



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
August 29, 2023

TOPIC: Grand Avenue Rehabilitation from Warner Avenue to Edinger Avenue

AGENDA TITLE

Award a Construction Contract to All American Asphalt in the Amount of \$1,564,835 for the Grand Avenue Rehabilitation from Warner Avenue to Edinger Avenue Project, with an Estimated Project Delivery Cost of \$2,113,000 (Project No. 22-6987) (Non-General Fund)

RECOMMENDED ACTION

1. Authorize the reallocation of SB1 funds from the Euclid Rehabilitation from McFadden Avenue to First Street Improvement Project for a total of \$570,870 to the Grand Avenue Rehabilitation from Warner Avenue to Edinger Avenue Project to complete the project funding requirement.
2. Award a construction contract to All American Asphalt, the lowest responsible bidder, in accordance with the base bid in the amount of \$1,564,835, subject to change orders (not to exceed 25% of the base bid amount) in accordance with the Greenbook: Standard Specifications for Public Works Construction, for construction of the Grand Avenue Rehabilitation from Warner Avenue to Edinger Avenue Project, for a term beginning August 29, 2023 and ending upon project completion, and authorize the City Manager to execute the contract subject to non-substantive changes approved by the City Manager and the City Attorney.
3. Approve the Project Cost Analysis for a total estimated construction delivery cost of \$2,113,000, which includes \$1,564,835 for the construction contract; \$234,900 for contract administration, inspection, and testing; and a \$313,265 project contingency for unanticipated or unforeseen work.
4. Determine that the recommended actions are exempt from further review in accordance with the California Environmental Quality Act as Categorical Exemption Environmental Review No. ER-2022-6 was filed for the project.

DISCUSSION

The City's Pavement Management Program identified Grand Avenue Rehabilitation from Warner Avenue to Edinger Avenue Project as a high priority for street rehabilitation (Exhibit 1). As identified in the Pavement Management Program, the pavement on this

section of Grand Avenue has deteriorated due to weather, age, and wear-and-tear from heavy usage vehicles. The improvements include the removal and replacement of failed asphalt pavement and the replacement of damaged concrete curb, gutters, sidewalks, curb ramps, installation of traffic loops, traffic stripes, and pavement markings. Once completed, these improvements will enhance the ride quality and visual appearance of the street and comply with Americans with Disabilities Act (ADA) standards.

Public Outreach and Contractor Participation

To provide an opportunity for local vendors to submit bids, the City notified a total of 42 regional vendors via PlanetBids, many of which are Santa Ana based. Thirty-seven vendors requested bidding documents, and a total of five bids were received. No bids were received from Santa Ana contractors.

As legally required, a Notice Inviting Bids was advertised in the Orange County Register newspaper on June 2, 2023 and June 9, 2023. The project was also advertised on PlanetBids from June 2, 2023 through June 26, 2023. Bids were received electronically via PlanetBids on June 26, 2023.

Bid Results Summary

| Rank | Bidder's Name | Location | Base Bid |
|-------------|----------------------------------|-------------------|-----------------|
| 1 | All American Asphalt | Corona, CA | \$1,564,835 |
| 2 | Hardy & Harper, Inc. | Lake Forest, CA | \$1,565,000 |
| 3 | R.J. Noble Company | Orange, CA | \$1,725,675 |
| 4 | LCR Earthwork & Engineering Corp | Jurupa Valley, CA | \$1,785,130 |
| 5 | Excel Paving Co. | Long Beach, CA | \$2,028,388 |

A total of five bids were received and all were deemed responsive. All American Asphalt submitted the lowest responsive base bid in the amount of \$1,564,835 (Exhibit 2). As specified in the bid documents, the lowest bid shall be determined on the basis of the Base Bid. Based on the bid analysis and a contractor's reference check, Staff recommends awarding the construction contract to All American Asphalt, in the amount of the base bid totaling \$1,564,835 (Exhibit 3).

All American Asphalt has worked on various projects in Santa Ana and has performed satisfactorily throughout the last several years. The most recent project All American Asphalt has worked on was the Garnsey Business District Pavement Improvements.

Project Delivery

To deliver a complete project, in addition to the construction contract, the estimated total project delivery cost includes construction administration, inspection, and testing, along with an allowance for contingencies to account for unexpected conditions. Construction administration and inspection includes construction management, workmanship, quality, and materials testing. As indicated in the Cost Analysis (Exhibit 4) and as summarized in the table below, the estimated total construction delivery cost of the project is \$2,113,000.

| Project Item | Total |
|---|--------------------|
| Construction Contract Bid Amount | \$1,564,835 |
| Construction Administration, Inspection, Testing | \$234,900 |
| Contract Contingencies | \$313,265 |
| TOTAL ESTIMATED CONSTRUCTION DELIVERY COST | \$2,113,000 |

ENVIRONMENTAL IMPACT

In accordance with the California Environmental Quality Act, the recommended actions are exempt from further review. Categorical Exemption Environmental Review No. ER-2022-6 was filed for the project.

FISCAL IMPACT

As indicated in the Cost Analysis, the estimated total construction delivery cost of the project is \$2,113,000, which includes construction, contract administration, inspection, testing, and an authorized contingency. Project No. 22-6987 is the number assigned to the Project Plans and Specifications and the Notice Inviting Bids. Project No. 22-6987 is the number assigned to the funding for tracking of all expenditures to deliver the construction of this project.

The proposed contract enables Staff to authorize a construction cost increase of up to 25%, if necessary for contingencies. Staff expects to utilize other available Public Works appropriations if a contingency becomes necessary to complete the project. If there are no other available appropriations, then Staff will return to City Council with a project update and recommendations.

The following table summarizes the funds budgeted and available in current FY 2023-24 for expenditure to deliver construction of this project. Any unspent budget in FY 2023-24 will be included in future year carry-forward for City Council consideration.

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| Fiscal Year | Accounting Unit - Account No. (Project No.) | Fund Description | Accounting Unit, Account No. Description | Amount |
|---------------------------|--|-------------------------------|--|--------------------|
| Existing Budget | | | | |
| 2023-24 | 05917665-66220 (22-6987) | Select Street Construction | HUTA Gas Tax – RMRA, Improvements Other Than Buildings | \$1,542,130 |
| Reallocated Budget | | | | |
| 2023-24 | 05917665-66220 (From: 20-6954 to 22-6987) | Select Street Construction | HUTA Gas Tax – RMRA, Improvements Other Than Buildings | \$570,870 |
| Total | | | | \$2,113,000 |

EXHIBIT(S)

1. Location Map
2. Bid Proposal
3. Construction Contract
4. Cost Analysis
5. CIP Project Sheet

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Kristine Ridge, City Manager