



Staff Report

City Council

Item No. {{section.number}}.{{item.number}}

Meeting Date: February 26, 2025

From: John A. Corella, Director of Public Works

Title: Award a Construction Contract to Vance Corporation for the FY 2024-2025 Dream Homes Neighborhood Area and East Palm Canyon Drive Pavement Rehabilitation Projects

RECOMMENDATION:

To award a construction contract to Vance Corporation in the amount of \$481,836.28 for the fiscal year (FY) 2024-2025 Dream Homes Neighborhood Area (C08693) and East Palm Canyon Drive (C08694) Pavement Rehabilitation Projects; approve a twenty percent (20%) contingency in the amount of \$96,373.72 for unforeseeable construction costs, thereby bringing the total project budget to the amount of \$578,210.00; and, authorize the City Manager to execute the required contract documents; and, authorize the City Engineer to request bonds and insurance for the project, and issue the notice to proceed.

BACKGROUND:

The FY 2024-2025 Pavement Rehabilitation Projects (Projects) encompassed three (3) roadways segments in the Dream Homes Neighborhood Area leading to the entrances of Esperanza Park, and one (1) roadway segment on East Palm Canyon Drive to accomplish the Capital Improvements Program (CIP) Project originally listed on the City's Biennial Budget as East Palm Canyon Drive REAS.

Engineering staff evaluated these roadway segments with the Pavement Management Program (PMP) and visual inspections to determine the appropriate asphalt treatment. During the planning phase of these projects, engineering staff combined and issued one bid solicitation to get the best bulk price on material and labor for all projects, as opposed to requesting bids for each project individually and paying for higher unit costs on each project.

The following is a summary of the rehabilitation projects encompassed in the recent bid solicitation

- 1. Dream Homes Neighborhood Area Pavement Rehabilitation Projects (C08693)**
The roadway segments leading to the entrances of Esperanza Park selected for pavement rehabilitation are the following:
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- San Diego Drive, from Mia Place to Chia Place (PCI 58)
- Mia Place, from San Diego Drive to Esperanza Park (PCI 59)
- Chia Place, from San Diego Drive to end (PCI 70)

In addition to these roadway segments the reconstruction of the intersection between Laguna Court and Mission Court was included as part of the pavement rehabilitation projects to address storm water drainage and avoid future flooding at the intersection.

The projects consist of the removal and demolition of existing asphalt pavement and outdated curb ramps, construction of asphalt concrete pavement, construction of updated curb ramps, construction of cross gutter and spandrels, pavement striping and markings, and traffic signage.

2. East Palm Canyon Drive Pavement Rehabilitation Project (C08694)

The pavement rehabilitation proposed for East Palm Canyon Drive from Canyon Plaza to Canyon Plaza/El Dorado is being accomplished with available funding from the current FY 2024-25 East Palm Canyon Drive REAS project budget.

Engineering staff evaluated the roadway segments with the Pavement Management Program (PMP) and visual inspections and found that the roadway segment along East Palm Canyon Drive between Canyon Plaza and Canyon Plaza/El Dorado requires a more substantial asphalt treatment than slurry seal treatment (REAS). All other segments have a pavement condition that aligns with the slurry seal treatment proposed in the current CIP project and budget, respectively.

The current pavement condition index (PCI) for the roadway segment of East Palm Canyon Drive between Canyon Plaza and Canyon Plaza/El Dorado is 39 (poor pavement condition). The recommended treatment is to remove and install 2 inches of asphalt due to severe surface distress. Engineering staff removed this roadway segment from the REAS project and included the pavement rehabilitation of this roadway segment in this bid solicitation.

Note that the current FY 2024-25 budgeted REAS project from Cathedral Canyon Drive to the west city limits, except for any pavement work that will be included as part of the proposed east city limits MUP project currently under design, will be presented to the City Council at the March 12, 2025, Council meeting.

DISCUSSION:

On Friday, January 24, 2025, the city advertised the invitation to bid, requesting qualified contractors to perform the scope of work described in Bid No. B24-79E, which includes the Plans and Specifications for these Projects.

The bid solicitation was made available to contractors for fourteen (14) calendar days and advertised in the following locations:

- Desert Sun- Published on January 24, 2025
 - PlanIt Print Works- From January 24, 2025, until February 6, 2025
 - City's Website- From January 24, 2025, until February 6, 2025
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On February 6, 2025, the City received eight (8) bid proposals for these Projects. The following table ranks each qualified bidder by the total bid amount.

RANK	CONTRACTOR	AMOUNT
1	Vance Corporation – Beaumont, CA	\$ 481,836.28
2	Hardy and Harper, Inc. – Lake Forest, CA	\$ 499,000.00
3	Matich Corporation – San Bernardino, CA	\$ 521,590.00
4	Onyx Paving Company, Inc. – Anaheim, CA	\$ 533,000.00
5	Calmex Engineering, Inc. – Bloomington, CA	\$ 570,469.45
6	Martin Marietta San Diego Aggregates LLC – San Diego, CA	\$ 613,205.75
7	Granite construction Company – Indio, CA	\$ 615,520.00
8	LCR Earthwork and Engineering, Corp. – Jurupa Valley, CA	\$ 636,342.00

The bid tabulation prepared by the Engineering Division is attached to this report for reference.

Based on the bids received, the lowest responsive and responsible bidder who yields the lowest bid amount is Vance Corporation, from Beaumont, CA.

Engineering staff is recommending the City Council award a construction contract to Vance Corporation in the amount of \$481,836.28 for the fiscal year (FY) 2024-2025 Dream Homes Neighborhood Area (C08693) and East Palm Canyon Drive (C08694) Pavement Rehabilitation Projects; approve a twenty percent (20%) contingency in the amount of \$96,373.72 for unforeseeable construction costs, thereby bringing the total project budget to the amount of \$578,210.00; and, authorize the City Manager to execute the required contract documents; and, authorize the City Engineer to request bonds and insurance for the project, and issue the notice to proceed

All work will be performed within the existing City right-of-way. Construction is expected to start in March 2025 and is estimated to be completed by April 2025.

Environmental Analysis:

These Projects are categorically excluded under the National Environmental Policy Act (NEPA) process for federally funded projects per 24CFR58.35 (a)(1) and Categorically Exempt under the California Environmental Quality Act (CEQA), Section 15301 for “Existing Facilities”.

FISCAL IMPACT:

Dream Homes Neighborhood Area (C08693)

All construction completed in the Dream Homes Neighborhood area will be funded with available Assessment District (AD) 2004-01 Funds.

East Palm Canyon Drive (C08694)

All construction completed on East Palm Canyon Drive will be funded with available Maintenance of Effort (MOE) funds.

The Bid Opening for these Projects was held on February 6, 2025, with the lowest bid amount of \$481,836.28. The budget required for the construction of these projects will include the bid amount and a 20% contingency, in the amount of \$96,373.72, thereby bringing the total construction budget for these projects to \$578,210.00, as shown below.

Vance Corporation	\$481,836.28
20% Contingency	\$96,373.72
Construction Total	\$578,210.00

FISCAL YEAR	DESCRIPTION	GENERAL LEDGER ACCOUNT CODES	PROJECT CODE	AMOUNT	ONE TIME or ONGOING
2024-2025	AD 2004-01	353-100-150-156-8800-8802	C08693	\$310,820.00	One Time
2024-2025	MOE	100-100-150-156-8800-8802	C08694	\$267,390.00	One Time
2024-2025	Total			\$578,210.00	

FIVE-YEAR STRATEGIC PLAN:

Goal-B: Community Investment

Objective: Cathedral City roads, gateways, public spaces, and other city infrastructure are well planned, designed, constructed, and maintained.

B-15: Develop a 5-Year pavement maintenance strategy and funding plan to achieve a citywide Pavement Quality Index that ranks in the Top 3 of Coachella Valley cities.

ATTACHMENTS:

1. FY 2024-2025 Dream Homes Area and East Palm Canyon Pavement Rehabilitation Projects – Contract
2. FY 2024-2025 Dream Homes Area and East Palm Canyon Pavement Rehabilitation Projects - Bid Tabulation