



# CITY COUNCIL AGENDA REPORT

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MEETING DATE: JANUARY 19, 2010

ITEM NUMBER:

**SUBJECT:** CDBG-R STREET IMPROVEMENTS PROJECT (RALCAM PLACE FROM THURIN AVENUE TO CUL-DE-SAC, AND KNOWELL PLACE FROM MEYER PLACE TO MAPLE AVENUE) - CITY PROJECT NO. 09-27

**DATE:** JANUARY 7, 2010

**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 CDBG-R Street Improvements Project (Ralcam Place from Thurin Avenue to cul-de-sac, and Knowell Place from Meyer Place to Maple Avenue), City Project No. 09-27.
2. Award a construction contract to Hardy and Harper, Inc., 1312 East Warner Avenue, Santa Ana, California, 92705, in the amount of \$313,000.
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, Ralcam Place (from Thurin Avenue to the westerly cul-de-sac) and Knowell Place (from Meyer Place to Maple Avenue) are in need of pavement rehabilitation at this time. Both Ralcam Place and Knowell Place are located within low-to-moderate-income residential areas, which are eligible for Federal revenues.

## **ANALYSIS:**

The scope of work for this project, in general, consists of removal and reconstruction of pavement, damaged curb and gutter, sidewalk, driveways, cross gutter and spandrel; construction of handicap ramps, traffic striping and pavement marking; and all other pertinent and incidental work as necessary to complete the project.

The City Clerk received and opened ten (10) bids for this project on November 19, 2009. Hardy and Harper, Inc., was the apparent low bidder with a bid proposal of \$313,000.00. The Engineer's estimate was \$400,725.00; and the average of the ten (10) bids received for this project amounted to \$351,764.01.

An analysis of the bids indicates that the apparent low bidder submitted a proposal that is twenty - two percent (22%) 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 Hardy and Harper, Inc. were checked and staff has found them to be in good standing. Hardy and Harper, Inc. has successfully completed many projects in the City of Costa Mesa including the Slurry Seal Project on Baker Street between Mesa Verde Drive and Harbor Boulevard.

**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:**

The funding for this project is available from the Community Development Block Grant (CDBG) – Recovery Act grant accepted and allocated by City Council on July 21, 2009.

**LEGAL REVIEW:**

Hardy and Harper, Inc. 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 CDBG-R Street Improvements Project (Ralcam Place from Thurin Avenue to cul-de-sac, and Knowell Place from Meyer Place to Maple Avenue), City Project 09-27, 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 Hardy and Harper Inc., in the amount of \$313,000.00; 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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**COLLEEN O'DONOGHUE**  
Assistant Finance Director

ATTACHMENT: “1” [Bid Abstract](#)

DISTRIBUTION: City Manager  
Assistant City Manager  
City Attorney  
City Clerk  
Staff  
File