



CITY OF

NEWPORT BEACH

City Council Staff Report

August 26, 2025
Agenda Item No. 26

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Bristol Street North, Spyglass Hill Road, and Von Karman Avenue
Pavement Rehabilitation – Award of Contract No. 8895-3 (25R11,
25R15, and 23R15)

ABSTRACT:

The City of Newport Beach received construction bids for the Bristol Street North, Spyglass Hill Road and Von Karman Avenue Pavement Rehabilitation project and requests City Council approval to award the construction contract to R.J. Noble Company of Orange. This project will reconstruct deteriorated concrete improvements and cold mill and overlay the existing asphalt pavement on Bristol Street North from Jamboree Road to Campus Drive, Spyglass Hill Road from San Joaquin Hills Road to San Miguel Drive, and Von Karman Avenue from MacArthur Boulevard to Campus Drive. Proposed improvements will also include construction of a new landscaped median and a subdrain system on Spyglass Hill Road.

RECOMMENDATIONS:

- a) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(c), Class 1 (maintenance of existing public facilities involving negligible or no expansion of 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. 26-016 appropriating \$95,850 in new revenue to Account No. 13501-431220-23R15 and expenditures to Account No. 13501-980000-23R15 from Irvine Ranch Water District and \$18,500 in new revenue to Account No. 13501-431075-23R15 and expenditures to Account No. 13501-980000-23R15 from Orange County Sanitation District;
- d) Award Contract No. 8895-3 to R.J. Noble Company for the total bid price of \$4,579,033.59 for the Bristol Street North, Spyglass Hill Road and Von Karman Avenue Pavement Rehabilitation project, and authorize the Mayor and City Clerk to execute the contract; and
- e) Establish a contingency of \$458,000 (approximately 10% of total bid) to cover the cost of unforeseen work not included in the original contract.

DISCUSSION:

This project is located on Bristol Street North from Jamboree Road to Campus Drive, Spyglass Hill Road from San Joaquin Hills Road to San Miguel Drive, and Von Karman Avenue from MacArthur Boulevard to Campus Drive. These three street rehabilitation projects have been combined into one bid package to save time and possibly construction costs due to economies of scale. The proposed project includes reconstructing deteriorated concrete curbs, gutters, sidewalks, driveways and access ramps; cold milling and overlaying the existing asphalt pavement with rubberized asphalt concrete; modifying and installing street signs and pavement striping; adjusting utilities to grade; and performing other appurtenant and incidental items of work as required. Proposed improvements will also include constructing a new landscaped median and installing a subdrain system on Spyglass Hill Road.

At 4 p.m. on July 29, 2025, the City Clerk opened and read the following bids for this project:

	<u>BIDDER</u>	<u>TOTAL BID AMOUNT</u>
Low	R.J. Noble Company	\$ 4,579,033.59
2nd	All American Asphalt	\$ 4,698,396.40
3rd	Hardy & Harper, Inc.	\$ 4,771,000.00
4th	TORO ENTERPRISES, INC.	\$ 4,799,304.00
5th	Excel Paving	\$ 4,878,260.00
6th	Aster Construction Services	\$ 5,467,000.50
7th	LCR Earthwork & Engineering, Corp.	\$ 6,693,715.00
8th	VSI Technologies	\$ 76,371,375.00

The City received eight bids.. The low bidder, R.J. Noble Company, possesses a California State Contractor's License Classification "A", as required by the project specifications. A review of references for R.J. Noble Company shows satisfactory completion of similar contracts for the City and other municipalities.

R.J. Noble Company's bid was 10% below the engineer's estimate of \$5,100,000. The minor difference between the low bid and the engineer's estimate was attributed to lower unit prices for asphalt concrete and concrete bid items. A note regarding the eighth highest bid from VSI Technologies, it appears that the contractor mistakenly inputted \$250 per square foot instead of \$2.50 per square foot for the cold milling bid item, which led to an extremely high total bid amount.

Pursuant to the contract specifications, the contractor will have 120 consecutive working days to complete the project. Work is scheduled to start in September 2025. Portions of the work on Bristol Street North and Von Karman Avenue will be completed at night to minimize public inconvenience.

The project plans and specifications will be available for review at the August 26, 2025, 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>
General Fund	01201927-980000-25R15	\$ 1,277,484.33
General Fund	01201927-980000-25R11	\$ 225,000.00
General Fund	01201927-980000-23R15	\$ 500,000.00
General Fund	01201927-980000-25T01	\$ 77,000.00
Gas Tax	12101-980000-25R15	\$ 125,000.00
Gas Tax	12101-980000-25R11	\$ 1,388,000.00
Gas Tax	12101-980000-23R15	\$ 359,415.67
Measure M Fairshare	12201-980000-23R15	\$ 740,000.00
Irvine Ranch Water District (IRWD) Contribution	13501-980000-23R15	\$ 95,850.00
Orange County Sanitation District (OCSD) Contribution	13501-980000-23R15	\$ 18,500.00
General Fund - Storm Drain Repair	01201926-980000-25D02	\$ 138,750.00
Water Capital	70201-980000-26R09	\$ 107,000.00
Wastewater Enterprise	71101-980000-26R09	\$ 64,000.00
Total:		\$ 5,116,000.00

Proposed fund uses are as follows:

<u>Vendor</u>	<u>Purpose</u>	<u>Amount</u>
R.J. Noble Company	Construction Contract	\$ 4,579,033.59
R.J. Noble Company	Construction Contingency	\$ 458,000.00
Harrington Geotechnical	Materials Testing	\$ 75,716.00
Various	Printing & Incidentals	\$ 3,250.41
Total:		\$ 5,116,000.00

Gas Tax revenue is received through State-imposed taxes on fuel and motor vehicle registration dedicated to transportation purposes. The Orange County Transportation Authority provides Measure M funding, generated through a ½ cent sales tax, to the City for transportation improvements projects. (IRWD and OCSD contributions will be used to reimburse the City for improvements to their facilities.) Water and Wastewater Enterprise Funds generate revenue primarily through water and sewer rates collected from service users.

Staff recommends establishing \$458,000 (approximately 10% of 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(c), Class 1 (maintenance of existing public facilities involving negligible or no expansion of 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