

STAFF REPORT

DATE: February 12, 2008

TO: Water/Sewer Committee

FROM: Lonnie Thibodeaux, Water Utilities Director

SUBJECT: **RECOMMEND AUTHORIZATION TO AWARD A CONTRACT IN THE AMOUNT OF \$2,367,000 TO ORION CONSTRUCTION, INCORPORATED OF VISTA FOR THE LA SALINA WASTEWATER TREATMENT PLANT UPGRADES - PHASE 1 PROJECT; APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH INFRASTRUCTURE ENGINEERING CORPORATION OF OCEANSIDE FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES; AND AUTHORIZATION FOR A BUDGET APPROPRIATION IN THE AMOUNT OF \$450,000 TO FUND THE PROJECT**

SYNOPSIS

Staff recommends that the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council award a contract in the amount of \$2,367,000 to Orion Construction Incorporated of Vista for the La Salina Wastewater Treatment Plant Upgrades - Phase 1 Project; approve the professional services agreement in an amount not to exceed \$355,530 with Infrastructure Engineering Corporation of Oceanside for construction management and inspection services, authorize the City Manager to execute the agreements upon receipt of all supporting documents; and authorize a budget appropriation in the amount of \$450,000 from the Buena Vista Lift Station project to fully fund the project.

BACKGROUND

The La Salina Wastewater Treatment Plant (La Salina) was originally constructed and placed into operation in 1949 (Exhibit A). There have been periodic expansions to keep up with increasing flows and various on-site rehabilitation projects. Currently the La Salina treatment facility is permitted for 5.5 million gallons a day (MGD) (secondary treatment) and has a Class B sludge disposal license for land application which currently averages 4,000 wet tons a year.

ANALYSIS

The La Salina Wastewater Treatment Plant requires upgrades in several areas to maintain proper operation, to meet regulatory requirements, and to protect the health and safety of the operations staff and the citizens of Oceanside. The areas requiring upgrades include the primary clarifiers, the South Aeration Basin/Secondary Clarifier, the dissolved air floatation thickener and the anaerobic digesters.

The capacity of the existing plant is adequate; however several structural and mechanical issues need to be addressed for the plant. The existing steel dome roofing system for the primary digester has not been replaced and requires immediate replacement. The steel dome cover for the secondary digester was replaced in 1992. In addition, a gas diffuser mixing system was installed for the secondary digester but is not functioning. This project will completely replace the gas mixing system with a mechanical mixing system.

On November 14, 2007, the City Council approved the plans and specifications and authorized the City Engineer to call for bids for the construction of the project.

On January 15, 2008, seven bids were received and opened for the La Salina Upgrades - Phase I project. The apparent low bidder is Orion Construction, Incorporated of Vista, with a bid in the amount of \$2,367,000 (Exhibit B). Staff has reviewed the bid submitted by Orion Construction and find that its bid bond and references are in accordance with City standards. The engineer's estimate to construct the project was \$2,300,000.

To properly manage these projects during construction, the services of a construction management and inspection support team are required. On December 12, 2007, staff solicited proposals from twelve 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 January 10, 2008, two proposals and two letters declining participation in the request for proposal solicitation were received 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 Infrastructure Engineering Corporation be selected to provide the construction management and inspection services.

Infrastructure Engineering's construction management and inspection duties will be to ensure that the project is constructed according to the plans and specifications. Additional duties to be performed include day-to-day monitoring and inspection of the work and inspection services; surveying; special inspections as required; preparation of daily, weekly and monthly reports; processing of proposed change orders; processing 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

In Fiscal Year 2007-2008, carry forward funds in the amount of \$2,329,258 are available for the La Salina Plant Upgrades project (722.865665.5701). The total amount for construction and construction management is \$2,722,530. Staff is requesting an appropriation from the Buena Vista Lift Station project budget (726.8655474.5701) of \$450,000 to provide adequate funds for the project.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced documents are being reviewed by the City Attorney's office.

RECOMMENDATIONS

Staff recommends that the Water/Sewer Committee recommend that the Utilities Commission recommend that the City Council award a contract in the amount of \$2,367,000 to Orion Construction Incorporated of Vista for the La Salina Wastewater Treatment Plant Upgrades - Phase 1 Project; approve the professional services agreement in an amount not to exceed \$355,530 with Infrastructure Engineering Corporation of Oceanside for construction management and inspection services, authorize the City Manager to execute the agreements upon receipt of all supporting documents; and authorize a budget appropriation in the amount of \$450,000 from the Buena Vista Lift Station project to fully fund the project.

PREPARED BY:

Greg Blakely
Administrative Manager

Exhibit A - Site Map
Exhibit B - Bid Results
Exhibit C - RFP Mailing List