



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 25-956

Agenda Date: 9/3/2025

Agenda #: 11.

DATE: September 3, 2025

TO: Honorable Mayor and City Councilmembers

FROM: Water Utilities Department

TITLE: AWARD OF CONSTRUCTION CONTRACT FOR THE MISSION BASIN GROUNDWATER PURIFICATION FACILITY SODIUM HYPOCHLORITE TANK AND PIPING REPLACEMENT AND SECONDARY CONTAINMENT RETROFIT PROJECT

RECOMMENDATION

Staff recommends that the City Council award a contract to Vicon Enterprise, in the amount of \$290,215, for the Mission Basin Groundwater Purification Facility Sodium Hypochlorite Tank and Piping Replacement and Secondary Containment Retrofit Project; authorize the City Engineer to execute change orders up to a total of 10 percent of the contract amount for any unforeseen conditions for a total contract amount not to exceed \$319,237; and authorize the City Manager, or designee, to execute the agreement upon receipt of all supporting documents.

BACKGROUND AND ANALYSIS

The Mission Basin Groundwater Purification Facility (MBGPF) treats brackish groundwater from the Mission Basin aquifer using reverse osmosis technology to produce approximately 11 percent of the City's water supply. The facility has been in operation since 1992 and currently has a treatment capacity of 2.2 million gallons per day.

The MBGPF is anticipated to undergo major improvements in the current fiscal year to upgrade and optimize its treatment processes. This Sodium Hypochlorite Tank and Piping Replacement and Secondary Containment Retrofit Project (Project) is being completed in advance of these broader plant upgrades to ensure that the chemical storage and distribution systems are safe, compliant, and reliable prior to construction of the other facility improvements.

The Project includes the removal and replacement of the existing sodium hypochlorite storage tank, associated piping, and valving systems. In addition, the Project will retrofit the existing secondary containment structure. These improvements are essential to maintaining the integrity of the chemical storage in order to comply with current safety and environmental standards, prevent potential chemical spills, and support the long-term reliability and efficiency of groundwater purification operations.

The Project was advertised for bids on June 4, 2025. Three bids were received with the Bid

Summary provided in Attachment 2. The apparent low bidder is Vicon Enterprise with a bid in the amount of \$290,215. Staff reviewed the bid documents and confirmed compliance with City standards, including bid bond and qualifications. Vicon Enterprise was determined to be a responsive and responsible bidder.

In addition to awarding the contract, staff recommends authorizing the City Engineer to execute Change Orders up to 10 percent of the contract amount to address any unforeseen conditions.

FISCAL IMPACT

The contract with Vicon Enterprise is \$290,215. With a 10 percent contingency of \$29,022, the total estimated contract amount is \$319,237.

Construction costs will be charged to the Desalter Facility Major Improvements Project (908125600712.5702.10600). The funding source is Water and Service fees from the Fixed Asset Replacement Fund. Table 1 shows the cost breakdown.

Table 1.

Desalter Facility Major Improvements Project 908125600712.5702.10600	
Total Available Budget	\$522,275
Vicon Enterprise Construction Contract	290,215
Construction Contingency (10%)	29,022
Total Construction Costs	319,237
Estimated Remaining Budget	\$203,039

COMMISSION OR COMMITTEE REPORT

The Utilities Commission was apprised of staff's recommendation at its regularly scheduled meeting on July 15, 2025.

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 whose bid is responsive to the call for bids. 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.

ENVIRONMENTAL ANALYSIS

The Project is categorically exempt under Class 2, "Replacement or Reconstruction" (California Code of Regulations Section 15302). The improvements involve replacing aging chemical storage and piping systems with new infrastructure of substantially the same purpose and capacity, and therefore will not have a significant effect on the environment.

Prepared by: Mabel Uyeda, Water Engineering Manager
Reviewed by: Michael Gossman, Assistant City Manager
Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. Bid Results
3. Vicon Enterprises Public Works Agreement