



Legislation Text

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Report regarding the award of a construction contract to Azul Works, Inc. of San Francisco, California, for the New Park at Linden Avenue and Pine Avenue Project (Project No. pk2305), in an amount not to exceed \$3,295,000; authorizing a total construction budget of \$3,789,250; approving the procurement of playground equipment and authorizing the City Manager to execute a purchase agreement with Landscape Structures, Inc. of Delano, Minnesota, in an amount not to exceed \$152,697.49; approving the procurement of exercise equipment and authorizing the City Manager to execute a purchase agreement with Greenfields Outdoor Fitness, Inc. of Anaheim, California, in an amount not to exceed \$22,407.08; amending the Consulting Services Agreement with MIG, Inc. of Berkeley, California, in an amount not to exceed \$78,402 and extending the contract period to December 31, 2027; and approving Budget Amendment Number 26.060. (*Philip Vitale, Deputy Director of Capital Projects*)

RECOMMENDATION

Report regarding the award of a construction contract to Azul Works, Inc. of San Francisco, California for the New Park at Linden Avenue and Pine Avenue project (Project No. pk2305) in an amount not to exceed \$3,295,000, authorizing a total construction budget of \$3,789,250, approving the procurement of playground equipment and authorizing the City Manager to execute a purchase agreement with Landscape Structures of Delano, Minnesota in an amount not to exceed 152,697.49, approving the procurement of exercise equipment and authorizing the City Manager to execute a purchase agreement with Greenfields Outdoor Fitness, Inc. of Anaheim, California in an amount not to exceed \$22,407.08, amending the Consulting Services Agreement with MIG, Inc. of Berkeley, California in the amount of \$78,402 and, extending the contract period end date to December 31, 2027, and approve Budget Amendment Number 26.060.

BACKGROUND/DISCUSSION

The New Park at Linden Avenue and Pine Avenue Project consists of two parcels located at 616 Linden Avenue and 700 Linden Avenue, along with an approximately 100-foot section of Pine Avenue between the parcels (collectively, the "Project Site"), totaling approximately 0.79 acres. The site is located in a mixed residential and commercial area. The 616 Linden Avenue parcel is currently used as a parking lot, and 700 Linden Avenue is a largely undeveloped grass lot bisected by a pedestrian pathway.

Following a 1.5-year community engagement effort, the park concept design was presented to the City Council in March 2025. The Project is designed to provide a cohesive neighborhood park that includes a play area, lawn areas, plaza, fitness area, picnic areas, walking paths, and public art. The design also reconfigures Pine Avenue to connect to Seventh Lane rather than Linden Avenue, allowing for one large, contiguous park space that improves usability, circulation, and overall park experience. A public restroom (and associated utility costs) was not included in the original Project scope or budget. However, through the outreach process, residents, park users, and local merchants consistently identified access to a public restroom as essential to the park's success, visitor comfort, and reducing reliance on nearby private businesses. In response, staff presented a range of restroom options to the City Council, including providing infrastructure only, contracting for a managed portable restroom, and constructing a permanent prefabricated restroom (single- or two-stall). At that time, the cost to install the infrastructure to prepare for a future restroom was estimated at \$150,000, while installation of

a permanent prefabricated restroom, including design and construction, was estimated between \$750,000 and \$1,000,000.

In September 2025, staff initiated a pilot program with Throne Inc. to evaluate a vendor-managed restroom. A unit was installed at 700 Linden Avenue and operated for approximately five months. Access was provided at no cost via QR code, text-based entry, or access cards available at the Grand Avenue Library. User data and comments from the pilot program are attached to this report.

During the pilot, the system tracked usage and collected feedback. Results indicated the facility was well received and reduced restroom demand on nearby businesses.

AWARD OF CONTRACT FOR CONSTRUCTION

In February 2026, construction documents were finalized and bid documents were prepared, including Front-End and Technical Specifications. The bid documents included one Additive Alternate and two non-critical Deductive Alternates:

- Additive Alternate 1: Prefabricated Single Stall Restroom
- Deductive Alternate 1: Chain-link Fence at Play Area
- Deductive Alternate 2: Wood Fence at 616 Linden Parcel Property Line

The Deductive Alternates were included to provide flexibility to reduce project costs if bids exceeded the engineer’s estimate. However, staff does not recommend accepting either alternate, as both would diminish the overall quality and functionality of the park.

Staff advertised a notice inviting bids on February 18, 2026. Through outreach and advertisement, more than 60 contractors expressed interest. A pre-bid meeting was held on February 25, with nine contractors in attendance.

On March 16, 2026, staff received five bids. The lowest responsive and responsible bidder is Azul Works, Inc. Staff verified the contractor’s license with the California State Licensing Board and found it to be in good standing.

The following is a summary of base bids received:

Contractor	Base Bid Amount
Azul Works, Inc.	\$3,295,000
Ronan Construction Inc.	\$3,532,478
Minerva Construction, Inc.	\$3,674,000
Suarez & Munoz Construction, Inc.	\$4,430,000
Kerex Engineering	\$4,515,000

The engineer’s estimate for the base bid is \$3,450,000. The lowest responsive and responsible bid is \$155,000 (4.5%) below the engineer’s estimate.

The basis of award shall be the lowest responsive and responsible bidder determined on the basis of the Total Base Bid Price without consideration of Additive or Deductive Alternates.

Azul Works Additive and Deductive Alternates

Add Alternate 1 Prefabricated Restroom	\$440,000
Deduct Alternate 1 Play Area Fence	-\$80,000
Deduct Alternate 2 Fence at 616 Linden Parcel Property Line	-\$170,000

Based on the bid results, the base bid is within the project budget; however, there is insufficient funding to include the restroom Additive Alternate. Staff recommends proceeding with the base bid without the Additive or Deductive Alternates to ensure delivery of a durable, long-lasting park. This approach preserves the ability to implement a contract-managed restroom (e.g., Throne) upon project completion, while maintaining infrastructure for a future prefabricated restroom. If a permanent restroom is installed in the future, a temporary portable restroom could be provided within the plaza or parking area to serve park users during construction.

Staff’s proposed project budget is:

Base Bid Contract	\$ 3,295,000
<u>Construction Contingency (15%)</u>	<u>\$ 494,250</u>
Total Construction Budget	\$ 3,789,250

The contingency accounts for unforeseen conditions, design changes, and coordination with PG&E.

EQUIPMENT PURCHASE

As a cost saving approach, staff recommend utilizing the Sourcewell Cooperative Purchase Agreement for the purchase of playground and exercise equipment. This allows the City to utilize a contract that was competitively bid consistent with California law and the City’s Purchasing Policy and take advantage of already competitively obtained low prices. Use of cooperative purchasing programs is a way of obtaining goods and services by aggregating volume, securing value pricing, and reducing administrative overhead. Use of purchasing cooperatives significantly reduces the time and resources needed to competitively bid goods and services contracts, resulting in better overall value. Furthermore, purchasing equipment outright rather than under the construction contract eliminates the contractor’s markup.

Sections 4.04.030 (specifically subdivision (k)) and 4.04.040 of the South San Francisco Municipal Code authorize the use of cooperative purchasing programs (referenced as “joint purchasing endeavors”) and agreements that are competitively bid or negotiated by other governmental agencies. The City’s Purchasing Policy similarly authorizes the use of cooperative purchasing mechanisms by showing the advantages of the cooperative purchase and that it would be made in conformance with California law and this policy. Relatedly, the City may piggyback on contracts if the contract terms are valid and have been negotiated by another governmental agency using a quote or bid process that substantially conforms to the procedures established by state law and the City purchasing ordinance. Further, the City’s Purchasing Policy requires that the original contract was awarded within one year of the City’s purchase, or written justification is provided to support the use of an older solicitation. This strategy has been successfully used on the Gardiner Park Project, Dundee Park Project, and Centennial Way Park South Project.

Staff recommends entering into agreements with Landscape Structures, Inc. and Greenfields Outdoor Fitness, Inc. through Sourcewell. These agreements provide for the furnishing of playground and fitness equipment, which has been reviewed and approved by the Parks and Recreation Department.

Vendor Purchase Price

Greenfield Outdoor Fitness	\$22,407
Landscape Structures	\$152,697

Staff has worked with both vendors on past projects with positive experience and anticipate no impact to overall project delivery or require extensive additional coordination. The base bid for construction is not inclusive of playground and exercise equipment but do provide for installation by the general contractor. When compared to standard retail prices, staff estimates that the City will save more than \$40,000 (21%) overall by using this procurement strategy compared to purchasing the equipment through the general contractor.

CONSULTANT SERVICES

On November 1, 2023, the City and MIG, Inc. landscape architects entered into a Consulting Services Agreement whereby MIG agreed to provide professional design services for the New Park at Linden Avenue and Pine Avenue. The agreement is currently set to expire on June 30, 2027.

MIG’s scope of services included a conceptual design, schematic design, design document, construction document, and construction administration. As the design of the project progressed, MIG was tasked with the following additional studies and tasks:

1. Hexagon Traffic Study work:
 - a. Review site access and circulation for the final concept plan and prepare a memorandum with recommendations.
 - b. Review the peer review memorandum prepared by Kittelson & Associates for the Initial Analysis prepared by Hexagon and attend a meeting to discuss the comments.
 - c. Linden Avenue Closure during Large Events - Hexagon included a qualitative discussion of the proposed Linden Avenue closure during large events and its impact on vehicular, pedestrian, and bike traffic and transit services that might be affected by the street closure.
 - d. Hexagon meeting attendance
2. Hexagon revised trip analysis
3. Restroom infrastructure design
4. Additional Coordination with PG&E for new power service

To address added scope related to additional studies, incorporation of restroom infrastructure and Add Alternate into the construction documents, staff recommends approval of the Second Amendment to the Consultant Services Agreement with MIG, Inc. The fees for additional services requested brings the contract value up to \$605,862. The proposed contract amendment of \$78,402 covers the remaining balance of services and includes a 20% contingency of \$13,067 to be applied to cover additional services if needed.

Description	Date	Amount
Original Agreement	11/1/23	\$526,920
1 st Amendment	11/1/25	\$ 0
<u>2nd Amendment</u>		<u>\$ 78,402</u>
Total		\$605,322

Utilizing the additional \$150,000 for the restroom design and construction of infrastructure, the total project budget increases from \$5,800,000 to \$5,950,000. While the Base Bid from Azul Works is less than the engineers estimate, a 15% contingency is being held for construction contract to allow for further coordination

with PG&E and other unforeseen construction costs.

Project Funding Sources:

Park Fees	\$1,450,000
State Parks Grant	\$3,200,000
<u>Developer Contributions</u>	<u>\$1,300,000</u>
Total	\$5,950,000

Project Schedule:

- Bid and Construction: Early 2026 - Early 2027
- Opening: Mid 2027

FISCAL IMPACT

This project is included in the City of South San Francisco’s Fiscal Year 2024-25 Capital Improvement Program. As communicated to City Council at the Concept Design presentation in May 2020, an additional \$150,000 to fund the restroom infrastructure and design would likely utilize available fund balance from the Park Construction Fees Fund. Staff requests an appropriation of \$150,000 from Park Construction Fees (Fund 806) as Budget Amendment Number 26.060.

RELATIONSHIP TO ACTION PLAN

Approval of this action is consistent with the City’s Action Plan. Development of the new park at Linden Avenue and Pine Avenue is an Activity/Initiative within the Quality of Life Major Focus Area.

CONCLUSION

Staff recommends that the City Council of the City of South San Francisco adopt a resolution (#26-1471) awarding the construction contract to Azul Works, Inc. of San Francisco, California for the New Park at Linden Avenue and Pine Avenue project (Project No. pk2305), and adopt a resolution (#26-1601) authorizing the City Manager to execute a purchase agreement with Landscape Structures, Inc. of Delano, Minnesota, and adopt a resolution (#26-1607) authorizing the City Manager to execute a purchase agreement with Greenfields Outdoor Fitness, Inc. of Anaheim, California, and adopt a resolution (#26-1602) authorizing the City Manager to execute a Second Amendment to the Consulting Services Agreement between the City of South San Francisco with MIG, Inc. of Berkeley, CA for additional landscape architecture, design, and construction support services to and extend the contract period end date to December 31, 2027, and approve Budget Amendment Number 26.060.

ASSOCIATED DOCUMENTS

1. Vicinity Map
2. Presentation
3. Throne Pilot Restroom Usage Data