



CITY COUNCIL AGENDA REPORT

MEETING DATE: DECEMBER 4, 2007

ITEM NUMBER:

SUBJECT: ROADWAY REHABILITATION OF SUNFLOWER AVENUE FROM HARBOR BOULEVARD TO 250 FEET WEST OF HYLAND AVENUE – FEDERAL PROJECT NO. STPL – 5312 (063) - CITY PROJECT NO. 07-07

DATE: NOVEMBER 6, 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 Sunflower Avenue from Harbor Boulevard to 250 feet west of Hyland Avenue, Federal Project No. STPL – 5312 (063), City Project No. 07-07.
2. Award a construction contract to R.J. Noble Company, 15505 East Lincoln Avenue, Orange, CA 92865, in the amount of \$1,092,387.38 (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, Sunflower Avenue from Harbor Boulevard to 250 feet west of Hyland Avenue 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 Sunflower Avenue from Harbor Boulevard to 250 feet west of Hyland Avenue.

The scope of work for this project, in general, consists of total removal and reconstruction of asphalt concrete pavement; removal and reconstruction of damaged curb, gutter, sidewalks and driveways; installation of access ramps within the project limits; 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 five (5) bids for this project on November 7, 2007. R.J. Noble Company was the apparent low bidder with a base bid proposal of \$1,032,712.38. The Engineer's estimate was \$1,750,718.00; and the average of the five (5) bids received amounted to \$1,111,648.24. An analysis of the bids indicates that the apparent low bidder submitted a proposal that is 41 percent lower than the Engineer's estimate. The variance between the low bidder and the Engineer's estimate may 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 341 square feet of concrete sidewalk. The low bidder's total for the base bid plus the additive bid item is \$1,092,387.38. The Engineer's estimate for the base bid plus the additive bid item is \$1,757,538.00. 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 R.J. Noble Company were checked and staff has found them to be in good standing. R.J. Noble Company has successfully completed many projects in the City of Costa Mesa including most recently the Community Development Block Grant (CDBG) Projects: Rehabilitation of Wallace Avenue, Buoy Street, Kenwood Place, Congress Street, and the Cassia and Valencia Rehabilitation Project.

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:

R.J. Noble Company 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 Sunflower Avenue from Harbor Boulevard to 250 feet west of Hyland Avenue, Federal Project No. STPL – 5312 (063), City Project No. 07-07; award the contract to R.J. Noble Company in the amount of \$1,092,387.38 (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