



Watsonville
CALIFORNIA

CITY COUNCIL AGENDA REPORT

MEETING DATE: Tuesday, July 8, 2025
TO: CITY COUNCIL
WRITTEN BY: ASSISTANT PUBLIC WORKS & UTILITIES DIRECTOR GREEN
RECOMMENDED BY: PUBLIC WORKS & UTILITIES DIRECTOR LINDBERG
APPROVED BY: TAMARA VIDES, CITY MANAGER
SUBJECT: APPROVE FIRST AMENDMENT TO CONSULTANT CONTRACT WITH CAROLLO ENGINEERS, INC. FOR THE HEXAVALENT CHROMIUM TREATMENT PRELIMINARY DESIGN REPORT INCREASING THE COMPENSATION AMOUNT BY \$123,562

RECOMMENDATION:

Adopt a resolution approving First Contract Amendment with Carollo Engineers, Inc. for additional services in the preparation of the Hexavalent Chromium Treatment Preliminary Design Report, increasing the amount of compensation by \$123,562 for a total revised contract amount of \$870,120, and authorizing and directing City Manager to execute the same.

BACKGROUND:

Carollo Engineering, Inc. is nearly complete with the contracted scope of services on the preliminary design of the Hexavalent Chromium Treatment for the City's water distribution system. Additional services have been requested by the City in order to complete the final report, increasing the scope and requiring an amendment to the contract.

DISCUSSION:

The State Water Resources Control Board (SWRCB) set a Maximum Contaminant Level (MCL) for hexavalent chromium of 10 micrograms per liter in 2014; the SWRCB invalidated this amount in 2017. In April 2024, the SWRCB again adopted the MCL which became effective in October 2024. The implementation period for water distribution systems the size of the City is currently two years (October 2026). It is anticipated that the City may exceed this MCL on several of its well sites in October of this year, requiring a compliance plan to be prepared by the City. This compliance plan will outline the City's

plan and timeline to meet this new MCL, and will be submitted to the State Water Resources Control Board (SWRCB) for review.

City Council approved Resolution 116-24 (CM) awarding a hexavalent chromium treatment preliminary design contract to Carollo Engineers, Inc. at the June 25, 2024 Council meeting.

Carollo is nearly complete with the Preliminary Design Report which will outline the recommended treatment options at each of the affected well sites, along with an estimated schedule for compliance and an estimated cost of construction. Current preliminary costs are estimated to be between \$40 to \$58 million, depending on how quickly and to what level the City implements treatment to comply with the new MCL. This decision will have a significant impact on the City's overall capital improvement plan and Water Enterprise Fund.

Prior to completion of the report, staff requested additional scope be included in contract services including additional pilot testing, exploration of collaborative delivery options for construction, preliminary consultation with the State Department of Drinking Water, and other engineering support related tasks directed by the City. Carollo has provided a cost for this additional scope of services which will increase the contract amount by \$123,562 for a total revised contract amount of \$870,120. Staff therefore recommends that Council approve this first amendment to Carollo's contract in order to continue and complete this important design work.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION:

This action is exempt from the requirements of the California Environmental Quality Act (CEQA) because the award of the contract for a preliminary design report does not qualify as a "project" as defined by CEQA Guidelines Section 15378. Awarding the contract for design services, which are akin to a study, has no potential for direct or indirect physical changes in the environment and is merely an administrative activity of the government. (14 Cal. Code Regs. § 15378(a), (b)(5).) Even if awarding the contract was a "project," it would be exempt from CEQA review under CEQA Guidelines Section 15262 because it involves only a feasibility or planning study for possible future actions which the City has not approved, adopted, or funded, and awarding the contract has no legally binding effect on later activities (14 Cal. Code Regs. § 15262.), and under the "common sense" exemption because it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment. (14 Cal. Code Regs. §15061(b)(3).)

STRATEGIC PLAN:

Approving this amendment is consistent with strategic plan goal:

Infrastructure & Environment

FINANCIAL IMPACT:

The cost of this amendment is \$123,562. There is sufficient budget to cover the cost of this amendment in the Water Enterprise Fund in budget account 913-7855-14346.

ALTERNATIVE ACTION:

No reasonable alternatives are known at this time.

ATTACHMENTS AND/OR REFERENCES (IF ANY):

None.