



Wastewater
Treatment



TRANSFORMING
WASTEWATER
TO RESOURCES



Recycled
Water



Energy
Production



Biosolids
Reuse

Prequalification of Construction Contractors for Secondary Process Improvements Phase 1 Project

Board of Directors Meeting
March 11, 2026

Overview: Secondary Process Improvements Phase 1 Project



- Critical, large-scale capital project at District's WWTP
 - Address vulnerable aging infrastructure
 - Meet nutrient removal regulatory mandate
 - Expand plant capacity
- Presented significant shift in project approach in October 2025, which increased Phase 1 cost to \$190.2M
- Recently completed 90% design, staff is currently working to reconcile increased Phase 1 cost estimate with **intent to receive construction bids in July 2026**
- Staff is **recommending “prequalification” of construction contractors** rather than traditional public bidding to mitigate potential project construction risks

Prequalification of Contractors

Key Drivers

- Project involves complex infrastructure construction upgrades to critical processes at District's WWTP
 - Facility shutdowns with constraints, regulatory compliance requirements, detailed coordination and extensive experience required to effectively manage risks, safety focus
- Ensures only qualified contractors with demonstrated, relevant experience are eligible to submit bids
- Reduces potential for bid protests, construction disputes, and schedule delays



Prequalification of Contractors

Legal Requirements



- District must comply with California Public Contract Code Section 20101 requirements and related guidance from Department of Industrial Relations
 - Allows a public agency to require bidders to be prequalified before submitting a bid to ensure technical and financial responsibility
- Key Statutory Requirements
 - Adoption of a **uniform, objective rating system**
 - Adoption of an **appeals procedure** for proposed disqualifications
 - Financial statements and questionnaire responses treated as confidential
- Staff is only recommending contractor prequalification for Secondary Process Improvements Phase 1 Project

Compliance with Legal Requirements Uniform Rating System, Appeals Process



- Staff has included Uniform Rating Systems for prequalification of General Contractors and Electrical Subcontractors in agenda packet (Attachment 1)
 - Structured, objective evaluation criteria with pass/fail ratings for 18 and 16 questionnaire responses, respectively
 - A “fail” determination for any of questionnaire responses would serve as basis for disqualification
 - No pricing or cost information requested or evaluated
- Staff has included Prequalification Appeals Procedure in agenda packet (Attachment 2)
 - Provides written notice and appeal opportunity prior to construction bid opening
 - Includes resolving appeals before final list of qualified contractors is established

