Agenda Report

November 17, 2026

TO: Honorable Mayor and City Council

FROM: Office of the City Manager - Economic Development Division

SUBJECT: **AUTHORIZE THE CITY MANAGER TO AMEND CONTRACT NO. 33477 WITH 1ST CALIFORNIA CONSTRUCTION, INC. TO INCREASE THE CONTRACT AMOUNT BY $270,000 FOR GENERAL CONTRACTOR SERVICES AT CITY-OWNED BUILDINGS FOR A REVISED NOT-TO-EXCEED AMOUNT OF $495,000**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the recommended action is not a "project" subject to the California Environmental Quality Act (CEQA) pursuant to Public Resources Code 21065 and within the meaning of the State CEQA Guidelines Sections 15378; and

2. Authorize the City Manager to amend Contract No. 33477 with 1st California Construction Inc. to increase the contract by $270,000, thereby increasing the grand total to a not-to-exceed amount of $495,000.

BACKGROUND:

The Economic Development Division (EDD) oversees and manages the maintenance of a portfolio of approximately 22 City-owned properties, consisting of a variety of property types, including commercial, medical office, industrial, and retail buildings, as well as abandoned structures and vacant lots. The portfolio ranges from single-story, single-tenant buildings to multi-story, multi-tenant facilities. Maintaining these properties requires ongoing general contractor services to address a variety of maintenance and repair needs, including; building repairs, plumbing, electrical work, painting, carpentry, roofing, and other facility-related improvements. These needs arise throughout the year and require timely attention to prevent further deterioration, minimize disruptions to tenants, businesses, and property operations.

In September 2025, EDD sought qualified general contractors to provide on-call general contractor services for City-owned properties. Four bids were received in response to the bid notice. As a result of the competitive bid process, the City selected 1st California

Construction Inc., a Pasadena-based business. The contract amount was initially established for a total of $225,000 consisting of a one-year base contract of $75,000 and three additional one-year periods for an amount not-to-exceed $50,000 per extended year.

As the Economic Development Division continues to oversee the lease required maintenance and repairs of multiple properties, the volume and variety of maintenance requests have increased. Based on forecasted expenditures and anticipated repair needs, including contractor quotes for upcoming projects, the Division projects that costs will exceed the current annual allocation of $50,000 per contract year. An increase to the existing contract to a new not to exceed amount of $495,000, which includes the $75,000 base-year contract and three optional years at $140,000 each, will ensure the City can continue meeting its property maintenance responsibilities without interruptions in service or delays in addressing critical repair needs.

COUNCIL POLICY CONSIDERATION:

The proposed action is consistent with the City Council's Strategic Plan Goal to maintain fiscal responsibility and stability and support and promote the quality of life and local economy.

ENVIRONMENTAL ANALYSIS:

CEQA excludes, from environmental review, actions that are not “projects” as defined by Public Resources Code Section 21065 and within the meaning of CEQA Guidelines Section 15378. Sections 21065 and 15378 define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378(b) excludes from the definition of “project” continuing administrative or maintenance activities, such as securing supplies and services. The actions proposed herein, authorizing the City Manager to amend an existing contract to continue on-call general contractor services for City-owned properties, is an administrative activity for the securing of services, and therefore is not a “project” as defined by CEQA. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The total cost of this action will be $270,000 to increase the not-to-exceed contract amount to $495,000. The Department will utilize existing budgeted appropriations in the General Fund (101) for contract costs in FY27. Future contract costs will be budgeted as part of the City Manager's Office annual operating budget.

Respectfully submitted,

DAVID A. KLUG
Economic Development Director
City Manager's Office

Prepared by:

Karina Garcia
Management Analyst

Approved by:

MATTHEW E. HAWKESWORTH
Interim City Manager