STAFF REPORT

DATE: October 21, 2008

TO: Utilities Commission

FROM: Lonnie Thibodeaux, Water Utilities Director

SUBJECT: **RECOMMEND AWARD OF CONTRACT FOR THE CONSTRUCTION OF THE PEACOCK HILLS SERVICE AREA PRESSURE REGULATING STATION PROJECT AND APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH TETRA TECH FOR CONSTRUCTION MANAGEMENT, INSPECTION, AND OFFICE ENGINEERING SERVICES**

SYNOPSIS

Staff and the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve an award of contract Cass Construction, Inc. of El Cajon in the amount of $1,386,955.00 for the construction of the Peacock Hills Service Area Pressure Regulating Station project; approve a professional services agreement with Tetra Tech of Oceanside, California, in the amount of $328,537 for construction management, inspection and office engineering services during construction of the project; and authorization for the City Manager to execute the agreements.

BACKGROUND

On August 20, 2008 the City Council approved the plans and specification for the construction of the Peacock Hills Service Area Pressure Regulating Station; and authorized the City Engineer to call for bids.

The Peacock Hills Service Area Pressure Regulating Station (Station) is located on the east side of the City's Guajome Reservoir site at 1398 Temple Heights Drive (Exhibit A). The purpose of the Station is to reduce pressure in the aqueducts prior to discharging into the two reservoirs and to maintain minimum pressure to the Peacock Hills Service Area. This Station was constructed in 1978 and houses the City's number 2 and number 3 aqueducts, which are both 24-inch steel pipelines. The aqueducts originate at the Weese Filtration Plant and terminate at the two Guajome Reservoirs. Outside of the east side of the Station is a 12-inch pipeline that comes from both aqueducts and serves the Peacock Hills area.

The Station is undersized, inadequately ventilated, poorly lit, and has no facilities such as stairs, landings, or lifting devices to facilitate proper maintenance. It is difficult for staff to access and maintain. The facility needs to be expanded and upgraded to

current regulations. Furthermore, the steel pipes that are inside and outside of the Station have extensive metal surface loss and pitting and need to be replaced.
The Station was designed by DBE-Psomas, of Carlsbad, California. The project consists of installing a new pressure regulating station facility. The work generally includes furnishing labor, equipment, materials, and services to construct an aboveground concrete masonry unit building on a belowground reinforced concrete slab and wall structure to house pipe lines, telemetry (SCADA) equipment, electrical and instrumentation equipment, CLA-VAL regulating valves, butterfly and gate valves, air and vacuum valves, manual air release valves, bridge and jib cranes, and other appurtenances. The pipeline work includes installation and testing CML&C steel pipe and fabricated steel fittings and connections to the existing City of Oceanside facilities. The work also includes upgrading the existing pressure regulating vault and converting it into a meter vault facility including magnetic flow meters, valves, electrical upgrades, and roof and wall retrofits. Other items of work include by-pass piping and appurtenances, grading, trench and structure excavation and backfill, site improvements, and excavation safety measures.

ANALYSIS

On September 25, 2008, nine bids were received and opened for the Peacock Hills Service Area Pressure Regulating Station project (Exhibit B). The apparent low bidder is Cass Construction, Inc. of San Diego, California, with a bid in the amount of $1,386,955. Staff has reviewed the bid submitted by Cass Construction, Inc. and find that its bid bond and references are in accordance with City standards. The engineer's estimate to construct the project was $1,308,000.

To properly manage this project during construction, the services of a professional construction management, inspection, and office engineering support team are required. On August 26, 2008, staff solicited proposals from 13 engineering firms (Exhibit C) to provide construction management and inspection services during construction of this project. The firms were selected from a list compiled by the City of Oceanside's Engineering Department using the City's selection procedures for professional services. Included in the solicitation were all Oceanside firms that provide these services.

On September 23, 2008, three (3) proposals were receive by the Water Utilities Department. In accordance with the City's procedure, a panel was selected to evaluate the proposals. The panel unanimously recommended that Tetra Tech of Oceanside be selected to provide the construction management, inspection, and office engineering support services (Exhibit D). The Tetra Tech team includes Right-of-Way Engineering of Oceanside as a sub-consultant.

Tetra Tech construction management, inspection, and office engineering support duties will be to ensure that the project is constructed according to the plans and specifications, on time and under budget. Additional duties to be performed include day to day monitoring and inspection of the work; geotechnical engineering and inspection services; surveying; special inspections as required; preparation of daily, weekly and

monthly reports; processing, reviewing, and commenting on proposed change orders, submittals, and requests for information; maintenance of logs for all correspondence, submittals, requests for information and change orders; attending weekly and monthly progress meetings; and generating and submitting detailed as-built construction drawings.

FISCAL IMPACT

The Peacock Hills Service Area Pressure Regulating Station project (712.857422) has $1,189,834 available FY 2007-08 carry forward. $611,433 in FY 2007-08 carry forward funds will be transferred from the San Luis Rey Waste Water Treatment Plant Water Reclamation project (712.858241.5701) to the Peacock Hills Area Pressure Regulating Station project (712.857422.5701). Cass Construction, Inc., bid was $1,386,955 and Tetra Tech's proposal is $328,537 for the construction management, inspection, and office engineering services, which brings the total cost for construction and construction management, inspection, and office engineering to $1,801,267. Therefore, adequate funds are available for the project.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

CITY ATTORNEY'S ANALYSIS

The referenced documents are being reviewed by the City Attorney.

COMMISSION OR COMMITTEE REPORT

The Water/Sewer Committee approved staff's recommendation at it's regularly scheduled meeting on October 14, 2008.

RECOMMENDATIONS

Staff and the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council approve an award of contract Cass Construction, Inc. of El Cajon in the amount of $1,386,955.00 for the construction of the Peacock Hills Service Area Pressure Regulating Station project; approve a professional services agreement with Tetra Tech of Oceanside, California, in the amount of $328,537 for construction management, inspection and office engineering services during construction of the project; and authorization for the City Manager to execute the agreements.

PREPARED BY:

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Greg Blakely
Administration Manager

Exhibit A – Location Map
Exhibit B – Bid Results
Exhibit C – Consultant Mailing List
Exhibit D – Consultant Rating Form