



# Agenda Report

July 14, 2025

**TO:** Honorable Mayor and City Council

**FROM:** Water and Power Department

**SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH PACIFIC HYDROTECH CORPORATION FOR THE ALLEN RESERVOIR REPAIRS FOR AN AMOUNT NOT-TO-EXCEED \$831,450**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA"), pursuant to State CEQA Guidelines Section 15301 (Class 1 – Existing Facilities) and that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances; and
2. Award the contract to the lowest and best bid dated May 22, 2025, submitted by Pacific Hydrotech Corporation ("Pacific Hydrotech") in response to Project ID: 2025-IFB-LM-0058 for labor and materials for the Allen Reservoir Repairs, and authorize the City Manager to enter into a contract for an amount not-to-exceed \$831,450 which includes the base contract amount of \$723,000 and a contingency of \$108,450 to provide for any necessary change orders.

## **BACKGROUND:**

Pasadena Water and Power ("PWP") operates 14 reservoirs to serve its water service area. The Allen Reservoir is a 4.1-million-gallon concrete-lined, partially-buried water storage facility with a corrugated metal roof located in Altadena. The western portion of the Allen Reservoir sustained damage in the 2025 Eaton Fire that requires repair and replacement of structural members, and a portion of the catwalk and handrail in the interior of the reservoir. The Allen Reservoir is divided by an interior 8-foot-high wall which bifurcates the reservoir into a western portion and an eastern portion. The interior of the eastern portion of the reservoir will require temporary protective measures so that water service can continue uninterrupted while repairs to the western portion of the reservoir are underway. PWP will request reimbursement from the Federal Emergency Management Agency ("FEMA").

The Notice Inviting Bids for Project ID: 2025-IFB-LM-0058 was posted online through OpenGov on April 29, 2025. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 40 vendors downloaded the Specifications, none of which were local. Two responsive bids were received by the bid opening date.

The result of the bid is as follows:

<b><u>Bidders</u></b>	<b><u>Total Bid</u></b>
Pacific Hydrotech (Perris, CA)	\$723,000
Harbor Coating and Restoration (Orange, CA)	\$892,500
Engineer's Estimate	\$500,000

Pacific Hydrotech was the lowest responsive and responsible bidder that complied with the Specification requirements and possesses a valid California State Contractors License Classification "A".

The proposed contract complies with the Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated thereunder. The project was bid as a prevailing wage project, and workers employed by the contractor will be paid the general prevailing rate of per diem wages as determined by the California Director of Industrial Relations. The project was also bid subject to terms and conditions associated with FEMA-funded projects.

It is recommended that the City Council authorize the City Manager to enter into a contract with Pacific Hydrotech for an amount not to exceed \$831,450, which includes the base amount of \$723,000 and a contingency of \$108,450 for any necessary change orders. Although Pacific Hydrotech's proposal is higher than the engineer's estimate, PWP considers this proposal to be fair and reasonable, as the project includes unique elements and complexities that are difficult to estimate. This includes the temporary protective measures that will allow a portion of the reservoir to remain in service during construction, the site's limited accessibility and staging areas, and work in a confined space environment. The recommended contractor had one contract with the City of Pasadena valued at approximately \$6,500,000 in 2022. Pacific Hydrotech has experience in the rehabilitation of reservoirs and has completed similar projects with the Three Valleys Municipal Water District, the City of South Pasadena, and the Golden State Water Company.

### **COUNCIL POLICY CONSIDERATION:**

This project is consistent with the goals and objectives of PWP's Water System and Resources Plan for improved system resilience and redundancy to minimize impacts to the distribution of water during emergencies. It also supports the City Council's goal to ensure public safety and improve, maintain, and enhance public facilities and infrastructure

### **ENVIRONMENTAL ANALYSIS:**

The proposed contract is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15301 (Class 1: Existing Facilities). Class 1 exempts from environmental review "the operation, repair, maintenance, permitting, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use." The proposed contract will provide for the repair of the Allen Reservoir, which was damaged during the 2025 Eaton Fire. The project will not result in an expansion of use or capacity. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

FEMA provides federal grant assistance for the restoration of disaster-damaged publicly owned facilities through its Public Assistance Program. Eligibility for reimbursement is evaluated based on the program's policies and procedural requirements, including compliance with environmental and historic preservation requirements. Upon submitting the scope of work to the California Governor's Office of Emergency Services and to FEMA, it was determined that the repairs fall within programmatic allowances for State Historic Preservation Officer and further consultation with FEMA was not required to proceed with the work.

**FISCAL IMPACT:**

The total cost of this contract, including contingency, is \$831,450. Funding for this action will be addressed by the utilization of the Eaton Windstorm and Fire Recovery Capital Improvement Program Project (01098) Water CIP budget. It is anticipated that all costs will be expended in FY 2026. There is no impact to the General Fund.

The following table represents the fiscal impact.

Base Bid	\$723,000
Contract Contingency	\$108,450
<b>Total Fiscal Impact</b>	<b>\$831,450</b>

Respectfully submitted,



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Prepared by:



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Approved by:



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MIGUEL MARQUEZ  
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