



CITY OF

NEWPORT BEACH

City Council Staff Report

June 11, 2019
Agenda Item No. 13

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Concrete Replacement Program – Notice of Completion for Contract
No. 7434-1 (19R06)

ABSTRACT:

On November 27, 2018, City Council awarded Contract No. 7434-1 for the Concrete Replacement Program project to Golden Phoenix, Inc. The work is 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. On November 27, 2018, the City Council found this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15302(c);
- 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.

FUNDING REQUIREMENTS:

Funds for this construction contract were included within the approved Capital Improvement Program and expended from the following account:

| <u>Account Description</u> | <u>Account Number</u> | <u>Amount</u> |
|----------------------------|-----------------------|----------------------|
| General Fund | 01201927-980000-19R06 | \$ 804,652.05 |
| | Total: | \$ 804,652.05 |

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 |
|--|--------------------------|-----------------------|-----------------------------------|--------------------------|----------------------------|
| \$762,083.29 | \$804,652.05 | 10% or less | +5.6% | +10.2% | -4.6% |
| Allowed Contract Time + Approved Extensions (days) = | | 111 | Actual Time Under (-) or Over (+) | | -29 |

This project included reconstruction of sidewalks, curb and gutters, and driveways in the Eastbluff, Santa Ana Heights and Airport area communities in order to maintain and improve pedestrian access and provide proper street drainage throughout the communities. The contracted work has been completed to the satisfaction of the Public Works Department. A summary of the construction cost is as follows:

| | |
|---------------------------------------|---------------------|
| Original bid amount: | \$762,083.29 |
| Actual Cost of Bid Items Constructed: | \$727,159.34 |
| Total Change Orders: | \$77,492.71 |
| Final Contract Cost: | \$804,652.05 |

The final contract cost was \$804,652.05, which was approximately 5.6 percent higher than the original bid amount. This cost increase was primarily due to the issuance of three change orders during the project for a total amount of \$77,492.71, which was approximately 10.2 percent over of the original bid amount. The contract change orders included additional sidewalk, curb and gutter replacement work within the project areas, and additional excavation and concrete at the Jasmine Creek trail, Balboa Yacht Basin, Balboa Pier, and on Newport Boulevard.

Additionally the final construction cost for project bid items was 4.6 percent lower than the original bid amount. This cost decrease was due to the removing of one bid item for sidewalk and driveways that could not be constructed due to utility pole conflicts. In addition, a few other bid items had slightly lower final quantities constructed. These reduced bid items combined to offset some of the increased cost associated with the Contract Change Orders mentioned above.

The City also added 21 working days to the Contract due to inclement weather. However, the additional time was not needed by the Contractor and they completed the job per original proposed schedule.

A summary of the project schedule milestones is as follows:

| | |
|--|---------|
| Estimated Start of Construction per Annual Baseline Schedule | 1/7/19 |
| Actual Start of Construction Per Notice to Proceed | 1/22/19 |
| Extended Contract Completion Date Inclusive of Extra Work | 6/28/19 |
| Actual Substantial Construction Completion Date | 5/17/19 |

ENVIRONMENTAL REVIEW:

On January November 27, 2018, City Council found 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, California Code of Regulations, Title 14, Chapter 3, because it 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