ITEM NO. 6

STAFF REPORT

CITY OF OCEANSIDE

DATE: August 18, 2010

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

SUBJECT: **APPROVAL OF PLANS AND SPECIFICATIONS FOR THE ANNUAL OVERLAY FY 2010-2011 PROJECT**

SYNOPSIS

Staff recommends that the City Council approve the plans and specifications for the Annual Overlay FY 2010-2011 project located on various streets throughout the City, and authorize the City Engineer to call for bids.

BACKGROUND

Each year, the City contract for the replacement and restoration of City surface streets and other asphalt-related items is prepared to implement the Pavement Management Program. The Pavement Management Program is an inventory of the current condition of each City street with a recommended schedule of resurfacing.

ANALYSIS

The project consists of the removal and replacement of deteriorated sections of street pavement. A portion of the old asphalt surface is ground down around the pavement edges, and a new two-inch-thick layer of asphalt is placed over the old pavement. The asphalt mixture contains rubber from recycled automobile tires and provides a new wearing surface, which extends the life of the entire road for years. Broken concrete cross-gutters on the repaired streets will also be replaced.

This year's list includes the following location:

1. Morse Street from Stewart Street to Coast Highway
2. El Camino Real from Mission Avenue to Douglas Drive
3. Douglas Drive from Point Delgada to Catalina Drive
4. Douglas Drive from San Luis Rey River bridge to North River Road
5. College Boulevard from Roselle Street to Thunder Drive
6. Melrose Drive from Oceanside Boulevard to south of Sagewood Drive
7. Cameo Drive from Rancho Del Oro Drive to Marvin Street
8. Oceanside Blvd South from Commerce to east City limit
9. Vista Way from 750 feet east of El Camino Real to Rancho del Oro Drive
10. Industry Street from El Camino Real to approximately1400 feet west
11. Graybar Court from Tiffany to the end of the Graybar Court cul-de-sac

On June 8, 2010, Oceanside voters approved Proposition K, the City Charter. Included in the Charter provisions is the ability of the City to exempt public works construction projects from the State "Prevailing Wage" rules, unless otherwise precluded by State or Federal funding requirements. This project is funded by TransNet, and is subject to the City's contracting rules only. Under the City Charter, the City has the option to require, or not to require, payment of Prevailing Wages. Staff estimates Prevailing Wages will increase contractors' labor costs by 20 to 30 percent, and eliminating this requirement is expected to reduce the labor component of bid prices by a proportionate amount.

Unless directed differently by the City Council, the contract for this and future construction projects will not require Prevailing Wages. For projects currently out to bid, such as the Harbor Aquatics Center and the Civic Center Library Remodel, bid addendums have been issued to remove Prevailing Wage requirements.

FISCAL IMPACT

The project budget, including estimated construction cost, staff support, and administration is $4,350,000.

The current balance of project account (902754200212) is $4,345,000. This account also funds the FY 2009-2010 Annual Overlay contract, which was recently completed and accepted by the City Council on June 30, 2010. The available current balance will be reduced by $245,000 in additional payments for closing construction change orders, thus reducing the available funds in project account 902754200212 to $4,100,000.

An additional $260,000 is available in project account 902401500216 (Road Maintenance Projects). Total funds available from the two accounts are $4,360,000 and are together sufficient to complete the FY 2010-2011 Annual Overlay 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 have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council approve the plans and specifications for the Annual Overlay FY 2010-2011 project located on various streets throughout the City, and authorize the City Engineer to call for bids.

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