



NEWPORT BEACH

City Council Staff Report

July 28, 2026
Agenda Item No. 7

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Street Pavement Repair Program Fiscal Year 2025-26 – Notice of
Completion for Contract No. 9946-1 (26R03)

ABSTRACT:

On March 10, 2026, the City Council awarded Contract No. 9946-1 for the Street Pavement Repair Program Fiscal Year 2025-26 project to Onyx Paving Company, Inc. The project removed and replaced deteriorated asphalt pavement in the Eastbluff, North Ford, Santa Ana Heights, Bayview Heights, and Airport Area communities, in addition to various City of Newport Beach (City) parks. The work is now complete and staff requests City Council acceptance and closure of the contract.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Accept the completed work and authorize the City Clerk to file a Notice of Completion for the project.

DISCUSSION:

Overall Contract Cost/Time Summary

Awarded Contract Amount	Final Total Contract Amount	Total Contract Change Amount		Percent Contract Cost Change
\$1,082,000.00	\$1,119,065.03	\$37,065.03		3.4%
Allowed Contract Time + Approved Extensions (Days) =		40	Actual Time Used (Days)	33

The Street Pavement Repair Program Fiscal Year 2025-26 project included removing and reconstructing isolated portions of deteriorated asphalt pavement, lowering and raising manhole frames, replacing utility boxes and lids, replacing and resetting survey monument boxes, installing speed cushions, and installing new traffic striping. These improvements were needed to prepare for the upcoming annual slurry seal program, which will be in the same communities.

The contracted work has been completed to the satisfaction of the Public Works Department. A summary of the construction cost is as follows:

Original Bid Amount:	\$ 1,082,000.00
Actual Cost of Bid Items Constructed:	\$ 928,558.19
Total Change Orders:	\$ 190,506.84
Final Contract Cost:	\$ 1,119,065.03

The final total contract amount was \$1,119,065.03, which was approximately 3.4% higher than the original bid amount. This cost increase was primarily due to poor subgrade conditions encountered on various streets within the project area. The poor subgrade would cause damage to the newly laid asphalt, requiring deeper subgrade excavation and replacement with thicker layers of asphalt base course before the final asphalt finish course was applied.

A summary of the project schedule milestones is as follows:

Estimated Start of Construction per Annual Baseline Schedule	March 2, 2026
Actual Start of Construction Per Notice to Proceed	April 6, 2026
Estimated Completion per Annual Baseline Schedule	June 19, 2026
Substantial Completion Date Inclusive of Extra Work	May 20, 2026

The contractor was able to complete all the proposed improvements, including change order work, within the time allotted.

FISCAL IMPACT:

The Street Pavement Repair Program Fiscal Year 2025-26 project was funded from the FY 2025-26 Capital Improvement Program budget. Funds for the construction contract were expended from the following accounts:

<u>Account Description</u>	<u>Account Number</u>	<u>Amount</u>
General Fund	01201927-980000-25R03	\$ 73,186.16
General Fund	01201927-980000-26R03	\$ 990,327.87
Water Capital	70201-980000-24R09	\$ 20,470.32
Water Capital	70201-980000-26R09	\$ 638.68
Wastewater Enterprise	71101-980000-24R09	\$ 15,554.00
Contribution Fund - Orange County Sanitation District (OC San)	13501-980000-26R03	\$ 15,555.00

Contribution Fund - Irvine Ranch Water District (IRWD)	13501-980000-26R03	\$	3,333.00
Total:			\$ 1,119,065.03

Water and Wastewater Enterprise funds generate revenue primarily through water and sewer rates collected from service users. OC San and IRWD contribution funds are used to reimburse the City for improvements to their facilities.

ENVIRONMENTAL REVIEW:

On March 10, 2026, the City Council found this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(c), Class 1 (maintenance of existing public facilities involving negligible or no expansion of use) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential to have a significant effect on the environment.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Location Map