



CITY COUNCIL AGENDA REPORT

MEETING DATE: May 1, 2007

ITEM NUMBER:

SUBJECT: 2006-2007 CDBG PROJECTS: CASSIA AVENUE (PROJECT "A") AND VALENCIA STREET (PROJECT "B") - CITY PROJECT NO. 07-01

DATE: APRIL 10, 2007

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. Approve Budget Adjustment No. 07-070 (Attachment 1) in the amount of \$30,000.
2. Award a construction contract to R.J. Noble Company, 15505 E. Lincoln Avenue, Orange, CA 92865, in the amount of \$387,109.
3. Authorize the Mayor and the City Clerk to execute the Public Works Agreement.

BACKGROUND:

Based on staff's observations and recommendations from the City's Pavement Management System, Cassia Avenue (from Wintergreen Place to Caraway Drive) and Valencia Street (from Mendoza Drive to La Salle Avenue) are in need of pavement reconstruction at this time.

The scope of work for this project, in general, includes the removal of the existing roadway section and the construction of a new, full-depth asphalt concrete roadway; reconstruction of damaged concrete sidewalk, curb and gutter, cross gutter, and driveway; installation of traffic signing; and all other pertinent and incidental work as necessary to complete the project.

ANALYSIS:

On March 19, 2007, the City Clerk received and opened nine (9) bids for this project. The apparent low bidder, R.J. Noble Company, submitted a bid of \$387,109, which was 28.7 percent lower than the Engineer's estimate of \$497,900. The average of the nine (9) bids received amounted to \$483,526.72. The Bid Abstract is included as "Attachment 2."

The license and references of R.J. Noble Company were checked and staff has found them to be in good standing. R.J. Noble Company has successfully completed other City projects including the Rehabilitation of 17th Street (between Monrovia Avenue and the westerly City limits); Raleigh Avenue (from Wilson Street to the southerly cul-de-sac); Bear Street (from Paularino Avenue to Baker Street); Bristol Street (from Bear Street to Randolph Avenue), and the 2005-2006 CDBG Projects: Wallace Avenue, Buoy Street, Kenwood Place, and Congress Street.

ALTERNATIVES CONSIDERED:

The alternative to this Council action would be to reject all the bids. If all the bids were rejected, the City would have to re-advertise or cancel the project. Staff believes that re-advertising the project would not result in lower bids, and could in fact result in higher bids due to the escalation of material prices currently occurring in the construction trade.

FISCAL REVIEW:

City Council approved the use of Community Development Block Grant (CDBG) funds in Fiscal Year 2006-2007 to move forward with these two projects. The original appropriation for Cassia Avenue was \$140,000 and Valencia Avenue was \$385,000. After the design phase of the work was completed, there was a shortfall of \$30,000 in the available Cassia Avenue account to complete the construction work to be performed under this contract. Budget Adjustment No. 07-070 re-appropriates excess funding in the amount of \$30,000 from the Valencia Avenue account to the Cassia Avenue account to provide sufficient funds for construction of Cassia Avenue.

LEGAL REVIEW:

R.J. Noble Company has furnished the necessary bonds and insurance, which were approved as to form by the City Attorney. After the award and subsequent execution of the contract, a Notice to Proceed will be issued.

CONCLUSION:

It is recommended that the City Council approve Budget Adjustment No. 07-070, in the amount of \$30,000; award a construction contract to R.J. Noble Company, Inc. in the amount of \$387,109; and authorize the Mayor and 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" [Budget Adjustment No. 07-070](#)
 "2" [Bid Abstract](#)

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