



# City of Oceanside

300 North Coast Highway,  
Oceanside, California 92054

## Staff Report

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**File #:** 26-1442

**Agenda Date:** 6/17/2026

**Agenda #:** 23.

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**DATE:** June 17, 2026

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Development Services Department

**TITLE: PUBLIC WORKS AGREEMENT WITH ONYX PAVING COMPANY, INC FOR THE FY 2025-26 PAVEMENT REHABILITATION PROJECT**

### **RECOMMENDATION**

Staff recommends that the City Council reject the bid protest submitted by Eagle Paving, LLC, and award a Public Works Agreement (PWA) to Onyx Paving Company, Inc in the amount of \$11,156,000 for the FY 2025-26 Pavement Rehabilitation Project; authorize the City Engineer to execute Contract Change Orders (CCOs) in the amount not to exceed \$500,000 with Onyx Paving Company for a total project budget not to exceed \$11,656,000; and authorize the City Manager to execute the agreement upon receipt of all supporting documents.

### **BACKGROUND AND ANALYSIS**

On January 14, 2026, the City Council received and filed the City's current Pavement Management Program (PMP), which assessed the condition of the City's street network and provided recommendations for rehabilitations over the next five years, and authorized the City Manager and City Engineer, or designee, to modify the plan as needed based on available funding and changing pavement conditions.

Based on the recommendations of the PMP and verified field conditions, this FY 2025-26 Pavement Rehabilitation project represents the first year of the program and will include slurry seals, asphalt concrete overlays and inlays, and traffic calming improvements.

The project was advertised on March 25, 2026, in accordance with City Procurement Policy AD-21. The solicitation included a base bid and six bid alternates, with the contract to be awarded based on the base bid, and bid alternates to be included in the scope of work based on available funds. Eleven bids were received on May 6, 2026, and publicly opened (Attachment 2). The apparent low bidder is Onyx Paving Company, with a base bid of \$9,669,000. A notice of intent to protest was filed May 11<sup>th</sup>, 2026 and a formal bid protest (Attachment 3) was filed May 12<sup>th</sup>, 2026 by Eagle Paving LLC, whose bid was the second lowest.

After substantial review, the City is recommending that the bid protest be rejected as stated in Attachment 5, and the contract be awarded to Onyx Paving Company in the amount of \$11,156,000,

which includes the base bid plus bid add alternatives one, five, and six. Adding these bid alternatives to the scope of work is within the available funding and maximizes the benefit to the City.

Construction is anticipated to occur from Summer 2026 through Spring 2028 with some of the work on arterials occurring at night to minimize traffic impacts.

Project locations for asphalt rehabilitation are shown in Attachment 3. Street selection prioritizes preventative maintenance for roads in fair to near-poor condition and groups improvements geographically to reduce repeat disruptions within a typical seven-year cycle.

Following adoption of the FY 2026-27 budget, staff will begin development of the Year 2 project in accordance with the PMP. In addition, staff will evaluate the funding needs for the FY 2026-27 project against the additive bid alternates included in the FY 2025-26 project to determine whether any additional bid alternates should be incorporated into the next phase of work. Any changes or modifications to the PMP will be updated on the City’s website.

**FISCAL IMPACT**

The proposed PWA award amount for construction is \$11,156,000. This includes the base bid and bid add alternative 1, 5, and 6. The total project cost also includes contingency, construction support, and administrative costs, as summarized below:

Account	Contract	Contingency	Staff & Admin Costs	Special Inspection	TOTAL	AVAILABLE
Misc Streets Proj/Slurry Seal 425426212.5703	\$1,397,975				\$1,397,975	\$1,397,975
Street Restoration 902754200212.5703.10600	\$3,285,110	\$500,000			\$3,785,110	\$3,948,390
Slurry Seal SB1 425447265.5703	\$700,000				\$700,000	\$700,000
Asphalt Overlay SB1 902155518265.5703.10100 902155518265.5105.10800	\$1,043,817		\$400,000		\$1,443,817	\$1,443,817
ADA for Overlay 902157619265.5703.10600	\$687,843				\$687,843	\$687,843
Street Monument Preservation 902162720265.5105.10800			\$40,000		\$40,000	\$43,385
Road Repairs/Slurry Seal 902158719517.5105.10800 902158719517.5305.10100	\$549,034			\$200,000	\$749,034	\$849,034

Account	Contract	Contingency	Staff & Admin Costs	Special Inspection	TOTAL	AVAILABLE

St Restoration/ Asphalt Overlay 902159419517.5703.10100 902159419517.5105.10800	\$3,302,861		\$488,350		\$3,791,211	\$3,791,211
Neighborhood Traffic Safety Improvements 902135500212.5320	\$23,000				\$23,000	\$502,437
Neighborhood Traffic Improvements 425418212.5320	\$37,000				\$37,000	\$37,785
GRAND TOTAL	\$11,156,000	\$500,000	\$928,350	\$ 200,000	\$12,784,350	\$13,401,877

The total cost is \$12,784,350 and the available funding is \$13,401,877; therefore sufficient funds are available to support the proposed project.

### **COMMISSION OR COMMITTEE REPORT**

Does not apply

### **CITY ATTORNEY'S ANALYSIS**

The bid documents were previously reviewed by the City Attorney and approved as to form. The contract must be awarded to the lowest responsive and responsible bidder. The Public Contract Code defines "responsible bidder" as a bidder who has demonstrated the attributes of trustworthiness as well as quality, fitness, capacity and experience to satisfactorily perform a public works contract. A bid protest was submitted by Eagle Paving (Attachment 3), and a response was subsequently provided by Onyx Paving Inc. (Attachment 4). The City Attorney's analysis of the bid protest is set forth in Attachment 5. The City Council also has the discretion to reject all bids and re-advertise.

Prepared by: Kymberly Corbin, Senior Civil Engineer  
Reviewed by: Brian Thomas, Acting Development Services Director  
Submitted by: Jonathan Borrego, City Manager

#### Attachments:

1. Bid Tabulation
2. FY25-26 Overview Map
3. Bid Protest by Eagle Paving LLC
4. Response to Bid Protest by Onyx Paving, Inc.
5. City Response to Bid Protest