



CITY COUNCIL AGENDA REPORT

MEETING DATE: MAY 19, 2009

ITEM NUMBER:

SUBJECT: REHABILITATION OF FIVE ALLEYS: ALLEY NO. 61, ALLEY NO. 65, ALLEY NO. 80, ALLEY NO. 107, AND ALLEY NO. 108 - CITY PROJECT NO. 09-06

DATE: MAY 7, 2009

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: PETER NAGHAVI, DIRECTOR, DEPARTMENT OF PUBLIC SERVICES

FOR FURTHER INFORMATION CONTACT: FARIBA FAZELI, ACTING CITY ENGINEER, (714) 754-5335

RECOMMENDATION:

1. Adopt plans, specifications, and working details for the rehabilitation of Five Alleys: Alley No. 61, Alley No. 65, Alley No. 80, Alley No. 107, and Alley No. 108 - City Project No. 09-06.
2. Award a construction contract to NPG, Inc., 1354 Jet Way, Perris, California, 92571, in the amount of \$432,807.00 (base bid only).
3. Authorize the Mayor and the City Clerk to execute the Public Works Agreement.

BACKGROUND:

At their November 20, 2007 meeting, the City Council approved a priority listing of the alleys to be repaired and improved. This priority list was developed based on the condition of the alleys and/or consideration given to drainage deficiencies. As funding becomes available, the alley with higher priority will be improved.

The five alleys to be rehabilitated under this project are: Alley No. 61 (north of 15th Street and west of Orange Avenue), Alley No. 65 (north of Palmer from Orange Avenue to Westminster Avenue), Alley No. 80 (north of Broadway from Westminster Avenue to Tustin Avenue), Alley No. 107 (east of Westminster Avenue and north of Walnut Street), and Alley No. 108 (west of Orange Avenue from Walnut Street to Esther Street).

The improvements for these alleys will consist of construction of a new asphalt concrete pavement section or a new concrete structural section. In addition, incidental work for this contract includes reconstruction of the alley approaches at the adjacent street; grading; traffic control; and other work needed to complete the project in accordance with the contract documents.

ANALYSIS:

The City Clerk received and opened ten (10) bids for this project on April 13, 2009. NPG, Inc. was the apparent low bidder with a total base bid proposal of \$432,807.00. The Engineer's estimate for the base bid was \$748,305.00; and the average of the ten (10) base bids received amounted to \$552,158.14. An analysis of the bids indicates that the apparent low bidder submitted a base

bid proposal that was forty two percent (42%) lower than the Engineer's estimate. The variance between the low bidder and the Engineer's estimate may be attributed to the highly competitive conditions in the construction industry at this time. The bid abstract is included as Attachment "1".

The licenses and references of NPG, Inc. 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 need to readvertise or cancel the project. Staff believes that readvertising the project will not result in lower bids.

FISCAL REVIEW:

Funding for this project is available from Measure "M" turn back revenues.

LEGAL REVIEW:

NPG, Inc. has furnished the necessary bonds and insurance, which were 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:

The advertisement and bid opening for Rehabilitation of Five Alleys, City Project No. 09-06, has been completed. Therefore, it is recommended that the City Council adopt the plans, specifications, and working details for the said project; award the contract to the apparent low bidder NPG, Inc.; and authorize the Mayor and the City Clerk to execute the Public Works Agreement.

ERNESTO MUÑOZ
City Engineer

PETER NAGHAVI, DIRECTOR
Department of Public Services

MARC R. PUCKETT
Director of Finance

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

DISTRIBUTION: City Manager
City Attorney
City Clerk
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File