



# *CITY COUNCIL AGENDA REPORT*

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**MEETING DATE:** February 2, 2004

**ITEM NUMBER:**

**SUBJECT:** NEWPORT BOULEVARD BIKE TRAIL, ADJACENT TO THE ORANGE COUNTY FAIRGROUNDS - CITY PROJECT NO. 03-29

**DATE:** JANUARY 16, 2004

**FROM:** PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

**PRESENTATION BY:** WILLIAM J. MORRIS/DIRECTOR OF PUBLIC SERVICES

**FOR FURTHER INFORMATION CONTACT:** ERNESTO MUNOZ, CITY ENGINEER, (714) 754-5343

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## **RECOMMENDATION:**

1. Award a construction contract to GMC Engineering, Inc., 1401 Warner Avenue, Suite B, Tustin, CA 92780, in the amount of \$177,000.84.
2. Waive the minor irregularities in the bid submitted by Popular Paver Rental.
3. Authorize the Mayor and the Deputy City Clerk to execute the Public Works Agreement.

## **BACKGROUND:**

The Newport Boulevard southbound frontage road serves as an important gateway to the City of Costa Mesa as well as the Orange County Fairgrounds. The existing asphalt bike trail on the west side of the southbound Newport Boulevard frontage road between Arlington Drive and Fair Drive is in poor condition and requires total reconstruction.

The Newport Boulevard Bike Trail will be completed in two phases. Phase I will consist of removing the existing improvements and constructing a new concrete bike trail. Phase II involves the enhancement of the bike trail right-of-way with landscaping improvements.

Proceeding with Phase I of this work will allow staff to meet grant deadlines for this project. Phase II will be advertised for award upon completion of Phase I. Staff is scheduling all of the Phase I improvements to be completed prior to the Orange County Fair in July 2004.

The scope of work for this phase of the project includes the removal and disposal of existing improvements; installation of a new concrete bike trail; and installation of traffic striping, markings, and signings.

## **ANALYSIS:**

On January 7, 2004, the Deputy City Clerk received and opened ten bids for this project. GMC Engineering was the apparent low bidder with a total bid proposal of \$177,000.84. The Engineer's estimate is \$260,000; and the average of the ten bids received amounted to \$249,921. The Bid Abstract is included as "Attachment 1."

Staff has determined that the bid submitted by Popular Paver Rental, the second lowest bidder, contains minor irregularities that do not affect the price, time, or work to be performed. The City Council has the authority to waive minor irregularities in bids. Waiving the minor irregularities does not give any bidder an advantage over another, nor does it affect the order of bidders.

An analysis of the bids indicates that the low bidder submitted a base bid proposal that is 32 percent lower than the Engineer's estimate; however, the average of the bids received is only 3.8 percent lower than the Engineer's estimate. The low bidder is aware that their costs are 32 percent lower than the Engineer's estimate and is prepared to perform the work as required by the contract documents.

The license and references of GMC Engineering were checked and staff has found them to be in good standing. GMC Engineering has successfully completed other projects for the City in the past few years including the 18<sup>th</sup> Street Parking Lot Improvements (565 and 567 W. 18<sup>th</sup> Street), and the Rehabilitation of the Joann-Miner Alley.

## **ALTERNATIVES CONSIDERED:**

The alternative to this Council action would be to reject all the bids. If all the bids are rejected, the City would have to readvertise or cancel the project. Staff believes that readvertising the project will not result in lower bids.

## **FISCAL REVIEW:**

In June 2002, the City secured a Bicycle Transportation Account grant from the State of California Department of Transportation for a total amount of \$207,090 (with a ten percent local matching funds). This grant will be used to reconstruct the existing asphalt bicycle trail on the west side of the southbound Newport Boulevard frontage road. The City matching funds will be derived from the Streetscape and Median Improvements project.

Budget Adjustment No. 04-049, approved at the regular City Council meeting of January 5, 2004, recognized and appropriated the awarded grant funds for this project.

The purchase requisition for this expenditure (Attachment 2) has been approved by the Finance Department acknowledging the availability of the funds.

Phase II of this project will be funded from the streetscape and median improvements' project account.

## **LEGAL REVIEW:**

GMC Engineering will furnish the necessary bonds and insurance, which will be approved as to form by the City Attorney's office. After the award and subsequent execution of the contract, a "Notice to Proceed" will be issued.

**CONCLUSION:**

It is recommended that the City Council award the contract to GMC Engineering, Inc. in the amount of \$177,000.84; waive the minor irregularities in the bid submitted by Popular Paver Rental; and authorize the Mayor and the Deputy City Clerk to execute the Public Works Agreement.

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ERNESTO MUNOZ  
City Engineer

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WILLIAM J. MORRIS  
Director of Public Services

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MARC R. PUCKETT  
Director of Finance

DISTRIBUTION: City Manager  
Acting City Attorney  
Deputy City Clerk  
Transportation Services Manager  
Staff  
File

ATTACHMENTS: "1" [Bid Abstract](#)  
"2" [Purchase Requisition](#)

File Name Award Newport Blvd BikeTrail Date 01-16-04  
Report

Time 1:30 p.m.