

STAFF REPORT



ITEM NO. 8
CITY OF OCEANSIDE

DATE: May 16, 2007

TO: Honorable Mayor and City Council Members

FROM: Water Utilities Department

SUBJECT: **APPROVAL OF A PURCHASE ORDER IN THE AMOUNT OF \$69,570 TO SOUTHLAND PIPE CORPORATION FOR PIPE AND MATERIAL FOR THE SECOND AND THIRD AQUEDUCTS RELOCATIONS**

SYNOPSIS

Staff recommends that the City Council approve a purchase order in the amount of \$69,570 to Southland Pipe Corporation of Glenwood, New Mexico, for pipe and material for the second and third aqueducts relocations; and authorize the Financial Services Director, or designee, to execute the purchase order.

BACKGROUND

San Diego County is conducting sight alignment improvements to enhance visibility on Osborne Street. At the intersection of Osborne Street and Hutchison Street, a hillside in the line of sight will be cut down five feet. The City's two 24-inch aqueduct pipelines are in the hill section that is being removed and each must be lowered twelve feet for approximately 450 feet on each line. (Exhibit A) The project is out to bid by San Diego County. When the contract is awarded, the County will send an agreement to the City of Oceanside, to cover the aqueduct relocation installation expenses. The agreement will be submitted for Council approval at that time.

ANALYSIS

To expedite the delivery of pipe, staff requested bids for pipe and materials from three manufacturers. Three bids were received; Ameron International - \$134,687.50, Northwest Pipe Company - \$115,886.32 and Southland Pipe Corporation - \$69,570. Southland Pipe Corporation of Glenwood, New Mexico, was the low bidder among the three submitted bids.

FISCAL IMPACT

In FY 2006-2007, Council approved an appropriation of \$975,000 for Miscellaneous Water (712.858240) Capital Improvement Projects. There are budgeted funds available for the request.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY’S ANALYSIS

Chapter 28A of the Oceanside City Code requires purchases of supplies, services and equipment of estimated value greater than \$25,000 to be procured by competitive written bid, with the contract awarded to the lowest responsible bidder. “Responsible bidder” is defined at Section 28A.1(d) of the Code as a bidder who submits a responsive bid and who is not only financially responsible but is possessed of the resources, judgment, skill, ability, capacity and integrity necessary to perform the contract according to its terms. The City Council also has discretion for good cause, to reject all bids and readvertise.

INSURANCE REQUIREMENTS

The City’s standard insurance requirements will be met.

RECOMMENDATIONS

Staff recommends that the City Council approve a purchase order in the amount of \$69,570 to Southland Pipe Corporation of Glenwood, New Mexico, for pipe and material for the second and third aqueducts relocations; and authorize the Financial Services Director, or designee, to execute the purchase order.

PREPARED BY:



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SUBMITTED BY:



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Interim City Manager

REVIEWED BY:

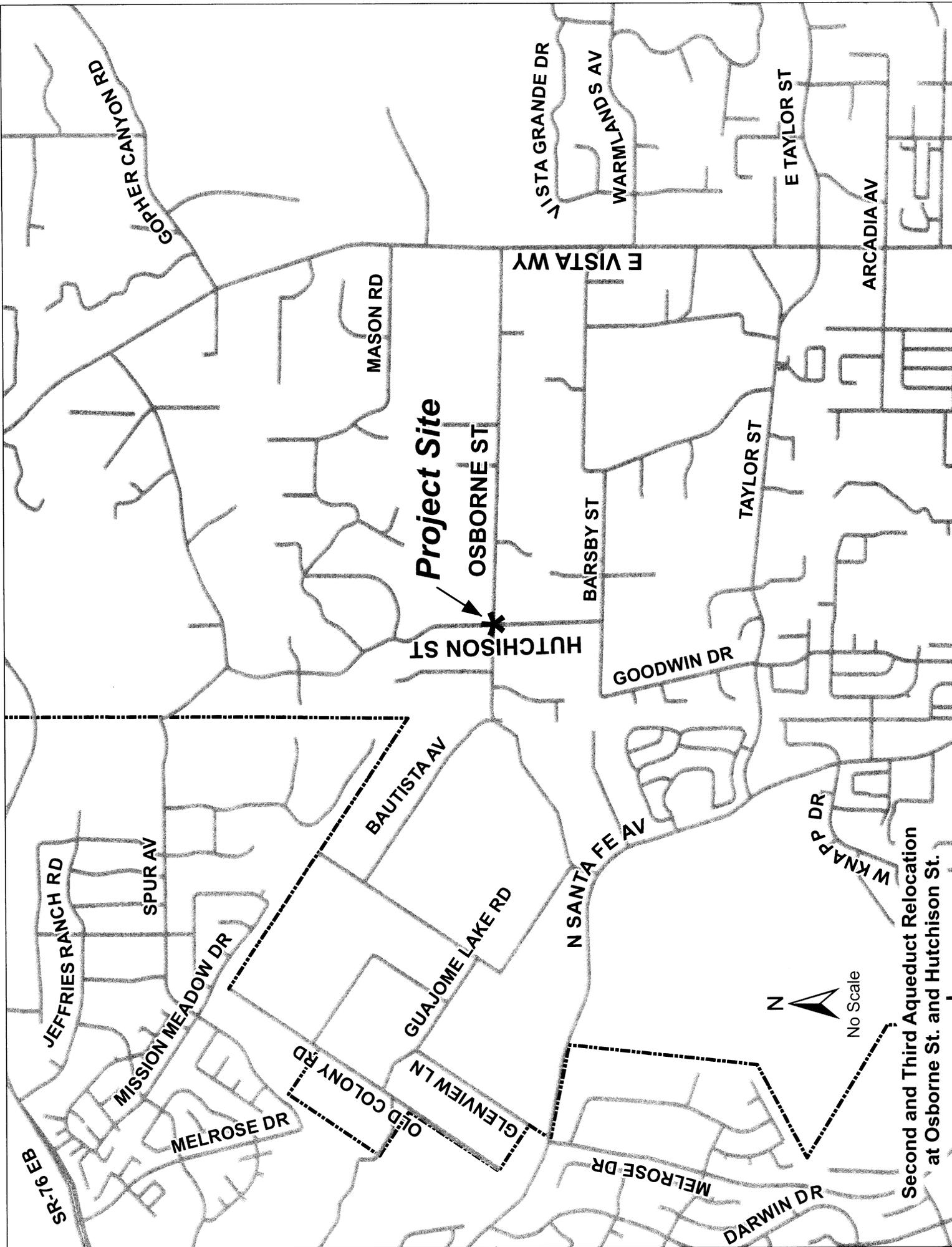
Michelle Skaggs Lawrence, Deputy City Manager

Lonnie Thibodeaux, Water Utilities Director

Nita McKay, Financial Services Director



Exhibit A - Site Map



Project Site

OSBORNE ST

HUTCHISON ST

Second and Third Aqueduct Relocation
at Osborne St. and Hutchison St.



No Scale