

STAFF REPORT*CITY OF OCEANSIDE*

DATE: September 13, 2006

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

SUBJECT: **AWARD OF CONTRACT FOR THE VISTA DEL REY PROPERTY GRADING PROJECT; ACCEPTANCE OF \$143,810 FROM THE DEUTSCH COMPANY; AND APPROVAL OF A BUDGET APPROPRIATION IN THE AMOUNT OF \$224,274 FROM THE GENERAL FUND UNALLOCATED FUND BALANCE TO FUND THE AGREEMENT AND RELATED PROJECT COSTS**

SYNOPSIS

Staff recommends that the City Council award a contract in the amount of \$287,084 to Western Rim Constructors, Inc., of Escondido for the Vista Del Rey Property Grading project located west of Benet Road, south of the San Luis Rey River ("Vista Del Rey Property"), and authorize the City Manager to execute the agreement upon receipt of all supporting documents; accept \$143,810 from the Deutsch Company (their share of the project) and approve a budget appropriation in the amount of \$224,274 from the General Fund Unallocated Fund Balance to the CIP project account to fund the agreement and related project costs, totaling \$368,084.

BACKGROUND

In 1993, the City entered into a land exchange agreement with the Deutsch Company whereby the City agreed to participate in the grading of the Deutsch Company's Vista Del Rey property located west of Benet Road and south of the San Luis Rey River. The City needed to acquire a portion of the Deutsch Company's property for the San Luis Rey River Flood Control project. As part of the consideration for the City's flood control project's use of the Vista Del Rey Property, the City agreed to design and grade the remainder of the property owned by Deutsch. The agreement also required the Deutsch Company to perform some of the activities associated with the grading of the Vista Del Rey property, including the import and placement of the fill material. This project fulfills the City's obligation under the agreement.

On August 24, 2005, the City Council approved the plans and specifications and authorized a call for bids. Notices inviting sealed bids were sent to Oceanside contractors and were also advertised in local papers and trade journals in accordance with the City's standard bidding procedures.

ANALYSIS

The proposed improvements will include drainage improvements, imported fill, grading, and hydroseed. On June 26, 2006, the following seven (7) bids were received and opened:

Western Rim Constructors, Inc.	\$287,084.00
Sierra Pacific West, Inc.	356,953.00
West Tech Contracting	374,432.00
Brent Engineering, Inc.	384,675.20
A.B.Hashmi, Inc.	521,045.32
Valley Coast Construction	535,532.41
Southern California Grading, Inc.	604,999.00

The lowest qualified bidder is Western Rim Constructors of Escondido with a bid amount of \$287,084. Their credentials have been researched and meet the City's requirements. The bid was reviewed and was found to be within market expectations.

FISCAL IMPACT

The estimated project cost is:

Construction	\$287,084
Geotechnical Services	38,000
Project management and administration, 15 percent	<u>43,000</u>
Total	\$368,084

The Deutsch Company's share for providing the fill materials is \$143,810. The remaining balance of \$224,274 for the grading costs will be provided from the City's General Fund.

The project funding is as follows:

Deutsch Company' share	\$143,810
City General Fund Appropriation	<u>224,274</u>
Total	\$368,084

At the time the City called for bids, \$200,000 was earmarked for the project. However, the adopted FY 06-07 Budget did not include the funds.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

City Attorney analysis does not apply.

RECOMMENDATION

Staff recommends that the City Council award a contract in the amount of \$287,084 to Western Rim Constructors, Inc., of Escondido for the Vista Del Rey Property Grading project located west of Benet Road, south of the San Luis Rey River, and authorize the City Manager to execute the agreement upon receipt of all supporting documents; accept \$143,810 from the Deutsch Company (their share of the project) and approve a budget appropriation in the amount of \$224,274 from the General Fund Unallocated Fund Balance to the CIP project account to fund the agreement and related project costs, totaling \$368,084.

PREPARED BY:



Peter Biniaz
Project Manager

SUBMITTED BY:



Barry E. Martin
Interim City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Assistant to the City Manager



Peter A. Weiss, Public Works Director



Douglas E. Eddow, Real Property Manager



Nita McKay, Financial Services Director

