



City of Fortuna - Memorandum

(707) 725-7600 - 625 11th Street – Fortuna, CA 95540

TO: Fortuna City Council
FROM: Amy Nilsen, City Manager and Brian Issa, Public Works Director
SUBJECT: Wastewater Treatment Plant's Secondary Clarifier Recoating Project
DATE: October 14, 2025

Background:

The City of Fortuna advertised for bids for sandblasting and recoating of the metal parts of the Wastewater Treatment Plant's secondary clarifier earlier this Spring. We received three bids as follows:

Name of Contractor	Base Bid Amount
Clean Infusion¹	\$118,242.00
Unified	\$344,376.00
F.D. Thomas Inc.	\$228,995.00

The City Council awarded the bid to the lowest bidder, CleanInfusion LLC out of Missouri on May 19 in an amount of \$118,242. This bid was less than half of the next lowest bidder, F.D. Thomas Inc. at \$228,995. The total time allocated for completion was 30 days starting on August 11.

The contractor was three weeks late to the job site and arrived on September 3. From day one it was a struggle to have the contractor adhere to contractual obligations including containment of the site while sandblasting, use of proper materials, and installation of environmental controls meant to ensure that exposed metal remained free of rust until the final coatings could be applied. The contractor failed two inspections by a professional coatings inspector retained by the City. A third inspection was cancelled when it was clear the contractor would not pass.

City staff also observed multiple egregious safety violations for which the contractor was warned in writing. As the job went well past the contractual deadline, the City documented ongoing and repeated failures of CleanInfusion to comply with the contract and to demonstrate a good-faith effort to understand what they had agreed to do by signing the contract. On October 9, the contractor was notified that unless all outstanding violations were cured by 5pm on Friday October 10, the City intended to terminate the contract for nonperformance. The contractor informed the City that they would not be able to comply and packed up and left that weekend. The City is ready to contract with



City of Fortuna - Memorandum

(707) 725-7600 - 625 11th Street – Fortuna, CA 95540

the second lowest bidder (F.D. Thomas out of Sacramento) as an emergency project to complete the work for approximately \$280,000. Although some sandblasting work has already been completed, the increase in cost (\$161,758) reflects the emergency nature of the project.

Emergency Status:

The Wastewater Treatment Plant's secondary clarifier is a key component of the wastewater treatment process which slows and settles solids from the primary treated effluent. Use of the secondary clarifier is flow dependent. Essentially, as wastewater flows increase during winter months, the volume of the secondary clarifier is needed to allow a long enough residence time to allow suspended materials to settle out while maintaining sufficient throughput and return of activated sludge (microorganisms) back into the treatment train. Solids, known as Total Suspended Solids (TSS) are an effluent constituent regulated by the State in the City's wastewater discharge permit. Because of the interactions between various regulated compounds and suspended solids, high levels of TSS also result in less efficient disinfection and washout of return activated sludge (RAS) greatly increasing the likelihood of other violations including high level of Biological Oxygen Demand (BOD). As most of the metal is now bare, filling of the secondary clarifier without recoating is a bad option as most of the metal is below the water line and it would likely result in severe corrosion of exposed metal surfaces necessitating costly repairs. If the City chose to rebid the project, we would be well into the winter with no guarantee that the secondary clarifier could be online before we started violating our discharge permit.

The need for the secondary clarifier is entirely dependent on rainfall. In the past five years, the earliest we have put the secondary clarifier online was October 27, and the latest was mid-January. Due to the need to have a secondary clarifier, and a strong desire to avoid unnecessary effluent discharge violations from the State, we believe time is of the essence and seek to get a backup contractor, F.D. Thomas Inc., also the next lowest bidder, on site as quickly as possible. The City contacted, F.D. Thomas Inc. to determine if they were able to mobilize quickly. F.D. Thomas Inc, is able to mobilize quickly, and is expected to be onsite within 7 days of signing contracts. However, the cost of this quick mobilization will be an additional cost of \$161,758 for a total project cost of \$280,000.

The City has not received nor paid any invoices from CleanInfusion LLC. The difference in project cost (\$161,758) will be paid from the City Sewer Capital Reserve Fund (Fund 560) with the City reserving rights to pursue damages from CleanInfusion LLC and its bonding company.

The contract with F.D. Thomas will be on the Monday, October 20 consent agenda. There will also be a closed session item to further discuss CleanInfusion's contractual noncompliance. The degree to which the City will be able to recover costs from CleanInfusion either through their Surety bond or through direct litigation is yet to be determined.