



CITY OF

NEWPORT BEACH

City Council Staff Report

September 9, 2025
Agenda Item No. 12

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Balboa Island Water Main Replacement – Phase 3 & Shorecliff
Community Water System Improvements - Notice of Completion for
Contract No. 7173-3

ABSTRACT:

On October 24, 2023, the City Council awarded Contract No. 7173-3 for the Balboa Island Water Main Replacement – Phase 3 & Shorecliff Community Water System Improvements project to T.E. Roberts. The project replaced older, deteriorated water mains located on Balboa Island, on Little Balboa Island and in the Shorecliff community including building two new water pressure regulating stations. On May 14, 2024, City Council approved a budget amendment to increase the contract contingency to 65% of the contract award amount to include additional Shorecliff community improvements. The base contract and additional work are now complete and staff requests City Council acceptance and close out of the contract.

RECOMMENDATION:

- a) Accept the completed work and authorize the City Clerk to file a Notice of Completion for the project.

DISCUSSION:

Overall Contract Cost/Time Summary

Awarded Contract Amount	Final Total Contract Amount	Total Contract Change Amount	Percent Contract Cost Change
\$3,470,899	\$5,676,518.65	\$2,205,619.65	+63.5%
Allowed Contract Time + Approved Extensions (Days) =		593	Actual Time Used (Days) 593

This project included the replacement of existing cast-iron water mains, the construction of new 6-inch and 8-inch PVC distribution mains, new water valves, fire hydrants and water services on Balboa Island and Little Balboa Island. For the Shorecliff community, the project consisted of the replacement of a short section of existing water main on Evening Canyon Road and Shorecliff Road, including the construction of new pressure regulating stations in the Shorecliff and Cameo Shores communities.

During construction, a request was made by the Shorecliff community to expand the scope of work due to several recent water main breaks. Staff agreed and additional water main replacement for all of Shorecliff Road and the remaining sections of pipe along Evening Canyon Road between Shorecliff Road and Seaward Road were added to the project after City Council provided the additional funding on May 14, 2024. The segment of pipe on Seaward Road between the new water pressure regulating station and Evening Canyon Road was also added. Additionally, more water main replacement work on Balboa Island was added to include replacement of undersized and deteriorated piping found in four alleyways that was interfering with planned utility underground construction for Assessment District No. 124.

The contracted work has been completed to the satisfaction of the Public Works Department. A summary of the construction cost is as follows:

Original Bid Amount:	\$ 3,470,899.00
Actual Cost of Bid Items Constructed:	\$ 3,400,771.49
Total Change Orders:	<u>\$ 2,275,747.16</u>
Final Contract Cost:	\$5,676,518.65

The final total contract amount was \$5,676,518.65, which was approximately 63.5% higher than the original bid amount. This cost increase was primarily due to the above-mentioned additional work in the Shorecliff community. Other additional work included water valve replacement on Little Balboa Island for deteriorated valves and lining of the existing 12-inch transmission main in the harbor between the Fun Zone on the Balboa Peninsula and Balboa Island.

A summary of the project schedule milestones is as follows:

Estimated Start of Construction per Annual Baseline Schedule	December 4, 2023
Actual Start of Construction Per Notice to Proceed	November 14, 2023
Estimated Completion per Annual Baseline Schedule	August 7, 2024
Substantial Completion Date Inclusive of Extra Work	June 19, 2025

During construction of the planned water main replacements for the project, it was necessary to alter and revise the schedule to accommodate the added water main improvements for the Shorecliff community, Balboa Island and Balboa Peninsula. Consequently, 418 additional working days were granted to complete the work which was substantially completed to the satisfaction of the Public Works Department by June 19, 2025.

FISCAL IMPACT:

The Balboa Island Water Main Replacement – Phase 3 & Shorecliff Community Water System Improvements was included within the FY 2023-24 Capital Improvement Program Budget. Funds for the construction contract were expended from the following account(s):

<u>Account Description</u>	<u>Account Number</u>	<u>Amount</u>
Water Capital Distribution & Piping	70201931-980000-23W11	\$ 3,074,155.98
Water Capital Non-Master Plan	70201932-980000-24W14	\$ 2,602,362.67
	Total:	\$ 5,676,518.65

ENVIRONMENTAL REVIEW:

On October 24, 2023, the City Council found this project exempt from the California Environmental Quality Act (CEQA) pursuant to Class 2 Section 15302(c) (replacement of existing public facilities involving negligible or no expansion of capacity) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because this project has no potential to have a significant effect on the environment..

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Location Maps