

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Ron Moreno, Director of Public Works/City Engineer

DATE: July 14, 2026

SUBJECT: Accept Improvements and File the Notice of Completion for the Citywide Slurry Seal Project, PW25-06

PREPARED BY: Hossein Ajideh, Principal Civil Engineer
William Becerra, Associate Engineer

RECOMMENDATION: That the City Council:

1. Accept the construction of the Citywide Slurry Seal Project, PW25-06, as complete; and
2. Direct the City Clerk to file and record the Notice of Completion, release the Performance Bond, and accept a three-year Maintenance Bond in the amount of 10% of the final contract price; and
3. Release the Labor and Materials Bond seven months after the filing of the Notice of Completion, provided no liens have been filed.

BACKGROUND: On October 14, 2025, the City Council awarded a construction contract to American Asphalt South, Inc. in the amount of \$1,068,054.30 and authorized the City Manager to approve contract change orders not to exceed the contingency amount of \$534,027.15, which is equal to 50% of the contract amount. A contract change order is a formal, written amendment to an existing contract that alters the scope of work, contract price, or project timeline.

On January 13, 2026, the City Council approved an increase to the contingency in the amount of \$245,000, increasing the total authorized contingency to \$779,027.15. The total authorized construction contract encumbrance was \$1,847,081.45.

The Citywide Slurry Seal Program is an annual pavement preservation program that utilizes slurry seals to maintain and protect roadway surfaces from water intrusion and deterioration of the asphalt concrete pavement wearing surface. Slurry seal is typically applied every five to seven years to extend pavement life and delay more costly rehabilitation measures, such as asphalt concrete overlays or full pavement reconstruction.

Construction involved roadway preparation, including removal of existing striping and pavement

markings, cleaning the roadway surface, asphalt patching, and sealing cracks. This was followed by the application of slurry seal and the subsequent restoration of striping and pavement markings.

The project consisted of slurry sealing over 6.7 million square feet of residential roadway at designated locations throughout the City. The slurry seal project for this year included the Villages, Rancho Del Sol, Verano, Rancho Solano, Costain Signet, Avendale, Barclay Estates, Woodcrest Country, Ridgeview, Promenade at Temecula, and Crowne Hill communities.

American Asphalt South, Inc. has completed the work in accordance with the approved plans and specifications and to the satisfaction of the Director of Public Works/City Engineer. The contractor has agreed to warrant the work for a period of three years from April 9, 2026. The contract retention for this project was released in accordance with the provisions of Public Contract Code Section 7107.

The project supports the City's ongoing pavement preservation strategy by maintaining roadway conditions, extending pavement service life, and reducing future rehabilitation costs. It also supports the City's Core Values in the Quality-of-Life Master Plan (e.g., Transportation, Mobility and Connectivity.)

The original construction contract amount was \$1,068,054.30. One (1) contract change order was issued, resulting in an increase of \$758,471.40. The final construction contract amount was \$1,826,525.70.

FISCAL IMPACT: There is no additional fiscal impact associated with accepting the project and filing and recording the Notice of Completion. All project costs were funded through previously approved appropriations.

ATTACHMENTS:

1. Notice of Completion
2. Contractor's Affidavit and Final Release
3. Maintenance Bond