



# City of Oceanside

300 North Coast Highway,  
Oceanside, California 92054

## Staff Report

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**File #:** 25-748

**Agenda Date:** 5/21/2025

**Agenda #:** 18.

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**DATE:** May 21, 2025

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Water Utilities Department

**TITLE: AWARD OF CONTRACT FOR SEWER POINT REPAIR PROGRAM - PACKAGE NO. 8  
PROJECT AND APPROPRIATION OF FUNDS**

### **RECOMMENDATION**

Staff recommends that the City Council award a Public Works Agreement to Shaw Equipment Rentals, Inc., in the amount of \$831,000, for construction of the Sewer Point Repair Program - Package No. 8 Project; authorize the City Engineer to approve Change Orders up to 10 percent of the contract value for a total not to exceed amount of \$914,100; appropriate \$750,000 from the Sewer Fixed Asset Replacement Fund; and authorize the City Manager, or designee, to execute the agreement upon receipt of all supporting documents.

### **BACKGROUND AND ANALYSIS**

Sewer Point Repair Program - Package No. 8 consists of the repair of 20 identified defects found within existing gravity sewer mains at various locations throughout the City. Sections of existing eight-inch diameter pipelines will be replaced with new polyvinyl chloride (PVC) pipe and several existing sewer lateral connections will be repaired and reconnected to the new main. Staff estimates that construction of the project will take approximately six months to complete.

The project was advertised for bids on March 12, 2025. On April 10, 2025, four bids were received and publicly opened for the project. The apparent low bidder is Shaw Equipment Rentals, Inc. with a bid in the amount of \$831,000. Staff has reviewed the bid documents submitted by Shaw Equipment Rentals, Inc. and find that its bid, bid bond, and references are in accordance with City standards.

The City's as-needed consultant, NV5, has provided a proposal to assist with construction management and inspection (CM&I) services during construction for a not-to-exceed fee of \$127,050. This work will be authorized through a task order under NV5's current as-needed contract for construction management and inspection services. In addition, LGC Geotechnical, Inc. has provided a proposal to perform geotechnical inspection and testing services for a not-to-exceed fee of \$67,500 through their current as-needed contract. Appropriation of funds will be needed to allocate funds to these Council approved as-needed services for this specific project.

**FISCAL IMPACT**

The construction contract with Shaw Equipment Rentals, Inc. is \$831,000 and will include an additional ten-percent for contingency, for a total of \$914,100. The project will be charged to the Sewer Point Repair Project Account 909153318722.5703.10600, which has an available balance of \$371,906, resulting in a shortfall. Staff is requesting an appropriation from reserves in the amount of \$750,000 and appropriate to account 909153318722.5703.10600. Funding source is Sewer Fixed Asset Replacement fund unrestricted fund balance account 722.3100.0002, which has an available balance of \$116,000,000. With this appropriation, sufficient funds are available. Geotechnical and CM&I services are funded under separate as-needed services contracts.

<b>Sewer Point Repair Project 909153318722.5703.10600</b>	
<b>Current Available Balance</b>	<b>\$ 371,906</b>
Shaw Equipment Rental, Inc. Agreement	831,000
Construction Contingency (10%)	83,100
Geotechnical and CM&I	194,550
<b>Total Estimated Construction Costs</b>	<b>1,108,650</b>
<b>Appropriation</b>	<b>750,000</b>
<b>Remaining Balance</b>	<b>\$ 13,256</b>

Funding for this project comes from the Sewer Fixed Asset Replacement Fund 722, which is primarily funded by sewer service and flow fees.

**COMMISSION OR COMMITTEE REPORT**

The Utilities Commission will be apprised of staff's recommendation at its regularly scheduled meeting on May 20, 2025.

**CITY ATTORNEY'S ANALYSIS**

The referenced documents have been 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 solicitation. 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.

Prepared by: Mabel Uyeda, Principal Water Engineer

Reviewed by: Michael Gossman, Assistant City Manager  
Submitted by: Jonathan Borrego, City Manager

**ATTACHMENTS:**

1. Staff Report
2. Bid Tabulation
3. Shaw Equipment Agreement
4. Site Map