



# *CITY COUNCIL AGENDA REPORT*

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**MEETING DATE:** JANUARY 2, 2008

**ITEM NUMBER:**

**SUBJECT:** FAIRVIEW ROAD/I-405 INTERCHANGE WIDENING PROJECT – CITY PROJECT NO. 07- 23

**DATE:** DECEMBER 20, 2007

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

**PRESENTATION BY:** PETER NAGHAVI, ACTING DIRECTOR OF PUBLIC SERVICES

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

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## **RECOMMENDATION:**

1. Adopt plans, specifications, and working details for the Fairview Road/I-405 Interchange Widening Project, City Project No. 07-23.
2. Approve Budget Adjustment No. 08-031 (Attachment "1") in the amount of \$4,253,070.
3. Award a construction contract to Griffith Company, 2020 South Yale Street, Santa Ana, CA 92704 in the amount of \$5,549,940.60.
4. Authorize the Mayor and the City Clerk to execute the Public Works Agreement.

## **BACKGROUND:**

Over the past 3 years, the City has been working with the State of California Department of Transportation (Caltrans) to finalize design plans for the Fairview Road/I-405 Interchange Widening Project. This project involves widening of the Fairview Road bridge over the I-405 Freeway to provide a third southbound left-turn lane from southbound Fairview Road to the southbound I-405 Freeway, and the associated widening of the southbound I-405 Freeway onramp and all other work necessary for the completion of the project per specifications.

## **ANALYSIS:**

On September 5, 2007, the City Clerk received and opened two (2) bids for this project. The apparent low bidder, Griffith Company, submitted a bid of \$5,549,940.60, which was 29 percent higher than the Engineer's estimate of \$4,306,789.02. The variation between the Engineer's estimate and the apparent low bid is presumably due to higher construction costs and the lack of availability of qualified contractors. The average of the two bids amounted to \$5,787,820.30. The bids received are the result of a second advertisement of this project. The previous advertisement resulted in prices that are consistent with the above bids.

As the available funding was inadequate to implement the project, the City solicited additional funds from the Orange County Transportation Authority (OCTA). Staff identified surplus funding from the City's previously completed Bristol Street/I-405 NB Onramp Braid project that could be transferred to the Fairview Road/I-405 project. OCTA staff, Regional Planning & Highways Committee, and finally the OCTA Board of Directors concurred with City's request and approved

the transfer of Measure M funding in the amount of \$1,000,000.00, thereby resulting in the availability of adequate funding for the project.

The Bid Abstract is included as Attachment "2". The license and references of Griffith Company were checked and staff has found them to be in good standing.

**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 will not result in lower bids, since this project was previously advertised and re-bid resulting in comparable bids.

**FISCAL REVIEW:**

The City has secured OCTA grant funding from the Measure M Regional Interchange Program (RIP) in the amount of approximately \$3.375 million covering 50% of the project costs. The remaining 50% of the costs will be derived from Home Ranch Development Mitigation funds in the amount of approximately \$2.0 million, Bicycle Transportation Account (BTA) grant in the amount of \$450,000, Transportation Corridor Agencies (TCA) appropriation for projects in the area in the amount of \$265,374, and approximately \$150,000 funded from unappropriated traffic impact fee funds. Excluding construction management services, the City has approximately \$5.8 million in funding available for construction. The attached budget adjustment recognizes the various revenues and appropriates the funds necessary for the project.

**LEGAL REVIEW:**

Griffith 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 adopt plans, specifications, and working details for the Fairview Road/I-405 Interchange Widening Project, City Project No. 07-23; approve Budget Adjustment No. 08-031, in the amount of \$4,253,070.00; award a construction contract to Griffith Company, in the amount of \$5,549,940.60; and authorize the Mayor and City Clerk to execute the Public Works Agreement.

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ERNESTO MUNOZ  
City Engineer

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PETER NAGHAVI  
Acting Director of Public Services

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MARC R. PUCKETT  
Director of Finance

DISTRIBUTION: City Attorney  
City Clerk  
City Manager  
Transportation Services Manager  
Staff  
File

ATTACHMENTS: "1" [Budget Adjustment No. 08-031](#)  
"2" [Bid Abstract](#)

File Name:07-23 Award Report

Date: 12-03-07

Time: 9:00 a.m.