



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 21, 2011

ITEM NUMBER:

SUBJECT: 2010-2011 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ALLEY IMPROVEMENT PROJECT – BAY STREET ALLEY NO. 40 (PROJECT “A”) AND FORD ROAD ALLEY NO. 41 (PROJECT “B”) - CITY PROJECT NO. 11-02

DATE: JUNE 9, 2011

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 2010-2011 CDBG Alley Improvement Project – Bay Street Alley No. 40 (Project “A”) and Ford Road Alley No. 41 (Project “B”), City Project No. 11-02.
2. Award a construction contract to Golden State Constructors, 6162 Galipean Drive, Huntington Beach, California, 92647, in the amount of \$169,305.00 (base bid only).
3. Authorize the Mayor and the City Clerk to execute the Public Works Agreement.

BACKGROUND:

A Citywide Alley Improvement Report was presented to the City Council in September 2007. At that time the Council adopted a City Alley Improvement Priority List to address the City’s Alley System beginning with those alleys with the most need of improvement. The City has improved many alleys from the list, and currently at the top of the priority list are Alley No. 40 (from Ford Road to Parson Street) and Alley No. 41 (from Parson Street to Ford Road).

ANALYSIS:

The pavement rehabilitation process for the two alleys consists of removing the existing alley sections, constructing new concrete pavement sections, and other incidental work necessary to join the adjacent private property improvements in accordance with the contract documents.

The City Clerk received and opened eleven (11) bids for this project on April 27, 2011. Golden State Constructors was the apparent low bidder with a base bid proposal of \$169,305.00. The Engineer’s estimate was \$267,990.56; and the average of the eleven (11) bids received for this project amounted to \$220,290.39.

An analysis of the bids indicates that the apparent low bidder submitted a proposal that is thirty six percent (36%) 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 Golden State Constructors have been 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 CDBG funds in the Fiscal Year 2010-2011 budget.

LEGAL REVIEW:

Golden State Constructors 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 2010-2011 Community Development Block Grant (CDBG) Alley Improvement Project – Bay Street Alley No. 40 (Project "A") and Ford Road Alley No. 41 (Project "B"), City Project No. 11-02. 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, Golden State Constructors, in the amount of \$169,305.00; 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

LARRY HURST
Interim Finance Director

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

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City Attorney
City Clerk
Interim Development Services Director
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File