



## **CITY OF SALINAS COUNCIL STAFF REPORT**

---

**DATE:** MAY 16, 2023

**DEPARTMENT:** PUBLIC WORKS DEPARTMENT

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

**BY:** ELISE RAMIREZ, P.E., SENIOR CIVIL ENGINEER  
PATRICK FUNG, ASSISTANT ENGINEER

**TITLE:** 2022-2023 PAVEMENT MAINTENANCE PROJECT, CIP NO. 9981, 9120, 9080

**RECOMMENDED MOTION:**

It is recommended that the City Council approve a resolution:

1. Approving the plans and specifications for the 2022-2023 Pavement Maintenance Project, CIP No. 9981, 9120, 9080; and
2. Awarding a contract to Granite Construction Company for the 2022-2023 Pavement Maintenance Project, CIP No. 9981, 9120, 9080 in the amount of \$8,138,006.96; and
3. Approve a transfer of \$1,200,000.00 Measure X Bond Funds (Fund 5202) from CIP 9981 – Street Preventive Maintenance Program to CIP 9080 – San Juan Grade Road Improvements.

**BACKGROUND:**

On August 18, 2020, the City Council approved a contract with Pavement Engineering Inc. for on-going pavement condition surveys, updates to the Street Saver Pavement Management Program (PMP) database, and pavement condition reports (Resolution No. 21932). The last Pavement Management System Update was presented to the City Council on March 16, 2021. Public Works staff utilizes the Street Saver PMP for project level pavement analysis. It is a budgeting and inventory tool, a record for work history, and pavement condition tracking.

The 2022-2023 Pavement Maintenance Project will enhance pedestrian safety and increase connectivity, mobility, and access for transit users and pedestrians. The project, in general, calls for pavement reconstruction, new ADA-compliant curb ramps, curbs, gutters, pavement patch repairs, crack treatment, chip seal, slurry seal, installation of new signs and striping. See location map Exhibit B.

Pursuant to Salinas Municipal Code Section 30-25, the City Engineer approved the project plans and specifications and authorized the call for bids for this project.

The project was advertised for construction bid on March 7, 2023, and on April 7, 2023, one bid was electronically received and publicly opened and examined via Zoom meeting with the following results (see Exhibit A – Bid Tabulation sheet for details).

**BID RESULTS:**

<b>Contractor</b>	<b>Total Base Bid 1-7, Additive Alts 1-2</b>
Granite Construction Company	\$8,138,006.96
<b>Engineer's Estimate</b>	<b>\$12,000,000.00</b>

The bidder does not qualify for the Local Purchasing Preference. The engineering estimate for the project was \$12,000,000.00 and Granite Construction Company submitted a bid of \$8,136,006.96, which is approximately 68% of the engineering estimate.

The City received only a single bid that is significantly lower than the engineer's estimate and may be attributed to reduced capacities for contract work due to local flood emergencies and repairs in the tri-county area, as well as throughout the State of California from recent storms. The engineering estimate, in general, was based on unit prices from previous projects: Downtown Complete Streets, Main Street Streetscape, 2018 Slurry Seal, 2020 Pavement Patch and Repair, and 2021 Chip Seal and escalating unit prices with respect to the trends observed in the Construction Cost Index (CCI) and published in the Engineering News Record (ENR).

Considering the factors stated above, staff recommends awarding the project to the lowest responsive and responsible bidder, Granite Construction Company, for their bid of \$8,138,006.96.

Construction is anticipated to begin in June of 2023 and be completed by Fall 2023.

**CEQA CONSIDERATION:**

**Categorically exempt.** The City of Salinas has determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines (Section 15301(c), Class 1), because the project proposes to maintain existing roadways, crosswalks, signage, and pavement striping.

Furthermore, the project does not qualify for any of the exemptions to the categorical exemptions found at CEQA Guidelines Sections 15300.2, because section does not apply, and we are not reconstructing or replacing any structures or facilities.

**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 and installing new striping and signage to enhance vehicular and pedestrian safety.

**DEPARTMENTAL COORDINATION:**

Public Works staff and Finance staff have worked together on the funding of the 2022-2023 Pavement Maintenance Project.

FISCAL AND SUSTAINABILITY IMPACT:

The total project funding for the project is as follows:

<b>CIP 9080 San Juan Grade Road Improvements</b>	<b>Budget</b>	<b>FY Expenditures</b>	<b>FY Encumbrances</b>	<b>Available Funds</b>
Fund 2510 – MX Transport Safety & Inv Plan	\$1,424,560	-	-	1,424,560
Fund 5202 - Special Const. Assist-Bonds	\$340,944	15,812	5,670	319,461
<b>CIP 9080 Balance (as of 4/10/2023)</b>				<b>\$1,744,021</b>
Base Bid 1, Add. Alt. 1-2				\$2,585,341.25

<b>CIP 9120 Monte Bella Subdivision Improvements</b>	<b>Budget</b>	<b>FY Expenditures</b>	<b>FY Encumbrances</b>	<b>Available Funds</b>
Fund 2109 – Monte Bella Maintenance District	\$4,469,934	\$92,781	7,376	4,469,934
<b>CIP 9120 Balance (as of 4/10/2023)</b>				<b>\$4,469,934</b>
Base Bids 4, 6				\$447,729.02

<b>CIP 9981 Street Preventive Maintenance Program</b>	<b>Budget</b>	<b>FY Expenditures</b>	<b>FY Encumbrances</b>	<b>Available Funds</b>
Fund 2510 – MX Transport Safety & Inv Plan	\$1,230,043	31,957	185,580	1,012,506
Fund 5202 - Special Const. Assist-Bonds	\$5,593,562	3,404,478	544,670	1,644,412
Fund 2511 – SB1 RMRA	\$7,923,000	3,079,567	-	4,843,432
<b>CIP 9981 Balance (as of 4/10/2023)</b>				<b>\$7,500,350</b>
Base Bids 2, 5, 7				\$5,034,556.09

<b>CIP 9329 Cesar Chavez Library Parking Lot</b>	<b>Budget</b>	<b>FY Expenditures</b>	<b>FY Encumbrances</b>	<b>Available Funds</b>
Fund 1100 – Measure E	\$75,000	-	-	75,000
<b>CIP 9329 Balance (as of 4/10/2023)</b>				<b>\$75,000</b>
Base Bid 3				\$70,380.60

<b>Total Project Bid</b>	<b>\$8,138,006.96</b>
--------------------------	-----------------------

To award Base Bid 1 (San Juan Grade Road) and Additive Alternatives 1 & 2 (Work Street from East Alisal Street to Work Circle), staff is requesting a transfer of \$1,200,000.00 in Measure X

Bond Funds from CIP 9981 – Street Preventive Maintenance Program to CIP 9080 – San Juan Grade Road Improvements.

Based on the lowest bid received, the estimated total project cost is \$9,327,327.93, including direct construction costs and soft costs. The anticipated project costs are as follows:

<b>ANTICIPATED PROJECT COSTS</b>	
<b>Expenditure Description</b>	<b>Anticipated Expenditure</b>
Base Bids 1-7	\$6,797,339.71
Additive Alternatives 1-2	\$1,340,667.25
Contingency (10%)	\$813,800.70
Direct Project Cost Subtotal	\$8,951,807.66
Inspection (2%)	\$162,760.14
Administrative Overhead	\$50,000
City Staff Project Management and Admin. (2%)	\$162,760.14
Soft Project Cost Subtotal	\$375,520.28
Project Direct Costs	\$8,951,807.66
Project Soft Costs	\$294,140.21
<b>TOTAL PROJECT COSTS</b>	<b>\$9,327,327.93</b>

Based on the tabulation above, there is adequate funding available to complete the project as bid.

**ATTACHMENTS:**

- Resolution
- Exhibit A – Bid Tabulation Sheet
- Exhibit B - Project Location Map