



CITY OF COSTA MESA

77 Fair Drive
Costa Mesa, CA 92626

Agenda Report

File #: 26-330

Meeting Date: 7/21/2026

TITLE:

ACCEPTANCE OF THE 2024-2025 CITYWIDE PARKWAY MAINTENANCE, STREET REHABILITATION, AND SLURRY SEAL PROJECT, CITY PROJECT NO. 24-03

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. Accept the work performed by Onyx Paving Company, Inc., 2890 East La Cresta Avenue, Anaheim, California 92806 for the 2024-2025 Citywide Parkway Maintenance, Street Rehabilitation, and Slurry Seal Project, City Project No. 24-03, and authorize the City Clerk to file the Notice of Completion.
2. Authorize the City Manager to release the retention monies thirty-five (35) days after the Notice of Completion filing date; release the Labor and Material Bond seven (7) months after the filing date; and release the Faithful Performance Bond one (1) year after the filing date.

BACKGROUND:

On November 19, 2024, City Council awarded a Public Works Agreement (PWA) to Onyx Paving Company, Inc. for the 2024-2025 Citywide Parkway Maintenance, Street Rehabilitation, and Slurry Seal Project, City Project No. 24-03.

The City conducts an annual Capital Improvement Program focused on repairing, improving, and installing new concrete parkways and asphalt road surfacing. The scope of work for the 2024-2025 Citywide Parkway Maintenance, Street Rehabilitation, and Slurry Seal Project ("Project") consists of concrete parkway repair, general asphalt concrete (AC) rehabilitation, slurry sealing of streets, and any additional work needed to complete the Project in accordance with the project specifications.

Staff combined the tasks of parkway maintenance, street rehabilitation, and slurry seal into a single construction project to achieve economies of scale and cost savings through reduced mobilization costs, lower unit prices for materials, equipment, and labor.

The street rehabilitation improvements are citywide, but the project focused on the Mesa Verde, Mesa North, Mesa Del Mar, College Park, Westside, and Eastside neighborhoods. A map illustrating the streets that were rehabilitated is shown as Attachment 1.

In addition to the originally planned project, further improvements were constructed that included new crosswalk installations, replacement of the asphalt surface at the Balearic Park Playground, and installation of a new sidewalk with stamped poetry at Brentwood Park.

This project was administered under the City's Community Workforce Agreement (CWA). The goal of the CWA is to develop opportunities for qualified locally hired individuals and veterans for the construction of the City's various Capital Improvement Projects (CIPs).

ANALYSIS:

The work required by the contract documents was completed on June 1, 2026, to the satisfaction of the City Engineer. The final contract cost amounted to \$8,914,542.48. A summary of the final costs is included as Attachment 2.

A summary of the costs is as follows:

Original Contract Amount:	\$9,163,000.00
Final Quantity Adjustments:	<u>\$ (248,457.52)</u>
Final Contract Cost:	\$8,914,542.48

The final contract cost reflects approximately a 3% decrease from the original contract as a result of the final quantity adjustments.

As of this date, no stop notices have been filed against the monies due to Onyx Paving Company, Inc.

The final CWA Administration report, compiled by the City's consultant, The Solís Group, along with data reflecting the local hires for this project, is included as Attachment 3. Although the local hire goal was 35%, the City's contractor, Onyx Paving Company, Inc. made a "good-faith effort" in achieving a local hire goal of 21.09%. The shortfall can be attributed to the lack of local, veteran, high school, and apprenticeship workers.

Project Photos



Mendoza Drive



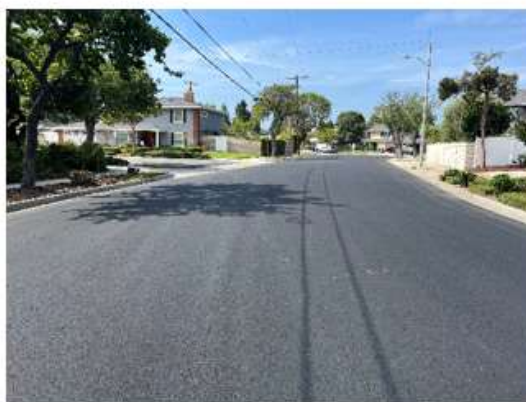
18th Street and Wallace Avenue



Balearic Park



Brentwood Park



Stromboli Road

ALTERNATIVES:

This item is administrative in nature. Therefore, there are no alternatives to be considered.

FISCAL REVIEW:

This project was funded from Measure “M2” Fairshare (Fund 416), Capital Improvement Fund (Fund 401), and Gas Tax Fund (Fund 201). The remaining funds in the amount of \$248,457 will be returned to the project balance that will be available for future street rehabilitation projects.

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:

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