



Agenda Report

Fullerton City Council

MEETING DATE: JULY 21, 2026

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: STEPHEN BISE, P.E., PUBLIC WORKS DIRECTOR

PREPARED BY: DAVID GRANTHAM, P.E., CITY ENGINEER
CHRISTIAN HERNANDEZ, PARKS AND REC MANAGER

SUBJECT: \$1,360,000 CONTRACT WITH A2Z CONSTRUCT INC. FOR INDEPENDENCE PARK GYM RENOVATION PROJECT

SUMMARY

Award a \$1,360,000 construction contract to A2Z Construct Inc. for the Independence Park Gym Renovation Project.

PROPOSED MOTION

1. Approve Project 54691 Independence Park Gym Renovation Project plans and specifications.
2. Approve \$375,000 Facility Capital Repair Fund (Fund 70) budget transfer and appropriation from fund balance to Project 54691 Independence Park Gym Renovation Project within the Capital Projects Fund (Fund 74).
3. Approve all bid alternate work and include in the project scope of work.
4. Award \$1,360,000 construction contract for Project 54691 Independence Park Gym Renovation Project to A2Z Construct Inc. and authorize City Manager, or designee, to execute and administer the contract, in a form approved by the City Attorney.
5. Authorize Director of Administrative Services, or designee, to increase the purchase order for Crane Architectural Group to an amount not to exceed \$200,000 for architectural services.
6. Authorize Public Works Director, or designee, to approve change orders for construction and professional engineering construction support services within the project budget.

ALTERNATIVE OPTIONS

- Reject bid alternates

- Reject all bids
- Other options brought by City Council.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statements:

- Infrastructure and City Assets.

FISCAL IMPACT

The Independence Park Gym Renovation Project has funding provided by a \$1 million State Grant and Park Dwelling Funds within the Capital Projects Fund. The State grant does not cover total project costs and staff recommends an additional \$375,000 Facility Capital Repair Funds (Fund 70) budget transfer and appropriation from fund balance to Project 54691 Independence Park Gym Renovation Project within the Capital Projects Fund (Fund 74) to support the remaining costs. The Facility Capital Repair Fund has sufficient fund balance.

Staff attached a budget Data Sheet / Summary of Bids and the Contractor Bid Schedule for reference (Attachments 1 and 2).

DISCUSSION

Independence Park, established in 1976, provides recreational space for the Fullerton community. The park gymnasium building has remained closed since March 2020, initially due to the COVID-19 pandemic and then due to significant deterioration. The gym closure left a gap in indoor recreational opportunities for residents, particularly youth and families who rely on public spaces for sports, fitness and community programs. Independence Park holds great potential to become a premier community hub given its central location, expansive facilities and historical significance.

The Independence Park Gym Renovation Project includes comprehensive repairs and renovation to the gymnasium building, ensuring it will provide space for a wide range of recreational activities. The project scope of work includes:

- replacing sport court flooring and fixtures
- handball court repairs
- restroom improvements
- mechanical, electrical and structural improvements
- office space, multifunction room and public lobby area renovations including new flooring and paint to refresh and modernize the spaces.

This project represents a key investment in the community, allowing expanded programming opportunities such as fitness classes and open gym sessions to promote physical well-being and engagement.

City Council authorized Parks and Recreation staff to apply for \$1 million in state funding, allocated by Senator Thomas Umberg as part of the State budget on February 18, 2025.

The City received state funding specifically for the gym renovation project. Park Dwelling Funds and the recommended Facility Capital Repair budget transfer would provide additional project funding. Staff plans to allocate remaining budget and renovation savings to improve the park site with a new playground and associated site improvements, including shelter, lighting, landscaping and walkways.

The City received 14 bids on July 1, 2026. A2Z Construct Inc. of Rancho Santa Margarita submitted the lowest responsible base bid totaling \$1,090,000. The low bid is approximately 25% lower than the \$1,400,000 architects estimate. Staff reviewed the bid and found it acceptable. The contractor would execute the standard City CIP Agreement.

The project included two separate bid alternates to renovate the easterly restrooms and exterior painting. The low bidder cost for these alternates totaled \$270,000. Staff recommends including both alternates to avoid higher future repair and renovation costs and bring the currently closed restrooms in compliance with accessibility standards. The project contract cost including the bid alternates would total \$1,360,000.

The second lowest bidder, KNM Design Build, submitted a bid protest claiming A2Z Construct Inc failed to provide subcontractors for the project scope of work. This claim is not substantiated as A2Z Construct Inc. has the appropriate contractor licenses and staff confirmed with A2Z Construct Inc. that they would perform the work with their own employees. A2Z Construct Inc. has successfully completed similar projects for other cities.

City Council approved firms for on-call professional architectural services on August 2, 2022. The approval included Crane Architectural Group and authorization to issue purchase orders up to \$150,000 per project. The services provided by Crane Architectural Group may exceed the \$150,000 threshold as the project moves to the construction phase. Staff requests approval to increase the purchase order in an amount not to exceed \$200,000. Staff does not expect the value of services to reach \$200,000, however, staff requests this limit to ensure the City can acquire services if needed.

Construction would tentatively start September 2026 with an anticipated project completion by January 2027.

Staff prepared an environmental assessment in accordance with the California Environmental Quality Act Guidelines and determined that the project is categorically exempt.

Attachments:

- Attachment 1 – Budget Data / Summary of Bids
- Attachment 2 – Bid Schedule
- Attachment 3 – Project Location Map

cc: City Manager Eddie Manfro