



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of July 28, 2026

TO: Mayor and Members of the City Council

VIA: Patrick Tang, City Manager

SUBMITTED BY: Mike Roberts, Interim Public Works Director

SUBJECT: Contract Amendment with BKF Engineers, Inc. in the amount of \$51,855 for Construction Management, Inspection and Quality Assurance Testing Services for the Refugio and Foxboro Park Improvements Project

RECOMMENDED ACTION:

Adopt a resolution authorizing the City Manager to execute Contract Amendment No.1 with BKF Engineers, Inc. (BKF) in the amount of \$51,855 for the Construction Management, Inspection and Quality Assurance Testing Services for the Refugio and Foxboro Park Improvements Project, including a transfer of \$40,855 from the construction contingency to fully fund the amendment, for a total contract amount of \$233,925.

BACKGROUND:

The facility improvements included in this project will improve the public's experience in Refugio and Foxboro Parks, while extending the lifespan of key assets and reducing future maintenance costs. The work at Refugio Park includes installation of prefabricated shade structures provided by the City, paving and concrete work, new site furniture, accessible parking enhancements and new sod and landscape planting. An alternate bid item was included for provision of a Type II slurry seal on the parking lot and entrance road.

The work at the Foxboro Park basketball court includes new asphalt paving around the perimeter of the existing basketball court, seal coat and court striping of the entire basketball court and new basketball standards. The existing playground equipment and

surfacing will be demolished and disposed, new drainage fill and resilient surfacing installed, and new playground structures provided by the City will be installed.

Bids for construction of the improvements were received on Tuesday, December 16, 2025, with Frontline General Engineering Construction, Inc. (Frontline) having submitted the low bid, including an alternate bid item to slurry seal the Refugio Valley Park parking lot, in the total amount of \$895,814.00. At the January 13, 2026 City Council meeting, the construction contract for the project was awarded to Frontline, including the alternate, for the low bid amount of \$895,814. At that time, City Council authorized an additional expenditure of up to \$89,581 for a 10% contingency for a total not to exceed construction contract amount of \$985,395. City Council also determined that the Project was exempt from California Environmental Quality Act ("CEQA") review pursuant to CEQA Guidelines section 15301 for work related to existing facilities.

Construction management for this project was needed to handle contract administration, invoicing, inspections, quality assurance testing services and management of the project through the closeout phase. Staff requested proposals from three construction management firms on the pre-qualified engineering vendor list. Only one firm, BKF, provided a quote for the construction management services. BKF's scope of work includes:

- Construction Management
- Inspection Services
- Post-Construction Closeout
- Quality Assurance and Laboratory Testing (provided by Inspection Services, Inc.)

BKF is a long-standing, highly reputable engineering firm. At the January 27, 2026 City Council Meeting, BKF was awarded a professional services agreement for construction management with MNS serving as their inspection subconsultant for the not to exceed amount of \$193,070. However, the agreement was executed for \$182,070 because MNS subsequently merged into BKF and BKF eliminated their subconsultant management fees, resulting in \$11,000 in cost savings.

ANALYSIS:

Construction on the Refugio and Foxboro Park Improvements Project began on March 16, 2026 and was anticipated to be completed no later than June 22, 2026. However, the project has taken longer to complete than originally anticipated and a higher level of oversight was needed by BFK than originally scoped.

The cause(s) for this request to increase the contract amount include: unanticipated minor changes to the scope of the construction contract including replacement of sand base

beneath new playground equipment, additional time and costs associated with inspection of delayed and weekend work, and project scheduling issues with the contractor.

ENVIRONMENTAL REVIEW:

The City Council previously determined that the Project is exempt from CEQA review pursuant to CEQA Guidelines section 15301 which allows minor alterations to existing facilities without further review. Approval of this amendment to BKF's professional services agreement for construction management services is within the scope of that Project and will not result in additional or new impacts as Frontline will be implementing the Project as approved.

FISCAL IMPACT:

The **adopted budget** for the Refugio and Foxboro Park Improvement Project is as follows:

Funding Sources:

General Fund/Capital Reserves	\$1,037,136.00
Community Development Tax	<u>\$170,000.00</u>
Total Revenue	\$1,207,136.00

Expenditures accounts:

Construction Contract	\$ 895,814.00
10% Contingency	\$ 89,581.40
Engineering Services During Construction	<u>\$193,070.00</u>
Total Expenditures	\$1,178,465.40

To stay within the overall project budget, it is proposed \$40,855 from the 10% construction contingency funding be transferred to partially fund Change Order No.1. Said \$40,855, when combined with the \$11,000 cost savings from the original \$193,070 Council authorization, will fully fund the \$51,855 amendment to BKF's construction management contract. With this fund transfer, \$21,726 in construction contingency funding will remain for any additional unanticipated expenditures as follows:

Original Construction Contract Contingency Amount	<u>\$89,581</u>
Transfer Out to Construction Management	<u>\$40,855</u>
Proposed Construction Contingency Amount	\$48,726
Change Order No.1 Remove Sand Subbase	\$19,000
Change Order No.2 Add/Relocate Irrigation Valves	\$ 1,000
Change Order No.3 Adjustment to Final Quantities	<u>\$ 7,000</u>
Remaining Construction Contingency	\$21,726

The **proposed budget** for the Refugio and Foxboro Park Improvement Project therefor is as follows:

Funding Sources:

General Fund/Capital Reserves	\$1,037,136.00
Community Development Tax	<u>\$170,000.00</u>
Total Revenue	\$1,207,136.00

Expenditures accounts:

Construction Contract	\$ 895,814.00
Contingency	\$ 48,726.00
Construction Management Contract	\$182,070.00
Contract Amendment No.1	
Funding Available from Original Authorization	\$ 11,000
Transfer in from Construction Contingency	<u>\$ 40,855</u>
Contract Amendment No.1 Total	\$ 51,855
Total Construction Management Contract	<u>\$233,925.00</u>
Total Expenditures	\$1,178,465.40

ATTACHMENTS:

Attachment 1 – Resolution

Attachment 2 – Contract Amendment

Attachment 3 – Professional Services Agreement with BKF Engineers for Construction Management, Inspection and Materials Testing Services for the Refugio and Foxboro Park Improvements Project