



DATE: March 27, 2013

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

SUBJECT: **APPROVAL TO REJECT BIDS FOR THE PLANS AND SPECIFICATIONS FOR THE EL CORAZON RECLAMATION PLAN GRADING IMPROVEMENT PROJECT AND APPROVAL OF REVISED PLANS AND SPECIFICATION FOR THE PROJECT**

SYNOPSIS

Staff recommends that the City Council approve the rejection of all bids for the plans and specifications for the El Corazon Reclamation Plan grading improvement project; approve the revised plans and specifications for the project; and authorize the City Engineer to call for bids.

BACKGROUND

One of the conditions of the Recreational Disposition and Development Agreement ("Recreational DDA") between the City of Oceanside ("City") and Sudberry Development, Inc. ("Sudberry"), is that the City is required to provide certain grading-related improvements ("City Improvements") at El Corazon ("Subject Property"). The City Improvements are a prerequisite to Sudberry's development and construction of multiuse athletic fields on the Subject Property.

On January 2, 2013, the City Council approved plans and specifications for the City Improvements and authorized the City Engineer to call for bids. On February 26, 2013, the City opened the bids for the City Improvements. The lowest bid obtained was \$1,800,000 (which was withdrawn due to a contractor's bidding error) with all the bids averaging approximately \$3,300,000. At this time, staff is only authorized to approve a bid amount of \$1,400,000 for the construction of the City Improvements.

ANALYSIS

In order to develop and construct the City Improvements within the authorized amount of \$1,400,000 it will be necessary to obtain a lower bid for the cost. The City Improvements consist of grading, surface improvements (placement of Miscellaneous

Base), drainage improvements, related erosion-control measures and payment of applicable fees and permits.

Revisions to the El Corazon Reclamation Plan preliminary grading plan and specifications ("Revised City Improvements") will be made in an attempt to reduce the associated grading, surface improvements and drainage improvements costs. Revisions consist of such items as identifying other fill material locations at El Corazon and eliminating the need to grade a future road prism as a fill material location.

The approval of the Revised City Improvements and authorization for the City Engineer to call for bids will provide an opportunity to possibly reduce the costs associated with the City's improvement requirements under the Recreational DDA. These improvements are needed in order to prepare the Subject Property for the installation of multiuse athletic fields and related improvements that are required of Sudberry per the Recreational DDA.

FISCAL IMPACT

The Revised City Improvements will be at a cost not to exceed \$1,400,000. Of said amount, \$737,000 will be funded from the General Capital Projects Fund 501 Assigned Reserves for Reclamation Project Account No. 501.3020.0025 and \$530,000 from the Silica Reclamation Fund Account No. 912880500501.4501. The accounts have sufficient funds to pay for a portion of the associated cost and have been earmarked for the reclamation of the El Corazon site as a former mining operation pursuant to the El Corazon Reclamation Plan.

The remainder of the funds needed to pay for the Revised City Improvements will be in the form of in-lieu services pursuant to the Professional Services Agreement between the City and JMM Diversified, Inc., dba Moody's Excavation of Bonsall ("Moody's"). The in-lieu services by Moody's would be in the form of materials needed for the project (e.g., miscellaneous base) and earthwork preparation.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

COMMISSION OR COMMITTEE REPORT

At the March 12, 2013, meeting of the Economic Development Commission ("EDC"), the EDC was advised of this matter.

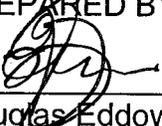
CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

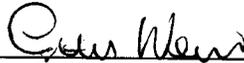
Staff recommends that the City Council approve the rejection of the bids for the plans and specifications for the El Corazon Reclamation Plan grading improvement project; approve the revised plans and specifications for the El Corazon Reclamation Plan grading improvement project; and authorize the City Engineer to call for bids.

PREPARED BY:



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City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager



George Buell, Development Services Director



Scott O. Smith, City Engineer



Teri Ferro, Financial Services Director



Attachment 1: Summary of Bids Opened on February 26, 2013

ATTACHMENT NO. 1

EL CORAZON RECLAMATION PLAN GRADING IMPROVEMENT PROJECT

SUMMARY OF BIDS OPENED ON FEBRUARY 26, 2013

	<u>BIDDER</u>	<u>BID AMOUNT</u>
1.	WCCR Construction	\$3,212,490.50
2.	Edmonson Construction Co.	\$2,688,286.50
3.	McKenna General Engineering, Inc.	\$6,862,494.00
4.	F.J. Willert Contracting Co. Inc.	\$3,442,295.00
5.	Altfilisch Contractors, Inc. dba ACI	\$3,326,860.00
6.	Mountain Movers Engineering Contractors, Inc.	\$2,844,472.00
7.	West-Tech Contracting, Inc.	\$3,858,393.91
8.	Spiess Construction Co., Inc.	\$4,258,024.00
9.	Moalej Builders, Inc.	\$2,218,920.00
10.	FM & Sons, Inc.	\$3,907,990.00
11.	Sukut Construction, Inc.	\$3,629,980.00
12.	Heartland Grading	\$4,447,457.00
13.	Wood Bros., Inc.	\$3,345,792.00
14.	Sierra Pacific West, Inc.	\$1,832,340.00