CITY OF

NEWPORT BEACH

City Council Staff Report

July 14, 2026
Agenda Item No. 6

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	David A. Webb, Public Works Director - 949-644-3311, dawebb@newportbeachca.gov
PREPARED BY:	Tom Sandefur, Assistant City Engineer - 949-644-3321, tsandefur@newportbeachca.gov
TITLE:	FY 2025-26 Park Shade Structures Project – Award of Contract No. 10002-1 (26P02)

ABSTRACT:

The City of Newport Beach (City) received construction bids for the Fiscal Year 2025-26 Park Shade Structures Project and requests City Council approval to award the construction contract to Micon Construction, Inc. of Placentia. This project involves removing and disposing of the existing shade structure systems; providing structural designs and calculations; fabrication; delivery; construction; and installation of new shade structure systems at six locations. Those locations are Arroyo Park, Bolsa Park, Bonita Canyon Sports Park East, Buffalo Hills I Park, Buffalo Hills II Park and Channel Place Park.

RECOMMENDATIONS:

a) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(d), Class 1 (restoration or rehabilitation of deteriorated facilities involving negligible or no expansion of existing use) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because this project has no potential to have a significant effect on the environment;

b) Approve the project plans and specifications;

c) Find the bids submitted by Varn Painting, Inc. dba Varn Development, Ampel Corp, and First Trade, LLC dba YMC to be non-responsive;

d) Award Contract No. 10002-1 to Micon Construction, Inc. for the total bid price of $376,000 for the FY 2025-26 Park Shade Structures Project, and authorize the Mayor and City Clerk to execute the contract; and

e) Establish a contingency of $37,600 (10% of the total bid) to cover the cost of unforeseen work not included in the original contract.

DISCUSSION:

As part of the Park Maintenance Master Plan (PMMP), City parks are periodically inspected for maintenance and repair issues. The PMMP evaluation includes park equipment and amenities.

Staff prioritizes various capital maintenance needs with an emphasis on scopes that will keep parks in service.

This project focuses on replacing existing shade structure systems and pergolas. The project locations are Arroyo Park, Bolsa Park, Bonita Canyon Sports Park East, Buffalo Hills I Park, Buffalo Hills II Park, and Channel Place Park. The project will replace existing shade structure systems that have deteriorated due to weathering and age.

At 1 p.m. on May 28, 2026, the City Clerk opened and read the following bids for this project:

	BIDDER	TOTAL BID AMOUNT
Low	Varn Painting, Inc. dba Varn Development*	$252,500
2nd	Ampel Corp*	$314,000
3rd	First Trade LLC dba YMC*	$364,000
4th	Micon Construction, Inc.	$376,335
5th	ACC & Engineering, LLC	$384,853
6th	R E Schultz Construction, Inc.	$397,990
7th	Ironwave Builders	$424,000
8th	Zoom Recreation, Inc.	$448,285
9th	HZS Engineering, Inc. dba HZS Construction	$537,000
10th	Norse Corporation	$559,138

*Non-responsive bid

The City received 10 bids for this project. The top three bidders, Varn Painting, Inc. dba Varn Development, Ampel Corp, and First Trade LLC dba YMC, are recommended to be found non-responsive since their bids contained irregularities and did not conform to the Instructions to Bidders. These deficiencies included not having technical abilities and experience references. Varn Painting, Inc. dba Varn Development was not awarded several projects that were listed on its bid. The second and third low bidders, Ampel Corp and First Trade LLC dba YMC, can also be found non-responsive for not having performed similar work on previous contracts.

Staff recommends awarding to Micon Construction, Inc. which is registered with the Department of Industrial Relations and possesses a California State Contractor's License Classification "A" and "B", as required by the project specifications. A review of references for Micon Construction, Inc. shows satisfactory completion of shade structure contracts for other public agencies, including the City of Corona, City of Mission Viejo, City of Moreno Valley, City of Murrieta, and the Town of Yucca Valley.

Micon Construction, Inc.'s total bid amount was approximately 7.5% above the engineer's bid estimate of $350,000. The difference between the bid and the engineer's estimate is likely due to material cost increases. Pursuant to the contract specifications, the contractor will have 40 consecutive working days to provide stamped and approved drawings and calculations, equipment manufacturing, and delivery. The contractor will then have 80 consecutive working days to complete construction of the project. Work is scheduled to start in the fall of 2026.

The project plans and specifications are available for review at the following link: Awarding Contracts. This link will expire 10 days after the City Council meeting date.

FISCAL IMPACT:

The adopted Capital Improvement Program budget includes sufficient funding for award of this contract. The Project will be expensed to the Park Maintenance Master Plan (PMMP) fund:

Account Description	Account Number	Amount
PMMP	57001-980000-26P02	**$413,600**

Proposed fund uses are as follows:

Vendor	Purpose	Amount
Micon Construction, Inc.	Construction Contract	$376,000
Micon Construction, Inc.	Construction Contingency	$37,600
	Total:	**$413,600**

The PMMP includes a comprehensive condition assessment of all City parks and prioritizes capital repairs and maintenance based on a variety of factors. This program funds a variety of capital repair and maintenance projects in an effort to keep City parks in good condition and is funded by the General Fund.

Staff recommends establishing $37,600 (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 15303(d), Class 1 (restoration or rehabilitation of deteriorated facilities involving negligible or no expansion of existing use) of the CEQA Guidelines, California Code of Regulations, Title 14, Division 6, 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 Map