



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: JUNE 30, 2026

DEPARTMENT: PUBLIC WORKS DEPARTMENT

FROM: DAVID JACOBS, P.E., L.S., PUBLIC WORKS DIRECTOR

**BY: VICTOR SANCHEZ, ASSISTANT ENGINEER
ADRIANA ROBLES, PE, CFM, CITY ENGINEER**

**TITLE: 2026 ABBOTT ST SANITARY SEWER AND PAVEMENT
IMPROVEMENTS PROJECT, CIP NO. 9981**

RECOMMENDED MOTION:

A motion to approve a resolution:

1. Approving the plans and specifications for the 2026 Abbott St Sanitary Sewer and Pavement Improvements Project, CIP 9981;
2. Awarding a contract to The Don Chapin Co. Inc. in the amount of \$11,927,000 for the 2026 Abbott St Sanitary Sewer and Pavement Improvements Project, CIP 9981;
3. Approving a 15% contingency in the amount of \$1,789,050 for a total not to exceed \$13,716,050;
4. Appropriating \$309,960 from the Sanitary Sewer Fund Balance; and
5. Appropriating \$1,904,040 from the Sanitary Sewer Development Impact Fee.

EXECUTIVE SUMMARY:

The 2026 Abbott St Sanitary Sewer and Pavement Improvements Project provides street reconstruction and sanitary sewer upsizing on Abbott Street. On June 2, 2026, four bids were electronically received, publicly opened and read via a Zoom meeting. Following review of contractor documentation, The Don Chapin Co. Inc. was determined to be the apparent low responsible and responsive bidder.

Staff recommends awarding the 2026 Abbott Street Sanitary Sewer and Pavement Improvement Project, CIP No. 9981 to The Don Chapin Co. Inc. in the amount of \$11,927,000 and approving a 15% construction contingency for any unforeseen conditions.

BACKGROUND:

The 2026 Abbott St Sanitary Sewer and Pavement Improvements Project (the “Project”) is a continuation of the City’s effort to rehabilitate roads that are deteriorated, damaged, in need of

repair, and to make necessary upsizing to the City's sanitary sewer infrastructure. Following a report of the recommended treatments of the selected roadway provided by the City's consultant, Pavement Engineering Inc., City staff identified a combination of treatments to apply to the roadway including cement full depth reclamation, pavement patch and repair, aggregate base repair, and rubberized pavement overlay.

Sanitary sewer improvements on Abbott St. are in accordance with the City of Salinas Sanitary Sewer Master Plan Update. The master plan identifies Abbott St. as a location in need of sewer improvements driven by aging infrastructure and future peak flows which may cause sewage overflow if sewer infrastructure is left as is. The City's consultant, Harris & Associates, developed the sanitary sewer improvement plans which provided the contractor the option of upsizing the existing sanitary sewer lines via open trench (Base Bid No. 1) or a combination of pipe bursting and open trench (Base Bid No. 2). The City will award the lower of Base Bid No. 1 or Base Bid No. 2 presented by the apparent lowest bidder.

The pavement improvements on Abbott St. was selected based on the year 2 street list identified in the 5-Year Street Pavement Preservation Street List approved by City Council on June 25, 2024 through Resolution No. 23031. Another portion of Abbott St. is due for improvements on the year 5 street list of the City Council approved list. City Manager and City Public Works Director determined that keeping both portions of Abbott St. as separate improvements would not be an efficient use of City Funds and instead combined both year 2 and year 5 pavement portions with the sanitary sewer improvements. By combining the sanitary sewer and year 2 and year 5 of the pavement improvements as one project, the City is able to obtain better pricing and eliminate overlapping improvements.

On December 11, 2024, the Department of Resources Recycling and Recovery (CalRecycle) awarded the City of Salinas with a Rubberized Pavement Grant in the amount of \$250,000. \$129,779.00 of the \$250,000.00 awarded by CalRecycle was allocated to the 2025 pavement improvements project with the remaining \$120,221.00 available for use in the 2026 Abbott St Sanitary Sewer and Pavement Improvements Project if costs are incurred prior to April 1, 2027. The Project will incorporate rubberized pavement, a proven road paving material that is created by blending ground rubber from tires with asphalt binder and other conventional aggregate materials to create a paving material that is durable and reduces vehicle roadway noise. Rubberized pavement will be used to overlay Abbott St from S Sanborn Rd to the City limits.

On April 14, 2026, the City Engineer approved the project plans and specifications and authorized the call for bids for the 2026 Abbott St Sanitary Sewer and Pavement Improvements Project. On June 2, 2026, four bids were electronically received and publicly opened and read via a Zoom meeting. Following review of contractor documentation, The Don Chapin Co. Inc. is the apparent lowest bidder for the project followed by Granite Construction Company as the apparent second lowest bidder. Below are the bid results, (see Exhibit A – Bid Tabulation sheet for details).

Table 1: BID RESULTS

Contractor	Base Bid No. 1, Base Bid No. 3, and Additive Bid No. 1-2	Base Bid No. 2-3 and Additive Bid No. 1-2	5% Local Preference	Basis of Award
The Don Chapin Co. Inc.	\$11,927,000.00	\$12,368,000.00	X	\$11,330,650.00
Granite Construction Co.	\$13,114,821.46		X	\$12,459,080.39
Granite Rock Co.	\$13,647,076.36		X	\$12,964,722.54
Teichert & Sons Inc.		\$14,906,957.00		\$14,906,957.00
Engineer's Estimate	\$16,873,053.94	\$16,449,378.94		

The engineer's estimate for the project was \$16,449,378.94 and was based on unit prices of the 2024 and 2025 pavement improvement projects.

In determining the lowest bid for a public works contract that exceed \$5,000.00, a qualified local business shall receive a five percent (5%) preference, per the City's Local Purchasing Preference Ordinance (Sec. 12-28.050 and Sec. 12-28.060). Don Chapin Co. Inc., Granite Construction Co., and Granite Rock Co. all qualified for the local purchasing preference, which is reflected in the basis of award column in Table 1. The lowest responsive bidder, Don Chapin Co. Inc. submitted a bid of \$11,927,000.00 which is 72% of the engineer's estimate.

Based on the bids received, staff recommend awarding the project to the lowest responsive and responsible bidder, The Don Chapin Co. Inc., for their bid of \$11,927,000.00 based on the lowest bid received, the estimated total project cost is \$13,766,050.00, including direct construction costs and soft costs. The anticipated project costs are identified in Table 2.

Multiple funding sources are needed to implement the Project including General Fund, Measure E, Measure G, Measure X, SB1, Gas Tax, CalRecycle Grant, sewer rates and sanitary sewer development impact fees. Allocation of funds is detailed in the Fiscal and Sustainability Impact section of this report.

On June 16, 2026, City Council approved a reallocation of CIP funds following adoption of the Biennial (FY2026/27-2027/28) Capital Budget. This reallocation of funds allows for sufficient funds to be appropriated to CIP 9981 for the 2026 Sanitary Sewer and Pavement Improvements Project.

Table 2: ANTICIPATED PROJECT COSTS

Expenditure Description	Anticipated Expenditure
Base Bid 1	\$1,845,000.00
Base Bid 3	\$8,247,000.00
Additive Bid 1	\$1,355,000.00
Additive Bid 2	\$480,000.00
Contingency (15%)	\$1,789,050.00
Direct Project Cost Subtotal	\$13,716,050.00
Inspection (2.5%)	\$298,175.00
Administrative Overhead	\$50,000
City Staff Project Management and Admin. (2.5%)	\$298,175.00
Soft Project Cost Subtotal	\$646,350.00
Project Direct Costs	\$13,716,050.00
Project Soft Costs	\$646,350.00
TOTAL PROJECT COSTS	\$14,362,400.00

Construction Timeline and Public Engagement Plan: Construction for the Abbott Street Sanitary Sewer and Pavement Improvements Project is scheduled to commence late 2026. The project has been allotted 185 working days, and assuming favorable weather conditions it is expected to reach completion in 2027.

Given the significant volume of traffic on Abbott Street, robust public engagement is essential to minimize disruptions. Early involvement of stakeholders is a priority, ensuring that affected businesses, residents, and the general public are informed and prepared for project-related impacts. Stakeholder meetings will be organized for those directly affected, including business owners, residents, and community members. These meetings will cover key aspects of the project, including the scope of work, the proposed construction schedule, and anticipated timing of lane closures.

To maintain transparency and keep all stakeholders updated throughout the project, a comprehensive communication plan will be implemented. This will include:

- Regular media releases providing project updates
- A dedicated project website featuring a project description, current schedule, frequently asked questions (FAQs), and an option for submitting questions
- Continued stakeholder meetings as the project progresses

- Active social media posts sharing updated schedules, information about upcoming work, lane closures, and any other relevant developments

CEQA CONSIDERATION:

The City of Salinas has determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines (Section 15301(c), Class I) because the project proposes to maintain existing roadway facilities.

Furthermore, the project does not qualify for any of the exceptions to the categorical exemptions found at CEQA Guidelines Section 15300.2 as all exceptions do not relate to the project scope of work for this project.

CALIFORNIA GOVERNMENT CODE §84308:

No. The Government Code §84308/Levine Act does not apply to this project since this was a competitive bid project.

STRATEGIC PLAN INITIATIVE:

This project relates to the Council’s Goals of Infrastructure and Environmental Sustainability and Public Safety by maintaining the City’s existing roadways, installing new striping and signage to enhance vehicular safety, and upsizing existing sanitary sewers to accommodate future flows.

DEPARTMENTAL COORDINATION:

Public Works staff and Finance staff have worked together on the funding of the 2026 Abbott St Sanitary Sewer and Pavement Improvements Project.

FISCAL AND SUSTAINABILITY IMPACT:

Funding in the amount of \$12,148,400 is available and appropriated in CIP 9981 for FY 2026/27 and the remaining balance needed is requested as follows:

- \$309,960 from the Sanitary Sewer Fund Balance
- \$1,904,040 from the Sanitary Sewer Development Impact Fee Fund Balance

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
1000, 1100, 1200, 2401, 2403, 2510, 2511, 5201	50.9981-66.4000	Capital Outlays – Improvements other than Bldg.	\$20,420,609	\$12,148,400
6400	50.9981-66.4000	Capital Outlays – Improvements other than Bldg.	\$0	\$309,960
2301	50.9981-66.4000	Capital Outlays – Improvements other than Bldg.	\$0	\$1,904,040

ATTACHMENTS:

Resolution

Exhibit A – Bid Tabulation Sheet

Exhibit B – Project Location Map

Exhibit C – Specifications