



Agenda Report

Fullerton City Council

MEETING DATE: JULY 15, 2025

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 WATER ENGINEER
GAR HUANG, ASSOCIATE CIVIL ENGINEER

SUBJECT: \$759,577 CONTRACT WITH KINGMEN CONSTRUCTION, INC. FOR MAIN PLANT NORTH PFAS TREATMENT PLANT EXPANSION

SUMMARY

Award \$759,577 construction contract to Kingmen Construction, Inc. for the Main Plant North Per- and Polyfluoroalkyl Substances (PFAS) Treatment Plant Expansion.

PROPOSED MOTION

1. Approve Main Plant North PFAS Treatment Plant Expansion plans and specifications.
2. Approve waiving formal bid requirement and award \$759,577 construction contract for the Main Plant North PFAS Treatment Plant Expansion to Kingmen Construction, Inc. and authorize City Manager, or designee, to execute and administer the contract, in a form approved by the City Attorney.
3. Authorize Public Works Director, or designee, to approve construction and professional engineering construction support services change orders within the approved project budget.

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

The City Manager supports the Public Works Department recommendation.

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) treatment. This agreement, the “PFAS [Per- and Polyfluoroalkyl Substances] Treatment Facilities and Program Agreement” (Agreement), 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...” These eligible reimbursables include the Main Plant North PFAS Treatment Plant Expansion work.

The City needs to pay project costs, including contractor services, prior to seeking reimbursement from OCWD. The Fiscal Year 2025-26 Adopted Capital Improvement Program (CIP) Budget has sufficient funding in Project 53023 PFAS Management within the Water Enterprise Fund (Fund 44).

BACKGROUND AND DISCUSSION

The City found high levels of PFAS in the groundwater supply and shut down six of the nine active City wells to address Environmental Protection Agency (EPA) regulations. Two of the shutdowns occurred within the last year. The three active wells have treatment in place or remain unaffected by PFAS. The City uses these three wells at maximum capacity they cannot keep pace with the high water demand in the City, especially in the summer months, which requires purchasing significantly more expensive water from the Metropolitan Water District of Southern California (MWD). These reduced water sources put the City at risk during an emergency such as an earthquake or fire.

OCWD and City staff have worked to install treatment plants at all affected sites to bring the wells back in service. However, installation is a long and slow process. The first two treatment plants came online in 2021 and 2024, with the next plants expected to come online in late 2026 and late 2027. Staff explored options to bring wells back in service earlier to alleviate some of the system stress.

One option explored would reroute Well 8, located at the City Main Plant and planned for treatment at a new South PFAS Treatment Plant (South Plant) under design and planned

for operations in 2027. Staff prefers to reroute Well 8 into the existing North PFAS Treatment Plant (North Plant) at this time.

The North Plant came online in 2024 to treat Well 3A water, with plans for an expansion when Well 7A, currently under construction, comes online. This option would have Well 8 temporarily utilize the connection intended for Well 7A until Well 7A begins operation. Tetra Tech, Inc., under contract with OCWD, has prepared plans and specifications for the expansion. The City would perform the expansion work when Well 7A came online, however, completing the expansion now would help maximize the benefits gained.

Staff determined formal bidding to re-route Well 8 would not be in the best interest of the public as the City requires immediate action to prevent potential disruption to the water supply, which could pose a risk to public health and safety. OCWD and City staff felt it appropriate to approach Kingmen Construction, Inc. (Kingmen) for a quote to perform the work to ensure continuity of service, as Kingmen has mobilized on-site (constructing Well 7A) which allows the City to address putting Well 8 in operation without delay.

City Council awarded Kingmen the construction contract for the Well 7A Equipping Project on June 18, 2024 and construction began on May 12, 2025. Kingmen provided a \$759,577 quote to perform the Main Plant North PFAS Treatment Plant Expansion work (Attachment 1). OCWD and City staff reviewed the quote and found it acceptable. Staff recommends waiving the formal bid process and awarding the contract to Kingmen to ensure proper water supply to the public, as a formal bid process would not likely result in a lower bid, would increase the construction schedule and increase purchased imported MWD water expenses.

Attachments:

- Attachment 1 – Contractor Quote

cc: City Manager Eric J. Levitt