



CITY OF

NEWPORT BEACH

City Council Staff Report

October 28, 2025
Agenda Item No. 11

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: David A. Webb, Public Works Director - 949-644-3311,
dawebb@newportbeachca.gov

PREPARED BY: Michael J. Sinacori, Assistant City Engineer - 949-644-3342,
msinacori@newportbeachca.gov

TITLE: Cathodic Protection Upgrades Project – Award of Contract No. 9483-2 (24W11)

ABSTRACT:

The City of Newport Beach (City) received construction bids for the Cathodic Protection Upgrades Project and staff requests City Council approval to award the construction contract to Teichert Energy & Utilities Group, Inc. of Roseville. This project will upgrade the corrosion protection for water transmission main pipelines that distribute water from the City's water wells throughout the water system. Work consists of installing new buried sacrificial anodes, cathodic protection test stations and isolating flange kits.

RECOMMENDATIONS:

- a) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant Section 15301(b), Class 1 (operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use) of the CEQA Guidelines, because this project has no potential to have a significant effect on the environment;
- b) Approve the project plans and specifications;
- c) Approve Budget Amendment No. 26-035 transferring \$701,593.80 from account 70201931-980000-26W12 and \$1,201,266.08 from account 70201931-980000-16W12 to account 70201931-980000-24W11 for the Cathodic Protection Upgrades Project;
- d) Award Contract No. 9483-2 to Teichert Energy & Utilities Group, Inc. for the total bid price of \$3,673,467 for the Cathodic Protection Upgrades Project, and authorize the Mayor and City Clerk to execute the contract; and
- e) Establish a contingency of \$367,000 (approximately 10% of the total bid) to cover the cost of unforeseen work not included in the original contract.

DISCUSSION:

The proposed project has been broken down into 10 plan sets due to the multiple water transmission main pipelines that the City maintains, see Attachment A for the Location Map. The pipelines are concrete coated and cement mortar lined steel pipe (CC&ML) and ductile steel pipe. The base bid includes eight plan sets, while the other two plan sets are additive. The work included in this contract consists of traffic control; saw cutting, excavation, removal, and restoration of the roadway, parkway, and sidewalks; furnishing, installing and testing of the new cathodic protection systems and replacements, and all associated cathodic protection facilities. The work also includes applying for and obtaining all applicable encroachment permits from the City of Fountain Valley, the City of Costa Mesa, the City of Huntington Beach, the County of Orange and the Orange County Sanitation District. Staff intends to award all ten plan sets.

At 10 a.m. on October 7, 2025, the City Clerk opened and read the following bids for this project:

	<u>BIDDER</u>	<u>TOTAL BID AMOUNT</u>
Low	Teichert Energy & Utilities Group, Inc.	\$ 3,673,467.00
2nd	Corrpro Companies Inc.	\$ 3,806,172.00
3rd	TE Roberts Inc.	\$ 4,379,107.00
4th	Calpromax Engineering, Inc.	\$ 5,789,000.00
5th	EXARO Technologies Corporation	\$ 6,229,298.81

The City received five bids for this project. The apparent low bidder, Teichert Energy & Utilities Group, Inc., possesses a California State Contractor's License Classification "A", and their affiliate, Teichert Electrical, Inc., possesses a "C-10" license as required by the project specifications. A review of references for Teichert Energy & Utilities Group, Inc. shows satisfactory completion of similar contracts for other municipalities.

The low bid came in at approximately 6% below the engineer's estimate of \$3,900,000. The mobilization costs were lower than the engineer's estimate for all ten plan sets.

Pursuant to the contract specifications, the contractor will have 250 consecutive working days to complete the work. Work is scheduled to begin January 2026.

The project plans and specifications are available for review at this October 28, 2025 City Council meeting or upon request.

FISCAL IMPACT:

Upon approval of the proposed Budget Amendment and with the adopted Fiscal Year 2025-26 Capital Improvement Program budget, sufficient funding is available for the award of this contract. The Budget Amendment transfers \$701,593.80 from Water Capital Fund account 70201931-980000-26W12 and \$1,201,266.08 from account 70201931-980000-16W12, to account 70201931-980000-24W11.

The following funds will be expended:

<u>Account Description</u>	<u>Account Number</u>	<u>Amount</u>
Water Capital Master Plan	70201931-980000-24W11	\$ 4,040,467
	Total:	\$ 4,040,467

Proposed fund uses are as follows:

<u>Vendor</u>	<u>Purpose</u>	<u>Amount</u>
Teichert Energy & Utilities Group, Inc.	Construction Contract	\$ 3,673,467
Teichert Energy & Utilities Group, Inc.	Construction Contingency	\$ 367,000
	Total:	\$ 4,040,467

The Water Enterprise Fund generates revenue primarily through water rates collected from service users.

Staff recommends establishing \$367,000 (approximately 10% of the total bid) for contingency purposes and unforeseen conditions associated with construction.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(b), Class 1 (operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use) 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).

ATTACHMENTS:

Attachment A – Location Map

Attachment B – Budget Amendment