



NEWPORT BEACH

City Council Staff Report

July 23, 2024
Agenda Item No. 6

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Storm Drain System Upgrades – Award of Contract No. 9148-1
(23D02)

ABSTRACT:

The City of Newport Beach has received construction bids for the Storm Drain System Upgrades project and requests City Council approval to award the construction contract to PALP, Inc. dba Excel Paving Company of Long Beach. This project will install drainage improvements at two areas within the City of Newport Beach – Iris and Jasmine Avenues and Port Edward Circle. Storm drainpipes will be installed at both areas to alleviate drainage concerns for nearby residents.

RECOMMENDATIONS:

- a) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15304 (minor alterations in the condition of land, water, and/or vegetation) of the CEQA Guidelines, as the project only entails minor trenching without removal of healthy, mature trees; installation of storm drain and subdrain pipe; and backfilling to restore the original surface;
- b) Approve the project plans and specifications;
- c) Award Contract No. 9148-1 to PALP, Inc. dba Excel Paving Company for the total bid price of \$463,828 for the Storm Drain System Upgrades project, and authorize the Mayor and City Clerk to execute the contract; and
- d) Establish a contingency of \$92,000 (approximately 20% of the total bid) to cover the cost of unforeseen work not included in the original contract.

DISCUSSION:

At the dead-end street ends of Iris Avenue and Jasmine Avenue, above Bayside Drive in Corona del Mar, water collects during storm events and has caused minor flooding in surrounding areas. Improving the storm drain systems at the end of these streets will alleviate resident concerns and allow drainage to discharge to Bayside Drive properly.

On Port Edward Circle, continuous groundwater drainage from residential properties currently dispenses into the street gutter via curb drains. Due to the flat grades of the street, the gutter stays wet and has caused growth of algae, contributing to vector concerns. This project will install subdrain pipes directly connected to the residential curb drains and along Port Edward Circle. The drain will tie into the existing subdrain system located on Newport Hills Drive East.

At 10 a.m. on June 26, 2024, the City Clerk opened and read the following bids for this project:

	BIDDER	TOTAL BID AMOUNT
Low	Excel Paving	\$ 463,828.00
2nd	Beador Construction Company, Inc.	\$ 498,700.00
3 rd	Dominguez General Engineering, Inc.	\$ 513,490.00
4 th	Wright Construction Engineering Corp.	\$ 561,801.00
5 th	HZS Engineering and Construction	\$ 597,321.00
6 th	CEM Construction Corporation	\$ 597,855.00
7 th	TE Roberts Inc.	\$ 640,632.00
8 th	Bosco Constructors, Inc	\$ 721,076.92
9 th	GCI Construction, Inc.	\$ 834,986.00

The City received nine bids for this project. The low bidder, PALP, Inc. dba Excel Paving Company, possesses a California State Contractor’s License Classification “A”, as required by the project specifications. A review of references for PALP, Inc. dba Excel Paving Company shows satisfactory completion of similar contracts for the City and other municipalities.

The low bid was approximately 16 percent above the engineer’s estimate of \$400,000. The difference between the low bid and the engineer’s estimate reflects the higher costs of the metal beam guardrail, catch basin and parkway culvert installations, and PVC pipe.

The proposed project includes the installation of storm drain piping, catch basins, and concrete pavement at the end of Iris and Jasmine Avenues; and the installation of a subdrain system in Port Edward Circle that will connect to an existing subdrain line in Newport Hills Drive East.

Pursuant to the contract specifications, the contractor will have 60 consecutive working days to complete the work. Work is scheduled to start in September 2024.

The project plans and specifications will be available for review at the July 23, 2024 City Council meeting or upon request.

FISCAL IMPACT:

The adopted FY2024-25 Capital Improvement Program budget includes sufficient funding for the award of this contract. The following Neighborhood Enhancement and General Fund funds will be expended:

<u>Account Description</u>	<u>Account Number</u>		<u>Amount</u>
Neighborhood Enhancement	53601-980000-23D02	\$	402,221
General Fund	01201926-98000-25D02		154,607
	Total:	\$	556,828

Proposed fund uses are as follows:

<u>Vendor</u>	<u>Purpose</u>		<u>Amount</u>
PALP, Inc. dba Excel Paving Company	Construction Contract	\$	463,828
PALP, Inc. dba Excel Paving Company	Construction Contingency	\$	93,000
	Total:	\$	556,828

Staff recommends establishing \$93,000 (approximately 20 percent 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 15304 (minor alterations in the condition of land, water, and/or vegetation) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, as the project only entails minor trenching without removal of healthy, mature trees; installation of storm drain and subdrain pipe; and backfilling to restore the original surface.

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