



CITY OF ORLAND STAFF REPORT

MEETING DATE: November 3, 2026

TO: Honorable Mayor and Council

FROM: Paul W. Rabo, City Engineer

SUBJECT: Water Projects Update (Discussion)

BACKGROUND:

Orland Emergency Groundwater Resource Project (OEGRP)

In September 2021, the City of Orland began working with the State of California Department of Water Resources (DWR) to layout, design and construct improvements to the City's water system. The primary goal for the project is to supply residents, inside and outside of City Limits, with a safe and reliable source of drinking water. The proposed project improvements have been divided into the following phases.

Phase 1 includes the connection of water services to existing water mains within City Limits and the installation of water main extensions within City Limits.

Phase 2A, located south and east of the City Limits, includes the installation of approximately 5.1 miles of water main, 97 water service connections, fire hydrants and other water system appurtenances.

Phase 2B, located west of Interstate 5 and north of Newville Road, includes the installation of approximately 1.8 miles of water main, 31 water service connections (including one service to a mobile home park with approximately 80 units), fire hydrants and other water system appurtenances.

Phase 2C includes the connection of the primary dwellings in Phases 2A and 2B to the water meter.

Phase 3A, located on Walker Street near Interstate 5, includes the construction of a new groundwater well.

Phase 3B has been removed from this project (included the installation of the well pump and controls and construction of site improvements).

Phase 4, located on the east side of 6th Street between Mill and Yolo Streets, includes the construction of a one-million-gallon water storage tank, booster pumps, water system appurtenances and site improvements.

Urban and Multibenefit Drought Relief Grant (UMDRG)

In January 2026 the City of Orland began replacing two water mains in the alleys between 3rd/4th Streets and 4th/5th Streets from Colusa Street to Walker Street. Each alley had an existing 4" diameter cast iron water main dating back to the original water system installed in 1912. The goal of this project was to help

reduce the number of leaks in the water system and to replace water mains that were beyond their useful life.

This project also included the rehabilitation of the Central Street Well that was having recurring issues with water sampling and testing. This was leading to more frequent repairs and service by the Public Works Department and outside contractors.

Walker Street Well

Formerly Phase 3B of the OEGRP, the Walker Street Well began construction in July of 2025 and will help supply the City's water system with additional water needed to serve residents that connected during the OEGRP.

ANALYSIS:

Orland Emergency Groundwater Resource Project

Phase 1 is 100% complete through the combined efforts of the City Public Works Department and the Phase 2A contractor. The portion of Phase 1 work that was completed by the Phase 2A contractor has been included in the Phase 2A construction contract cost shown in the table below. Phase 2A and 2B are 100% complete. Phase 2C Units 1 through 6 are 100% complete. Phase 3A is complete. Phase 3B was removed from the scope of this funding source. Phase 4 is over 95% complete. PG&E installed the electrical transformer and installed power to the site on October 27, 2026. The contractor and subcontractors will be onsite in the coming weeks to complete the control systems and perform required tests.

DWR has budgeted approximately \$1.25 million for City staff to perform project and construction administration, prepare CEQA documentation and obtain necessary permits; \$2.25 million for the design of all phases; and \$13.2 million for the construction of all phases. The total funding amount provided by DWR is \$16.7 million.

The following table shows the budgeted construction costs for the project.

Phase	Construction Budget (millions of \$) (a)	Construction Contract (millions of \$) (b)	Remaining Budget (millions of \$) (a-b)	Work Complete (%)
1	1.40	0.26	1.14	100
2A	5.35	5.617	(0.267)	100
2B	2.00	1.455	0.545	100
2C	0.80	1.477	(0.677)	100
3A	0.35	0.332	0.018	100
3B	0.00*			
4	3.30*	4.365	(1.065)	95
Total	13.2	13.506	(0.306)	

*Construction budget from Phase 3B (\$0.90M) moved to Phase 4. Current budget for Phase 4 is now \$3.30M.

Urban and Multibenefit Drought Relief Grant (UMDRG)

The alley water main projects were completed in March of 2026. The alleys now have 8" diameter water mains, new water services and new fire hydrants.

The Central Street Well rehabilitation was completed in March of 2026. The repairs included a new liner, solid casing, perforated casing, gravel pack, submersible motor and new wiring.

The table below breaks down the construction and funding for both projects.

Project Location	Construction Contract (a)	UMDRG Funds (b)	City Funds (c)	Work Complete (%)
3 rd /4 th and 4 th /5 th	\$731,353.41	\$542,629.88	\$188,723.53	100
Central Street	\$66,913.60	\$66,913.60	\$0.00	100
Total	\$798,267.01	\$609,543.48	\$188,723.53	

Walker Street Well

This project is nearing completion. The pumps, discharge column and motor were installed the week of October 26, 2026. The contractor and subcontractors will be onsite in the coming weeks to complete the control systems and perform required tests.

Project Location	Construction Contract (a)	Fund Sources (b)	City Funds (c)	Work Complete (%)
Walker Street	\$1,412,000.00	\$0.00	\$1,412,000.00	60

RECOMMENDATION:

None.

FISCAL IMPACT:

OEGRP

The project costs (up to \$16.7M) incurred for administration, design, construction, construction engineering and inspection are being funded by DWR. The funding for this project has been closed out, and the City is responsible for paying approximately \$306,000.

UMDRG

The funding for this project has been closed out, and the City is responsible for paying \$188,723.53.

Walker Street Well

This project does not have any outside funding sources, and the City is responsible for paying \$1,412,000.00.

The current impact on the City's water fund is approximately \$1,906,724. The water fund has approximately \$4,200,000 available.