



# *CITY COUNCIL AGENDA REPORT*

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MEETING DATE: JULY 21, 2009

ITEM NUMBER:

**SUBJECT:** "PROPOSITION 1B" STREET MAINTENANCE PROJECT - CITY PROJECT NO. 09-05

**DATE:** JULY 9, 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 "Proposition 1B" Street Maintenance Project, City Project No. 09-05.
2. Award a construction contract to All American Asphalt, Post Office Box 2229, Corona, California, 92878, in the amount of \$993,993.00.
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, Avimore Terrace (from Valley Road to Gleneagles Terrace), Babb Street (from Post Road to Baker Street), Babcock Street (from 16th Street to 17th Street), Cabrillo Street (from Tustin Avenue to Irvine Avenue), Croftdon Street (from Post Road to Baker Street), Gleneagles Terrace (from Valley Road to cul-de-sac), Milbro Street (from Post Road to Baker Street), Post Road (from the easterly end, east of Milbro Street to the westerly end, west of Babb Street) Sea Bluff Drive (from Gleneagles Terrace to Canyon Drive), Smalley Road (from Salinas Avenue to Sunflower Avenue), and Valley Road (from Avimore Terrace to Victoria Street) are in need of pavement rehabilitation at this time.

The maintenance process for this project will consist of resurfacing the existing roadway with a new asphalt concrete overlay, localized reconstruction of damaged segments of curb and gutter, cross gutter and spandrel, and sidewalk. Other work includes traffic control, striping, and other work needed to complete the project in accordance with the contract documents.

## **ANALYSIS:**

The City Clerk received and opened six (6) bids for this project on June 8, 2009. All American Asphalt was the apparent low bidder with a bid proposal of \$993,993.00. The Engineer's estimate was \$1,332,650.00; and the average of the six (6) bids received amounted to \$1,035,265.58. An analysis of the bids indicates that the apparent low bidder submitted a proposal that is 25 percent (25%) 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 "4".

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 rehabilitation of Baker Street (Fairview Road to Bear Street), the rehabilitation of East 19th Street (Santa Ana Avenue to Irvine Avenue), and the rehabilitation of Grace Lane, New Hampshire Drive, and Randolph 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 Proposition 1B revenues.

**LEGAL REVIEW:**

All American Asphalt 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 "Proposition 1B" Street Maintenance Project, City Project No. 09-05 has been completed. It is recommended that the City Council adopt plans, specifications, and working details for said project; award the contract to the apparent low bidder All American Asphalt in the amount of \$993,993.00; 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](#)

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Assistant City Manager  
City Attorney  
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Staff  
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