



Agenda Report

September 8, 2025

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: **AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH TORO ENTERPRISES, INC. FOR TRENCH REPAIR ON FAIR OAKS AVENUE AND PAVEMENT RESTORATION FOR PORTIONS OF FAIR OAKS AVENUE AND MADISON AVENUE FOR AN AMOUNT NOT-TO-EXCEED \$1,907,635**

RECOMMENDATION:

It is recommended that the City Council:

1. Find the contract proposed herein to be categorically exempt under the California Environmental Quality Act (CEQA) Guidelines in accordance with Title 14, Chapter 3, Article 19, Section 15301, Class 1, and Section 15303, Class 3, and that there are no features that distinguish this project from others in the exempt classes and, therefore, there are no unusual circumstances; and
2. Authorize the City Manager to enter into a contract, as the result of the competitive bid process as specified by section 4.08.045 of the Pasadena Municipal Code, with Toro Enterprises, Inc for Trench Repair on Fair Oaks Avenue and Pavement Restoration for Portions of Fair Oaks Avenue and Madison Avenue for an amount not-to-exceed \$1,907,635 which includes the base contract amount of \$1,658,813 and a contingency of \$248,822 to provide for any necessary change orders.

BACKGROUND:

In March 2025, Pasadena Water and Power (PWP) completed the Fair Oaks Water Main Replacement Project, which required trenching along Fair Oaks Avenue from Washington Boulevard to Montana Street to replace two aging water mains that had been in service for nearly 90 years. Following the utility work, the final step was to permanently restore the trench cut into the predominantly concrete pavement of Fair Oaks Avenue. PWP initially bid this restoration as a traditional trench-only repair within concrete pavement, and because such repairs carry significant costs, the lowest bid received totaled \$2,103,700 (\$2,419,255 with a 15% contingency).

Given the high cost of trench-only concrete restoration, Public Works evaluated whether a broader pavement improvement could be delivered within a similar budget. Staff determined that an alternative approach was feasible, one that met the trench restoration requirements while also resurfacing the full roadway width. After discussion, PWP agreed to transfer their trench restoration funding to the Annual Citywide Street Resurfacing project and Public Works would address the trench restoration needs in addition to resurfacing the street. On July 14, 2025, PWP brought an item to City Council recommending the rejection of all bids from their earlier solicitation, clearing the way for Public Works to proceed with the revised scope. In coordination with PWP, Public Works is proposing to restore Fair Oaks Avenue from Washington Boulevard to the north city limit using fiber-reinforced rubberized asphalt rather than limiting repairs to the trench boundaries. This material will provide a smoother and quieter riding surface than the existing concrete pavement and is anticipated to raise the Pavement Condition Index (PCI) from 57 to 100, all at a lower cost than the trench-only repair which would leave the PCI at 57.

Furthermore, based on community feedback and in coordination with the Department of Transportation, the City is considering a potential lane reconfiguration along the project segment of Fair Oaks Avenue. This concept will be evaluated through a community engagement process and implemented only if supported, with a final determination to be made before permanent striping is installed as part of the resurfacing project.

In addition, to take advantage of economies of scale, Public Works included pavement restoration on Madison Avenue, from Villa Street to Orange Grove Boulevard as an alternate bid item. The resurfacing treatment here would be identical to that proposed for Fair Oaks Avenue, where we are grinding the edges down and placing asphalt over an existing poor condition concrete pavement. This approach is significantly more cost-effective for repairing and resurfacing deteriorated concrete streets than typical concrete pavement repair strategies, and it is an approach the City hopes to utilize more frequently in the future for similar situations. In addition to cost savings, the treatment will provide a much smoother and quieter driving surface for the public.

Public Works in-house staff prepared plans and specifications for the Fair Oaks Avenue and Madison Avenue Pavement Restoration project, saving costs by not hiring consultants. Bids were requested and received in accordance with Section 4.08.070 of the Pasadena Municipal Code. On August 14, 2025, a Notice Inviting Bids for the project was published on the online platforms of 22 trade journals, as well as posted on OpenGov Procurement. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A mandatory pre-bid meeting was held on August 20, 2025, and was attended by eight potential bidders. A total of 46 vendors downloaded the specifications, none were local. Four bids were received by the bid opening date.

Following advertising, bids were received on August 28, 2025, and are as follows:

	<u>Bidder</u>	<u>Base Bid + All Additive Alternates (\$)</u>
1.	Toro Enterprises, Inc., Oxnard, CA	\$ 1,722,830
2.	All American Asphalt, Corona, CA	\$ 2,116,611
3.	Paveco Construction, Inc., Baldwin Park, CA	\$ 2,552,692
4.	Hardy & Harper, Inc., Lake Forest, CA	Non-Responsive
	Engineer's Estimate	\$1,951,000

The lowest bid received is 11.7 percent lower than the Engineer's Estimate and approximately \$600k less than the previously bid concrete trench restoration work, including contingencies.

The basis of award is the base bid plus the combined total of all additive alternates, ensuring that bidders provide competitive pricing regardless of which alternates are ultimately awarded.

Based on the bids received and the available budget, staff recommends awarding the base bid along with two additive alternates: *Additive Alternate 1B* – striping for the proposed lane reduction reconfiguration; and *Additive Alternate 2* – resurfacing of Madison Avenue from Villa Street to Orange Grove Boulevard. Should the public engagement process indicate a preference to retain the existing four-lane configuration, the striping scope can be modified to Alternate 1A – original striping pattern, through the contract change order process, resulting in a reduction to the overall project cost.

It is recommended that Toro Enterprises, Inc. be awarded the contract for this project as they are the lowest and best bidder. The proposed contract with Toro Enterprises, Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. In addition, the proposed contract fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 14, 2014. The contractor has indicated that the awarding of this contract will result in no new hires to the present workforce. In accordance with the Local Preference provisions of the contract, the contractor is encouraged to recruit Pasadena residents initially and to give them preference, if all other factors are equal, for any new positions generated from this contract.

Toro Enterprises, Inc. has previously performed satisfactory work for the City for a total amount of \$16.89 million. Staff has confirmed the contractor's license and their Department of Industrial Relations status is in good standing.

The contract for this project will be set as follows:

Base Bid Plus Additive Alternates 1B & 2	\$ 1,658,813
Contingency Allowance	<u>\$ 248,822</u>
Contract Not-to-Exceed Amount	\$ 1,907,635

A contingency of 15 percent is allocated to this contract to address any unforeseen conditions as the budget allows. It is anticipated that construction will begin in October 2025 and be completed in December 2025.

COUNCIL POLICY CONSIDERATION:

This project is consistent with the City Council’s goals to improve, maintain and enhance public facilities and infrastructure, and to improve mobility and accessibility throughout the City. It also supports the Public Facilities Element of the General Plan by maintaining public facilities that enhance the quality of life of the community.

ENVIRONMENTAL ANALYSIS:

The contract award has been determined to be categorically exempt under the California Environmental Quality Act (CEQA) Guidelines in accordance with Title 14, Chapter 3, Article 19, Section 15301, Class 1, and Section 15303. Class 1 consists of minor alterations of existing facilities involving negligible or no expansion of use. There would be no expansion of use of the street network as a result of the project, and therefore, there are no unusual circumstances.

FISCAL IMPACT:

The total cost of this contract including contingency is \$1,907,635 and the total cost of this action is not expected to exceed \$2,057,635. Funding in the amount of \$244,358 will come from budgeted appropriations in the Annual Citywide Street Resurfacing and ADA Improvement Program FY 2026 (73948) CIP project. The remaining funding in the amount of \$1,813,277 will come from the Water Capital Fund (412) Distribution Mains (01080) CIP project. It is anticipated all costs will be expended in FY2026.

There is no General Fund impact.

The following table represents the contract summary:


<u>Fair Oaks Avenue</u>	
Base Bid Plus Additive Alternates 1B	\$ 1,461,818
Contingency	\$ 219,273
<u>Contract Administration/Inspection/Materials Testing</u>	<u>\$ 132,186</u>
Subtotal	\$ 1,813,277
<u>Madison Avenue</u>	
Additive Alternate 2	\$ 196,995
Contingency	\$ 29,549
<u>Contract Administration/Inspection/Materials Testing</u>	<u>\$ 17,813</u>
Subtotal	\$ 244,358
Total Fiscal Impact	\$ 2,057,635

Respectfully submitted,



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