

# STAFF REPORT



ITEM NO. 25  
CITY OF OCEANSIDE

DATE: December 16, 2009

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

SUBJECT: **AUTHORIZATION TO AWARD A CONTRACT FOR THE EL CAMINO REAL DETENTION BASIN PROJECT**

## **SYNOPSIS**

Staff recommends that the City Council award a contract in the amount of \$1,064,735.55 to KIP Incorporated of Murrieta for the El Camino Real Detention Basin Project located near the intersection of El Camino Real and Oceanside Boulevard; and authorize the City Manager to execute the agreement upon receipt of all supporting documents.

## **BACKGROUND**

On August 12, 2009, the City Council approved the plans and specifications for the El Camino Real Detention Basin Project and authorized a call for bids. Notices inviting sealed bids were sent to qualified area contractors and were also advertised in local newspapers, trade journals, and Web sites in accordance with the City's standard bidding procedures.

## **ANALYSIS**

This project will be constructed as part of the overall Loma Alta Creek Flood Control project to reduce flooding along Loma Alta Creek and enhance water quality. The walls that define this basin will consist of reinforced concrete and masonry block. The existing basin outlet will be modified to detain flows back to desired levels. The overall basin will be divided into two cells by constructing a divider wall in the interior of the basin. The detention basin will reduce the flood risk to downstream properties along Garrison Creek and Loma Alta Creek.

Bids were publicly opened on November 30, 2009; fourteen (14) bids were received:

<b>COMPANY</b>	<b>CITY</b>	<b>BID AMOUNT</b>
KIP Incorporated	Murrieta, California	\$1,064,735.55
Sierra Pacific West Incorporated	Encinitas, California	\$1,191,896.48
Patriot General Engineering Incorporated	La Mesa	\$1,196,397.00
Sukut Construction Incorporated	Oceanside	\$1,299,000.00
Palm Engineering Construction	San Diego	\$1,324,175.40
L.B. Civil Construction	San Diego	\$1,336,575.00
SCW Contracting	Fallbrook	\$1,474,025.58
Griffith Company	Santa Fe Springs	\$1,479,084.20
Cass Construction Incorporated	Oceanside	\$1,567,527.80
Beador Construction Company Incorporated	Corona	\$1,577,700.00
CEM Builders DBA Tucker Engineering	Irvine	\$1,616,303.17
Granstrom Construction	Paso Robles	\$1,643,078.00
New Century Construction Incorporated	Lakeside	\$1,665,041.40
Scheidel Construction and Engineering, Inc.	La Mesa	\$2,246,998.15

The Engineer's estimate is \$1,738,000 and the favorable bid results may reflect the depressed construction market. However, other possible contingencies, which cannot be fully specified at this time, may increase the construction cost. Examples of possible construction contingencies might include work suspensions for bird nesting season or coordination with repairs to the existing wall along the Sprinter track completed by NCTD. A 20 percent allowance for these contingencies is included in the project cost estimate.

The lowest responsible bidder is KIP Incorporated of Murrieta, with a bid of \$1,064,735.55. Their credentials have been researched and found to meet City requirements. The bid was reviewed and found to be complete. Construction is anticipated to begin in December and finish in mid February 2010.

**FISCAL IMPACT**

The estimated project costs are as follows:

Construction Bid Award	\$1,064,736
Allowance for Change Orders (20%)	<u>\$ 212,947</u>
Total Estimated Construction	\$1,277,683
Staffing time, testing, and inspection (15%)	<u>\$ 159,710</u>
Total Estimated Construction Cost	<u>\$1,437,393</u>

The current balance in the CIP project account (905745100520) has a combined balance of \$2,912,755 in current funding and FY 2008-09 carry forward. Therefore, sufficient funds are available.

**INSURANCE REQUIREMENTS**

The City's standard insurance requirements will be met.

**COMMISSION OR COMMITTEE REPORT**

The Drainage Subcommittee of the Utilities Commission has been advised of the detention basin, most recently on January 13, 2004, and they approved of its design and need.

**CITY ATTORNEY'S ANALYSIS**

Contracts for public projects in excess of \$5,000 must be awarded to the lowest responsible bidder. "Responsible bidder" is defined 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 award a contract in the amount of \$1,064,735.55 to KIP Incorporated of Murrieta for the El Camino Real Detention Basin Project located near the intersection of El Camino Real and Oceanside Boulevard; and authorize the City Manager to execute the agreement upon receipt of all supporting documents.

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