STAFF REPORT – CITY COUNCIL MEETING

November 4, 2026

TO: Honorable Mayor and City Council Members

FROM: Netra Khatri, City Engineer

PREPARER: Mara Grow, Administrative Specialist

DATE: November 4, 2026

TITLE: **Approve Plans and Award Construction Contract to GR Sundberg Inc. for the 11th and B Street Bank Stabilization Project for $257,237; and Adopt a CEQA Categorical Exemption for the project, pursuant to CEQA Guidelines Sections 15301, 15333 & 15269.**

RECOMMENDATION:

It is recommended that the Council:

1) Approve the project plans and award a construction Contract for 11th and B St. Bank Stabilization Project to GR Sundberg Inc. in the amount of $257,237.00;
2) Authorize the City Manager or designee to increase the Contract amount by up to $25,723.70 (10 percent, for a total of $282,960.70);
3) Adopt a California Environmental Quality Act (CEQA) Categorical Exemption for the project, pursuant to the CEQA Guidelines Section 15301, 15333 & 15269; and
4) Authorize the City Manager to execute all applicable Contract related documents.

INTRODUCTION:

The northbound lane of B Street, just north of 11th Street, has been closed since 2025 because of a landslide and slope failure beneath and immediately east of the roadway. City staff have been working on a design to stabilize the slope and repair the roadway.

An evaluation conducted in the summer of 2026 determined that access to the steep slope east of B Street is necessary to repair and reconstruct the failed slope. During the design, staff determined that substantial repair work would need to occur on private property and since the City does not currently hold an easement and the repairs would constrain future development of the site, staff negotiated the purchase of the property. At the October 21, 2026, City Council meeting, the Council approved the Purchase and Sale agreement for this property.

The 11th and B Street Bank Stabilization Project is included in the City's Capital Improvement Program (CIP). In addition to the construction contractor's work, geotechnical monitoring and permitting will be required during construction. These additional costs are estimated at $20,000 and are included in the additional budget appropriation resolution.

DISCUSSION:

The City completed the final design and specifications in September 2026 and released a construction bid for the Project on September 23, 2026, with bids due October 15, 2026. Seven responsive bids were received before the deadline.

No.	Name of Contractor	Base Bid as Written	Base Bid as Calculated by Unit Prices
1	Granite Construction Co.	$407,500.00	$407,500.00
2	Pacific Earthscape	$294,750.00	$294,750.00
3	Mercer-Fraser Co.	$336,720.00	$336,720.00
4	**GR Sundberg, Inc.**	**$257,237.00**	**$257,237.00**
5	Hooven Construction Co.	$448,594.00	$448,594.00
6	Wahlund Construction, Inc.	$260,241.00	$260,241.00
7	Karl Benemann	$350,000.00	$349,925.25

Note: The Bid included an Additive Alternative but is not being recommended for approval. As such, the Additive Alternative is not shown here.

Please see Attachment A for the complete bid summary.

The apparent low bidder is GR Sundberg, Inc. with a Base Bid of $257,237. The bid award is based on the Based Bid and the City may consider also awarding the additive alternative. The additive alternative included the addition of a sidewalk and curb ramp improvements along B Street; however, due to the overall project costs, staff are not recommending award of the additive alternative.

Staff reviewed the bid documents and determined that the lowest bid is responsive and that the contractor is responsible and qualified to perform the work. If awarded, Construction is anticipated to begin in mid-November and be completed within 90 working days from the start date set forth in the Notice to Proceed. Prior to start of the construction a public notification will be made by the City and the Contractor to potentially impacted residents/businesses to inform them of construction activities, possible parking restrictions, road closure and detours/traffic control.

ENVIRONMENTAL REVIEW (CEQA):

A California Environmental Quality Action (CEQA) Notice of Exemption (NOE) is anticipated for the Project. The project qualifies for an exemption under:

- Class 1 Existing Facilities (CEQA Guidelines Sec. 15301 (c)), which allows for the repair and minor alteration of public streets and sidewalk.
- The project qualifies for an exemption under Class 33 Small Habitat Restoration Projects (CEQA Guidelines Section 15333 Class 33 (d) (5)), which involves stream bank stabilization with bioengineering techniques, the primary purpose of which is to reduce or eliminate erosion and sedimentation.
- In addition project also qualifies for Emergency Project Exemptions; Service Facility Repairs (Section 15269(b)): Emergency repairs to publicly or privately owned service facilities (such as water, power, or sanitation) necessary to maintain essential public health, safety, or welfare, including planned responses to anticipated emergencies.

BUDGET/FISCAL IMPACT:

The apparent low bid is $257,237. Staff recommend authorization of an additional 10% contingency of $25,723.70, resulting in a total authorized construction budget not to exceed $282,960.70. The 11th and B Street Bank Stabilization Project is included in the City's Capital Improvement Program.

Project funding is proposed as follows with contingency funds planned from the same accounts:

Account	Description	Amount
101-70-45-57601	Capital – Other Improvements	$282,960.70

Engineer's estimate for construction was $275,000 - $325,000

RECOMMENDED COUNCIL ACTION:

1. Receive a staff report and review questions with staff.
2. Open public comment.
3. Close public comment.
4. Motion to approve the project plans and award a construction Contract for 11th and B St Bank Stabilization Project to GR Sundberg in the amount of $257,237; Authorize the City Manager or designee to increase the Contract amount by up to $25,723.70 (10 percent, for a total of $282,960.70); Adopt a California Environmental Quality Act (CEQA) Categorical Exemption for the project, pursuant to the CEQA Guidelines Section 15301, 15333 & 15269; and Authorize the City Manager to execute all applicable Contract related documents.

ATTACHMENTS:

A. 11th and B St Bank Stabilization Project Bid Summary
B. 11th and B St Bank Stabilization Project Plans