



CITY OF COSTA MESA

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

File #: 26-199

Meeting Date: 4/7/2026

TITLE: AWARD OF THE COSTA MESA SKATE PARK EXPANSION AND IMPROVEMENT PROJECT, CITY PROJECT NO. 25-01, AND FINDING OF CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CATEGORICAL EXEMPTION

DEPARTMENT: PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION

PRESENTED BY: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

CONTACT INFORMATION: SEUNG YANG, P.E., CITY ENGINEER (714) 754-5335

RECOMMENDATION:

Staff recommends the City Council:

1. Make a finding of California Environmental Quality Act (CEQA) categorical exemption pursuant to CEQA Guidelines sections 15301 and 15304.
2. Adopt plans, specifications, and working details for the Costa Mesa Skate Park Expansion and Improvement Project, City Project No. 25-01.
3. Reject the apparent low base bid submitted by RCCI dba Ramirez Company, 778 North Georgia Avenue, Azusa, California 91702 as non-responsive.
4. Award a Public Works Agreement (PWA) for construction to the second lowest base bidder, Elegant Construction, Inc., 15375 Barranca Parkway, Suite J-103, Irvine, California 92618, in the amount of \$2,898,375, with a ten percent (10%) contingency in the amount of \$289,838 for unforeseen costs related to this project, and an additional ten percent (10%) in the amount of \$289,838, for construction management and material testing services.
5. Authorize the City Manager and the City Clerk to execute the PWA with Elegant Construction, Inc., and related agreements for the project within Council authorized limits.

ENVIRONMENTAL DETERMINATION:

The proposed action is exempt from the California Environmental Quality Act (CEQA). The action involves an organizational or administrative activity of government that will not result in the direct or indirect physical change in the environment based on the following:

Class 1 - Existing Facilities (§15301):

The repair, maintenance, or alteration of the existing public facility involves negligible expansion of use:

- The proposed expansion is minor relative to the existing overall park facility.

- The project does not significantly increase the capacity or intensity of use at the park facility.
- The proposed work occurs within the already developed park footprint.
- The skate park already supports recreational uses, and the project is just a modification or improvement to Costa Mesa Skate Park.

Class 4 - Minor Alterations to Land (§15304):

The proposed project does not affect the following:

- Sensitive habitats
- Scenic highways
- Historical resources

In addition, the project does not include any of the following:

- Cumulative impacts
- Unusual circumstances
- Hazardous sites

Furthermore, the proposed action is exempt under sections 15301 and 15304 relating to the operation, repair, maintenance, permitting, and/or minor alteration of existing public facilities.

BACKGROUND:

The City of Costa Mesa currently has one of the most popular skate parks in Orange County, Costa Mesa Skate Park, which is located at 900 Arlington Drive. The success of the existing skate park is demonstrated by the significant number of users who frequent the park. It provides a total skateboarding area of approximately 15,000 square feet and features a combination of street elements, bowls, and transition areas.

The existing skate park is frequented by the local skating community and is enjoyed by skaters of all ages. A great need exists for a dedicated area for beginning skaters and an expanded area for new elements. The ultimate goal is to expand the current skate park facility to ensure it remains a modern, premier, state-of-the-art skate park facility that can serve as a signature destination in the region and cater to users of all ages and skill levels.



Existing Costa Mesa Skate Park

The proposed improvements will include expansion of the skate park area; construction of new skate park elements and flatwork; installation of synthetic turf, fencing, landscaping, and irrigation modifications; electrical work for site lighting; striping and signage at the parking lot; and final site restoration.

The City received \$2 million in earmarked American Rescue Plan Act (ARPA) funds through the office of Fifth District County of Orange Supervisor Katrina Foley to upgrade and expand the skate park. The City Council included this funding as part of the Fiscal Year 2023-24 budget.

On November 7, 2023, the City Council awarded David Volz Design Landscape Architects (DVD) as the consultant to provide design services for the Costa Mesa Skate Park expansion and improvements. In addition, DVD partnered with Spohn Ranch Skate Parks, a highly reputable skate park design and build firm, to provide expertise and design for the newly renovated skate park.

DVD, along with City staff, conducted community engagement that included meetings and surveys during the 2024 project design phase. Notices were sent to neighboring residents in the surrounding area. The first community outreach meeting was held at the Costa Mesa Skate Park on May 11, 2024. This meeting solicited input on improvements desired by the community. The consultant incorporated all comments received and developed conceptual renderings of proposed improvements. A second community outreach meeting was conducted in the auditorium at Davis Magnet School on March 12, 2025, showcasing the proposed improvements. The proposed improvements were received with enthusiasm from all those who attended. For those who could not attend the community outreach meetings, a City-sponsored online opinion survey was commissioned to obtain additional input. Staff collected and analyzed the responses and opinions of the stakeholders, many of which were incorporated in the design of the new skate park.

The final preferred concept plan (Attachment 1) includes the following four major improvement elements:

- Clover Pool
- Pump Track
- Snake Run
- Street Area

The design includes accessible pathways to meet Americans with Disabilities Act (ADA) requirements between existing and proposed expansions. The concept plan for expansion preserves as many existing natural features and trees as possible.

The conceptual renderings were presented to Parks and Community Services (PACS) Commission on March 13, 2025. The PACS Commission unanimously recommended the conceptual plans, and subsequently, the consultant proceeded with completion of final plans and specifications.

The City also participated in extensive collaboration with Supervisor Foley's office and stakeholders throughout the design process. These included concept refinement, sizing and features of various elements and multiple design reviews. The comments provided by stakeholders were reviewed and addressed in final plans.

The contractor will be required to complete all the tasks necessary to perform the scope of work as outlined in the contract documents, plans, and specifications. A copy of the plans, specifications, and working details is available for review in the Office of the City Clerk.

ANALYSIS:

The City Clerk received and opened fourteen (14) bids for this project on January 22, 2026. RCCI dba Ramirez Company, was the apparent low bidder with a base bid proposal of \$2,482,505.20. Elegant Construction, Inc. was the apparent second low bidder with a base bid proposal of \$2,898,375. Per contract document guidelines, the apparent low bidder is determined based on the lowest base bid, exclusive of any additive alternate bid items.

Rejection of Non-Responsive Low Bidder

RCCI dba Ramirez Company (RCCI), submitted the apparent low bid, with a base bid proposal of \$2,482,505.20. However, upon review of RCCI's bid, staff determined that the bid contained multiple material deficiencies, including failure to submit the original bid bond to the City Clerk as required; failure to acknowledge Addendum No. 3; and failure to comply with the contract documents requiring that the designated specialty skate park work be performed by a qualified specialty contractor. Additionally, RCCI provided insufficient references, preventing staff from independently verifying the firm's experience and past performance on similar projects.

These deviations constitute material non-compliance with the bid requirements and subcontractor listing laws and, under applicable public contracting standards, cannot be waived.

Based on these material deficiencies, staff has determined that RCCI's bid does not conform to the City's bid requirements and is therefore disqualified as being non-responsive. Staff notified RCCI of its determination on March 9, 2026 (Attachment 2). As a result, staff recommends that the City Council reject RCCI's bid as non-responsive.

Selection of the Lowest Responsible Bidder

Elegant Construction, Inc. (Elegant), submitted the apparent second low bid with a base bid proposal of \$2,898,375. The proposal submitted by Elegant includes all the required documents necessary with the bid package and had no substantive irregularities. Therefore, staff recommends that City Council award the PWA to Elegant as the lowest responsible bidder.

The Engineer's Estimate for this project is \$2,598,620, and the average of the base bids received from the remaining thirteen (13) bidders is \$3,257,070. The bid summary is included as Attachment 3.

In addition to the base bid, bidders were required to provide pricing for two additive bid items, which would be considered for award only if the bids were favorable and sufficient funding was available to cover the additional costs. Additive bid items consist of additional labor and materials to provide and install security cameras and conduits for the existing skate park and expanded portion of the park, and to retrofit the lighting at the existing skate park with Musco lighting fixtures. The Engineer's Estimate for the base bid plus all additive bid items is \$2,756,620.

The apparent low bidder's (i.e., Elegant's) base bid plus all additive bid items totals \$3,235,525, representing a net increase of \$337,150 over the base bid amount. Since the base bid plus all additive bid items exceeds the available project budget, staff recommends that the Public Works Agreement (PWA) be awarded for the base bid only. If there are any savings realized with the project, staff will consider the inclusion of one or both additive bid items.

The license and references of Elegant have been checked and staff has found them to be in good standing. Elegant has successfully completed several comparable parks projects in other cities and is currently the City's contractor for the Ketchum-Libolt Park construction project. Staff requests that City Council award the project to Elegant as the lowest responsible bidder.

Upon City Council award of the PWA (Attachment 4), Elegant will furnish the necessary bonds and insurance, which will be approved as to form by Risk Management. After the award and subsequent execution of the agreement, a "Notice to Proceed" will be issued.

Options for Additional Budget:

Staff has identified transfer of funds from other completed projects to be added to current available funding for the Skate Park project. However, there is still need for an additional \$500,000 for contingency and construction management services. This is being requested from the Fiscal Year 2026-27 Capital Improvement Program (CIP) budget.

Other alternative funding sources include solicitation of private contributions, either as donations, payments towards any specific elements, or naming rights of the entire park. These funds could decrease the need for additional general funds. Staff will return to the City Council to recognize and appropriate any private funding commitment.

ALTERNATIVES:

The alternative to this Council action would be to reject all bids, re-advertise, and re-bid the construction project. However, staff has determined that re-advertising and re-bidding the project will not result in lower bids and will further delay the project. The Council could also recommend removal of certain elements of the Skate Park Expansion to lower potential project costs. If this reduction in scope is acceptable to the grantor, this will require a re-design of the expansion and subsequent rebid of the reduced project. There will be additional costs with the re-design and the resulting delays could increase the project bids. Staff does not recommend this action. Moreover, the funding deadline for ARPA funds may jeopardize \$2 million allocated for the project.

FISCAL REVIEW:

The amount for the proposed project, inclusive of construction management and material testing services and a ten percent (10%) contingency, is \$3,478,051. The funding for the Costa Mesa Skate Park Expansion and Improvement Project is available in the FY 2025-26 Capital and Improvement Program budget consisting of ARPA funds from the County of Orange in the Federal Grants Fund (Fund 230) with an available project balance of \$1.7 million, Park Development Fees Fund (Fund 208) with an available project balance of \$0.1 million, and from the Capital Improvement Fund (401) with an available project balance of \$0.3 million. Additional funding for this project will come from savings of completed capital improvement projects in the amount of \$0.9 million, and an allocation request of \$0.5 million during the FY 2026-27 Capital Improvement Program (CIP) budget development process to fully fund costs associated with the project. If any private funding is realized, it will reduce the City's share of project costs accordingly.

LEGAL REVIEW:

The City Attorney's Office has reviewed this agenda report, prepared the PWA, and approves them both as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This project works toward achieving the following City Council goals:

- Maintain and Enhance the City's Facilities, Equipment and Technology
- Strengthen the Public's Safety and Improve the Quality of Life

CONCLUSION:

Staff recommends the City Council:

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