

# STAFF REPORT



ITEM NO. 16  
CITY OF OCEANSIDE

DATE: June 25, 2014

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

SUBJECT: **AWARD OF CONTRACT AND APPROVAL OF PLANS AND SPECIFICATIONS FOR THE ANNUAL OVERLAY FY 2013-2014 PROJECT**

## **SYNOPSIS**

Staff recommends that City Council approve the plans and specifications for the Annual Overlay Project FY 2013-14 located on various streets within the City; award a contract in the amount of \$3,137,137 to Granite Construction Company of Watsonville, California; and authorize the City Manager to execute the agreement upon receipt of all supporting documents.

## **BACKGROUND**

On March 25, 2014, the City Council was informed via a pass-through memorandum (Exhibit A) of staff calling for bids for the Annual Overlay Project. The memorandum included the complete list of streets to be repaired, including portions of Oceanside Boulevard, El Camino Real, Rancho Del Oro Drive, and North River Road. Notices inviting sealed bids were advertised in the local newspaper, trade journals, and Web sites in accordance with the City's standard bidding procedures. During the bid process an addendum was issued by staff. The addendum identified two additional streets for overlay (Exhibit B).

## **ANALYSIS**

The street repair work begins with the removal and replacement of deteriorated sections of street pavement. A portion of the old asphalt surface is ground down around the pavement edges. On arterial streets, a one-inch-thick leveling course of conventional asphalt is placed underneath a layer of engineered paving mat. On all streets, the work is finished with a two-inch-thick cap of new asphalt. The asphalt used for the finishing cap is manufactured partially from recycled automobile tires. This product has been previously used in Oceanside and in other Southern California cities. The asphalt used for the finishing cap is cost-competitive, reduces road noise and helps in the reuse/recycling of unwanted tires.

This project is funded by TransNet, and is not subject to prevailing wage requirements. However, due to the use of the asphalt mix containing recycled tires, the project is eligible for the State of California's CalRecycle's Rubberized Pavement Grant Program. Receiving grant funds from the State of California would require the project to be subject to prevailing wage requirements. The project will be reimbursed \$234,640 by the CalRecycle Rubberized Pavement Grant Program. It is therefore more advantageous for the City to comply with the State's prevailing wage requirements to receive reimbursement through the State's Grant Program.

Street restoration needs were determined by citizens' reports of deteriorating asphalt and related items, and staff's review to determine the highest priorities for this project.

The bids were publicly opened on May 13, 2014; nine bids were received:

<i>Company</i>	<i>City</i>	<i>Bid Amount (\$)</i>
Granite Construction Co.	Watsonville, CA	3,137,137.00
SRM Contracting & Paving	San Diego, CA	3,205,500.00
TC Construction Co.	Santee, CA	3,242,759.70
R.J. Noble Co.	Orange, CA	3,267,959.33
George Weir Asphalt	Escondido, CA	3,298,900.00
Hardy & Harper, Inc.	Santa Ana, CA	3,305,000.00
Hazard Construction	San Diego, CA	3,394,815.00
All American Asphalt	Corona, CA	3,495,631.23
PAL General Engineering, Inc.	San Diego, CA	3,870,572.91

The lowest qualified bidder is Granite Construction Co. of Watsonville, CA, with a bid of \$3,137,137. Their credentials have been researched and found to meet City requirements. The bid was reviewed and found to be complete. Construction is anticipated to begin in July and finish in December 2014. Night work is scheduled on Oceanside Boulevard, El Camino Real, and North River Road between 9:00 p.m. – 5:00 a.m. This will limit the interruption of traffic along these busy arterials.

In order to secure the design immunity in accordance with the California Government Code, staff is also recommending the approval of plans and specifications at this time.

### **FISCAL IMPACT**

The estimated project cost is as follows:

Base Construction Contract Award	\$3,137,137
10 Percent Contingency	\$313,714
Construction Management and Administration Cost	\$49,149
<b>Total Cost</b>	<b>\$3,500,000</b>

The proposed contract amount with Granite Construction Company is \$3,137,137. The TransNet Fund Street Restoration business unit (902754200212) has an available balance of approximately \$6,414,786. Therefore, sufficient funds are available in the FY 2014-15 CIP budget to complete the project with the funding source coming from TransNet (Fund 212) half cent sales tax. The total contract amount of \$3,137,137 is included in the FY 2014-15 budget in account 902754200212.5703.10600.

The State of California's CalRecycle's Rubberized Pavement Grant Program will reimburse the project account (902754200212.5703.10600) by \$234,640.

**INSURANCE REQUIREMENTS**

The City's standard insurance requirements will be met.

**COMMISSION OR COMMITTEE REPORT**

Does not apply.

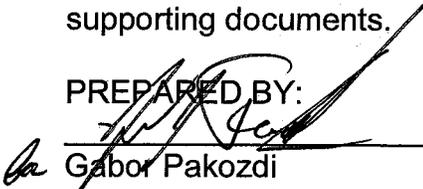
**CITY ATTORNEY'S ANALYSIS**

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.

**RECOMMENDATION**

Staff recommends that the City Council approve the plans and specifications for the Annual Overlay Project FY 2013-14 located on various streets within the City; award a contract in the amount of \$3,137,137 to Granite Construction Company of Watsonville, California; and authorize the City Manager to execute the agreement upon receipt of all supporting documents.

PREPARED BY:

  
Gabor Pakozdi  
Associate Engineer

SUBMITTED BY:

  
Steven R. Jepsen  
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager  
James R. Riley, Financial Services Director  
Scott O. Smith, City Engineer

Attachments:

Exhibit A and Exhibit B



# EXHIBIT A



City of Oceanside  
*Development Services Department*  
*Engineering Division*

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CITY OF OCEANSIDE  
DEVELOPMENT SERVICES

## Memorandum

**Date:** March 25, 2014

**To:** Honorable Mayor and City Councilmembers

**Through:** Steven R. Jepsen, City Manager   
Michelle Skaggs Lawrence, Deputy City Manager

**From:** Scott O. Smith, City Engineer 

**By:** Gabor Pakozdi, Associate Engineer 

**Subject:** Street Restoration Project

Staff intends to call for bids for the Street Restoration (Overlay) Project for the following streets:

- Nevada Street from Morse Street to Vista Way
- Ditmar Street from Morse Street to Vista Way
- Alvarado Street from Morse Street to Vista Way
- North River Road from North River Town Center to 400' east of Stallion Drive
- El Camino Real from Fire Mountain Drive to Via Las Rosas
- Oceanside Boulevard from Ord Way to College Boulevard
- Rancho Del Oro Drive from Mesa Drive to Via Rancho Road
- Vista Way from Buena Hills Drive to Rancho Del Oro Road
- Mission Avenue between Foussat Road and the HWY 76 bridge
- Center Avenue from Horne Street to Grant Street
- Cannon Road from Lake Boulevard to Amador Drive
- Elm Tree Drive from Amberwood Drive to Granada Drive
- Mahogany Drive from Amberwood Drive to the end of cul-de-sac
- Amberwood Drive from Mahogany Drive to Elm Tree Drive
- Rosewood Circle cul-de-sacs
- Amberwood Court cul-de-sac
- Jacaranda Court cul-de-sac
- Peppertree Drive cul-de-sac
- Candlewood Place cul-de-sac
- MacDonald Street between Hoover Street and 2820 MacDonald Street
- Grace Street between Maxson Street and Foster Drive
- Calle Sobrado from 4952 C. Sobrado to 4972 C. Sobrado

The project's budget, including estimated construction cost, staff support, and administration is approximately \$3,500,000. The project will be paid for from Transnet funds. The current balance of the street restoration account is \$6,924,944. Therefore, sufficient funds are available to complete the project.

Typically, staff would bring project plans and specifications for Council's approval prior to calling for bids. However, according to the California Government Code, it is sufficient for Council to approve the specifications at any time prior to construction in order to secure the design immunity provided by the statute. Given the work of this annual project utilizes Standard Plans, staff intends to streamline the preconstruction process by calling for bids immediately and prepare a report for the June 18, 2014, Council Meeting recommending that City Council award a contract to the contractor determined to be the lowest responsible and responsive bidder. At that time staff will recommend approval of the project's specifications.

cc. George Buell, Development Services Director  
Barbara Hamilton, Assistant City Attorney  
David Toschak, Senior Civil Engineer  
Gary Kellison, Senior Civil Engineer  
Kiel Koger, Public Works Division Manager

File

# EXHIBIT B

Street:	From:	To:	Leveling Ton	Overlay Ton	Day/ Night
Nevada Street	Morse	Vista Way		1040	D
Ditmar Street	Morse	Vista Way		1011	D
Alvarado Street	Morse	Vista Way		1007	D
North River Road	400' E. of Stallion	N. River Town Ctr.	1373	2745	N
Cannon Road	Lake Boulevard	Amador Drive	339	678	D
Center Avenue	Horne Street	Grant Street		718	D
Rancho del Oro	Mesa Drive	Via Rancho	816	1632	D
Oceanside Blvd.	College Blvd.	Ord Way	1447	2894	N
Vista Way	Buena Hills Dr.	Rancho del Oro	791	1583	D
Mission Avenue	Foussat Road	HWY 76 bridge	768	1536	D
Grace Street	Maxson Street	Foster Drive		298	D
El Camino Real	Fire Mountain	Via Las Rosa	1073	2145	N
Calle Sobrado	4952 C. Sobrado	4972 C. Sobrado		137	D
MacDonald	Hoover Street	2820 MacDonald		105	D
Elm Tree Lane	Granada	4750 Elm Tree Ln		365	D
Mahogany Drive	Amberwood Drive			204	D
Amberwood Drive	Mahogany Drive	Elm Tree Drive		228	D
Rosewood Circle	2 Cul-De-Sacs			192	D
Amberwood Court	Cul-De-Sac			96	D
Jacaranda Court	Cul-De-Sac			96	D
Peppertree Drive	Cul-De-Sac			96	D
Candlewood Place	Cul-De-Sac			96	D
Hoover Street	315 Hoover Street	567 Hoover Street		441	D
Melrose Avenue	N. Santa Fe Ave.	Sagewood Drive	438	875	D