



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 1, 2010

ITEM NUMBER:

SUBJECT: 2009-2010 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROJECT "A": CENTER STREET (FROM POMONA AVENUE TO ANAHEIM AVENUE), AND PROJECT "B": ALLEY NO. 007 (WEST OF ANAHEIM AVENUE FROM PLUMER STREET TO CENTER STREET) - CITY PROJECT NO. 10-03

DATE: MAY 20, 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

RECOMMENDATION:

1. Adopt plans, specifications, and working details for 2009-2010 Community Development Block Grant (CDBG) Project "A": Center Street (from Pomona Avenue to Anaheim Avenue), and Project "B": Alley No. 007 (west of Anaheim Avenue from Plumer Street to Center Street), City Project No. 10-03.
2. Award a construction contract to R.J. Noble Company, 15505 East Lincoln Avenue, Orange, California, 92865, in the amount of \$378,608.00.
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, Center Street and Alley No. 007 are in need of pavement rehabilitation at this time. Center Street and Alley No. 007 are located within low-to-moderate income residential areas, which are eligible for CDBG Federal revenues.

ANALYSIS:

The work to be performed under this contract consists of removal of the existing roadway, and the construction of a full depth asphalt pavement section on Center Street; the removal of the asphalt alley and construction of a concrete pavement section on Alley No. 007; removal and reconstruction of damaged curb and gutter, spandrel, sidewalks, and driveways; installation of pavement markings; and all other tasks necessary to perform and complete the work as required per the contract documents.

The City Clerk received and opened five (5) bids for this project on April 19, 2010. R.J. Noble Company was the apparent low bidder with a bid proposal of \$378,608.00. The Engineer's estimate was \$485,290.00; and the average of the five (5) bids received for this project amounted to \$443,691.00.

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 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 Orange Avenue, 18th Street, and 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 appropriated CDBG funds in the Fiscal Year 2009-2010 budget.

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 City has received bids for the 2009-2010 Community Development Block Grant (CDBG) Project "A": Center Street (from Pomona Avenue to Anaheim Avenue), and Project "B": Alley No. 007 (west of Anaheim Avenue from Plumer Street to Center Street), City Project No. 10-03. Staff has evaluated all of the bids and recommends 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 \$378,608.00; 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

COLLEEN O'DONOGHUE
Assistant Finance Director

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

DISTRIBUTION: City Manager
Assistant City Manager
City Attorney
City Clerk
Development Services Director
Staff