



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 26-249

June 16, 2026

Introduced: 6/5/2026

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Award a contract to Granite Rock Company, the lowest responsible bidder for Carmel Valley Road Resurfacing, Project No. 1185, in the total amount of \$4,551,418;
- b. Approve the Performance and Payment Bonds executed and provided by Granite Rock Company;
- c. Authorize a contingency, not to exceed 10% of the contract amount or \$455,142 to provide funding for approved contract change orders;
- d. Authorize the Director of Public Works, Facilities and Parks to execute the contract subject to the provisions of the Public Contract Code and Board Policies as applicable, approve change orders to the contract that do not exceed 10% of the original contract amount (\$455,142), do not significantly change the scope of work, not to exceed the maximum contract amount of \$5,006,560; and
- e. Authorize the Director of Public Works, Facilities and Parks to execute a Certificate of Completion and record a Notice of Completion with the County Recorder when the Director determines that the contract is complete in all respects in accordance with the Plans and Special Provisions for the construction of the Carmel Valley Road Resurfacing, Project No. 1185.

California Environmental Quality Act (CEQA) Action: The Project has been determined to be categorically exempt (Class 1) because the Project is to perform repair and maintenance of existing streets and similar facilities which involve no expansion of an existing use (See CEQA Guidelines, California Code of Regulations (CCR) Section 15301 Existing Facilities).

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Award a contract to Granite Rock Company, the lowest responsible bidder for Carmel Valley Road Resurfacing, Project No. 1185, in the total amount of \$4,551,418;
- b. Approve the Performance and Payment Bonds executed and provided by Granite Rock Company;
- c. Authorize a contingency, not to exceed 10% of the contract amount or \$455,142 to provide funding for approved contract change orders;
- d. Authorize the Director of Public Works, Facilities and Parks to execute the contract subject to the provisions of the Public Contract Code and Board Policies as applicable, approve change orders to the contract that do not exceed 10% of the original contract amount (\$455,142), do not significantly change the scope of work, not to exceed the maximum contract amount of \$5,006,560; and
- e. Authorize the Director of Public Works, Facilities and Parks to execute a Certificate of Completion and record a Notice of Completion with the County Recorder when the Director determines that the contract is complete in all respects in accordance with the Plans and Special Provisions for the construction of the Carmel Valley Road Resurfacing, Project No. 1185.

SUMMARY:

Awarding the contract to Granite Rock Company will allow the Public Works, Facilities and Parks Department (PWFP) to commence with the construction of the Carmel Valley Road Resurfacing Project (Project).

DISCUSSION:

The Carmel Valley Road Resurfacing Project, in general, consists of overlaying the existing pavement with hot-mix-asphalt from Carmel Rancho Boulevard to Via Petra, approximately 1.5 miles in length. The project is to extend the pavement life of the road.

On April 14, 2026, the Board of Supervisors adopted the Plans and Special Provisions for the Carmel Valley Road Resurfacing, Project No. 1185. The Project was subsequently advertised, and bids were received and opened on May 13, 2026. Six (6) bids were received. The apparent lowest bidder was Precision Grade Inc. in the amount of \$4,437,052. However, upon review of their bid, PWFP determined Precision Grade's bid to be non-responsive due to Precision Grade listing two subcontractors for Contract Item No. 17. Listing two subcontractors for this item, each performing 100% violates Public Contract Code section 4104(b). Public Contract Code section 4104(b) states, "The prime contractor shall list only one subcontractor for each portion as is defined by the prime contractor in his or her bid." Moreover, the bidder submitted a bid withdrawal request for their bid. Therefore, PWFP recommends awarding the Project to the second lowest responsible, responsive bidder, Granite Rock Company in the amount of \$4,551,418, which is 7.5% under the Engineer's Estimate of \$4,921,109. The third lowest bidder was Cato's General Engineering Inc. in the amount of \$4,597,286. Construction is expected to begin in July 2026.

On February 27, 2025, in accordance with the California Environmental Quality Act (CEQA), PWFP filed a Notice of Exemption (NOE) for the Project with the County Clerk. On February 23, 2026, PWFP filed an NOE with the State Clearinghouse (SCH), a division of the Governor's Office of Land Use and Climate Innovation (LCI) which coordinates State-level review of environmental documents prepared pursuant to CEQA. The project has been determined to be categorically exempt (Class 1) because the Project is to perform repair and maintenance of existing streets and similar facilities which involve no expansion of an existing use (See CEQA Guidelines, California Code of Regulations [CCR] Section 15301 Existing Facilities).

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management and the Auditor-Controller's Office have reviewed and approved the proposed contract as to form, insurance and indemnification provisions and fiscal provisions, respectively. The Office of the County Counsel concurs with PWFP's determination regarding the bid protest.

FINANCING:

The total estimated Project cost, including engineering, construction management, and construction is \$6.5 million. The Project is mainly funded by Measure X, and SB 1.

The construction phase of the Project is estimated to be \$5.7 million. The recommended budget for FY2026-27 Road Fund 002, which will be presented to the Board of Supervisors, will include \$5.7

million in appropriations to fund the construction phase of this Project.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

The Project will resurface Carmel Valley Road, extending the life of the infrastructure. The recommended action supports the following Board of Supervisors' Strategic Plan Goals:

- Well-Being and Quality of Life
- Sustainable Infrastructure for the Present and Future
- Safe and Resilient Communities
- Diverse and Thriving Economy

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Reviewed by: Lindsay Lerable, Assistant Director of Public Works, Facilities and Parks

Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of the Board:

Attachment A - Contract, Bonds, & Insurance

Attachment B - Project Budget

Attachment C - Bid Summary

Attachment D - Location Map