



## City of Colusa California

### STAFF REPORT

**DATE:** December 16, 2025  
**TO:** Mayor and Members of Council  
**FROM:** David Swartz, City Engineer, and Jesse Cain, City Manager

**AGENDA ITEM:** ACCEPTANCE OF WATER CONSTRUCTION PROJECT AS HAVING BEEN BUILT IN COMPLIANCE WITH THE CONTRACT DOCUMENTS – “WATER CONSOLIDATION WALNUT RANCH COMMUNITY FACILITIES PROJECT” STATE PROJECT NUMBER 0610002-002C

**Recommendation:** Approve Resolution 25-\_\_\_\_\_ - and authorize City Engineer to record a Notice of Completion with the County Recorder’s office and authorize the city Finance Director to release the retention pending no claims from suppliers or subcontractors. Contract with R&R Horn for an amount of \$2,833,120

#### BACKGROUND ANALYSIS:

The City bid and awarded the project in May of 2024 but did not receive final budget approval until August of 2024. The reason for the delay was that the state approved construction budget for this project is \$2,487,695, which was \$345,425 lower than the lowest competitive bid received. On the final budget approval submittal to the State, staff requested additional funding to cover this shortfall and were successful in working with state representatives to procure this extra funding.

The notice to proceed with construction was issued in September of 2024 and construction has been ongoing for the past year.

The city has worked closely with the State Water Board to secure funds for this project which are in the form of a **forgivable loan** to install the new water system that meets the cities standards.

At the time of bidding the City Received four bids based on competitive bidding and procurement procedures for this work, with the lowest responsive bidder was R&R Horn.

This project dates back to 2014 when the water source supply (wells), located within the Walnut Ranch Subdivision failed to pass drinking water standards due to exceedance of maximum contaminate levels of arsenic. At that time the water system was owned and operated by Del Oro Water Company Inc.

As a result of the failed wells, the City supplied an emergency water supply connection to the subdivision.

The residents put together their own coalition and petitioned the City for annexation into the City limits, and requested the City take over ownership, operations and maintenance of the water system.

The system contained asbestos piping, and did not meet city minimum standards for sizing, so as a condition of assuming ownership the residents paid for a grant application to replace the system and bring it up to city standard.

More than a decade later, the subdivision was annexed, and funds received via a planning grant to provide for the environmental and engineering of a replacement system.

**BUDGET IMPACT:** The city will collect water impact fees as a part of the grant to connect the residents per city ordinance. These fees were a part of the forgivable loan and thus did not cost the residents for their connections to the city. Also, all residents are now connected and part of the city water metering system. Prior they were flat rate customers.

**STAFF RECOMMENDATION:** Approve Resolution No. 25- and authorize the City Engineer to record a notice of completion for the subject contract with R&R Horn for the installation of a new water system for the Walnut Ranch Project.

**ATTACHMENT:** Resolution