

STAFF REPORT



ITEM NO. **10**

CITY OF OCEANSIDE

DATE: January 17, 2007

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

SUBJECT: APPROVAL OF A BUDGET APPROPRIATION IN THE AMOUNT OF \$100,000 FROM THE DRAINAGE FUND 514 TO THE LIBBY LAKE DRAINAGE PUMPS PROJECT AND AUTHORIZATION TO AWARD A CONTRACT FOR THE LIBBY LAKE DRAINAGE PUMPS PROJECT

SYNOPSIS

Staff recommends that the City Council approve a budget appropriation in the amount of \$100,000 from the unallocated fund balance of Drainage Fund 514 to the Libby Lake Drainage Pumps project; authorize award of a contract in the amount of \$368,380 to Newest Construction Company, Inc., of San Diego for the Libby Lake Drainage Pumps project and authorize the City Manager to execute the agreement upon receipt of all supporting documents.

BACKGROUND

Following heavy rains, days or weeks are needed to lower the water level of Libby Lake sufficiently to allow the public access to the park and prevent damage to the playground and volley ball court. The existing pumps are designed to provide aeration for the lake and are not well suited to provide storm drainage.

The City Council approved the plans and specifications on September 7, 2005, as part of the Capital Improvement Program (CIP) budget.

On March 8, 2006, City Council rejected all bids for the Libby Lake Pump House and Drainage Pumps project due to insufficient funds available and authorized the Director of Public Works to call for new bids.

ANALYSIS

This project modifies the pumps and associated piping to obtain the best performance for both aeration and drainage. A new pump house, designed to be aesthetically compatible with the existing picnic structures and provide both security and working space for the pumps, is included in the project.

The project was publicly advertised and contract documents were made available to Oceanside contractors. Requests for bids were issued on September 25, 2006. The following bids were received and opened on December 14, 2006:

<u>BIDDER</u>	<u>COMMUNITY</u>	<u>BID AMOUNT</u>
SFM Construction, Inc.	Temecula	\$481,250
Newest Construction Co., Inc.	San Diego	\$368,380
Zondiros Corporation	San Marcos	\$584,000
Falcon Construction Co.	San Diego	\$439,700
Ahrens Corporation	San Diego	\$440,500

FISCAL IMPACT

The lowest qualified bidder is Newest Construction Company, Inc., of San Diego in the amount of \$368,380. Staff reviewed the bid and determined that it is reasonable and fair. Staff estimates the funds required to provide construction, survey, material testing, inspection and contingency will be in the amount of \$444,000.

Funds are available in the Libby Lake Drainage Pumps account (514.815391) in the amount of \$170,873 as a carry forward from FY 05-06 plus new appropriated funds in the amount of \$120,000 for FY 06-07 for a total of \$290,873. Additional funds in the amount of \$53,291 are available in the General Capital Project fund (501.874047) from a carry forward from FY 05-06. Therefore, with the budget appropriation, \$444,164 will be available for the project.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

COMMISSION OR COMMITTEE REPORT

None

CITY ATTORNEY'S ANALYSIS

The bid documents were previously reviewed by the City Attorney and approved as to form.

The contract must be awarded to the lowest responsible bidder. The Public Contract Code defines "responsible bidder" as a bidder who has demonstrated the attributes of trustworthiness as well as quality, fitness, capacity and experience to satisfactorily perform a public works contract. The City Council also has discretion to reject all bids and re-advertise.

RECOMMENDATION

Staff recommends that the City Council approve a budget appropriation in the amount of \$100,000 from the unallocated fund balance of Drainage Fund 514 to the Libby Lake Drainage Pumps project; authorize award of a contract in the amount of \$368,380 to Newest Construction Company, Inc., of San Diego for the Libby Lake Drainage Pumps project and authorize the City Manager to execute the agreement upon receipt of all supporting documents.

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