



# *CITY COUNCIL AGENDA REPORT*

---

MEETING DATE: JUNE 17, 2014

ITEM NUMBER:

**SUBJECT: 2013-2014 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG): BAKER STREET ALLEY (ALLEY NO. 120) AND LA SALLE AVENUE ALLEY (ALLEY NO. 121) IMPROVEMENT PROJECT - CITY PROJECT NO. 14-05**

**DATE: JUNE 5, 2014**

**FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION**

**PRESENTATION BY: ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR**

**FOR FURTHER INFORMATION CONTACT: FARIBA FAZELI, CITY ENGINEER, (714) 754-5335**

---

## **RECOMMENDATION:**

1. Adopt plans, specifications, and working details for the 2013-2014 CDBG Project: Baker Street Alley (Alley No. 120) and La Salle Avenue Alley (Alley No. 121), City Project No. 14-05.
2. Award a construction contract to Patriot Paving, Inc., 2300 N. Batavia Street, Orange, California, 92865, in the amount of \$186,603.25 (base bid).
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 Baker Street Alley (Alley No. 120) located east of Mendoza Drive between Mission Drive and Baker Street and La Salle Avenue Alley (Alley No. 121) located west of La Salle Avenue between Mission Drive and Alley No. 121 (Attachment No. 1). Those alleys are located within a low to moderate income residential area and are eligible for Community Development Block Grant (CDBG) federal funding.

## **ANALYSIS:**

The pavement rehabilitation process for Baker Street Alley and La Salle Avenue Alley consists of removal of the existing asphalt concrete alleys sections, the construction of new Portland Cement Concrete (PCC) pavement sections, and other incidental work needed to complete the project in accordance with the contract documents.

The City Clerk received and opened eight (8) bids for this project on April 3, 2014. Patriot Paving, Inc., was the apparent low bidder with a base bid proposal of \$186,603.25. The Engineer's estimate was \$367,511.00; and the average of the eight (8) base bids received for this project amounted to \$288,399.75.

An analysis of the bids indicates that the apparent low bidder submitted a proposal for the base bid that is approximately fifty-one (51%) percent 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 Patriot Paving, Inc., 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 2013-2014 budget.

**LEGAL REVIEW:**

Patriot Paving, 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 2013-2014 CDBG Project: Baker Street Alley (Alley No. 120) and La Salle Avenue Alley (Alley No. 121), City Project No. 14-05. 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 Patriot Paving, Inc., in the amount of \$186,603.25 (base bid); and authorize the Mayor and the City Clerk to execute the Public Works Agreement.

---

**ERNESTO MUNOZ**  
Public Services Director

---

**FARIBA FAZELI**  
City Engineer

ATTACHMENTS:     1 - [Location Map](#)  
                          2 - [Bid Abstract](#)

DISTRIBUTION:    Chief Executive Officer  
                          City Attorney  
                          City Clerk  
                          Staff  
                          File