Agenda Report

Fullerton City Council

MEETING DATE: **SEPTEMBER 16, 2025**

TO: **CITY COUNCIL / SUCCESSOR AGENCY**

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

PREPARED BY: **RICHARD ARMENDARIZ, ASSISTANT DIRECTOR OF PUBLIC WORKS**

TODD LE, P.E., PRINCIPAL ENGINEER – WATER

SUBJECT: **$1,268,288.20 PURCHASE ORDER WITH EVOQUA WATER TECHNOLOGIES FOR TEMPORARY PFAS TREATMENT VESSELS PURCHASE**

SUMMARY

Approve $1,268,288.20 purchase order for Evoqua Water Technologies to supply Water Treatment vessels and resin for Per- and Polyfluoroalkyl Substances (PFAS) treatment at Sunclipse Well 10.

PROPOSED MOTION

1. Authorize City Manager, or designee, to execute a sole source purchase and issue a $1,268,288.20 purchase order with Evoqua Technologies for temporary PFAS treatment vessels and resin.
2. Authorize City Manager, or designee, to increase purchase order up to 10% for unforeseen tariffs and / or price increases.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Reject the Proposed Motion
- 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 Statements:

- Fiscal and Organizational Stability
- Public Safety
- Infrastructure and City Assets.

FISCAL IMPACT

The City has an agreement with Orange County Water District (OCWD) for groundwater PFAS (Per- and Polyfluoroalkyl Substances) which states, “OCWD shall reimburse the Producer [City of Fullerton] for all of the Producer’s reasonable expenses for the planning, design, construction, and start-up of Treatment System…”. Eligible reimbursables include resin purchase and may include Treatment Vessels if repurposed for future PFAS Treatment at other wells.

The City must pay eligible reimbursable costs upfront, prior to seeking reimbursement from OCWD. The costs for the resin purchase ($488,288.20) and the Treatment Vessels ($780,000) for PFAS Treatment at Sunclipse Well 10 total $1,268,288.20. The Fiscal Year (FY) 2025-26 Adopted Capital Improvement Program (CIP) Budget has sufficient funding in Project 53023 PFAS Management from Water funds within the Water Enterprise Fund (Fund 44). Staff would seek reimbursement for all eligible items from OCWD after meeting all OCWD requirements.

BACKGROUND AND DISCUSSION

Per- and polyfluoroalkyl substances (PFAS) are a class of synthetic chemicals used for their water-, oil-, and heat-resistant properties. PFAS is common in products such as firefighting foam, non-stick cookware and textiles. They are persistent in the environment and resistant to degradation, earning them the nickname “forever chemicals.” PFAS may cause a range of negative health effects and contamination has become a significant public health concern due to the widespread presence and potential health impacts.

The State Water Resources Control Board established Notification Levels (NL) and Response Levels (RL) for PFAS compounds to protect public health. Water systems must notify local governing agencies and customers when a PFAS concentration exceeds the NL. Utilities must take corrective action, such as removing the source from service or providing public notice within 30 days, if the system exceeds the RL.

The following describes thresholds for key PFAS compounds like perfluorooctanoic acid (PFOA) and perfluorooctane sulfonic acid (PFOS):

- PFOA: NL = 5.1 parts per trillion (ppt); RL = 10 ppt
- PFOS: NL = 6.5 ppt; RL = 40 ppt.

The U.S. Environmental Protection Agency (EPA) finalized National Primary Drinking Water Regulation for PFAS in April 2024, establishing a new legally enforceable Maximum Contaminant Levels (MCLs) of 4 ppt for both PFOA and PFOS.

This federal action represents significant regulatory standard tightening compared to California notification and response levels. The State Water Board notified water purveyors of their intent to lower the NL for both and PFOS to 4 ppt to align with the EPA.

The EPA finalized enforceable MCLs for PFAS but recognizes that many water systems will require time to plan and implement treatment solutions. The EPA intends to initiate a rulemaking to extend the compliance deadline for PFOA and PFOS to 2031, with a proposed rule expected in Fall 2025 and final action anticipated in Spring 2026.

Shutting down key production wells due to PFAS contamination and ongoing capital improvement projects has placed significant operational strain on the City water distribution system with only three of nine City production wells currently operating. This two-thirds reduction of City groundwater supply capacity has forced the system to rely heavily on imported water and a minimal number of overburdened well sites.

The following lists the out of service wells and the shutdown dates:

- Well 6: Out of service since December 6, 2022
- Well 15A (Christlieb): Out of service since September 27, 2023
- Well 2 (Kimberly): Out of service since February 15, 2024
- Well 5: Out of service since October 21, 2024
- Well 8: Out of service since October 21, 2024
- Well 10 (Sunclipse): Out of service since April 21, 2025.

These wells represent a combined production loss exceeding 10,000 gallons per minute (GPM). This dramatic reduction in local supply leaves the system operating in a highly constrained and vulnerable state. The remaining wells operate continuously to maintain basic service, a practice that significantly increases the risk of mechanical failure, pump burnout and emergency shutdowns. The City makes up the remaining lost production with increased purchased water from the Metropolitan Water District of Southern California (MWD) which costs approximately twice as much as pumped groundwater.

This diminished production capacity is especially concerning given the City's 14,200 GPM average daily demand. Operating with such limited production capacity while trying to meet this demand, especially during peak or emergency events, is not sustainable and places the entire distribution system at risk. The current lack of redundancy puts the City in a vulnerable position, especially during peak summer months when demand reaches its highest. A single mechanical failure or unplanned outage could lead to widespread service interruptions, reduced fire protection capabilities and an inability to meet regulatory requirements.

Staff recommends installing a temporary PFAS treatment system at Sunclipse Well 10, which would restore an estimated 2,400 gallons per minute to the system. The additional supply would meet average daily demand, support maximum day demand,

maintain system pressure and avoid additional stress on the few remaining active wells and water distribution system.

Relying solely on imported water to replace the production from Well 10 over the next 24 months would cost the City an estimated $2.6 million dollars. OCWD charges $711 per acre-foot to pump groundwater, while the cost of imported water from MWD costs $1,395 per acre-foot. These savings would increase if the system remains in service longer. This only reflects the financial burden from increased imported water use. The primary concern remains maintaining operational readiness and public trust by having the capacity to meet demand under a variety of conditions.

The EPA has set MCL at 4 ppt, requiring the City to install treatment at any wells exceeding this limit. The City expects to bring Christlieb Well 15 back online in early 2026 after experiencing sanding issues. The last two PFAS samples collected before the well went offline exceeded the current EPA MCL and staff anticipates levels will continue to rise. The City intends to utilize the vessels purchased for Well 10 at Well 15 once the City no longer needs the temporary system at Well 10. This approach supports reimbursement through the existing PFAS agreement with OCWD at a future date. The City would procure installation separately and will return to City Council for authorization.

The City currently has two PFAS treatment plants in operation, serving two of the three remaining wells, allowing the City to provide PFAS-treated water to most residents with two treatment plants in development and estimated to go online in late 2026 and early 2028. The City would no longer need the temporary treatment at Well 10 once the new plants become operational.

Procurement – Sole Source Method

Staff pursued a sole source purchase for the new temporary treatment vessels at Sunclipse Well 10 pursuant to the bidding exceptions as outlined in City Purchasing Policy No. 4.1.2. The City previously purchased and installed PFAS treatment systems from Evoqua Technologies at other well sites and has training and experience operating, monitoring and maintaining this equipment and resin media. Using the same technology and vendor across multiple treatment sites ensures continuity in staff expertise, simplifies spare parts and resin replacement and reduces operational risks associated with introducing unfamiliar equipment.

OCWD also uses Evoqua Technologies for its PFAS treatment vessels and resin. Aligning Fullerton's treatment technologies with same vendor ensures standardization with OCWD equipment and preserves eligibility for future treatment cost reimbursement under the City PFAS funding arrangement with OCWD. Selecting a different vendor could jeopardize reimbursement eligibility and generate higher costs due to non-standardized pricing.

Staff recommends issuing a $1,268,288.20 purchase order for Evoqua Technologies for the resin and treatment vessels from the existing vendor due to staff familiarity, operational efficiency, consistency across treatment sites and financial protection through OCWD reimbursement. Staff also requests administrative authority to increase the purchase order up to 10% in the event of unforeseen tariff or price increases.

A permanent PFAS treatment solution for Well 10 is in the final design stages and scheduled for completion prior to the anticipated 2031 EPA compliance deadline. The proposed temporary treatment system would provide a bridge solution for immediate operational relief, system stability and regulatory compliance until the permanent facility becomes operational. Investing in this interim measure now protects public health and fire safety, reduces reliance on costly imported water and ensures a seamless transition to long-term infrastructure aligning with state and federal regulatory requirements.

Attachments:

- Attachment 1 – Evoqua Quotation
- Attachment 2 – Evoqua Sole Source Provider Letter

cc: Interim City Manager Eddie Manfro