

**DRAFT****RESOLUTION 20xx-xxx****RESOLUTION REJECTING ALL BIDS FOR  
CONTRACT NO. 2024-16 FOR DRAINAGE  
IMPROVEMENTS TO THE MARINE TERMINAL  
OUTFALLS AT NATIONAL CITY MARINE TERMINAL  
(NCMT) AND TENTH AVENUE MARINE TERMINAL  
(TAMT) DUE TO BIDS EXCEEDING THE PROJECT  
BUDGET**

**WHEREAS**, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I, (Port Act); and

**WHEREAS**, Contract No. 2024-16, Drainage Improvements to the Marine Terminal Outfalls at National City Marine Terminal and Tenth Avenue Marine Terminal, installs check valves within the storm drain systems at the two terminals, is designed to allow stormwater to discharge into the bay under low tide conditions while automatically closing to prevent tidal backflow during high tide events; and

**WHEREAS**, as the project advanced into final design, additional engineering refinements, regulatory coordination, and constructability assessments were incorporated to ensure a technically sound solution. This process identified key enhancements, including optimized check valve configurations, structural modifications for long-term performance and maintenance, and integration with stormwater quality requirements; and

**WHEREAS**, additionally, the installation of the valve on the 72-inch underground pipe required significant dewatering operations to comply with California dewatering regulations, ensuring proper management of groundwater discharge during construction. These refinements, along with site-specific complexities, were reflected in the bid results and contributed to a budget discrepancy from the preliminary \$300K feasibility estimate to \$980K needed to complete the project and meet the Port's goal for comprehensive infrastructure and resilient objectives; and

**WHEREAS**, staff recommends that the San Diego Unified Port District (District) Board of Port Commissioners (Board) reject all bids for Contract No. 2024-16 for the Marine Terminals Outfall project at National City Marine Terminal and Tenth Avenue Marine Terminal due to the bids exceeding the available project budget; and

**WHEREAS**, allowing Staff the ability to assess the more well-defined scope elements and evaluate the justification of continuing this project; and

20xx-xxx

**WHEREAS**, the Contract Documents, including Plans (No. TL-2024-03) and specifications (2024-16), were issued for advertisement for a total duration of thirty (30) calendar days starting on January 6, 2025, for formal competition; and

**WHEREAS**, on February 5, 2025, the District received five (5) bids ranging from \$687,000 to \$948,154. The total bid amounts are shown on the table below. The Bid Tabulation (Attachment B) contains each bidder's amounts for individual bid line items.

<b>Company</b>	<b>Total Bid for Contract</b>	<b>Location</b>
Palm Engineering Construction Co., Inc.	\$687,000	San Diego, CA
Blue Pacific Engineering Construction, Inc.	\$725,000	San Diego, CA
Asad Holdings LLC	\$854,000	Laguna Hills, CA
HPS Mechanical, Inc.	\$895,600	Bakersfield, CA
Bert W. Salas, Inc.	\$948,154	Lakeside, CA

**WHEREAS**, the project is included in FY 2025 Other Capital Projects Appropriation and is budgeted for \$300,000. The total budget required to implement the project is \$980,000 as summarized in the Fiscal Impact section. Because of the discrepancy between the available project budget and the total cost needed to implement the project, its rejection is recommended; and

**WHEREAS**, staff recommends that the BPC authorize the rejection of all bids, revise the scope of the improvements, and re-advertise the contract for new bids.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Port Commissioners of the San Diego Unified Port District that the resolution reject all bids for Contract No. 2024-16 for the Marine Terminals Outfall project at National City Marine Terminal and Tenth Avenue Marine Terminal due to the bids exceeding the available project budget.

APPROVED AS TO FORM AND LEGALITY:  
GENERAL COUNSEL

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By: Assistant/Deputy General Counsel

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 6<sup>th</sup> day of May 2025, by the following vote: