

# CRESCENTA VALLEY WATER DISTRICT

## BOARD OF DIRECTORS - STAFF REPORT

Action Item No.  
April 14, 2026

**To:** Honorable President and Members of the Board of Directors  
**From:** Carla Dillon – Director of Engineering & Operations  
**Subject:** Contract Award & CEQA Exemption – Water Main Replacements on Montrose Ave and Foothill Blvd., Project E-1100B

---

**ACTION ITEM:** Discussion and possible consideration of motions for the Water Main Replacement Project on Montrose Ave. (Project E-1100B Phase 1) – Motion to authorize the General Manager to award a pipeline replacement construction contract to Doreck Construction for \$2,735,400 (approximately 4,907 L.F. of steel CML&CMC water main) plus a 25% contingency (\$683,850); 2) find the Water Main Replacement Project on Montrose Ave. (Project E-1100B Phase 1) categorically exempt under California Environmental Quality Act (“CEQA”) Guidelines § 15301 – negligible or no expansion of use; and 3) Waive formal competitive bidding per CVWD Rules and Regulations, Article 18.01.

### **BACKGROUND:**

In November 2025, the Board awarded a progressive design-build (PDB) contract to Sukut and West Coast Civil Engineering for the Montrose Ave. and Foothill Blvd. segments of pipeline replacement.

The Progressive Design-Build method is a two-stage contracting process. The first stage involves design and other preconstruction activities, including the development of cost estimates required for the PDB team to prepare pricing for the second stage. The second stage includes the completion of design, acquisition of permits, and execution of construction. Upon completion of the initial stage, the PDB team presents the guaranteed maximum price (GMP) based upon the scope, design and project assumptions.

The District has selected the PDB contract delivery method for this initiative to integrate design, permitting, and construction under a single agreement. This approach enables early contractor engagement in the design phase, enhancing cost certainty and expediting project delivery. The design work progressed from December 2025 through March 2026 for the Montrose Ave. portion of the work.

In late March 2026, District staff received the GMP based upon the scope, design and project assumptions for the Montrose portion of the work (4,907 LF of 12” pipe) for \$4,977,171.00. Staff had negotiated the price down \$200,000. The Foothill Blvd portion is still being designed, and that GMP will be presented to the Board in the near future for consideration.

### **DISCUSSION:**

Due to the proposed GMP being above the budget, CVWD staff sought proposals from alternate contractors for the pipeline replacement project along Montrose Ave. One of the proposers provided a proposal that would save the District and its ratepayers costs.

This item was reviewed by the Engineering, Operations, and Technology Committee on April 8, 2026.

When the GMP for the Foothill Blvd. portion of the project is received with the pricing, the Board may opt to proceed with Phase 2 (construction) of the PDB, defer the construction, or seek additional bids.

**ENVIRONMENTAL REVIEW:**

This project is exempt from the California Environmental Quality Act (CEQA) under Section 15301 of the CEQA Guidelines. This exemption covers the repair of existing facilities involving negligible or no expansion of existing use.

**FUNDING AVAILABILITY:**

Staff reviewed the pipeline replacement projects planned for FY 25/26 which included pipeline replacement for various projects (see Table 2).

**Table 2: FY25/26 Pipeline Project Costs**

| Account Description                                                  | Amount              |
|----------------------------------------------------------------------|---------------------|
| FY 25/26 Water CIP – Water Distribution – Pipeline Replacement       | <b>\$10,750,000</b> |
| Design of Water Main Replacements on Montrose Ave and Foothill Blvd. | <b>-\$880,668</b>   |
| Installation of 12-inch Water Main on Henrietta/Pennsylvania Ave.    | <b>-\$4,021,472</b> |
| Installation of 12-inch Water Main on Montrose Ave.                  | <b>-\$3,419,250</b> |
| Installation of 8-inch Water Main on Upper Terrace                   | <b>-\$426,200</b>   |
| Installation of 12-inch Water Main on Henrietta                      | <b>-\$777,210</b>   |
| Installation of 8-inch Water Main on Fairway Ave. (C-900 Pilot)      | <b>-\$150,000*</b>  |
| Installation of 8-inch Water Main on Teasley                         | <b>-\$430,000*</b>  |
| Balance                                                              | <b>\$645,200</b>    |

*Note: \*Estimates*

As shown above, the funds for pipeline replacement expenses for FY 25/26 will be sufficient to cover the cost of this contract for the pipeline replacement on Montrose Ave.

**RECOMMENDATION:**

Authorize the General Manager to award a contract to Doreck Construction for \$ 2,735,400 for the project plus 25% contingency (\$683,850), to find said project exempt from the provisions of CEQA, and to waive the requirement for formal competitive bidding as outlined in CVWD's Rules and Regulations, Article 18.01.

Prepared and submitted by:



---

Carla Dillon, P.E.  
Director of Engineering & Operations