

# City of Hesperia

## STAFF REPORT



**DATE:** January 21, 2020

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

**FROM:** Nils Bentsen, City Manager

**BY:** Mike Blay, Assistant City Manager  
Tina Bulgarelli, Administrative Analyst

**SUBJECT:** Award Contract for Repairs to Manholes on Bear Valley Road C.O. No. 9022

---

### RECOMMENDED ACTION

It is recommended that the City Council award a contract to the lowest responsive/responsible bidder, Custom Homes, Inc. (CHI Construction) in the amount of \$49,500; approve an additional 10% contingency in the amount of \$4,950 for a total construction budget of \$54,450; approve the design of the project represented by the plans and specifications; and authorize the City Manager to execute the contract.

### BACKGROUND

There are five manholes located on Bear Valley Road between Mariposa Road and Cottonwood Avenue that are in need of replacement. The manhole covers are sinking beneath the grade of the road, causing an uneven driving surface and possible road hazard.

### ISSUES/ANALYSIS

The project was advertised for bids beginning on October 24, 2019 and was placed on the City's online bidding platform (PUBLICPURCHASE) where more than 100 contractors were notified about the project. Bids were received, opened online, and publicly read on December 3, 2019 from the following bidders:

Creative Homes, Inc.	Anaheim, CA	\$49,500
Christianson Brothers	Apple Valley, CA	\$60,600
Manhole Adjusting, Inc.	Pico Rivera, CA	\$62,000
Bunker Engineering	Indio, CA	\$77,925

Staff has determined that Custom Homes, Inc. (CHI) is the lowest responsive/responsible bidder and recommends the award of this contract to CHI. The bids were thoroughly reviewed and staff conducted due diligence, including reference checks. CHI has successfully completed several capital improvement projects of a similar nature and has been able to do so at very competitive prices.

There are sufficient funds within the Water District Budget to complete the project. Staff is recommending Council award this contract to CHI and authorize the City Manager to executed the contract.

**FISCAL IMPACT**

Funding for this project will require amending the FY 2019-20 Capital Improvement Program (CIP) Budget and will be presented to the City Council during the Mid-Year Budget Review.

**ALTERNATIVE(S)**

1. Do not award contract.
2. Provide alternative direction to staff.

**ATTACHMENT(S)**

None