



Agenda Item

Orange City Council

Item #: 3.11.

4/28/2026

File #: 26-0149

TO: Honorable Mayor and Members of the City Council

THRU: Jarad Hildenbrand, City Manager

FROM: Christopher Cash, Public Works Director

1. SUBJECT

Award of Contract to G.M. Sager Construction Co., Inc. for Asphalt Repair services, and finding of California Environmental Quality Act (CEQA) exemption

2. SUMMARY

Bids were solicited for asphalt repair at various locations specifically to restore roadway surfaces disturbed by waterline breaks. Two bidders responded, and G.M. Sager Construction Co., Inc. is the apparent low bidder in the amount of \$163,300.

3. RECOMMENDED ACTION

1. Approve the contract with G.M. Sager Construction Co., Inc. in the amount of \$179,630 representing an original bid amount of \$163,300, plus a 10% contingency of \$16,330 for asphalt repair; and authorize the Mayor and City Clerk to execute on behalf of the City.
2. Find that the proposed project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) Per State CEQA Guidelines 15301 (Class 1 - Existing Facilities)

4. FISCAL IMPACT

The expense for this contract is \$179,630 and will be funded through Water (600):

600-5803-53201- Repair & Maintenance Supplies

5. STRATEGIC PLAN GOALS

Goal 5: Improve Infrastructure, Mobility, and Technology

6. DISCUSSION AND BACKGROUND

The City's Water Utility will experience a number of water main breaks and leaks throughout the year. While City crews handle the initial excavation, pipe repair, and temporary surfacing, permanent asphalt restoration requires specialized contractor services. Through an informal bid process staff solicited bids from four reputable companies for asphalt repair and two bids were received:

<u>Company</u>	<u>Amount</u>
-----------------------	----------------------

1. G.M. Sager Construction Co., Inc.	\$163,300.00
--------------------------------------	--------------

2. All American Asphalt	\$193,000.00
-------------------------	--------------

Hardy and Harper, Inc. & Arizona Pipeline Company were nonresponsive.

Staff checked the references and qualifications of G.M. Sager Construction Co., Inc. and found them to be acceptable, with adequate years of experience in completing contracts of similar nature to this project. Therefore, staff recommend awarding the contract to G.M. Sager Construction Co., Inc. in the amount of \$179,630, representing an original bid of \$163,300, plus a 10% contingency of \$16,330.

Construction is scheduled to commence in May 2026, with a projected completion window of 45 calendar days.

7. ENVIRONMENTAL REVIEW

Categorical Exemption: The proposed project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per State CEQA Guidelines 15301 (Class 1 - Existing Facilities) in that the project consists of repairs, maintenance, and safety improvement at existing public facilities and results in no expansion of use beyond that existing at the time of the City's determination.

8. ATTACHMENTS

- Contract with G.M. Sager Construction Co. Inc.