



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council
FROM: City Manager
SUBJECT: Bandini Library and Learning Center Project Acceptance
MEETING DATE: April 14, 2026

RECOMMENDATION:

The City Council will consider accepting the Bandini Library and Learning Center Project as complete, authorizing staff to file the Notice of Completion with the County Recorder's Office, and authorizing release of 5% retention per contract provisions and the expiration of the Stop Notice filing period, subject to any remaining Stop Notice Claims.

BACKGROUND:

On February 12, 2024, staff advertised the project for construction bids, with the bid opening date of March 19, 2024. Seven (7) bids were received, and Armstrong Cal Builders, Inc. was determined to be the lowest responsive bidder.

On April 9, 2024, the City Council awarded a construction contract to Armstrong Cal Builders, Inc. in the amount of \$1,938,472.00, authorized up to 15% in contingencies and 10% for construction management and inspection services.

ANALYSIS:

Construction of the project commenced on June 17, 2024, and was completed in September 2025. During the construction phase, several change orders were issued, many of which resulted from items not identified in the design plans due to the absence of as-built drawings for the existing building.

Renovation of the interior and exterior of the building were completed, including key upgrades, such as, hazardous materials mitigation and abatement; reroofing and installation of a new Tremco roofing system; patio reconstruction; installation of a motorized skylight shade; ADA accessibility upgrades; landscape and on-site parking

improvements; installation of exterior signage and canopy; installation of new plumbing fixtures; energy-efficient lighting; fire sprinkler and life safety systems, including a burglar alarm system; heating, ventilation, and air conditioning (HVAC) systems; electrical system upgrades; and other related improvements. Throughout the construction phase, change orders were issued as necessary to address unforeseen conditions and ensure successful completion of the project.

The project also included low-voltage systems, audio-visual components, and library furniture and equipment procurement, which were not included in the original contract.

The project commenced on June 17, 2024, with an original contract completion date of December 9, 2024. Through approved change orders and coordination between the Contractor and the City, the contract completion date was extended to July 31, 2025. No additional time extensions were approved beyond this date. Liquidated damages were assessed for the period of August 1, 2025, through September 24, 2025.

On March 19, 2026, the City received a formal claim, from Armstrong Cal Builders, Inc., related to the project. The claim pertains to retention payment, previously denied change orders, and requests for additional compensation associated with extended overhead for alleged delays beyond the Contractor's control. The claim is currently being handled separately by the City Attorney.

The project is now complete. All undisputed progress payments have been paid to the Contractor. Pursuant to the terms of the Public Works Agreement with Armstrong Cal Builders and State Public Contracts Code, 5% of the total contract amount is withheld by the City to ensure payment of Stop Notice Claims and other miscellaneous items. The retention amount is \$119,540.94 less delay damages due to the City of \$27,500, leaving a net retention amount of \$92,040 to be retained by the City. The retention amount of \$92,040 will be released to the Contractor after expiration of the Stop Notice Claim filing deadline, subject to any remaining Stop Notice Claims.

FISCAL IMPACT:

The total cost of the construction contract by Armstrong Cal Builders, Inc., including approved change orders, is \$2,387,216.94, which was funded through approved Measure AA Funds Capital Improvement Program funds (Account No. 41-5180-57010.14134).

As summarized below, total project expenditures currently exceed the approved budget by approximately \$202,524.42, primarily due to additional scope associated with low voltage, audio/visual, and furniture and equipment components identified during project implementation.

Project Fund Summary

Description	Approved Budget	Expenditures
Construction Contract, additional approved allocation (\$200,000), and change orders.	\$ 2,429,242.80	\$ 2,387,216.94
Estimated Construction Management, Inspection, etc.	\$222,924.28	\$210,000.00 (estimated)
Asbestos, Lead, and Mold Survey – Through separate contract	\$8,650.00	\$8,650.00
Audio Visual – Through separate contract	\$00.00	\$66,038.32
Low Voltage – Through separate contract	\$00.00	\$20,397.77
Furniture & Equipment – Through separate contract	\$00.00	\$171,038.47
Total	\$2,660,817.08	\$2,863,341.50

During the project closeout process, staff is evaluating available funding sources to address this variance, including potential eligibility to use grant sources and the use of savings from other completed or under-budget capital projects. Staff will process any necessary budget adjustments or reclassification of expenses administratively.

ALTERNATIVES:

1. Approve staff recommendation
2. Disapprove staff recommendation
3. Provide further direction to staff

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to the 2016 Strategic Plan, Infrastructure and Facilities

Guiding Principle 4:

Develop and invest in infrastructure and beautification projects that support economic growth.

Approved and Recommended by:	Shahid Abbas, Director of Public Works
Fiscal Impact reviewed by:	Alvaro Castellon, Director of Finance
Approved as to form by:	Noel Tapia, City Attorney
Respectfully submitted:	Ernie Hernandez, City Manager