



## CITY COUNCIL STAFF REPORT

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**DATE:** January 12, 2026

**TO:** Municipal Improvement District Board & City Council

**DEPARTMENT:** Public Works Department

**PREPARED BY:** Alfredo Huerta, Assistant City Engineer

**PRESENTER:** Alfredo Huerta, Assistant City Engineer

**AGENDA TITLE:** Receive Report and Consider Adopting Municipal Improvement District Resolution Awarding the Dryer Building Reconstruction Project, City Project No. WWP-00027, to August-Jaye, Inc. as the Lowest Responsible Bidder, and Authorizing the City Manager to Execute Contract (Not to Exceed \$321,861.00)

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### RECOMMENDATION

Staff recommends that the District Board adopt the Resolution Awarding the Dryer Building Reconstruction Project to August-Jaye, Inc. as the Lowest Responsible Bidder and Authorizing the City Manager to Execute Contract (Not to Exceed \$321,861.00).

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### BACKGROUND

The Dryer Building Reconstruction Project (Project) was advertised for bid in October 2025. The Project is in the City's 2025/26 Capital Project list with a budget of \$335,392. Bids for construction of the Project were opened on November 21, 2025. Six bids were received (Attachment 1), with the lowest coming from Jess Construction for \$305,200. Jess's bid documents did not meet the requirements to be considered a responsive bidder, so staff recommends making the award to the second-lowest bid from August-Jaye, Inc. for \$321,861. The contractor has the proper license and experience and meets the requirements to be considered a responsive bidder.

### DISCUSSION AND ANALYSIS

The City of Fort Bragg's Wastewater Treatment Plant (WWTP) was originally constructed in 1970 and has had numerous upgrades in the past decade. The City obtained Planning Commission approval of a Coastal Development Permit (CDP 2-16) and Design Review Permit (DR 2-16) for the WWTP renovation and upgrades in October, 2016. The CDP and DR permitted the installation of an activated sludge treatment system, a new dewatering building, new sludge holding area, splitter box and pump station, conversion of the existing primary and secondary clarifiers to emergency/surge basins, and new renovated interior site access-ways and modified catchment basins. The City then obtained approval of CDP 5-18 to place approximately

12,000 cubic yards of clean soil associated with construction of the Wastewater Treatment Facility on the Noyo Center Site.

For this project, the City obtained Coastal Development Permit (CDP 9-24) and Design Review Permit (DR 12-24). The Planning Permits included the Biosolids Material Storage Building project (Currently in construction), Facility Solar Project (Currently in construction) and this Dryer Building Reconstruction Project, which consists of constructing a wood-framed storage building for WWTP operations and future dryer equipment, approximately 24 feet by 40 feet in size with two large rolling service doors. This building will replace the existing deteriorating metal structure and will be constructed on the existing foundation.

The design Architect, Calpo Hom & Dong Architects, completed the design in May 2024 and City staff put the Project out to bid on October 30, 2025. The City received six bids that appeared responsive on November 21<sup>st</sup>, 2025, but after further review of the bid documents and a bid protest submitted against the lowest bidder, it was determined that there were only five (5) responsive bids and one (1) non-responsive bid. The responsive bids were from August-Jaye, Inc. for \$321,861, A.B.S. Builders, Inc. for \$389,981.70, Sequoia Construction Specialties for \$462,504, FRC, Inc. for \$475,599.53, and Kirby Construction Company, Inc. for \$696,000. The bid deemed to be non-responsive was from Jess Construction for \$305,200. All bid amounts are listed as Base Bid + Alternate.

Initially, Jess Construction was the apparent low bidder but as staff performed an independent analysis of the bid, including a timely bid protest submitted against them, it was determined that the best course of action was to reject the low bid of Jess Construction as non-responsive because it does not comply with code standards and specifications. During the review, staff found that although Jess Construction has proper licensing, they are not certified to install the specified roofing system as required in the project specifications. And since they didn't list a roofing subcontractor, the bid submitted does not meet the minimum requirements. Additionally, the city found that the schedule of bid prices submitted wasn't filled in properly or completely, as the quantities and unit prices didn't match the total amounts listed and one line item was left blank. As required by the California Public Contract Code and the City's Municipal Code, the lowest responsible bidder is being recommended for the contract award.

## **FISCAL IMPACT/FUNDING SOURCE**

This project was budgeted for \$335,392 in the FY 25/26 budget, which was carried over and increased from the previous fiscal year after the engineer's estimate was provided by the design team. The lowest total bid from August-Jaye, Inc. is \$321,861, leaving a budget savings of \$13,531, most of which will be used for permitting, inspections and monitoring.

## **ENVIRONMENTAL ANALYSIS:**

The Project is subject of a Mitigated Negative Declaration (MND) under the California Environmental Quality Act ("CEQA") and Title 14, the California Code of Regulations ("CEQA

Guidelines”), which was adopted at the December 11, 2024 Planning Commission meeting. The MND was prepared for the re-construction of this building as well as the construction of the bio solids material storage building and the installation of solar panels. Mitigation measures included in the MND for this project include restriction on ground disturbance (Allowed from August 31-January 31), removal of ice plant, and Tribal Monitoring requirements during earth moving activities.

There will be a short-lived increase in greenhouse gas emissions during the construction phase due to the equipment necessary for the performance of the work. Increases in greenhouse gases will only occur during actual construction. All Air Quality Management District best management practices for minimizing greenhouse gas emissions during construction will be incorporated into the daily activities of this project.

### **STRATEGIC PLAN/COUNCIL PRIORITIES/GENERAL PLAN CONSISTENCY**

This project does not conflict with any Coastal General Plan. The proposed project would upgrade a portion of the existing WWTP to meet the City's ongoing needs and ensure that the WWTP is adequate to provide services for the community.

### **ALTERNATIVES:**

Direct staff to reject all current bids and re-bid the project.

### **ATTACHMENTS:**

1. Resolution
2. Bid Opening
3. Bid Protest
4. Contract

### **NOTIFICATION:**

1. Jess Construction
2. FRC, Inc.
3. Kirby Construction Co.
4. A.B.S. Builders, Inc.
5. Sequoia Construction Specialties
6. August-Jaye Inc.