managed and overseen by both Tom and Adam in the production of all project related products.

The budget requested may also be utilized for other DOU tasks assigned to DME contract by the City.

Tom Dugan – Project Manager II

Estimated weekly commitment: **30 hours/week**, distributed as:

- Sump 111 Basin – N. 5th Street 72-Inch Pipeline – 28 hrs./week
- St. Luke Detention Basin – 2 hrs./week

Adam Motiejunas – Project Engineer III

Estimated weekly commitment: **30 hours/week**, distributed as:

- Sump 111 Basin – N. 5th Street 72-Inch Pipeline – 26 hrs./week
- St. Luke Detention Basin – 4 hrs./week

Fee Summary

Personnel	Duration	Est. Hours	Rate	Total Cost Through Design
Tom Dugan	April – July 2026	395 hrs	\$201/hr	\$79,363.00
Adam Motiejunas	April – July 2026	654 hrs	\$182/hr	\$119,045.00
				Total Cost Through Construction
Tom Dugan	Aug – Dec 2026	152	\$201/hr	\$30,637.00
Adam Motiejunas	Aug – Dec 2026	252	\$182/hr	\$45,955.00
Total		–	–	\$275,000.00

Payment Terms

Consultant will track project time spent to the nearest 0.5 hour. Consultant shall invoice monthly based on actual hours worked, not to exceed the total contract amount of **\$275,000.00** without written authorization from the City. Each invoice shall include a breakdown of hours by personnel, project name and agreed to project tasks.

Contract Term

Services shall commence on April 10, 2026 and conclude on June 30, 2027, unless extended by mutual written agreement based on the executed City Professional Service Agreement.