

City of Hesperia STAFF REPORT



DATE: April 7, 2026

TO: Mayor and Council Members
Chair and Board Members, Hesperia Water District

FROM: Rachel Molina, City Manager

BY: Cassandra Sanchez, Director of Public Works/City Engineer
Tina Souza, Senior Project Manager
Deanna Lestina, Project Manager

SUBJECT: Reject all Bids and Appropriate Funding for Waterline Material Betterment for the Highway 395 Waterline Relocation Project, Construction Order No. 8096

RECOMMENDED ACTION

It is recommended that the City Council and Board of Directors of the Hesperia Water District:

1. Reject all submitted bids for the Highway 395 Waterline Relocation Project (Construction Order No. 8096).
2. Adopt Joint Resolution No. 2026-05 and Hesperia Water District Resolution No. 2026-03, amending the Fiscal Year (FY) 2025-26 Capital Improvement budget by appropriating an additional \$24,000, for a total of \$274,000 to Water Capital Fund 701 for waterline betterments associated with the project.

BACKGROUND

The San Bernardino County Transportation Authority (SBCTA), in coordination with Caltrans, is currently constructing major transportation improvements along the Highway (HWY) 395 corridor. As part of these improvements, existing Hesperia Water District (HWD) waterlines conflict with the proposed roadway work and must be relocated to allow construction of the HWY 395 project to proceed.

The existing HWD waterlines have prior rights; therefore, SBCTA is responsible for the required waterline relocation work associated with the transportation improvements at their expense. The City is only responsible for costs associated with betterments beyond the existing facilities.

On December 2, 2025, the City Council established the HWY 395 Waterline Relocation Project as a Capital Improvement Project (CIP) and approved a betterment cost in the amount of \$250,000 for the upsizing of approximately one (1) mile of existing 6-inch and 8-inch waterline to 12-inch waterline.

ISSUES/ANALYSIS

A formal solicitation for the construction of the HWY 395 Water Relocation Project was conducted and advertised for bid beginning January 14, 2026. Over eleven thousand contractors were notified via the Public Purchase online bidding platform. Bids were accepted, publicly opened, and read on February 12, 2026.

The City received the following seven (7) bids:

Name	Total Base Bid Amount
Big Ben Engineering	\$ 3,091,504.00
Weka, Inc.	\$ 3,198,276.00
T.E. Roberts, Inc.	\$ 3,443,424.00
Borden Excavating, Inc.	\$ 3,799,000.00
Creative Home	\$ 4,125,543.00
J.A. Salazar Construction & Supply Corp.	\$ 4,236,358.00
RE Chaffee Construction	\$ 4,981,320.00

Funding for the HWY 395 Water Relocation Project was to be provided by SBCTA to the City upon contract award, as the existing waterline hold prior rights. Following the bid opening, unforeseen circumstances related to the coordination with SBCTA's project timeline affected the City's ability to proceed with construction as originally planned. As a result, SBCTA will perform the relocation work and fund the associated costs, with the exception of any betterment costs.

Staff is recommending that all bids be rejected in accordance with the Bid Documents, which reserves the right of the City to reject any and all bids.

At the time the waterline upsizing betterment was previously presented and approved, the cost to upgrade the 12-inch water main from C900 Polyvinyl Chloride (PVC) to 12-inch Ductile Iron Pipe (DIP) had not yet been finalized. Staff have since determined that an additional \$24,000 is required to upgrade the pipe material to DIP.

DIP is recommended due to the water main being located beneath/adjacent to HWY 395, within Caltrans right-of-way. DIP provides greater structural strength, improved resistance to external loading, and enhanced durability under heavy traffic and vibration. These qualities make DIP the preferred material for water mains installed under major roadways, ensuring long-term reliability and reducing the risk of future failure, damage, and repair within the Caltrans right-of-way.

Approving this betterment allows the upgrade to be completed with SBCTA's HWY 395 roadway improvements, leveraging existing construction activities and minimizing future disruption. Deferring the upgrade would likely result in substantially higher costs due to excavation, traffic control, and permitting requirements within Caltrans right-of-way, as well as expose the City's water infrastructure to additional risk.

CITY GOAL SUPPORTED BY THIS ITEM

Capital Improvement – Continually evaluate capital improvement priorities.

FISCAL IMPACT

Approval of the recommended action will require amending the FY 2025-26 Capital Improvement Program Budget by appropriating an additional \$24,000 to Fund 701-Water Capital, for a total

project appropriation of \$274,000, for waterline betterment associated with the Highway 395
Waterline Relocation Project, C.O. No. 8096.

ALTERNATIVE(S)

1. Do not approve the additional appropriation and direct staff to proceed with installation of a 12-inch PVC water main as previously authorized. This option may result in increased maintenance risk and higher future replacement costs within Caltrans right-of-way.
2. Provide alternative direction to staff.

ATTACHMENT(S)

1. Joint Resolution No. 2026-05 and HWD 2026-03