



CITY COUNCIL AGENDA REPORT

MEETING DATE: July 18, 2006

ITEM NUMBER:

SUBJECT: INSTALLATION OF MONUMENT SIGNS AT ESTANCIA PARK (1900 ADAMS AVENUE) AND ON ADAMS AVENUE NEAR THE WEST CITY LIMIT - CITY PROJECT NO. 06-07

DATE: JUNE 22, 2006

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

RECOMMENDATION:

1. Award a construction contract to Hondo Company, Inc., 2121 South Lyon Street, Santa Ana, CA 92705, in the amount of \$29,400.
2. Authorize the Mayor and the City Clerk to execute the Public Works Agreement.

BACKGROUND:

The City Council adopted Community Objective No. 01-B6 as part of their goals and objectives for the 2000-01 Fiscal Year. This objective provides for the preparation of a capital improvement plan for the replacement of existing City entry monument signs. The design and construction of new entry signs are reflected in the Streetscape and Median Development Standards. Five (5) new entry monument signs have been installed at the following streets near the northerly City boundary: Fairview Road, Bear Street, Bristol Street, Red Hill Avenue, and Newport Boulevard.

At the January 26, 2000 meeting of the Parks, Recreation Facilities and Parkways Commission, approval was given for the installation of concrete monument signs as the permanent sign standard for community parks. Five (5) park monument signs have been installed to date at the following locations: Lions Park, Shiffer Park, TeWinkle Park, Wakeham Park, and the Costa Mesa Tennis Club.

Staff is procuring the signs for this project under a separate purchasing contract and the signs should be ready for delivery by the anticipated installation date.

The scope of work for this project includes installing a City-furnished park monument sign at Estancia Park (1900 Adams Avenue) and a City-furnished City entry monument sign on Adams Avenue near the west City Limit. The contractor shall furnish all materials, tools, equipment, and incidentals necessary to perform and complete the work as shown on the plans and contract documents, to the satisfaction of the Engineer.

ANALYSIS:

The City Clerk received and opened two (2) bids for this project on May 25, 2006. Hondo Company, Inc. was the apparent low bidder with a total bid proposal of \$29,400. The Engineer's bid estimate was \$25,000; and the average of the two (2) bids received amounted to \$30,692.50. An analysis of the bids indicates that the apparent low bidder submitted a proposal that is 17.6 percent higher than the Engineer's estimate, presumably due to higher construction costs and the availability of qualified contractors. The Bid Abstract is included as "Attachment 1."

The license and references of Hondo Company were checked and staff has found them to be in good standing. Hondo Company successfully completed the construction of Ketchum-Libolt Park in 2004.

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:

Funding for this project is available from prior fiscal year allocations from the Capital Outlay Fund and the Park Development Fund.

The purchase requisition for this expenditure, included as "Attachment 2," has been approved by the Finance Department acknowledging the availability of the funds.

LEGAL REVIEW:

Hondo Company has furnished the necessary bonds and insurance, which were 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 Hondo Company, Inc. in the amount of \$29,400; and authorize the Mayor and the City Clerk to execute the Public Works Agreement.

ERNESTO MUNOZ
City Engineer

WILLIAM J. MORRIS
Director of Public Services

MARC R. PUCKETT
Director of Finance

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

DISTRIBUTION: City Manager
Assistant City Manager
City Attorney
City Clerk
Staff
File

File Name Award Monument Signs Report Date 06-22-06 Time 4:15 p.m.