



STAFF REPORT
5/14/2025

TO: Honorable Mayor and City Council Members

FROM: Castulo Estrada, Utilities Director

SUBJECT: Construction Contract with Van Dyke Corp in the amount of \$ 1,702,584.00 plus 20% contingency for Construction of Shady Lane Septic-To-Sewer Project and Water Project Improvements, City Projects S-15 & W-35.

STAFF RECOMMENDATION:

Contingent upon the review of the bid documents by the State Water Resources Control Board (SWRCB), and subsequent approval. Staff recommends the City Council to:

- Authorize a construction contract with Van Dyke Corp in the amount \$1,702,584.00 plus 20% contingency;

BACKGROUND:

The City of Coachella secured a Drinking Water Construction Grant in the amount of \$1,799,050.00 to provide services to the Shady Lane Mobile Home Park (MHP) community. They are a severely disadvantaged community of 40 mobile homes that was historically served by an on-site well. The well on site failed and was destroyed. The Shady Lane MHP is currently connected to the adjacent Amezcua Garcia Water System, a small aging community water system with a single well with no redundancy. The Shady Lane MHP Water Consolidation Project will construct approximately 2,880 LF of pipeline to connect the Shady Lane MHP to CWA's municipal water system. The new service will provide fire flow in accordance with Riverside County Ordinance 787 and supports the Riverside County General Plan Housing Element which highlights the importance of potable water to sustain healthy communities.

B.4 BUDGET COSTS

Estimated budget costs are contained in the Summary Project Cost Table below:

LINE ITEM	TOTAL ESTIMATED COST	PROJECT FUNDING AMOUNT
Construction	\$ 1,117,668	\$1,117,668
Pre-Purchased Material/Equipment	\$0	\$0
Real Property/Easement Acquisition	\$0	\$0
Change Order Contingency	\$ 111,767	\$ 111,767
Force Account	0	0
Allowances (Soft Costs)	\$481,623	\$381,623
Impact Fees	\$ 187,992	\$ 187,992
TOTAL	\$1,899,050	\$1,799,050

The City of Coachella secured a Clean Water Construction Grant in the amount of \$1,603,468.00 to provide services to the Shady Lane Mobile Home Park (MHP) community which currently relies on septic systems. The Project will install and connect the Shady Lane MHP to a new sewer main from Ave 54 along Shady Lane that will convey wastewater to the City's existing sewer system.

B.4 BUDGET COSTS

Estimated budget costs are contained in the Summary Project Cost Table below:

LINE ITEM	TOTAL ESTIMATED COST	PROJECT FUNDING AMOUNT
Construction	\$1,013,043	\$1,013,043
Pre-Purchased Material/Equipment	\$0	\$0
Purchase of Land/Easements	\$0	\$0
Impact Fees	\$181,690	\$181,690
Change Order Contingency	\$151,604	\$151,604
Force Account	\$0	\$0
Allowances (Soft Costs)	\$357,131	\$257,131
TOTAL	\$1,703,468	\$1,603,468

DISCUSSION/ANALYSIS:

The City requested public bids in accordance with City standards and in compliance with the California Public Contract Code. On February 14, 2025, the City issued the Notice Inviting Bids with a non-mandatory per-bid meeting on February 20, 2025. The project bid opening was held on April 2, 2025 at 10:00 a.m., with two companies submitting a bid for this project. The bid opening results are listed below:

Company Name:	City:	Bid Amount:
Van Dyke Corp	29 Palms	\$1,702,584.00
TriStar Contracting	Desert Hot Springs	\$2,690,830.40

Staff has reviewed the bid and determined Van Dyke Corp is the lowest, responsible, responsible bidder. The total project cost, including design engineering, construction engineering, materials testing, construction and a 20% contingency as follows.

Project Item: W-35 – Shady Lane Water Cons Project	Project Cost:
Construction	\$ 741,292.00
Impact Fees	\$ 233,136.00
Change Order Contingency	\$ 148,258.40
Allowances (Soft Costs)	\$ 381,623.00
TOTAL PROJECT COST:	\$ 1,504,309.40

Project Item: S-15 – Shady Lane Septic-To-Sewer Project	Project Cost:
Construction	\$ 961,292.00
Impact Fees	\$ 218,984.00
Change Order Contingency	\$ 192,225.80
Allowances (Soft Costs)	\$ 257,131.00
TOTAL PROJECT COST:	\$ 1,629,632.80

FISCAL IMPACT:

Project S-15 & W-35 have both been included in this FY 24/25 CIP Budget. Both projects bids came in below our estimated project construction costs. The total project construction costs for both projects combined was estimated to be \$2,343,782.10 including contingency.

Our award recommendation is \$1,702,584.00 and a contingency in an amount of \$ 340,484.20 for a total of \$2,043,068.20 which is less than what was anticipated as the cost in the CIP.

This request is also requesting approval of soft costs in the amounts shown in the analysis above for purposes of construction management, inspections, permits, surveying, and materials testing which have been included in the grants as reimbursable items.

ATTACHMENTS:

1. Big Opening Log
2. S-15 & W-35 Bid Comparison
3. Project Location