



DATE: November 3, 2010  
TO: Chairman and Members of the Community Development Commission  
FROM: Development Services Department  
SUBJECT: **AUTHORIZATION TO AWARD A CONTRACT FOR THE DOWNTOWN STORM DRAIN AND INFRASTRUCTURE IMPROVEMENTS PROJECT**

**SYNOPSIS**

Staff recommends that the Community Development Commission award a contract in the amount of \$1,369,915.80 to TC Construction Company, Inc., of Santee for the Downtown Storm Drain and Infrastructure Improvements Project, and authorize the Executive Director to execute the agreement upon receipt of all supporting documents.

**BACKGROUND**

On February 21, 2007, the Community Development Commission approved Regular Coastal Permit (RC-217-06) to upgrade and construct new storm drains generally located on Myers Street, Seagaze Drive, Pacific Street, Pier View Way, and the Beach Pier Plaza. The purpose of the work is to repair storm drains and streets in the project area and meet the needs of new development.

On February 24, 2010, the Community Development Commission approved plans and specifications and authorized the City Engineer to call for bids. During the bid period, a pre-qualification process was conducted to ensure that only contractors with the best experience and capabilities submit bids. Eleven contractors were determined qualified to bid on the project.

On September 30, 2010, the bids were publicly opened. Eight bids were received and are summarized in Exhibit A. The lowest responsible bidder is TC Construction Company, Inc., of Santee with a total base bid of \$1,369,915.80. The bidder's credentials have been researched and found to meet City requirements. The contract documents are on file in the Capital Improvements Division of the Development Services Department.

**ANALYSIS**

The existing storm drains located in Myers and Pacific Streets adjacent to the pier area are limited in capacity and function and need to be upgraded to meet current demand. The proposed project will upgrade the existing storm drains to meet existing capacity

constraints and allow for future development in the vicinity of the project area. The project will include a storm water quality treatment system consistent with current water quality standards. Because the proper functioning of the new storm drain system in Myers Street requires significant surface improvements, the street will be reconstructed as part of this project. The project will also relocate and underground dry utilities in the subject area.

Construction is anticipated to begin in December 2010 and finish in summer of 2011. Work in the pier plaza area will be completed in the winter months.

Because of the use of Redevelopment Bond Funds, the construction contractor is required to pay State Prevailing Wages.

\$245,000 in funds from Proposition 1B is available to pay for the street surface improvements along Myers Street. These funds are the remainder of \$2,841,198 that the City received as its FY 2007-2008 State Proposition 1B allocation, which paid for street surface improvements in other areas of Oceanside.

The Redevelopment Agency has an obligation to construct the storm drain for the benefit of the entire downtown. However, there are existing dry utility lines that will be relocated using Redevelopment Agency funding from the Beach Hotel Public Improvements account. This account has been established to pay for dry utility work that the City has agreed to undertake under a Development Agreement with the Oceanside Beach Resort Developer. The account has \$500,000 available. The estimated total construction cost for the dry utility work is \$450,000.

**FISCAL IMPACT**

The project’s construction costs are estimated as follows:

Construction Contract with TC Construction	\$1,369,916
Construction Contingency	\$274,084
Construction Staking and Engineering Support Services	\$100,000
Geotechnical Inspection and Testing	\$25,000
City Construction Management, Inspection, and Administration	\$100,000
<hr/> Total	<hr/> \$1,869,000

Contingency has been estimated at 20% of the bid value, due to uncertainties presented by excessive number of existing utilities, work in the coastal bluff, and in the proximity of the Pier and railroad crossing. The project’s available funding source is the Pavement Repair Fund and Redevelopment Bonds:

902401500216	Road Maintenance Projects	\$245,000
934118600573	Beach Hotel Public Improvements	\$500,000
905118200573	Redevelopment Area Drainage Improvements	\$1,690,000
	<hr/> Total	<hr/> \$2,435,000

The total available funding from the abovementioned three sources is \$2,435,000. Therefore, sufficient funds are available for this project.

**INSURANCE REQUIREMENTS**

The City's standard insurance requirements will be met.

**COMMISSION OR COMMITTEE REPORT**

On December 16, 2009, the Redevelopment Advisory Committee (RAC) reviewed the plans and specifications and approved them on a 7-0 vote.

**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 Community Development Commission also has the discretion to reject all bids and re-advertise.

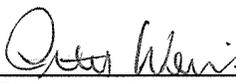
**RECOMMENDATION**

Staff recommends that the Community Development Commission award a contract in the amount of \$1,369,915.80 to TC Construction Company, Inc., of Santee for the Downtown Storm Drain and Infrastructure Improvements Project, and authorize the Executive Director to execute the agreement upon receipt of all supporting documents.

PREPARED BY:

  
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SUBMITTED BY:

  
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Peter A. Weiss  
CDC Executive Director

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager  
Kathy Baker, Redevelopment Manager  
George Buell, Development Services Director  
Scott O. Smith, City Engineer  
Teri Ferro, Financial Services Director

  
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Attachments:  
Exhibit A - List of bidders

Exhibit A

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BIDDER:	ADDRESS:	BID AMOUNT
TC Construction	Santee	1,369,915.80
BRH-Garver West	San Diego	1,431,462
Wier	Escondido	1,434,942.2
Southland Paving	Escondido	1,498,413.08
Blois	Oxnard	1,574,447.67
Cass	El Cajon	1,612,788
Hazard	San Diego	1,898,073
Lonerock	Laguna Hills	2,779,513.5

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