

City of Piedmont
COUNCIL AGENDA REPORT

DATE: June 1, 2026

TO: Mayor and Council

FROM: Rosanna Bayon Moore, City Administrator

SUBJECT: Consideration of a Budget Adjustment for the Linda Beach Tot Lot Improvement Project in the Amount of \$82,516 for an overall Project Budget of \$218,861 and Acceptance of the Linda Beach Tot Lot Improvement Project

RECOMMENDATION

By a single motion, take the following actions regarding the Linda Beach Tot Lot Improvement Project:

1. Approve an adjustment to the allocated budget for the Linda Beach Tot Lot Improvement Project of \$82,516, bringing the overall project budget of the project to \$218,861.
2. Accept the improvements as complete.
3. Authorize the release of the Performance and Labor and Material Bonds.
4. Retain the Maintenance Bond until June 1, 2027, and if there are no warranty items found, authorize the Public Works Director to release the Maintenance Bond at that time.
5. Direct the Public Works Director to file the Notice of Completion for the project.

BACKGROUND

On June 16, 2025, the City Council awarded the Linda Beach Tot Lot Improvement Project to Norgo Engineering. The construction contract award amount was \$123,950. Additionally, \$12,395 in contingency monies were budgeted, bringing the total allocated budget to \$136,345. Staff is requesting approval of a budget adjustment of \$82,516, bringing the total Project budget to \$218,861.

DISCUSSION

During active construction the following unforeseen conditions were uncovered:

- The existing sand layer within the Tot Lot play area was significantly thicker than originally anticipated, reaching depths of up to 24 inches in some areas compared to the expected 12 inches. All sand required removal and disposal.
- Beneath the sand, a layer of asphalt concrete was discovered, measuring up to 14 inches thick. This asphalt had to be removed to allow the playground equipment contractor to drill pier foundations. Drilling through the asphalt would have required larger construction equipment, which was not feasible due to site access constraints.
- During asphalt removal, the underlying soil was found to emit a petroleum byproduct odor. Subsequent soil sampling and testing confirmed the presence of fuel-related contaminants. The affected soil was excavated, removed from the site, and disposed of

at an appropriate licensed facility.

- Additional aggregate base rock was imported and compacted to achieve the required subgrade elevations following removal of unsuitable materials.
- A perforated subdrain system was installed and backfilled with permeable drainage rock to improve site drainage conditions.

These unforeseen conditions created a critical scheduling challenge. The Contractor's work needed to be completed within a strict timeframe to accommodate the installation of playground equipment and rubberized surfacing by other contractors working under separate agreements with the City. Soil that contains petrochemical contaminants needs to be stockpiled, tested, then have the contractor identify an appropriate disposal facility before hiring a trucking company to haul the material. This process often takes months to complete and accurate costing of the CCO cannot occur until those items are clearly understood. This would have possibly delayed the project completion schedule until spring and potentially resulted in additional costs.

In addition to the unforeseen conditions, the following extra work was requested by City staff, resulting in additional costs:

- Removal of sand in the picnic area adjacent to the Tot Lot.
- Installation of two pipe chases beneath the existing sidewalk to accommodate a future water service line and electrical service.
- Removal and reinstallation of the chain link fence along the back of the sidewalk on Linda Avenue.
- Remobilization by the Contractor to remove the temporary access ramp to the Tot Lot, which had been left in place to facilitate access for other contractors.

Due to these factors, total project costs exceeded the originally approved budget. Staff is requesting approval of an additional budget allocation in the amount of \$82,516 to fully close out the project and release the retained funds to the Contractor.

	<u>Original Budget</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Construction Contract	\$123,950	\$123,950	\$0
Construction Contingency	\$12,395	\$94,911	\$82,516
Total	<u>\$136,345</u>	<u>\$218,861</u>	<u>\$82,516</u>

FISCAL IMPACT

The original sources of funding for the project were Facilities Capital Funds (#112) and contributions from the Piedmont Beautification Foundation. The proposed additional appropriation will be funded using Facilities Capital Funds.

CITY ATTORNEY REVIEW

The City Attorney has reviewed the Staff Report.

By: Daniel Gonzales, Public Works Director
Steve Van Saun, City Engineer