



# CITY COUNCIL AGENDA REPORT

---

MEETING DATE: DECEMBER 4, 2007

ITEM NUMBER:

**SUBJECT:** ROADWAY REHABILITATION OF BAKER STREET FROM 750 FEET EAST OF FAIRVIEW ROAD TO BEAR STREET – FEDERAL PROJECT NO. STPL – 5312 (054) - CITY PROJECT NO. 07-04

**DATE:** NOVEMBER 1, 2007

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

**PRESENTATION BY:** ERNESTO MUNOZ, CITY ENGINEER

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

---

## **RECOMMENDATION:**

1. Adopt plans, specifications, and working details for the Roadway Rehabilitation of Baker Street, from 750 feet east of Fairview Road to Bear Street, Federal Project No. STPL – 5312 (054), City Project No. 07-04.
2. Award a construction contract to All American Asphalt, P.O. Box 2229, Corona, CA 92878, in the amount of \$751,649.00 (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, Baker Street, from 750 feet east of Fairview Road to Bear Street, 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 Baker Street, from 750 feet east of Fairview Road to Bear Street.

The scope of work for this project, in general, consists of milling and overlaying of asphalt concrete pavement; removal and reconstruction of damaged curb, gutter, and sidewalks; installation of new wheelchair access ramps and concrete bus pads; traffic control, striping, and 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 October 25, 2007. All American Asphalt was the apparent low bidder with a base bid proposal of \$733,964.45. The Engineer's estimate was \$1,347,827.00; and the average of the seven (7) bids received amounted to \$816,041.21. An analysis of the bids indicates that the apparent low bidder submitted a proposal that is 45 percent lower than the Engineer's estimate. The variance between the low bidder and the Engineer's estimate can be attributed to the current material and labor price fluctuations in the construction industry. 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 3,023 square feet of damaged concrete sidewalk. The low bidder's total for the base bid plus the additive bid item is \$751,649.00. 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 19<sup>th</sup> 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. The Federal grant will reimburse the City for approximately 28 percent of the eligible items of work.

**LEGAL REVIEW:**

All American Asphalt has furnished the necessary bonds and insurance, which have been 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 Baker Street, from 750 feet east of Fairview Road to Bear Street, Federal Project No. STPL – 5312 (054), City Project No. 07-04; award the contract to All American Asphalt in the amount of \$751,649.00 (base bid plus additive bid item); and authorize the Mayor and the City Clerk to execute the Public Works Agreement.

---

ERNESTO MUNOZ  
City Engineer

---

MARC R. PUCKETT  
Director of Finance

ATTACHMENT: "1" [Bid Abstract](#)

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