



MEMORANDUM

March 6, 2026

TO: MEMBERS, PORT COMMISSION
Hon. Gail Gilman, President
Hon. Stephen Engblom, Vice President
Hon. Willie Adams
Hon. Steven Lee
Hon. Ken McNeely

FROM: Michael Martin
Acting Executive Director

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Michael Martin
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SUBJECT: Request for retroactive authorization to modify Construction Contract No. 2857, Crane Cove Park Playgrounds and Dog Park, to extend the substantial completion date.

DIRECTOR'S RECOMMENDATION: Approve the Attached Resolution No. 26-11

EXECUTIVE SUMMARY

Port staff requests that the Port Commission authorize a contract modification to extend the substantial completion date of Construction Contract No. 2857, Crane Cove Park Playgrounds and Dog Park (the "Project"), by an additional 22 calendar days. The original contract authorized a duration of 270 calendar days for substantial completion, and Port staff authorized an extension of 27 days for substantial completion of the work, the previously authorized 10% schedule contingency. A total of 319 days was required to substantially complete the work due to delays beyond the control of the contractor, including unforeseen conditions when excavating for drainage installation and irrigation repairs. Under Section 6.22 of the San Francisco Administrative Code, time extensions in excess of 10% of the original contract duration are subject to Port Commission approval.

Port staff have determined there is no basis to assess liquidated damages against the contractor for the delay. The contract budget has remained under the 10% contingency amount through substantial completion, and Port staff anticipate the budget will remain within the 10% contingency through final completion.

THIS PRINT COVERS CALENDAR ITEM NO. 10A

STRATEGIC OBJECTIVE

The Project supports the Port's 2026-2030 Strategic Plan through the following goals:

Exceptional Service

Deliver a safe, clean, and thriving waterfront to improve the quality of life for San Francisco residents and visitors.

The Project improves the quality of life for residents and visitors by adding new features and amenities to Crane Cove Park.

Evolve

Enhance the waterfront experience and adapt the Port to be an equitable, accessible, and economically successful destination that supports San Francisco and the region.

The Project fulfills the Port's commitment to the public to construct children's and dog play areas at Crane Cove Park. Further, the improvements provide publicly desired amenities and activities while meeting security needs for the adjacent shipyard.

Public Collaboration

Uplift community partnerships to support an exceptional, welcoming, and inclusive waterfront.

The Project provides play areas for children and dogs that further activate and engage constituents and the public in Port functions and activities.

BACKGROUND

In its original design, Crane Cove Park included a children's playground, a natural play area called the "Rigger's Yard," and a fenced-in dog park. When the Project was advertised for bid in 2017, the bids came in above budget, and these three features were removed from the scope of work. Since then, the Port developed a project and identified additional funds to construct these features. The Project is substantially complete, and the following features opened to the public on December 12, 2025:

- The "Rigger's Yard", which is a natural play area in the existing planting areas at the north end of the park. It includes play elements inspired by the site's ship-building history, using keel blocks and cribbing units to form climbing and seating structures.
- A children's playground ("Tot Lot"). This consists of traditional playground structures with a climbing tower and slide, swing, and spinner.
- A Dog Park. This is located adjacent to the concrete slipway ramp on the east side of the Park and the Pier 68 Shipyard ("Shipyard").
- A security fence. Because the dog park borders the Shipyard, the Project included replacing and adding sturdier fencing that meets security standards between the public park areas and the Shipyard.

The Project location is presented in Exhibit A. Port Commission Resolution No. 24-44 on October 8, 2024, authorized Port staff to award Construction Contract 2857 to Cazadoro Construction Inc. (“Cazadoro”) for \$2,208,000. Notice to Proceed was issued on January 27, 2025, with a substantial completion date of October 23, 2025. During the performance of this contract, unforeseen additional repairs and work were identified, which required extensions to the work schedule beyond the original substantial completion date and 10% schedule contingency. Cazadoro and its subcontractors have worked cooperatively with the Port to address the additional work. The drainage design of the Tot Lot needed to be adjusted to accommodate fall zones, and this resulted in changes in alignment for the connection to the existing drainage system. Additionally, significant irrigation system changes and repairs were needed in the Riggers Yard to accommodate field conditions.

No basis exists to assess liquidated damages for delay against the contractor in this case. Throughout this process, despite the schedule delays and modifications to scope, the Port and Cazadoro worked to leverage efficiencies to complete additional scope more quickly and for less overall cost to the Port as budgeted. To date, the total cost of change orders is less than the 10% authorized contingency.

Section 6.22(h) of the City Administrative Code allows the Port Commission to delegate to the Acting Executive Director authority to grant time extensions up to 10% of the original contract amount, and to seek further Port Commission approval of extensions of more than 10% of the original contract duration. To address the delays due to unforeseen conditions and additional repairs, Port staff request authorization to execute a contract modification to retroactively extend the original contract duration as described in the Schedule section below.

LOCAL BUSINESS ENTERPRISE

At the time of bid, Project scope was funded by FEMA security grant funds and therefore subject to federal Disadvantaged Business Enterprise (“DBE”) requirements instead of Local Business Enterprise (“LBE”) requirements of the City Administrative Code Chapter 14B. The FEMA grant did not allow the application of Chapter 14B, the Local Business Enterprise Utilization and Non-Discrimination in Contracting Ordinance, to provide bid discounts or rating bonuses when procuring this contract. A 22.2% DBE goal was set for the Project, and Cazadoro’s bid included 22.6% DBE/LBE subcontractor participation and satisfied the DBE goal. Cazadoro themselves are a DBE and LBE firm.

SCHEDULE

Port staff request authorization to execute a retroactive schedule extension of 22 days in addition to the authorized contract duration of 270 calendar days and the 10% contingency of 27 days that Port staff has already granted. A total of 319 days was needed for substantial completion of the work due to unforeseen delays beyond the control of the contractor. The modified Project completion schedule is noted below:

Port Commission Authorization to Award	October 8, 2024
Notice to Proceed	January 27, 2025
Original Substantial Completion	October 23, 2025
Revised Substantial Completion	December 11, 2025

The Project’s final completion will occur once all change orders are complete.

FUNDING

As previously shared with the Port Commission, a substantial portion of the San Francisco Parks Alliance grant was withdrawn during Project construction, requiring the Port to cover the shortfall. The final anticipated contract expenditure details are shown below. Change orders currently add up to approximately 3.7% of the original contract value, less than the budgeted 10% contingency. The Port appreciates Cazadoro’s collaboration with Port staff to minimize change order costs despite funding changes.

Awarded Contract Value	\$2,208,000
Authorized 10% Contingency	\$220,800
Total Authorized Contract Value	\$2,428,800
Anticipated Contract Change Orders	\$82,000
Total Anticipated Contract Expenditures	\$2,290,000

SUMMARY

The contractor for Port Construction Contract 2857, Crane Cove Park Playgrounds and Dog Park, experienced delays during construction, including unforeseen conditions when excavating for the drainage installation and irrigation repairs, which caused delays beyond the authorized 10% schedule contingency for the Project. The Project is otherwise substantially complete and within the authorized Project budget and 10% contingency. Port staff requests that the Port Commission authorize a contract modification to extend the original contract duration by an additional 22 days as described above.

RECOMMENDATION

Port staff recommends that the Port Commission approve the attached resolution authorizing staff to increase the contract duration.

Prepared by: Erica Petersen
Project Manager, Engineering

For: Wendy Proctor,
Deputy Director, Engineering

Attachment: Exhibit A: Project Location

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 26-11

WHEREAS, On October 8, 2024, the Port Commission authorized the award of Construction Contract No. 2857 (the "Contract"), Crane Cove Park Playgrounds and Dog Park, to Cazadoro Construction, Inc. ("Cazadoro"); and

WHEREAS, The scope of work for the Contract included construction of new park elements at Crane Cove Park including the "Rigger's Yard," which is a natural play area in the existing planting areas at the north end of the park, the children's playground "Tot Lot", which will have children's play structures, a fenced-in dog park area, and new security fencing along the Pier 68 Shipyard; and

WHEREAS, During construction, Cazadoro encountered unforeseen issues that required additional time and work to complete the original scope of the Contract; and

WHEREAS, No basis exists to assess liquidated damages for delay against the Cazadoro; and

WHEREAS, Section 6.22(h) of the City Administrative Code authorizes the Port Commission to approve time extensions greater than 10% of the original contract amount or duration; and

WHEREAS, Port staff retroactively requests authorization of a schedule extension of 22 calendar days to the original contract duration of 270 calendar days, which, combined with the time extension of 27 days already granted by Port staff, will extend the original Contract's substantial completion date from October 23, 2025, to December 11, 2025; now, therefore be it

RESOLVED, That the Port Commission hereby authorizes Port staff to execute a contract modification to Contract No. 2857, Crane Cove Park Playgrounds and Dog Park to retroactively extend the existing substantial completion date by an additional 22 days; and be it further

RESOLVED, That the Port Commission hereby ratifies all actions taken by the Port staff in furtherance of the purposes described in this Resolution.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of March 10, 2026.

Secretary

Exhibit A

Project Location

