



CITY OF COSTA MESA

Agenda Report

77 Fair Drive
Costa Mesa, CA 92626

File #: 26-225

Meeting Date: 4/21/2026

TITLE:

ACCEPTANCE OF THE CITY HALL BASEMENT I.T. OFFICES AND TRAINING ROOM REMODEL PROJECT, CITY PROJECT NO. 24-11

DEPARTMENT: PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION

PRESENTED BY: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

CONTACT INFORMATION: PATRICK BAUER, DEPUTY PUBLIC WORKS DIRECTOR, (714) 754-5029

RECOMMENDATION:

Staff recommends the City Council:

1. Accept the work performed by American Construction Company, LLC, dba ACC, 1130 North Kraemer Boulevard, No. 1, Anaheim, California 92806, for the City Hall Basement Information Technology (I.T.) Offices and Training Room Remodel Project, City Project No. 24-11, and authorize the City Clerk to file the Notice of Completion.
2. Authorize the City Manager to release the Labor and Material Bond seven (7) months after the filing date and release the Faithful Performance Bond at the conclusion of the one-year warranty period. The retention has been released per Public Contract Code section 7107(c).

BACKGROUND:

On February 18, 2025, the City Council awarded a Public Works Agreement (PWA) in the amount of \$490,000 to American Construction Company, LLC, dba ACC for the construction of the City Hall Basement I.T. Offices and Training Room Remodel Project, City Project No. 24-11.

There is an ongoing need for a dedicated, reliable facility to provide training and education for City staff across all departments. Previously, training classes were accommodated in the Council Chambers, individual conference rooms, personal offices, offsite facilities, or through online platforms. All of these options were often limited and did not consistently support the City's continuing requirements for legally mandated, time-sensitive, operational training, and instances where training in group setting is more practical and cost-effective. In order to address the need for a dedicated training space, the City Hall basement storage areas were transformed into a permanent, purpose-built training facility available to all City staff.

In addition, the project also included the construction of three (3) adjacent offices for the I.T. Department to accommodate staffing growth identified and authorized in the City's 5-Year Information Technology Strategic Plan.

The scope of work consisted of demolition and remodeling of the City Hall basement storage areas to construct the new training room and offices. Construction included new walls and partitions; mechanical heating, ventilation, and air conditioning (HVAC); electrical; lighting; low-voltage and data; fire alarms; painting; and flooring & carpeting improvements, along with installation of an advanced audio-visual (AV) system to support classroom-style training. Computer network equipment and cabling, office and classroom furniture, and related finishes and fixtures were provided and installed in accordance with the project plans and specifications.

Construction is now complete, and the project is ready to be accepted by the City Council.

ANALYSIS:

The work required by the contract documents was completed to the satisfaction of the Deputy Public Works Director and the City Engineer on January 22, 2026. The final contract cost amounted to \$482,719.25. A report of the final costs is included as Attachment 1.

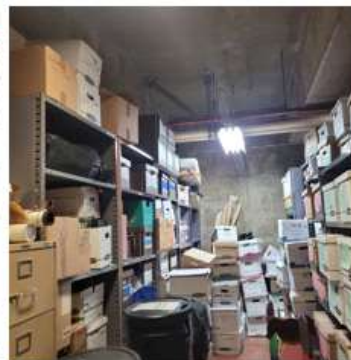
A summary of the costs is as follows:

Initial Contract Cost:	\$ 490,000.00
Final Quantity Adjustments:	(\$ 7,280.75)
Final Contract Cost:	\$ 482,719.25

The final contract cost reflects a 1.50% decrease to the original contract as a result of final payment and quantity adjustments.

As of this date, there are no Stop Notices filed against the monies due to American Construction Company, LLC.

Therefore, staff recommends that the City Council accept this project as complete and authorize the City Clerk to file the Notice of Completion.



BEFORE



AFTER

ALTERNATIVES:

This item is administrative in nature.

FISCAL REVIEW:

The project was funded by the Capital Improvement Fund (Fund 401). The remaining project balance, including contingency, will be returned to fund balance after the purchase order is closed.

LEGAL REVIEW:

The City Attorney's Office has reviewed this agenda report and approves it as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This project worked towards achieving the following City Council goals:

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

CONCLUSION:

Staff recommends the City Council:

1. Accept the work performed by American Construction Company, LLC, dba ACC, 1130 North Kraemer Boulevard, No. 1, Anaheim, California 92806, for the City Hall Basement I.T. Offices and Training Room Remodel Project, City Project No. 24-11, and authorize the City Clerk to file the Notice of Completion.
2. Authorize the City Manager to release the Labor and Material Bond seven (7) months after the filing date and release the Faithful Performance Bond at the conclusion of the one-year warranty period. The retention has been released per Public Contract Code section 7107(c).