



DATE: September 9, 2009

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

SUBJECT: **AUTHORIZATION TO AWARD A CONTRACT IN THE AMOUNT OF \$373,897.50 TO CHARLES DOHERTY CONCRETE FOR THE SAN LUIS REY RIVER TRAIL EXTENSION PROJECT PHASE 2**

SYNOPSIS

Staff recommends that the City Council award a contract in the amount of \$373,897.50 to Charles Doherty Concrete of Oceanside for the San Luis Rey River Trail Extension Project Phase 2, and authorize the City Manager to execute the agreement upon receipt of all supporting documents.

BACKGROUND

The San Luis Rey River (SLRR) and its watershed are the largest in San Diego County, support critical habitat for three endangered species, and provide the opportunity for compatible recreation along a scenic Class 1 Bikeway, the San Luis Rey River Trail (SLRRT). The SLRRT borders the southern side of the SLRR beginning at the intersection of Neptune and Cleveland Streets and continues approximately 7 miles east to College Boulevard. A Class 1 Bikeway is defined as off-street facilities with exclusive rights-of-way, designated for the exclusive use of bicyclists and pedestrians.

Phase 1 of the SLRRT Extension Project was for the repaving of the sewer easement and fence installation from College Boulevard to the first City-owned easement at Andrew Jackson Street (Segment 1). The project was completed in September of 2008.

Additional community meetings were held on November 19, 2008, and December 4, 2008, to discuss Phase 2 of the SLRRT Extension Project (Segment 3) and the associated Mitigated Negative Declaration. As an outcome from the community meetings, which was attended by City staff, members of the Bicycle Committee and adjacent property owners, a majority of the property owners present reached an overall consensus for the development of the Phase 2 portion of SLRRT Extension Project (Segment 3) and felt that there was a need for the project.

On July 1, 2009, City Council approved the plans and specifications and authorized the City Engineer to call for bids for the San Luis Rey River Trail Project Phase 2 (Segment 3).

On August 18, 2009, the bids were publicly opened. Sixteen bids were received and are summarized in Exhibit A. The lowest responsible bidder is Charles Doherty Concrete of Oceanside with a bid of \$358,717.50. The successful bidder's credentials have been researched and found to meet City requirements. The contract documents are on file in the Capital Improvements Division of the Development Services Department.

On August 25, 2009, staff received a bid protest letter from Tri-Group Construction. Staff has reviewed the protest letter and has determined Tri-Group's claim would not have affected the overall bid results. Therefore, staff is recommending City Council award the contract to Doherty Concrete.

ANALYSIS

Phase 2 (Segment 3) of the SLRRT Extension Project is for the paving of the sewer easement access road from Tyler Street to North Santa Fe which is approximately 0.85 miles. A more detailed project description includes rough and precise grading, asphalt paving of a 10-foot-wide path, centerline and edge-striping, and bicycle-appropriate signage. The project also includes repair and replacement of 4 storm drain crossings as well as fencing and landscape treatments that will be placed along the City sewer easement and access points.

A Mitigated Negative Declaration (MND) has been prepared for Phase 2 of the SLRRT Extension Project (Segment 3). In addition to the MND, the project has also obtained regulatory permits from the California Department of Fish and Game, San Diego Regional Water Quality Control Board, United States Fish and Wildlife Service and the United States Army Corps of Engineers. As part of the compensatory mitigation for the project, 0.17 acres of the site will be restored with California native plantings.

Staff recommends inclusion of Additive Alternate Item 2a for 230 Lineal Feet of Pre-Cast Concrete Fencing for \$15,180.00. The base bid for the project is \$358,717.50 plus \$15,180.00 (Additive Alternate Item 2a), for the total contract amount of \$373,897.50. Construction is anticipated to begin late September 2009 and will finish January 2010.

FISCAL IMPACT

The Mission Resource River Parkway grant fund from the State Resources Agency provided a total of \$558,060 for Phases 1 and 2 of the SLRRT Extension Project. The Mission Resource River Parkway grant fund (904718700272.5325) has \$303,766 available for Phase 2 construction. In addition, \$300,000 has been budgeted from TransNet (906560300598.5325), providing a total of \$603,766 available for construction. The construction contract of \$373,897.50 with Charles Doherty Concrete, plus 15 percent contingency, construction support costs and project overhead will result in a total construction project cost of \$479,938.02. Therefore, sufficient funds are available for this project.

Construction-phase project costs are budgeted as follows:

<u>Direct Construction Costs</u>	
Bid Award Amount	\$373,897.50
15% Construction Change Order Contingency	<u>\$56,084.63</u>
Total Direct Construction	\$429,982.12
<u>Construction Support Costs</u>	
Construction Staking and Surveying	\$20,000.00
Geotechnical Inspection	<u>\$15,000.00</u>
Total Construction Support	\$35,000.00
City Inspection and Administration	<u>\$15,000.00</u>
Total Project, Construction Phase Cost	\$479,938.02

INSURANCE REQUIREMENTS

The City’s standard insurance requirements will be met.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY’S ANALYSIS

The contract must be awarded to the lowest responsible bidder. A “responsible bidder” is one who has demonstrated the attributes of trustworthiness as well as quality, fitness, capacity and experience to satisfactorily perform a public works contract. City Council also has discretion to reject all bids and readvertise.

RECOMMENDATION

Staff recommends that the City Council award a contract in the amount of \$373,897.50 to Charles Doherty Concrete of Oceanside for the San Luis Rey River Trail Extension Project Phase 2, and authorize the City Manager to execute the agreement upon receipt of all supporting documents.

PREPARED BY:



Nathan R. Mertz
Parks Development Manager
CIP Manager I

SUBMITTED BY:



Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager
George Buell, Development Services Director
Scott O. Smith, City Engineer
Margery M. Pierce, Neighborhood Services Director
Teri Ferro, Financial Services Director

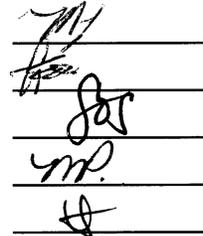
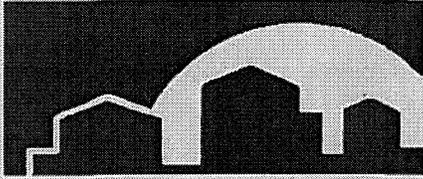


EXHIBIT A

Bidder	Address	Bid Amount
CW Doherty	Oceanside, CA	\$358,717.50
Tri-Group Construction & Development	Poway, CA	\$389,631.00
Mega Engineering	Lakeside, CA	\$445,160.91
NPG Corp.	Perris, CA	\$451,690.00
Heartland Grading	Carlsbad, CA	\$487,649.45
Palm Engineering	San Diego, CA	\$497,342.10
Watkins Landmark Construction	Del Mar, CA	\$499,003.11
Grand Pacific Contractors, Inc.	Corona, CA	\$499,460.21
Ramona Paving and Construction Company, Inc.	Ramona, CA	\$521,329.15
Interwest Pacific, LTD	Solana Beach, CA	\$557,376.70
RJ Bullard Construction	Bonsall, CA	\$568,625.00
New Century Construction	Lakeside, CA	\$572,931.20
LB Civil Construction	San Diego, CA	\$593,823.50
SRM Contracting & Paving	San Diego, CA	\$612,000.00
HTA Engineering & Construction	Poway, CA	\$622,327.20
Faris Construction	Oceanside, CA	\$731,000.00



TRI-GROUP
Construction and Development, Inc.
Lic. No. 792159

Aug. 21, 09

FAXID
08-21-09
11:45 AM

City of Oceanside
300 North Coast Hwy
Oceanside Ca 92054

Attention: Mr. Nathan Mertz

Re: San Luis Rey River Trail Extension Phase 2 598.845603

Subject: FORMAL BID PROTEST

Mr. Mertz,

Tri-Group Construction bid the referenced project as general contractor and plan-holders on Aug. 18, 09. At the bid opening to our surprise, we found out that the city issued another Addendum in Addendum No. 2. Its a surprise to us because just a day before the bid opening we contacted the city-assigned bid seller, Bell Blue, and requested ALL addenda to be send to us. They responded by saying that only one addendum was issued in Addendum No. 1 and went ahead and e-mailed us the addendum (see attached e-mail).

On Aug. 19, 09, via phone, you have confirmed to me that Bell Blue never had Addendum No. 2, even though they should have had it as the only authorized bid seller.

Tri-Group did everything it can to receive ALL addenda PRIOR to the bid opening for the subject project. However, due to the city's and/or Bell Blue error, we did not receive ALL the addendum. Hence, Tri-Group was put by the city of Oceanside in a disadvantage in bidding the referenced project.

Because the bidding process "field level" was not the same for Tri-Group (and possibly others) as the low bidder and others who got Addendum No. 2, Tri-Group is formally protesting the bid results of San Luis Rey River Trail Extension Phase 2 project.

The city should reject all bid and rebid the project assuring that all bidders have the same information.

Please contact our office at 858-679-0843 for any questions. This letter will be send via fax and certified US mail.

Sincerely,

Hani Assi
Tri-Group Construction



CITY OF OCEANSIDE ENGINEERING

August 26, 2009

Hani Assi
Tri-Group Construction and Development
13943 Poway Road, Suite B
Poway, CA 92064

Subject: Response to Bid Protest Letter – San Luis Rey River Trail Extension Project Phase 2

Mr. Assi,

I am writing in response to your letter dated August 21, 2009, which was received in its entirety via email on August 25, 2009. Two Addendums were issued for the project; both Addendums were available at City Hall, and eBidboard, and both were faxed to all plan holders. Additionally, all of the plan holders were individually sent Addendum 2 via fax; please see attached fax confirmation for Addendum 2 which was sent to your office. Furthermore, the Project Information page of the Bid Documents states that all questions or requests for information should be directed to the project manager. This was never initiated by Tri-Group.

Addendum 2 was issued to address extra work related to remedial grading for the project which was not present in the original bid schedule. The added work for remedial grading was quantified as an additional line item and quantity amount to the original bid schedule. All bids that were submitted on August 18, 2009 (except for Tri-Group's), contained the Addendum 2 bid schedule and the acknowledgement form. Tri-Group submitted the original bid schedule which did not include Addendum 2 for the additional remedial grading work. Despite bidding on a reduced amount of work on the original bid schedule, Tri-Group was still not the low bid. Had Tri-Group used the correct bid form, the bid would have certainly been higher due to additional work required within Addendum 2.

The low bid for the project was received from Doherty Concrete; award of the contract is scheduled for consideration by the City Council at its meeting on September 9, 2009 at 5 p.m.

Please feel free to contact me at (760) 435-5619 if you have any additional questions.

Sincerely

A handwritten signature in black ink, appearing to read "Nathan Mertz".

Nathan Mertz
Parks Development Manager

Nathan Mertz

From: Lupe Norris
Sent: Tuesday, August 18, 2009 4:03 PM
To: Nathan Mertz
Subject: FW: Your fax has been successfully sent to Tri-Group Construction & Development Inc. at 1 (858) 679-5359. RE: SAN LUIS REY RIVER TRAIL PHASE 2 ADDENDUM NO. 2

-----Original Message-----

From: RightFax
Posted At: Thursday, August 13, 2009 10:09 AM **Posted To:** SLRRT ADDENDUM 1 AND 2
Conversation: Your fax has been successfully sent to Tri-Group Construction & Development Inc. at 1 (858) 679-5359. RE: SAN LUIS REY RIVER TRAIL PHASE 2 ADDENDUM NO. 2
Subject: Your fax has been successfully sent to Tri-Group Construction & Development Inc. at 1 (858) 679-5359. RE: SAN LUIS REY RIVER TRAIL PHASE 2 ADDENDUM NO. 2

Your fax has been successfully sent to Tri-Group Construction & Development Inc. at 1 (858) 679-5359. RE: SAN LUIS REY RIVER TRAIL PHASE 2 ADDENDUM NO. 2

From: /o=City of Oceanside/ou=OCEANSIDE-NT/cn=Recipients/cn=LNorr

Time: 8/13/2009 10:00:03 AM
Sent to 1 (858) 679-5359 with remote ID "8586795359"
Result: (0/339;0/0) Successful Send
Page record: 1 - 7
Elapsed time: 08:30 on channel 17