



CITY COUNCIL AGENDA REPORT

MEETING DATE: JULY 21, 2009

ITEM NUMBER:

SUBJECT: REHABILITATION OF ORANGE AVENUE (FROM DEL MAR AVENUE TO MESA DRIVE) - CITY PROJECT NO. 09-13

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

RECOMMENDATION:

1. Adopt plans, specifications, and working details for the rehabilitation of Orange Avenue (from Del Mar Avenue to Mesa Drive), City Project No. 09-13.
2. Award a construction contract to R.J. Noble Company, 15505 East Lincoln Avenue, Orange, California, 92865, in the amount of \$524,750.00.
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, Orange Avenue (from Del Mar Avenue to Mesa Drive) is in need of pavement rehabilitation at this time.

The work process for this project consists of removal of the existing roadway, construction of a full depth asphalt concrete pavement section, localized reconstruction of damaged concrete sidewalk, driveway approaches, and curb and gutter; traffic control; traffic striping and pavement markings; and other incidental work needed to complete the project in accordance with the contract documents.

ANALYSIS:

On May 28, 2009, the City Clerk received and opened eleven (11) bids for this project. R.J. Noble Company was the apparent low bidder with a bid proposal of \$524,750.00. The Engineer's estimate was \$685,325.00; and the average of the eleven (11) bids received for this project amounted to \$634,198.73.

An analysis of the bids indicates that the apparent low bidder submitted a proposal that is 23 percent (23%) 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 Orange Avenue (from Del Mar Avenue to Mesa Drive), City Project No. 09-13 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 \$524,750.00; 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
Assistant City Manager
City Attorney
City Clerk
Staff
File