



STAFF REPORT
5/28/2024

TO: Honorable Mayor and City Council Members

FROM: Castulo Estrada, Utilities Director

SUBJECT: Construction Contract with South West Pump & Drilling Inc., in the amount of \$2,479,367.00 plus 10% contingency for Construction of Well 20 Drilling and Construction Project, City Project W-46 Phase 1 and Task Order with Dudek for Hydrogeological Support for Drilling, Construction, and Testing of Well 20 in the amount of \$266,342.00.

STAFF RECOMMENDATION:

Authorize a construction contract with South West Pump & Drilling Inc. in the amount of \$2,479,367.00 plus 10% contingency for Construction of Well 20 Drilling and Construction Project, City Project W-46 Phase 1 and Task Order with Dudek for Hydrogeological Support for Drilling, Construction, and Testing of Well 20 in the amount of \$266,342.00.

BACKGROUND:

The City of Coachella and its Coachella Water Authority (CWA) is responsible for the water service to its residents and customers within its service boundary. The water division of the Utilities Department serves a population of approximately 45,000 through roughly 9,200 service connections. Existing land uses consists primarily of single and multi-family homes, but also includes commercial and industrial zones. Full buildout of the City's sphere of influence (SOI), for a total service area of approximately 53 square miles is not anticipated until sometime after 2050.

The City of Coachella and its Coachella Water Authority (CWA) have one principal source of water supply, local groundwater pumped from the CWA owned wells. There are currently six wells within the City's Distribution system. The total pumping capacity of active wells is approximately 11,759 gallons per minute (gpm) or 16.5 million gallons per day (MGD).

DISCUSSION/ANALYSIS:

The public water system has a firm capacity of 9,436 gallons per minute, staff has calculated that the surplus firm capacity of the system was approximately 947 gallons per minute at the end of 2023. Since then the City has approved several mayor projects that have reduced the surplus significantly. With the approval of the Tripoli Apartments, Sevilla II (Pyramid Ranch), the

expansion at 29 Palms and remaining lots at Rancho Mariposa staff calculates the surplus is now approximately 316 gallons per minute. There are also several significant proposed projects that will quickly encumber the remaining surplus and exceed the available supply. It is for this reason that staff initiated the planning for the construction of Well #20 to increase the capacity of the system.

The City requested public bids in accordance with City standards and in compliance with the California Public Contract Code. On April 2, 2025, the City issued the Notice Inviting Bids with a non-mandatory per-bid meeting on April 15, 2025. The project bid opening was held on May 6, 2025 at 2:00 p.m., with five companies submitting a bid for this project. The bid opening results are listed below:

Company Name:	City:	Bid Amount:
South West Pump & Drilling Inc.	Coachella	\$ 2,479,367.00
Zim Industries, Inc. ada Bakersfield Well & Pump Company	Bakersfield	\$ 2,481,001.00
Best Drilling and Pump Inc.	Colton	\$ 2,581,878.00
Nor-Cal Pump & Well Drilling Inc.	Yuba City	\$ 2,768,184.00
Layne Christensen Company	Redlands	\$ 3,138,774.38

Staff has reviewed the bids and determined South West Pump & Drilling Inc. is the lowest, responsive, and responsible bidder. The total project cost, including construction, a 10% contingency and hydrogeological support is as follows.

Project Item: W-46 – Well 20 Drilling and Construction Project Phase 1	Project Cost:
Construction + 10% Contingency	\$ 2,727,303.70
Hydrogeological Support for Drilling, Construction and Testing of Well 20	\$ 266,342.00
Total Project Cost:	\$ 2,993,645.70

FISCAL IMPACT:

The project has been included in the City's approved CIP FY 24/25 budget. The budget anticipated a total cost of \$3,070,000.00 with \$320,000 to be used in FY24/25 and \$2,750,000 in FY25/26. Construction is anticipated to begin in July of 2025 and the total cost of this approval \$2,993,645.70 can be accounted for in the CIP FY25/26.

The Utilities Department applied for a Proposition 1 Round 2 Integrated Regional Water Management (IRWM) Implementation Grant in the amount \$750,000.00. A Financial Agreement has been executed and staff anticipates \$750,000.00 in reimbursement.

ATTACHMENTS:

1. W-46 Well Drilling and Construction Contractor's Bid Comparison Summary
2. Well 20 Phase 1 Dudek Hydro Support Proposal
3. Project Location Exhibit
4. Well 20 Site Photo