



**DATE:** April 16, 2025

**TO:** Mayor and Members of the City Council

**FROM:** John R. Gillison, City Manager

**INITIATED BY:** Jason C. Welday, Director of Engineering Services/City Engineer  
Vishal Lad, Assistant Engineer

**SUBJECT:** Consideration of a Contract with American Asphalt South, Inc. in the Amount of \$349,400 Plus a 10% Contingency for Construction and Construction Management and Inspection Services, for the Fiscal Year 2024/25 Local Slurry Seal Pavement Rehabilitation Project. This Project is Exempt from the Requirements of the California Environmental Quality Act (CEQA) Pursuant to Government Code Section 15301 – Existing Facilities. (CITY)

---

**RECOMMENDATION:**

Staff recommends that the City Council:

1. Approve the plans and specifications for the Fiscal Year 2024/25 Local Slurry Seal Pavement Rehabilitation Project (Project) on file with the City Engineer;
2. Accept the bids received for the Project;
3. Award and authorize the execution of a contract in the amount of \$349,400 to the lowest responsive bidder, American Asphalt South, Inc., for the total bid amount;
4. Authorize the expenditure of a 10% contingency for the construction contract, totaling \$34,490;

**BACKGROUND:**

The City employs a method called slurry seal to restore asphalt pavement with minor cracking. Slurry seal involves applying a mixture of water, asphalt emulsion, aggregate, and additives to the existing pavement surface. This process creates a new protective layer that helps seal cracks and restore the road's durability, reducing the need for costly repairs in the future. Slurry seal is a cost-effective solution that extends the lifespan of the pavement, with a typical life expectancy of five to eight years.

Engineering staff used its Pavement Management System (PMS) to determine the list of neighborhood streets to be resurfaced. PMS is a planning tool that analyzes existing pavement conditions and identifies good, fair, and poor conditions. A vicinity map illustrating the various neighborhood streets scheduled this fiscal year for slurry seal is included as Attachment 1.

**ANALYSIS:**

The scope of work for the Project includes weed control, routing and crack sealing, application of slurry seal, protection of existing manholes and valves, thermoplastic restriping, and installation of pavement markings. The contract documents specify 40 working days for construction completion.

The Notice Inviting Bids was released to the general contracting community and published in the Daily Bulletin Newspaper on March 18 and March 25, 2025. The City Clerk's office facilitated the formal solicitation for bids. On April 1, 2025, the City Clerk's office received four (4) construction bids. The Engineer's estimate for the project was \$460,000. The apparent lowest bidder, American Asphalt South, Inc., submitted a bid of \$349,400. A full bid summary is provided in Attachment 2.

Engineering staff has reviewed all bids and found them to be complete and in compliance with the bid requirements, with any irregularities deemed inconsequential. Staff has completed the required background checks and confirmed that the lowest responsive bidder, American Asphalt South, Inc., meets all bid document requirements.

**ENVIRONMENTAL:**

Staff has determined that the Project is categorically Exempt under Section 15301, "Existing Facilities," subsection (c), Class 1 of the California Environmental Quality Act (CEQA).

**FISCAL IMPACT:**

Anticipated construction costs are estimated to be as follows:

<b>Expenditure Category</b>	<b>Amount</b>
Construction Contract	\$349,400
Construction Contract Contingency (10%)	\$34,940
Construction Inspection Services	\$42,120
Construction Inspection Contingency (10%)	\$4,215
Construction Materials Testing	\$16,075
Bid Noticing Advertisement	\$1,622
<b>Estimated Construction Costs</b>	<b>\$ 448,372</b>

A total of \$4,655,000 has been budgeted in Fiscal Year 2024/25 from the Gas Tax R&T7360 (Fund 174) and Measure I (Fund 177) for the Local Street Paving Program. Of this amount, \$448,372 will be allocated for this Project, with the remaining funds designated for other local street paving initiatives.

Funding for this Project is available under the Capital Improvement Project Account Number listed below:

<b>Account No.</b>	<b>Funding Source</b>	<b>Description</b>	<b>Amount</b>
F177 CC303 SC 7004; PID2195-177	Measure I Fund (177)	Local Street Rehab	\$448,372

**COUNCIL MISSION / VISION / VALUE(S) ADDRESSED:**

This project reflects the City Council's core values by enhancing community safety and well-being while driving continuous improvement through the development of high-quality public infrastructure.

**ATTACHMENTS:**

Attachment 1 - Vicinity Map  
Attachment 2 – Bid Summary