



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 15, 2010

ITEM NUMBER:

SUBJECT: REHABILITATION OF ALLEY NO. 63 AND ALLEY NO. 64 (BETWEEN KNOX PLACE AND KNOX STREET FROM ORANGE AVENUE TO EAST OF WESTMINSTER AVENUE), CITY PROJECT NO. 10-04

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

RECOMMENDATION:

1. Adopt plans, specifications, and working details for the rehabilitation of Alley No. 63 and Alley No. 64 (located between Knox Place and Knox Street from Orange Avenue to east of Westminster Avenue), City Project No. 10-04.
2. Award a construction contract to Ron Brehm Construction, Inc., 833A South Main Street, # 343, Fallbrook, California, 92028, in the amount of \$134,954.20.
3. Authorize the Mayor and the City Clerk to execute the Public Works Agreement.

BACKGROUND:

A Citywide Alley Report was presented to the City Council in September 2007. At that time the Council adopted a priority order in which the alleys were to be improved. Alley No. 63 and Alley No. 64 (located between Knox Place and Knox Street from Orange Avenue to east of Westminster Avenue) are now at the top of the priority list.

ANALYSIS:

The pavement rehabilitation process for Alley No. 63 and Alley No. 64 consists of removal of the existing alley sections, construction of a new concrete pavement section, and other incidental work needed to complete the project in accordance with the contract documents.

The City Clerk received and opened twelve (12) bids for this project on April 20, 2010. Ron Brehm Construction, Inc. was the apparent low bidder with a bid proposal of \$134,954.20. The Engineer's estimate was \$269,250.00; and the average of the twelve (12) bids received for this project amounted to \$168,939.79.

An analysis of the bids indicates that the apparent low bidder submitted a proposal that is fifty percent (50%) 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 Ron Brehm Construction, Inc. were checked and staff has found them to be in good standing.

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 Gas Tax revenues in the Fiscal Year 2009-2010 budget.

LEGAL REVIEW:

Ron Brehm Construction, 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 City has received bids for the rehabilitation of Alley No. 63 and Alley No. 64 (between Knox Place and Knox Street from Orange Avenue to east of Westminster Avenue), City Project No. 10-04. 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 Ron Brehm Construction, Inc., in the amount of \$134,954.20; 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
File