



CITY OF

NEWPORT BEACH

City Council Staff Report

November 30, 2021
Agenda Item No. 13

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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

PREPARED BY: Bob Stein, Assistant City Engineer, rstein@newportbeachca.gov
PHONE: 949-644-3322

TITLE: Arches Diversion Projects – Notice of Completion for Contract No. 8279-2 (16X11)

ABSTRACT:

On May 26, 2020, the City Council awarded Contract No. 8279-2 for the Arches Diversion Project to GCI Construction, Inc. (GCI). This water quality improvement project diverts low-flow, dry weather runoff, that periodically contains high levels of fecal indicator bacteria, into sanitary sewers to prevent it from draining into Newport Harbor. The work is now complete and staff requests City Council acceptance and close out of the contract.

RECOMMENDATION:

- a) Accept the completed work and authorize the City Clerk to file a Notice of Completion for the project;
- b) Authorize the City Clerk to release the Labor and Materials Bond 65 days after the Notice of Completion has been recorded in accordance with applicable portions of Civil Code; and
- c) Release Faithful Performance Bond one year after acceptance by the City Council.

DISCUSSION:

Overall Contract Cost/Time Summary

Awarded Contract Amount	Final Cost at Completion	Contingency Allowance	Actual Contract Change	% Due to Directed Change	% Due to Unforeseen Change
\$462,448.45	\$511,817.73	10% or less	10.7%	0%	10.7%
Allowed Contract Time + Approved Extensions (days) =		280	Actual Time Under (-) or Over (+)		0

BACKGROUND

The final remaining long-term posted warning of periodic discharge of high levels of fecal indicator bacteria into Newport Bay is associated with the two large storm drains that discharge into the Turning Basin at the northwest corner of the harbor. In an effort to eliminate these high fecal indicator bacteria discharges and remove the long-term water quality impairment posting, City of Newport Beach (City) staff applied for and was subsequently awarded a Proposition 84 grant in the amount of \$839,500 for the design and construction of dry-weather diversions on these two storm drain lines discharging into the Turning Basin.

Two diversions were constructed: one within a Caltrans Box Culvert located along Old Newport Boulevard across from Catalina Drive and within Caltrans' right-of-way, and a second diversion within a City storm drain running along Hoag Road West, uphill of Hoag Drive within property owned by Hoag Hospital (see attachment). The Old Newport Boulevard diversion required a Caltrans Encroachment Permit, and the Hoag Road Diversion required a temporary right of entry agreement and permanent drainage easement from Hoag Hospital.

The contracted work has now been completed. A summary of the construction cost is as follows:

Original bid amount:	\$462,448.45
Actual Cost of Bid Items Constructed:	461,009.65
Approved Change Orders	50,808.08
Final Contract Cost:	\$ 511,817.73

The final contract cost was \$511,817.73, approximately eleven percent higher than the original bid amount. Twelve change orders totaling \$50,808.08 were approved as part of the project and included additional work to install irrigation, trees and an electrical enclosure in the Hoag area, add a small retaining wall, and raise and increase the size of the grinder pumps.

The Notice to Proceed was issued on July 27, 2020, and GCI immediately began providing required shop drawings and other submittals. GCI broke ground at the Hoag Hospital site on July 30, 2020.

For the Old Newport Boulevard site, the project start was delayed waiting for the Caltrans Encroachment Permit that was finally issued on October 6, 2020. GCI began work at the Old Newport Boulevard site the following day.

By mid-November 2020, all manholes had been set and most underground work completed at both project sites. However, project progress stalled on a number of fronts:

- Delivery of equipment cabinets and other system components were delayed due to supply problems associated with the Covid-19 pandemic.
- Unexpected high levels of very fine sediment in the dry weather flow clogged the pumps originally designed for the project, requiring a new pump design along with changes in the electrical systems.

- Diversion permits for the Orange County Sanitation District (OCSD) were not forthcoming as OCSD staff developed new permit requirements.

While GCI continued to work as much as possible on project construction, resolving all issues essentially delayed substantial project progress during the period from November 2020 to September 2021. A summary of the project schedule is as follows:

Estimated Start of Construction per Annual Baseline Schedule	July 13, 2020
Actual Start of Construction Per Notice to Proceed	July 27, 2020
Extended Contract Completion Date Inclusive of Extra Work	October 21, 2021
Actual Substantial Construction Completion Date	October 21, 2021

FISCAL IMPACT:

Funds for this construction contract were provided primarily by a State Proposition 84 Grant and a small amount of state tidelands funding. Funding was expended from the following accounts:

<u>Account Description</u>	<u>Account Number</u>	<u>Amount</u>
Environmental Contribution (Prop 84)	13801-980000-16X11	\$ 509,448.45
Tidelands Capital	10101-980000-16X11	\$ 2,369.28
Total:		\$ 511,817.73

ENVIRONMENTAL REVIEW:

On May 26, 2020, City Council found this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 (minor alteration of existing facilities) of the CEQA Guidelines, because it has negligible 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