



CITY COUNCIL AGENDA REPORT

MEETING DATE: OCTOBER 16, 2007

ITEM NUMBER:

SUBJECT: ROADWAY REHABILITATION OF FAIR DRIVE FROM FAIRVIEW ROAD TO HARBOR BOULEVARD – FEDERAL PROJECT NO. STPL – 5312 (055) - CITY PROJECT NO. 07-06

DATE: SEPTEMBER 19, 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. Adopt plans, specifications, and working details for the Roadway Rehabilitation of Fair Drive from Fairview Road to Harbor Boulevard, City Project No. 07-06.
2. Award a construction contract to All American Asphalt, P.O. Box 2229, Corona, CA 92878, in the amount of \$804,101.00 (base bid plus additive bid item).
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, Fair Drive from Fairview Road to Harbor Boulevard is in need of pavement rehabilitation at this time.

In July 2005, staff was successful in procuring grant funding for the needed work through the Arterial Highway Rehabilitation Program (AHRP) administered by the Orange County Transportation Authority (OCTA). Grant funding for 28 percent of the cost of construction was secured for Fair Drive from Fairview Road to Harbor Boulevard.

The scope of work for this project, in general, consists of milling and overlaying of asphalt concrete pavement on Fair Drive from Fairview Road to Harbor Boulevard; removal and reconstruction of damaged curb, gutter, and sidewalks; traffic control, striping, pavement markings; and all other tasks necessary to perform and complete the work as required per the contract documents.

ANALYSIS:

The City Clerk received and opened seven (7) bids for this project on September 10, 2007. All American Asphalt was the apparent low bidder with a base bid proposal of \$797,797.00. The Engineer's estimate was \$1,537,667.00; and the average of the seven (7) bids received amounted to \$983,346.36. An analysis of the bids indicates that the apparent low bidder submitted a proposal that is 48 percent lower than the Engineer's estimate. The

variance between the low bidder and the Engineer's estimate can be attributed to the current market price fluctuations that are occurring within the economy. The Bid Abstract is included as "Attachment 1."

In addition to the base bid, the bid solicitation also included one additive bid item. The additive bid item includes the removal and reconstruction of approximately 788 square feet of concrete sidewalk. The low bidder's total for the base bid plus the additive bid item is \$804,101.00. The Engineer's estimate for the base bid plus the additive bid item is \$1,553,427.00. Since the amount of the base bid plus the additive bid item is within the Engineer's estimate, staff recommends the award of the contract to include the additive bid item.

The license and references of All American Asphalt were checked and staff has found them to be in good standing. All American Asphalt has successfully completed many projects in the City of Costa Mesa including most recently the 19th Street and Placentia Rehabilitation Project, El Camino Drive Rehabilitation, and Gisler Avenue Bicycle Trail.

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 readvertise or cancel the project. Staff believes that readvertising the project will not result in lower bids.

FISCAL REVIEW:

Funding for the City's share of this project is available from Gas Tax funds. A Federal grant will reimburse the City for approximately 28 percent of the eligible items of work.

LEGAL REVIEW:

All American Asphalt will furnish the necessary bonds and insurance, which must 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 adopt plans, specifications, and working details for the Roadway Rehabilitation of Fair Drive from Fairview Road to Harbor Boulevard, City Project No. 07-06; award the contract to All American Asphalt in the amount of \$804,101.00 (base bid plus additive bid item); 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](#)

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

File Name 07-06 Award Report Date 9-19-07

Time 11:30 a.m.