



# *CITY COUNCIL AGENDA REPORT*

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**MEETING DATE:** JUNE 15, 2010

**ITEM NUMBER:**

**SUBJECT:** REHABILITATION OF MENDOZA DRIVE (FROM LORENZO AVENUE TO MISSION DRIVE) - CITY PROJECT NO. 10-02

**DATE:** JUNE 3, 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 the rehabilitation of Mendoza Drive (from Lorenzo Avenue to Mission Drive), City Project No. 10-02.
2. Award a construction contract to R.J. Noble Company, 15505 East Lincoln Avenue, Orange, California, 92865, in the amount of \$606,983.44.
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, Mendoza Drive is in need of pavement rehabilitation at this time.

The pavement rehabilitation process on Mendoza Drive consists of removal of the roadway section; reconstruction of a full depth asphalt concrete pavement section; removal and reconstruction of damaged curb, gutter, cross gutter, sidewalks, and driveways; installation of traffic striping and pavement markings; and all other tasks necessary to perform and complete the work as required per the contract documents.

## **ANALYSIS:**

The City Clerk received and opened seven (7) bids for this project on May 3, 2010. R.J. Noble Company was the apparent low bidder with a bid proposal of \$606,983.44. The Engineer's estimate was \$786,828.00; and the average of the seven (7) bids received for this project amounted to \$677,052.52. An analysis of the bids indicates that the apparent low bidder submitted a proposal that is twenty three 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 prevalent 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 Measure “M” turn back and Gas Tax revenues.

**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 rehabilitation of Mendoza Drive (from Lorenzo Avenue to Mission Drive), City Project No. 10-02. 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 \$606,983.44; 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  
Development Services Director  
Staff  
File