



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

FROM: City Manager

SUBJECT: Award of Construction Contract to All American Asphalt for the Slauson Avenue Corridor from I-5 to I-710 and Active Transportation Program Cycle 6 Improvements at Various Locations Project

MEETING DATE: January 27, 2026

RECOMMENDATION

The City Council will consider adopting a Resolution awarding a Construction Contract to All American Asphalt for the Slauson Avenue Corridor from I-5 to I-710 and Active Transportation Program Cycle 6 Improvements at Various Locations Project, approving a Professional Services Agreement with Geo-Advantec, Inc. for material testing, and authorizing Construction Management and Inspection Services by Transtech Engineers, inc. pursuant to their On-Call Professional Consulting Services Agreements.

BACKGROUND

The Slauson Avenue Corridor from I-5 to I-710 and Active Transportation Program (ATP) Cycle 6 Improvements at Various Locations Project ("Project") proposes to enhance mobility, reduce congestion, and improve connectivity between major trip generators and transportation facilities.

The Project aims to improve motorist and pedestrian safety through traffic signal upgrades at 9 signalized intersections including pedestrian countdown signals, traffic signage, pavement markings, and high visibility crosswalks. Additional improvements include construction of new raised landscape medians and protected left-turn lanes at select signalized intersections, upgrades to street lighting along the corridor, and enhancements to existing bus stops with new bus shelters, benches, and trash receptacles at various locations. The proposed median improvements were presented and approved by City Council on April 9, 2024.

ANALYSIS

On October 26, 2025, staff advertised the bid package for the Project. The City received following three bids on December 2, 2025:

Bid Ranking	Lowest Bidder	2nd Lowest Bidder	3rd Bidder
Bidder	All American Asphalt	Excel Paving	C.A Rasmussen, Inc.
Base Bid Schedule A	\$12,089,579.40	\$12,072,803.00	\$14,704,618.00
Base Bid Schedule B	\$869,979.60	\$1,221,134.00	\$1,702,720.00
Total Base Bids (Schedule A+B)	\$12,959,559.00	\$13,293,937.00	\$16,407,338.00
Additive Bid Items Schedule A	\$11,234,160.28	\$11,973,384.00	\$16,446,823.20
Additive Bid Items Schedule B	\$214,878.70	\$173,945.00	\$70,836.20
Total Base Bids + Additive Bid Schedules	\$24,408,597.98	\$25,441,266.00	\$32,924,997.40

In accordance with the California Public Contract Code, public works contracts must be awarded to the lowest responsive and responsible bidder. Following staff's review, including verification of the contractor's California license, Department of Industrial Relations (DIR) registration, state and federal debarment status, and references, All American Asphalt was selected as the lowest responsive and responsible bidder. A detailed bid analysis is attached for reference.

Upon receipt of high bids, staff reached out to the I-710 Technical Advisory Committee (TAC) and Metro to request additional funding to cover the project cost shortfall. On December 17, 2025, the I-710 TAC approved the City's request for an additional \$1,482,000.00 in Metro Measure R funds to address the construction cost shortfall for the Project. The Metro Board is anticipated to formally consider the approval the I-710 TAC-recommended funding at its June 2026 meeting. In the event the Metro Board does not approve the recommended funding, staff will return to City Council at that time to provide an update. Staff would either reduce the scope as necessary to ensure the project can be delivered within available funding without compromising the overall safety/integrity of the Project, or request that the anticipated Measure R funding be covered using local funds.

Due to the high bid amount staff recommends awarding only Additive Bid Items A4, A20, A21, and A25, which include placement of a leveling course, removal and reconstruction of existing high early-strength PCC cross gutters and spandrels per SPPWC standards, and diamond grinding of existing PCC pavement to improve surface smoothness and drainage, along with awarding all items under Additive Bid Schedule B.

Staff recommends that City Council adopt the attached Resolution which in summary does the following:

1. Award a contract to All American Asphalt for the total Base Bid A, Base Bid B, Additive Bid Schedule Items A4, A20, A21, and A25, and Additive Bid Schedule B for a total of \$13,435,015.70.
2. Authorize the Mayor to execute the contract with All American Asphalt in a form approved by City Attorney.
3. Approve a Professional Services Agreement with Geo-Advantec, Inc. for material testing for a total of \$149,155.

4. Authorize the Mayor to execute an Agreement with Geo-Advantec, Inc. in a form approved by City Attorney.
5. Authorize City Manager to execute amendment(s) to the agreement should it become necessary.
6. Authorize up to 20% (\$2,687,003.14) of the construction contract for construction contingency for unforeseen conditions.
7. Authorizes up to 12% (\$1,934,642.26) of the total construction contract and contingencies for Construction Management, Inspection, and Material Testing.
8. Authorizes Transtech Engineers, Inc. to proceed with Construction Management and Inspection Service, pursuant to their existing on-call agreement for consultant services.

Following is a summary of the project cost:

SLAUSON CORRIDOR IMPROVEMENTS (NON-ATP) PROJECT COST

Base Bid A (Non-ATP) + Additive Bid Schedule B + Additive Bid Items A4 + A20 + A21 + A25	\$12,565,036.10
Construction Contingencies (20%)	\$2,513,007.22
Subtotal	\$15,078,043.32
Construction Management, Inspection, and Material Testing (12%)	\$1,809,365.20
Total Project Cost	\$16,887,408.52
Total Estimated I-710 TAC Measure R Funds	\$13,914,000.00
Required Local Funds	\$2,973,408.52

ATP PROJECT COST

Base Bid B (ATP)	\$869,979.60
Construction Contingencies (20%)	\$173,995.92
Subtotal	\$1,043,975.52
Construction Management, Inspection (12%)	\$125,277.06
Total Project Cost	\$1,169,252.58
Total Available ATP Grant Funds	\$2,109,000.00

TOTAL NON-ATP CONSTRUCTION AMOUNT	\$16,887,408.52
TOTAL ATP CONSTRUCTION AMOUNT	\$1,169,252.58
TOTAL CONSTRUCTION COST	\$18,056,661.10

FISCAL IMPACT

The total estimated cost of the project, including the construction contract, contingencies, construction management, and inspection services and material testing is \$18,056,661.10 which will be covered by:

1. \$13,914,000 in reimbursable Metro Measure R Funds (this includes \$1,482,000.00 in additional request).
2. \$2,109,000 in reimbursable ATP State Funds.
3. \$3,000,000 in local funds approved by the Council as part of FY 25/26 CIP and available in the Account No. 41-5170-57010.10380.

ENVIRONMENTAL

The project is categorically exempt from the California Environmental Quality Act (CEQA) under Section 15301, Class 1 of the CEQA Guidelines. This exemption applies to the repair, maintenance, or minor alteration of existing public facilities involving negligible or no expansion of existing or former use, including existing highways and streets, sidewalks, gutters, bicycle trails, and similar infrastructure.

ALTERNATIVES:

1. Approve recommendation
2. Reject recommendation
3. Provide staff with further direction

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to the 2016 Strategic Plan, Infrastructure and Facilities:

Guiding Principle 4: Develop and invest in infrastructure and beautification projects that support economic growth

Recommended by: Shahid Abbas, Director of Public Works
Fiscal Impact reviewed: Alvaro Castellon, Director of Finance
Approved as to form by: Noel Tapia, City Attorney
Respectfully submitted by: Ernie Hernandez, City Manager

ATTACHMENTS:

1. Resolution
2. Bid Analysis
3. Construction Contract - All American Asphalt
4. Professional Services Agreement - Geo-Advantec, Inc.