



# *CITY COUNCIL AGENDA REPORT*

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**MEETING DATE:** JULY 7, 2009

**ITEM NUMBER:**

**SUBJECT:** REHABILITATION OF TWO SEGMENTS OF SOUTH COAST DRIVE (FROM FAIRVIEW ROAD TO CARMEL DRIVE; AND FROM SAN LEANDRO LANE TO BEAR STREET) - CITY PROJECT NO. 09-11

**DATE:** JUNE 25, 2009

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

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

**FOR FURTHER INFORMATION CONTACT:** ERNESTO MUÑOZ, CITY ENGINEER, (714) 754-5335

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## **RECOMMENDATION:**

1. Adopt plans, specifications, and working details for the rehabilitation of South Coast Drive (from Fairview Road to Carmel Drive; and from San Leandro Lane to Bear Street), City Project No. 09-11.
2. Award a construction contract to R.J. Noble Company, 15505 East Lincoln Avenue, Orange, California, 92869, in the amount of \$1,938,661.00.
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, South Coast Drive (from Fairview Road to Carmel Drive; and from San Leandro Lane to Bear Street) is in need of pavement rehabilitation at this time. The portion of South Coast Drive from Carmel Drive to San Leandro was completed in 2008.

The pavement rehabilitation process for South Coast Drive consists of full depth removal and reconstruction of the existing pavement section. The work also includes localized reconstruction of damaged segments of curb and gutter, curb ramps, and reconstruction of portions of the median to improve the geometrics of the roadway. Other work includes traffic control, striping, and other incidental work in accordance with the contract documents.

## **ANALYSIS:**

On May 26, 2009, the City Clerk received and opened six (6) bids for this project. R.J. Noble Company was the apparent low bidder with a bid proposal of \$1,938,661.00. The Engineer's estimate was \$2,640,125.00; and the average of the six (6) bids received for this project amounted to \$2,073,232.42.

An analysis of the bids indicates that the apparent low bidder submitted a proposal that is 26 percent (26%) 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 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 rehabilitation of Sunflower Avenue (Harbor Boulevard to Hyland Avenue), the rehabilitation of Plumer Street and Hamilton Street, and the rehabilitation of South Coast Drive (Harbor Boulevard to Hyland Avenue).

**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” funds.

**LEGAL REVIEW:**

R.J. Noble Company has furnished the necessary bonds and insurance, which have been 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:**

The advertisement and bid opening for the rehabilitation of South Coast Drive (from Fairview Road to Carmel Drive; and from San Leandro Lane to Bear Street), City Project No. 09-11 has been completed. It is recommended that the City Council adopt the plans, specifications, and working details for said project; award the contract to the apparent low bidder R.J. Noble Company in the amount of \$1,938,661.00; and authorize the Mayor and the City Clerk to execute the Public Works Agreement.

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ERNESTO MUÑOZ  
City Engineer

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PETER NAGHAVI, DIRECTOR  
Department of Public Services

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MARC R. PUCKETT  
Director of Finance

ATTACHMENT: “1” [Bid Abstract](#)

DISTRIBUTION: City Manager  
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City Attorney  
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