



# COUNCIL REPORT

**DATE:** June 23, 2026  
**CATEGORY:** Consent  
**DEPT.:** Public Works  
**TITLE:** **Cuesta Water Main Incident - Emergency Construction Contract Ratification**

## **RECOMMENDATION**

Ratify the award of an on-call emergency services construction contract with West Valley Construction Company, Inc., a California corporation, (Entity No. 351886) to remediate emergency conditions that arose during the Cuesta Water Main Incident, for a total amount not-to-exceed \$600,000.

## **BACKGROUND**

On [April 28, 2026](#), the City Council ratified a Proclamation of Local Emergency, after the City Manager issued a Proclamation of the Existence of a Local Emergency on Saturday, April 25, 2026, in response to an emergency incident involving a private contractor hired by the City, concerning a contamination breach with some cement slurry mix coming into contact with a live water main in a neighborhood north of Cuesta Park on April 24, 2026. Staff were able to identify and isolate the water pipelines in several streets where there was possible contamination.

To restore water services to the affected residents, the City had to demonstrate to the State Water Resources Control Board that the water met water quality standards. Staff employed various methods of flushing, but were unsuccessful in meeting testing requirements. City staff then reached out to other water agencies for mutual aid support.

San Jose Water (SJW) offered mutual aid assistance by loaning the City a piece of equipment to perform high-velocity flushing of the pipelines, as well as SJW staff to operate the equipment. After the high-velocity flushing the City also needed assistance constructing temporary water services and other related pipeline construction work to perform super chlorination (disinfection of the pipelines using high-concentration chlorine) of the affected pipelines. Working with SJW, staff became aware of their on-call construction service provider, West Valley Construction Company, Inc. (West Valley).

## **ANALYSIS**

Based on SJW’s positive reference on West Valley’s work, staff selected West Valley to assist with pipeline super chlorination and related construction work. Because SJW is a private company, it was necessary for the City contract directly with West Valley.

City Code Section 2.211(d) allows the City to waive the traditional competitive bidding process for public works construction contracts when a public emergency creates conditions that require immediate remediation. In addition, City Code Section 2.2214 allows for noncompetitive procurements when a public emergency will not permit a delay resulting from competitive procurement. Since time was of the essence, the City began meeting with West Valley to plan for the next steps in restoring water service to the affected residents, including the installation of a temporary parallel water pipeline system and temporary decommission of the permanent water pipeline during the super chlorination process. The City awarded an on-call emergency services contract for \$600,000 to West Valley to assist staff with water pipeline construction work. The total amount of the services performed by West Valley exceeds the contract limits established by Council Policy A-10 and by the City Code. Therefore, staff is requesting that the Council ratify this contract.

Water service was restored to all homes on May 19, 2026, and West Valley subsequently decommissioned the highline water system. At this time, several punch list and clean-up activities remain for West Valley to complete the required work.

## **FISCAL IMPACT**

The West Valley construction contract is proposed to be funded from the Cuesta Water Incident Emergency account. The appropriation recommendation for the Cuesta Water Incident is included in the Fiscal Year 2026–27 Adopted Budget item presented to Council on June 23, 2026. With Council’s approval, this contract will be funded as part of the approved budget.

## **LEVINE ACT**

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a “license, permit, or other entitlement for use” if the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more

information see the Fair Political Practices Commission website: [www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html](http://www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html)

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

**SUBJECT TO THE LEVINE ACT**

Contract or franchise agreement

**ALTERNATIVES**

Provide other direction.

**PUBLIC NOTICING**

Agenda Posting

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