

Capitola City Council

Agenda Report



Meeting: December 11, 2025

From: Public Works Department

Subject: 2025 Pavement Maintenance Project Completion

Recommended Action: 1) Accept as complete the 2025 Pavement Maintenance Project constructed by Graham Contractors at a final cost of \$684,921; 2) authorize the City Clerk to file and record a Notice of Completion; and 3) authorize the release of the contract retention of \$34,246 as prescribed in the construction agreement.

Background: On February 27, 2025, the City Council authorized the Public Works Department to advertise for construction bids for the FY 2025-2025 Pavement Maintenance Project with a budget of \$589,000. Bids were opened on April 22, 2025, and the contract was awarded to Graham Contractors on May 16, 2025, in the amount of \$515,252.

On June 26, 2025, Council adopted the FY 2025-26 budget and allocated an additional \$60,000 to the Park Avenue Traffic Calming Project. Combined with about \$60,000 in existing Park Avenue funds, this funding allocation provided the budget needed to complete the remaining Park Avenue work through a change order to the 2025 Pavement Maintenance Project. These actions brought the total project budget to \$709,000.

Following this budget authorization, two change orders were approved. The first change order in the amount of \$94,070 included rehabilitation of upper San Jose Avenue and Terrace Way, included in the original project plans as Add Alternate 1. The second change order in the amount of \$98,070 completed the Park Avenue Traffic Calming Improvements and was approved by Council on June 12, 2025.

Discussion: Graham Contractors began work on June 25, 2025, and completed work on September 30, 2025. The work included asphalt repairs, crack sealing, slurry seal application, and new asphalt striping.

The final authorized contract amount, including both change orders, was \$708,855. The final contract cost was \$684,921, \$23,314 less than the authorized amount due to actual costs coming in slightly below estimates.

The Notice of Completion is included as Attachment 1, and the Final Cost Summary is included as Attachment 2.

Fiscal Impact: The total project costs and funding are as follows:

Funding:

Capital Improvement Project Fund FY 24-25	\$589,000
Capital Improvement Project Fund FY 25-26	\$120,000
Total	\$709,000

Costs:

Base Bid	\$492,782
Change Order 1	\$94,070
Change Order 2	\$98,069
Total	\$684,921

The remaining \$23,000 fund balance will be spent on installing a speed feedback sign on Park Avenue.

Attachments:

1. 2025 Pavement Maintenance Project Notice of Completion
2. 2025 Pavement Maintenance Project Final Cost Summary

Report Prepared By: Kailash Mozumder, Capitola Projects Manager

Reviewed By: Jessica Kahn, Public Works Director; Julia Gautho, City Clerk; Marc Tran, City Attorney

Approved By: Jamie Goldstein, City Manager