



NEWPORT BEACH

City Council Staff Report

March 26, 2024
Agenda Item No. 5

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: 38th Street and Lake Avenue Landscape Improvement Project –
Reject All Bids for Contract No. 9008-1 (23L01)

ABSTRACT:

The City of Newport Beach recently solicited six potential proposers for informal bids for the 38th Street and Lake Avenue Landscape Improvement Project and received two bids. Both bids were significantly higher than the engineer's estimate. Staff recommends City Council reject all bids and re-advertise the bid to allow for a more competitive bidding environment.

RECOMMENDATIONS:

- a) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA guidelines, because this action will not result in a physical change to the environment, directly or indirectly;
- b) Reject all bids received for Contract No. 9008-1; and
- c) Direct staff to re-advertise the 38th Street and Lake Avenue Landscape Improvement Project for construction using a wider bidding pool.

DISCUSSION:

The 38th Street and Lake Avenue Landscape Improvement Project will be located at 38th Street and Lake Avenue, immediately west of the entrance to Newport Island. The beach area is bounded by an existing damaged retaining wall and there is no pedestrian access to the beach.

Residents in the area expressed an interest in improving the appearance of the beach area and providing better beach access. Staff began a design that included adding a cladding system to the existing retaining wall to improve the appearance, new stairs for better beach access, a new, higher planter wall and fence, a new foot-wash station, new landscaping, and new irrigation lines.

On January 29, 2024, the City solicited six potential bidders for the project. The City received the following informal bids:

	<u>BIDDER</u>	<u>TOTAL BID AMOUNT</u>
Low	Armstrong Cal Builders, Inc.	\$ 163,816.00
2nd	S&H Civilworks	\$ 174,981.00

The low bid of \$163,816, by Armstrong Cal Builders, Inc., was 46 percent higher than the engineer's estimate of \$112,000. A review of the bids showed the bid pricing is consistent for the two bids received, but considerably higher than the estimate. The engineer's estimate was developed by an on-call landscape architect.

Staff believes that providing opportunities for a more competitive bidding environment may result in lower bid prices closer to the engineer's estimate. The relatively small size of the project may have also been a contributing factor to the higher bids.

FISCAL IMPACT:

There is no fiscal impact related to this item.

ENVIRONMENTAL REVIEW:

Environmental review will occur as appropriate and will be presented to the City Council at that time. Staff recommends the City Council find this action is not subject to the Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change to the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because this project has no potential for resulting in physical change to the environment, directly or indirectly.

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