



**CITY OF**

---

---

# **NEWPORT BEACH**

## **City Council Staff Report**

November 30, 2021  
Agenda Item No. 16

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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

**PREPARED BY:** Andy Tran, Senior Civil Engineer, atran@newportbeachca.gov  
**PHONE:** 949-644-3315

**TITLE:** East Coast Highway and Marguerite Avenue Pavement  
Rehabilitation (21R12) – Award of Contract No. 7807-2

---

**ABSTRACT:**

Staff has received construction bids for the East Coast Highway and Marguerite Avenue Pavement Rehabilitation project and requests the City Council's approval to award the construction contract to All American Asphalt. This project will cold mill and overlay the existing pavement on East Coast Highway, from MacArthur Boulevard to Newport Coast Drive, and on Marguerite Avenue, from Bayside Drive to 5<sup>th</sup> Avenue.

**RECOMMENDATION:**

- a) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15302(c) Class 2, (reconstruction of existing facility involving negligible or no expansion of capacity) 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) Award Contract No. 7807-2 to All American Asphalt for the total bid price of \$3,363,056, and authorize the Mayor and City Clerk to execute the contract; and
- d) Establish a contingency of \$337,000 (approximately 10 percent of total bid) to cover the cost of unforeseen work not included in the original contract.

**DISCUSSION:**

At 10 a.m. on October 28, 2021, the City Clerk opened and read the following bids for this project:

	<b>BIDDER</b>	<b>TOTAL BID AMOUNT</b>
Low	All American Asphalt	\$ 3,363,056
2nd	R.J. Noble Company	\$ 3,484,616
3rd	Excel Paving, Inc.	\$ 3,856,547
4th	Beador Construction Company, Inc.	\$ 4,425,300
5th	Hardy & Harper, Inc.	\$ 4,880,000

The City of Newport Beach (City) received five bids for this project. The low bidder, All American Asphalt, possesses a California State Contractor's License Classification "A", as required by the project specifications. A review of references for All American Asphalt shows satisfactory completion of similar contracts for the City and other municipalities.

The low bid was nine percent below the Engineer's Estimate of \$3,700,000. The minor difference between the low bid and the Engineer's Estimate was due to competitive pricing for asphalt concrete, traffic signage, and detector loop bid items.

The proposed project includes cold milling and overlaying the existing asphalt concrete street pavement with new rubberized asphalt concrete pavement; reconstructing deteriorated concrete sidewalks, curbs, gutters, and access ramps; adjusting utility boxes to grade; installing new traffic signs; restriping the pavement; and other appurtenant items of work.

Pursuant to the contract specifications, the contractor will have 80 consecutive working days to complete the work. Work is scheduled to start in January 2022. This necessary construction project is anticipated to be more challenging than typical arterial highway paving due to the narrow roadway width, heavy traffic volumes, and unavoidable inconveniences to the adjacent merchants and residents in Corona del Mar. To minimize inconvenience, staff will provide regular construction updates throughout construction and install temporary changeable message boards to inform the public, as well as encourage traffic to by-pass Corona del Mar via Newport Coast Drive and San Joaquin Hills Road. Both day and night work is proposed for surface cold milling and the final paving operation on East Coast Highway, and some portions of the operation will require complete closure of the road. Outside of the road closure areas, one travel lane will be maintained in each direction. The initial stages of the work will be done during normal City working hours as will all of the work on Marguerite Avenue.

#### **FISCAL IMPACT:**

The FY 2021-22 adopted Capital Improvement Program budget includes sufficient funding for the award of this contract. Funding for the project will come from a combination of several accounts including State Gas Sales Tax, Measure M Turnback (Orange County ½ cent sales tax), and the remaining balance of the \$3,511,000 state relinquishment funds that were paid to the City for taking ownership of that portion of PCH in 2004. Project funding will be expensed from the following accounts:

<u>Account Description</u>	<u>Account Number</u>		<u>Amount</u>
PCH Relinquishment	13701-980000-21R12	\$	1,300,210
Measure M	12201-980000-21R12	\$	2,200,000
Gas Tax	12101-980000-21R12	\$	268,426
	<b>Total:</b>	<b>\$</b>	<b>3,768,636</b>

Proposed fund uses are as follows:

<u>Vendor</u>	<u>Purpose</u>	<u>Amount</u>
All American Asphalt	Construction Contract	\$ 3,363,056
All American Asphalt	Construction Contingency	\$ 337,000
GMU Geotechnical, Inc.	Materials Testing	\$ 58,580
Various	Printing & Incidentals	\$ 10,000
<b>Total:</b>		<b>\$ 3,768,636</b>

Staff recommends establishing \$337,000.00 (approximately 10 percent 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 15302(c) Class 2, (reconstruction of existing facility involving negligible or no expansion of capacity), of the CEQA Guidelines, 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