



SCHEDULED ITEM
D-2

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

VIA: SERGIO GONZALEZ, CITY MANAGER

FROM: MIKI CARPENTER, DIRECTOR OF COMMUNITY RESOURCES

DATE: FEBRUARY 2, 2026

SUBJECT: CONSIDER FIRST AMENDMENT TO CONTRACT WITH G2K CONSTRUCTION FOR MODERNIZATION OF SENIOR CENTER LOCATED AT 740 N. DALTON AVENUE

BACKGROUND:

On July 21, 2025, the City Council awarded a contract to G2K Construction in the amount \$3,889,000 and authorizes Staff to increase the contract amount by up to a 10% (\$388,900) contingency for potential change orders as needed for a total not-to-exceed contract amount of \$4,277,900 for the Senior Center Modernization with work commencing in September 2025. The initial phase of the project included demolition activities to prepare the facility for the planned renovations and modernization of this 13,488 sq. ft. building, which is nearly 40 years old.

During this phase, portions of the structure were opened, exterior areas excavated, and several significant issues were identified. The original earmark for the Senior Center Remodel CIP allocation was \$4,000,000 and was amended to \$4,277,900 with approval of the G2K contract. Additional funding up to \$1,953,683 is needed to complete the project, modernize the building, and provide for additional enhancement opportunities to reduce costs for essential construction later – at a total not-to-exceed project cost of \$6,181,583.

This request will help to fully address repairs and modernization elements such as: sewer repairs/replacement throughout the building and property, ADA and code compliance, energy efficient/modern light fixtures, preparation for EV chargers, roof replacement, cabling for increased data access for workstations and A/V capabilities in classrooms, remediation of mold and structural damage, water damage prevention with improved drainage, parking lot improvements, entryway grading, prominent entryway accessible from the parking lot, and a new bus drop off area at the new entrance.

Some aspects of this request are not immediate necessities, but present opportunities to make improvements without future disruption, and added costs, if done during the modernization project. Examples of these opportunities include the Electric Division's desire to re-route the power feed for the existing transformer on the east side of the parking lot to the new underground electric line on Dalton

Avenue, moving forward with a roof replacement rather than roof repairs, and multiple opportunities to address sewer related concerns, outside the initial scope of the project, but will be more efficient to address now such as the exterior sewer line replacement to the street, and kitchen sewer/grease trap malfunctioning.

RECOMMENDATIONS:

Staff recommends that City Council take the following actions:

- 1) Approve the First Amendment to the contract with G2K Construction increasing the original contract amount from \$3,889,000 to \$6,008,521 (which includes use of previously authorized \$388,900 contingency funds), and authorize Staff to make future amendments as needed for up to an additional contingency of \$173,062 for potential change orders, for a total not-to-exceed amount of \$6,181,583; and
- 2) Authorize the re-appropriation of \$900,000 in cost savings from the Azusa Ave. Phase II project 13-80-000-661-7120/66126C-7120, to the Senior Center Modernization project 13-80-000-661-7120/54326A-7120; and
- 3) Authorize the use of \$350,621 in Sewer Fund monies for this project; and
- 4) Authorize the use of \$400,000 in Public Benefit Funds for this project; and
- 5) Authorize the use of \$80,000 in Electric Funds for this project; and
- 6) Authorize the use of General Fund monies not to exceed \$223,062; and
- 7) Authorize the City Manager to execute the Amendment, subject to non-substantive changes, in a form acceptable to the City Attorney, on behalf of the City.

ANALYSIS:

The Azusa Senior Center was opened as a newly constructed building in 1987. Since original construction, remodeling efforts have been minimal and limited to some LED lighting upgrades, roof repairs, HVAC upgrades, and minor aesthetic improvements. With excess reserves set aside for modernization efforts, the City identified funds for capital projects, which meet the needs of residents, and in particular, Azusa Seniors.

The City contracted with Totum Corp. to develop construction plans and specifications and project management. On July 21, 2025, the City Council awarded a contract to G2K Construction for the Senior Center Modernization. Original plans included extensive interior and exterior improvements, hardscape/landscape and trellises.

As the project was underway, the existing plumbing system was found to be highly deteriorated, with extensive corrosion of the original cast iron piping. The system is no longer functioning properly and will require re-lining. In addition, the main sewer line servicing the facility was discovered to also be deteriorated and will need full replacement. The grease trap serving the kitchen was also determined to

be non-compliant with code requirements. In some areas, where a minimal refresh was planned, updated code requirements govern the project, and complete replacement has been triggered.

Further investigation of the exterior walls revealed that moisture had infiltrated multiple areas of the building envelope because of old caulking and roof leaks. As a result, mold and wood rot remediation was required in several locations, along with selective removal and replacement of damaged wall framing members. Further, the conditions of the soil around the entire building have resulted in the need for remediation of rocks and treatment of the soil prior to compaction.

Staff was able to identify project savings from another CIP project and available funds from various special revenues to offset most of this additional scope of work. General Fund monies will be utilized last after all other special revenue funds have been exhausted.

FISCAL IMPACT:

The original earmark for the Senior Center Remodel CIP allocation was \$4,000,000 and was amended to \$4,277,900 with approval of the G2K contract. Additional funding up to \$1,953,683 is needed to complete the project, modernize the building, and provide for additional enhancement opportunities to reduce costs for essential construction later – at a total not-to-exceed project cost of \$6,181,583.

Upon Council approval, Staff will amend the FY 2025-26 budgets as follows:

Fund	Account Number	Amount
Sewer	34-80-000-665-7120/54326B-7120	\$350,621
Public Benefit	24-40-739-082-6625/CIEnPt6625	\$400,000
Utility Mitigation	Re-appropriate from 13-80-000-661-7120/66126C-7120 to 13-80-000-661-7120/54326A-7120	\$900,000
Electric Division	33-80-000-730-7145/73017A-7145	\$80,000
General Fund	10-80-000-543-7125/54323A-7125	\$223,062
TOTAL		\$1,953,683

As stated above, The General Fund will be only utilized after all the special revenues have been exhausted.

Prepared by:

Reviewed and Approved by:

Nikki Rosales
Senior Management Analyst

Miki Carpenter
Director of Community Resources

G2K Construction First Amendment for Senior Center Modernization

February 2, 2026

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Reviewed and Approved by:

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Talika M. Johnson
Director of Administrative Services

Sergio Gonzalez
City Manager

Attachment:

- 1) First Amendment to Contract with G2K

CITY OF AZUSA
FIRST AMENDMENT TO
CONTRACT FOR
SENIOR CENTER MODERNIZATION

1. PARTIES AND DATE.

The First Amendment to the Contract for the Senior Center Modernization (“First Amendment”) is entered into on this 2nd day of February 2026, by and between the City of Azusa (hereinafter referred to as the “City”) and G2K Construction, Inc. (hereinafter referred to as the “Consultant”). City and Consultant are sometimes collectively referred to herein as the “Parties.”

2. RECITALS.

2.1 Contract. The Parties entered into that certain Contract for Senior Center Modernization dated July 22, 2025 (“Agreement”).

2.2 First Amendment. The Parties desire to extend the contract through June 30, 2026, and to increase the Contract Price to \$6,008,521.

3. TERMS.

3.1 Time for Completion. Pursuant to Section b. of the Contract, the City hereby exercises the option to extend the term of the Contract for an additional period of time through June 30, 2026, in order to complete the Services, unless earlier terminated as provided in the Contract.

3.2 Contract Price. Pursuant to Section c. of the Contract, the City hereby increases the compensation for the project to Six Million Eight Thousand Five Hundred Twenty-One Dollars (\$6,008,521).

3.3 Remaining Provisions of Agreement. Except as otherwise specifically set forth in this First Amendment, the remaining provisions of the Contract shall remain in full force and effect.

SIGNATURES ON THE NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this First Amendment to the Contract on this 2nd day of February 2026.

CITY OF AZUSA

G2K CONSTRUCTION, INC.

By: _____

Sergio Gonzalez
City Manager

By: _____

ATTEST:

By: _____

Jeffrey Lawrence Cornejo, Jr.
City Clerk

APPROVED AS TO FORM:

By: _____

Burke, Williams & Sorensen, LLP
City Attorney