



DATE: June 26, 2013

TO: Honorable Mayor and City Councilmembers

FROM: Property Management Division

SUBJECT: **AWARD A CONTRACT FOR THE REVISED EL CORAZON RECLAMATION PLAN GRADING IMPROVEMENT PROJECT; AND APPROVAL OF A BUDGET APPROPRIATION FOR THE EL CORAZON RECLAMATION PLAN GRADING PROJECT**

SYNOPSIS

Staff recommends that the City Council award a contract in the amount of \$1,455,705 to Bonsall Petroleum Construction, Inc., of Bonsall, for the Revised El Corazon Reclamation Plan Grading Improvement project; authorize the City Manager to execute the agreement upon receipt of all supporting documents; and approve a budget appropriation in the amount of \$1,455,705 into the Silica Reclamation Fund Expenditure Account.

BACKGROUND

As part of the Recreational Disposition and Development Agreement, as amended ("Recreational DDA"), with Sudberry Development, Inc. ("Sudberry"), to develop the athletic fields at El Corazon, the City of Oceanside ("City") is required to grade a portion of El Corazon. Accordingly, staff prepared the El Corazon Reclamation Plan Grading Plans and Specifications ("Grading Plan"), which was approved by the City Council on January 2, 2013, together with a Call for Bids for the Grading Plan.

On February 26, 2013, the City obtained and opened bids to determine the estimated cost for the Grading Plan. Those bids came in higher than the maximum amount that staff was authorized to spend for grading a portion of El Corazon pursuant to the Grading Plan. The bids were rejected by the City Council on March 27, 2013.

Staff revised the Grading Plan ("Revised Grading Plan") and also on March 27, 2013, City Council approved the Revised Grading Plan and a Call for Bids for the Revised Grading Plan. On April 23 2013, staff obtained and opened new bids based on the Revised Grading Plan. The lowest qualified base bid obtained was in the amount of \$1,399,980.

ANALYSIS

Ten construction companies submitted bids and the lowest qualified bidder is Bonsall Petroleum Construction, Inc., of Bonsall ("Contractor") with a base bid of \$1,399,980. In addition to awarding a contract for the base bid amount, staff also recommends inclusion of Additive Alternate Items 2, 3, and 4 for concrete storm drain related improvements ("Additive Items") in the amount of \$55,725. The base bid amount of \$1,399,980 plus the Additive Items equal a total contract amount of \$1,455,705.

Sudberry, pursuant to the terms of the Recreational DDA, has until August 5, 2013, to complete its due diligence review before committing to develop the athletic fields upon the area of El Corazon to be graded pursuant to the Revised Grading Plan. Accordingly, the contract with Contractor will be contingent on Sudberry committing to develop the athletic fields upon completion of their due diligence. As such, the grading project is not anticipated to start construction until mid August 2013 with completion anticipated in late April 2014.

During Sudberry's due diligence review period, staff will obtain bids for the professional services related portion of the grading project, which expense is the responsibility of the City. The professional services scope of work includes geotechnical inspection, engineering inspection, construction staking and storm water permit and similar items, as applicable. As the professional services agreements are finalized, staff will bring them to the City Council for approval.

ENVIRONMENTAL REVIEW

In accordance with the California Environmental Quality Act ("CEQA"), staff has determined that the proposed Revised Grading Plan project was adequately covered in the previous adopted Negative Declaration for the U.S. Silica Company Reclamation Plan dated, October 1, 1992, and approved on December 10, 1992. Thus, no further environmental review or documentation is necessary.

FISCAL IMPACT

The grading and storm drain improvement construction contract in the amount of \$1,455,705 with Contractor will be funded out of General and Capital Projects 501 Fund balance. Said amount will need to be appropriated to the Silica Reclamation Business Account No. 912880500501.5305.10200.

COMMISSION OR COMMITTEE REPORT

The Economic Development Commission's El Corazon Standing Committee was advised of this proposed action at its June 4, 2013, meeting.

INSURANCE REQUIREMENTS

The City's standard insurance requirements will be met.

CITY ATTORNEY'S ANALYSIS

The bid documents were previously reviewed by the City Attorney and approved as to form. The contract must be awarded to the lowest responsible bidder. The Public Contract Code defines "responsible bidder" as a bidder who has demonstrated the attributes of trustworthiness as well as quality, fitness, capacity and experience to satisfactorily perform a public works contract. The City Council also has the discretion to reject all bids and re-advertise. The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

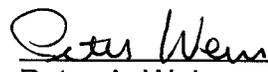
Staff recommends that the City Council award a contract in the amount of \$1,455,705 to Bonsall Petroleum Construction, Inc., of Bonsall, for the Revised El Corazon Reclamation Plan Grading Improvement project; authorize the City Manager to execute the agreement upon receipt of all supporting documents; and approve a budget appropriation in the amount of \$1,455,705 into the Silica Reclamation Fund Expenditure Account.

PREPARED BY:



Douglas E. Eddow
Real Estate Manager

SUBMITTED BY:



Peter A. Weiss
City Manager

REVIEWED BY:

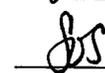
Michelle Skaggs Lawrence, Deputy City Manager



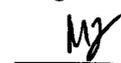
George Buell, Development Services Director



Scott O. Smith, City Engineer



Marisa Lundstedt, City Planner



Teri Ferro, Financial Services Director

