



CITY OF

NEWPORT BEACH

City Council Staff Report

January 27, 2026
Agenda Item No. 7

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Ocean Pier Maintenance – Award of Contract No. 9759-3 (25H03)

ABSTRACT:

The City of Newport Beach received construction bids for the 2025-2026 Ocean Pier Maintenance project and requests City Council approval to award the construction contract to Jilk Heavy Construction, Inc. of Brea. This project maintains the Newport Pier and Balboa Pier by replacing aging, damaged and missing components.

RECOMMENDATIONS:

- a) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Existing Facilities) 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;
- b) Approve the project plans and specifications;
- c) Award Contract 9759-3 to Jilk Heavy Construction, Inc., for the total bid price of \$549,240 for the 2025-2026 Ocean Pier Maintenance project, and authorize the Mayor and City Clerk to execute the contract; and
- d) Establish a contingency of \$165,000 to cover the cost of unforeseen work not included in the original contract.

DISCUSSION:

Along with regular routine maintenance, the City undertakes a significant capital maintenance project on its two ocean piers every other year to ensure the public's continued safe use and enjoyment of the piers. This capital maintenance replaces aging, damaged and missing components (such as piles, timbers, brackets/braces, etc.) that are relentlessly battered by strong ocean forces and the corrosive marine environment.

At 2 p.m. on December 17, 2025, the city clerk opened and read the following bids for this project:

	<u>BIDDER</u>	<u>TOTAL BID AMOUNT</u>
Low	Jilk Heavy Construction, Inc.	\$549,240.00
2nd	Connolly-Pacific Company	\$616,561.55

The City received two bids. The low bidder, Jilk Heavy Construction, Inc., possesses a California State Contractor's License Classification "A", as required by the project specifications. A review of references for Jilk Heavy Construction shows satisfactory completion of similar contracts for other public agencies including the Cities of Oceanside, Los Angeles, Hermosa Beach, Redondo Beach, Santa Monica, Ventura, San Diego, Long Beach, Avalon and Santa Cruz, and for the Port of Long Beach.

Jilk's bid was approximately 16% over the engineer's estimate of \$475,000. Pursuant to the contract specifications, the contractor will have 100 consecutive working days to complete the project. Work is scheduled to start in Winter 2026.

A larger than normal contingency of 30% is requested for this project. Since receiving and opening the project bids, the piers have experienced additional damage, including a broken support pile, due to the December 2025 storms. The damage must be addressed with this cycle of pier maintenance and therefore a higher contingency allowance is necessary.

The project plans and specifications will be available for review at the January 27, 2026, City Council meeting or upon request.

FISCAL IMPACT:

The adopted Capital Improvement Program budget includes sufficient funding for the award of this contract. The following funds will be expended:

<u>Account Description</u>	<u>Account Number</u>		<u>Amount</u>
Tidelands Maintenance	10001-980000-25H03	\$	483,023
Tidelands Capital	10101-980000-17H03	\$	40,233
Tidelands Maintenance	10001-980000-25H09	\$	35,842
Tidelands Maintenance	10001-980000-24H09	\$	145,778
Tidelands Maintenance	10001-980000-23H09	\$	12,124
Total:		\$	717,000

Proposed fund uses are as follows:

<u>Vendor</u>	<u>Purpose</u>		<u>Amount</u>
Jilk Heavy Construction	Construction Contract	\$	549,240
Jilk Heavy Construction	Construction Contingency	\$	165,000
Various	Printing & Incidentals	\$	2,760
Total:		\$	717,000

Tideland's revenue is generated from the operation of the City's tidelands including rents from moorings, piers and leases, as well as income from parking lots. Currently, the operating expenditures for the tidelands exceed the revenue generated and costs are subsidized by the General Fund. The Tidelands Capital Fund was created to allow for the sequestration of incremental increases from tidelands rent adjustments solely to finance critical capital improvements, like sea walls repair, dredging, piers and important amenities.

Staff recommends establishing \$165,000 (approximately 30% 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 (Existing Facilities) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it 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 Map