



STAFF REPORT – CITY COUNCIL MEETING

TO: Honorable Mayor and City Council Members

FROM: Netra Khatri, City Engineer

PREPARER: Mara Grow, Administrative Specialist

DATE: March 26, 2025

TITLE: **Adopt a CEQA Exemption for the 2025 Joint Slurry Project; Approve Plans and Award Contract to Intermountain Slurry Seal, Inc. for \$614,160.20; Authorize City Engineer to Increase Contract by \$350,756.62; and Authorize City Manager to Execute Documents.**

RECOMMENDATION:

It is recommended that the Council:

- 1) Adopt a California Environmental Quality Act (CEQA) Categorical Exemption for the 2025 Joint Slurry Project pursuant to CEQA Guidelines Section 15301(c);
- 2) Approve the project plans and award a construction contract for the Joint Slurry Project to Intermountain Slurry Seal, Inc., in the amount of \$614,160.20;
- 3) Authorize the City Engineer to approve change orders and increase the Contract amount by up to \$350,756.62 (for a total not to exceed \$964,916.82) to allow for any unforeseen contingencies and additional work as necessary; and
- 4) Authorize the City Manager to execute all applicable documents.

INTRODUCTION:

This is the City's annual slurry seal project in which the City collaborates with local agencies (Humboldt County and the cities of Eureka and Fortuna) to create a larger project to attract out-of-the-area contractors. There are no local contractors equipped for slurry seal type projects. This year, the City of Arcata is leading (bidding) the project. The partnering agencies who participated this year (Fortuna, Eureka and Humboldt County) submitted their plans and letters of funding commitments for their portion of the work. As the awarding body, the City of Arcata will be responsible for payment to the contractor; however, the other agencies will be invoiced for their portion of work and will be reimbursing the City of Arcata.

The project plans and specifications were finished in January 2025 and bids were immediately advertised. The portion of the slurry work within the City of Arcata includes parts of Giuntoli Ln, H St from Sunset Blvd to 17th – 12th St and 17th to , 8th, 9th and 10th St.

DISCUSSION:

Five sealed bids were received from Contractors as follows:

No.	Name of the Contractor	Total
1	VSS INTERNATIONAL	\$675,325.00
2	DRYCO	\$650,650.00
3	INSTERMOUNTAIN SLURRY SEAL, INC.	\$614,160.20
4	PAVEMENT COATINGS CO.	\$746,587.32
5	AMERICAN PAVEMENT SYSTEMS	\$632,060.64

Please see attachment A, an itemized bid tabulation sheet, for a summary of bids received.

Sealed bids were received until 11:00 am on MARCH 13, 2025. Following the opening of bids, the bid range was evaluated for consistency.

If the Contract is awarded, work will commence on or after July 7, 2025, and should be completed within 45 working days after starting. Prior to issuing the Notice to Proceed to the Contractor, public notifications will be made by the City and the Contractor to potentially impacted residents to inform them of construction activities, the potential for traffic impacts and possible parking restrictions (that will be minimized to the extent possible).

ENVIRONMENTAL REVIEW (CEQA):

The California Environment Quality Act (CEQA) determination for the project is a categorical exemption pursuant to CEQA Guidelines Section 15301(c), for the restoring and rehabilitating of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities, involving negligible or no expansion of use beyond that presently existing.

BUDGET/FISCAL IMPACT:

The contract bid amount is within the planned amount for streets paving for FY 25-26 and will be included in the budget for FY 25-26. This project will be budget as follows:

Account Number	Amount	Account Name
101-70-45-57601	\$614,160.20	Measure G Improvements Fund

If contingency or extra work funds are needed, they will be funded out of the same account.

Below is the breakdown of cost for individual partnering agencies:

Partnering Agency	Letters of Commitment incl Design Contingency
City of Arcata	\$ 358,672.54
City of Eureka	\$ 196,244.28
City of Fortuna	\$ 165,000.00
Humboldt County	\$ 45,000.00
Total	\$ 764,916.82
Scope Contingency for Hum Co	\$ 200,000.00
Grand Total	\$ 964,916.82

The City of Arcata is the leading agency for the Countywide slurry project this year. As a result, the City of Arcata will ultimately expend up to \$964,916.82; however, all but \$358,672.54 (\$298,893.78

ATTACHMENT 2

+ \$59,778.76 (20% *contingency*)) will be reimbursed by the other partnering agencies (Fortuna, Eureka and Humboldt County).

ATTACHMENTS:

A. 2025 Joint Slurry Project_ BID SUMMARY (PDF)