



Agenda Report

Fullerton City Council

MEETING DATE: MARCH 3, 2026

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: STEPHEN BISE, P.E., PUBLIC WORKS DIRECTOR

PREPARED BY: DAVID GRANTHAM, P.E., CITY ENGINEER
TODD LE, P.E., PRINCIPAL CIVIL ENGINEER-WATER
JULIO VENEGAS, P.E., SR. CIVIL ENGINEER-WATER

SUBJECT: \$393,800 CONTRACT WITH PREMO CONSTRUCTION, INC. FOR WATER VALVE REPLACEMENT PROJECT

SUMMARY

Award \$393,800 construction contract to Premo Construction, Inc. for the Water Valve Replacement Project.

PROPOSED MOTION

1. Approve Project 53016 Water Valve Replacement Project plans and specifications.
2. Approve \$446,000 Water Fund (Fund 44) budget transfer and appropriation from Project 53002 Miscellaneous Distribution System Improvements to Project 53016 Water Valve Replacement Project within the Water Fund (Fund 44).
3. Award \$393,800 construction contract for Water Valve Replacement Project to Premo Construction, Inc. and authorize City Manager, or designee, to execute and administer the contract, in a form approved by the City Attorney.
4. Authorize Public Works Director, or designee, to approve any future change orders for construction and professional engineering construction support services within the approved project budget.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Reject all bids
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

None.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Infrastructure and City Assets.

FISCAL IMPACT

The Fiscal Year 2025-26 Adopted Capital Improvement Program (CIP) Budget has funding for the project provided from Water Funds. Staff recommends a \$446,000 Water Funds budget transfer and appropriation from Project 53002 Miscellaneous Distribution System Improvements to Project 53016 Water Valve Replacement Project within the Water Fund (Fund 44).

Staff attached a Budget Data Sheet / Summary of Bids and the Contractor Bid Schedule for reference (Attachments 1 and 2).

BACKGROUND AND DISCUSSION

The project would replace twelve inoperable water valves, with options to replace up to six additional valves based on field and operational conditions, at various locations throughout the City. Replacing these valves would allow staff to safely isolate sections of the water distribution system for routine operations, maintenance and reduce the number of customers impacted should a water main break occur. Engineering and operations staff identified the valve locations.

The City received eleven bids on February 9, 2026. Premo Construction Inc. of Tustin submitted the lowest responsible base bid totaling \$393,800. The low bid submitted is approximately 11.5% lower than the \$444,490 engineers estimate. Staff reviewed the bid and found it acceptable.

Construction would tentatively start May 2026 with anticipated project completion in July 2026. Staff notify impacted residents and businesses of upcoming project construction and potential impacts.

Staff prepared an environmental assessment in accordance with California Environmental Quality Act Guidelines and determined the project is categorically exempt.

Attachments:

- Attachment 1 – Budget Data / Summary of Bids
- Attachment 2 – Bid Schedule
- Attachment 3 – Draft Agreement

cc: Interim City Manager Eddie Manfro