



CITY OF

NEWPORT BEACH

City Council Staff Report

April 15, 2025
Agenda Item No. 6

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Slurry Seal Program FY 2024-25 – Award of Contract No. 9717–1
(25R04)

ABSTRACT:

The City of Newport Beach received construction bids for the Slurry Seal Program Fiscal Year 2024-25 project and requests City Council approval to award the construction contract to American Asphalt South, Inc. of Riverside, CA. The project will slurry seal streets and sealcoat parking lots in the Spyglass Hill, Newport Hills, Harbor View and Seawind communities. This program follows the annual concrete replacement and street pavement repair programs that are currently in progress in the same communities.

RECOMMENDATIONS:

- a) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(c), Class 1 (maintenance of existing public facilities involving negligible or no expansion of use) of the CEQA Guidelines, because this project has no potential to have a significant effect on the environment;
- b) Approve the project plans and specifications;
- c) Award Contract No. 9717-1 to American Asphalt South, Inc. for the total bid price of \$1,176,197 for the Slurry Seal Program FY 2024-25 project, and authorize the Mayor and City Clerk to execute the contract; and
- d) Establish a contingency of \$58,800 (approximately 5% of total bid) to cover the cost of unforeseen work not included in the original contract.

DISCUSSION:

At 10 a.m. on March 13, 2025, the City Clerk opened and read the following bids for this project:

	<u>BIDDER</u>	<u>TOTAL BID AMOUNT</u>
Low	American Asphalt South, Inc.	\$ 1,176,197
2 nd	Roy Allan Slurry Seal, Inc.	\$ 1,177,359
3 rd	Union Pavement Services, Inc.	\$ 1,322,377
4 th	Pavement Coatings	\$ 1,355,943
5 th	All American Asphalt	\$ 1,439,221

The City received five bids. The low bidder, American Asphalt South, Inc., possesses a California State Contractor's License Classification "A", as required by the project specifications. A review of references for American Asphalt South, Inc. shows satisfactory completion of similar contracts for the City and other municipalities.

The low bid was 13.6% below the engineer's estimate of \$1,362,000. The difference between the low bid and the engineer's estimate was primarily attributed to the favorable unit price for the slurry seal material.

The proposed project involves distributing construction notices to affected residents and businesses; placing "No Parking, Tow-Away" signs and setting up traffic control; clearing existing pavement of debris, soil and other loose materials; street sweeping; removing existing traffic striping, pavement markings, and raised pavement markers; weed removal and crack sealing; placing slurry seal on asphalt streets and trails; placing sealcoat on asphalt parking lots; installing new traffic striping, pavement markings and raised pavement markers; and other incidental items of work necessary to complete the project. work will be performed in the Spyglass Hill, Newport Hills, Harbor View and Seawind communities.

Pursuant to the contract specifications, the contractor will have 40 consecutive working days to complete the work. The project is scheduled to start in May 2025.

The project plans and specifications will be available for review at the April 15, 2025, City Council meeting or upon request.

FISCAL IMPACT:

The adopted Capital Improvement Program budget includes sufficient funding for the award of this contract. The following funds will be expended:

<u>Account Description</u>	<u>Account Number</u>	<u>Amount</u>
Gas Tax	12101-980000-25R04	\$ 1,017,531
Gas Tax	12101-980000-24R04	\$ 275,866
	Total:	\$ 1,293,397

Proposed fund uses are as follows:

<u>Vendor</u>	<u>Purpose</u>	<u>Amount</u>
American Asphalt South, Inc.	Construction Contract	\$ 1,176,197
American Asphalt South, Inc.	Construction Contingency	\$ 58,800
Geocon West, Inc.	Materials Testing	\$ 52,400
Various	Printing & Incidentals	\$ 6,000
	Total:	\$ 1,293,397

Gas Tax revenue is received through State-imposed taxes on fuel and motor vehicle registration dedicated to transportation purposes.

Staff recommends establishing \$58,800 (approximately 5% of total bid) for contingency purposes and unforeseen conditions associated with construction.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(c), Class 1 (maintenance of existing public facilities involving negligible or no expansion of use) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because this project 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