

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE FOLLOWING:
SAN BERNARDINO COUNTY
BOARD GOVERNED COUNTY SERVICE AREAS
AND RECORD OF ACTION**

March 10, 2026

FROM

**NOEL CASTILLO, Director, Department of Public Works – Special Districts
LUTHER SNOKE, Chief Executive Officer, County Administrative Office**

SUBJECT

Interagency Memorandum of Understanding and Contract Amendments for County Services Area 70M Wonder Valley – Community Center Upgrades Project

RECOMMENDATION(S)

1. Acting as the governing body of San Bernardino County, approve Amendment No. 1 to Interagency Memorandum of Understanding No. 24-1293 with County Service Area 70M Wonder Valley for the County Service Area 70M Wonder Valley – Community Center Upgrades Project, reducing the total approved contract amount by \$50,150.16, from \$109,770.47 to \$59,620.31, with no change to the contract term of October 1, 2024 through December 31, 2026.
2. Acting as the governing body of County Service Area 70M Wonder Valley:
 - a. Approve **Amendment No.1 to Interagency Memorandum of Understanding No. 24-1293** with San Bernardino County for the County Service Area 70M Wonder Valley - Community Center Upgrades Project, reducing the total approved contract amount by \$50,150.16, from \$109,770.47 to \$59,620.31, with no change to the contract term of October 1, 2024 through December 31, 2026.
 - b. Approve **Amendment No. 2 to Construction Contract No. 24-695** with KNC Construction Inc., for the County Service Area 70M Wonder Valley – Community Center Kitchen and Bathroom Remodel Project to address unforeseen conditions, additional necessary work, and compliance with Health Code requirements that were not reasonably foreseeable at the time of contracting, increasing the total contract amount by \$45,874.39, from \$367,320.00 to \$413,194.39, and extending the construction completion date by 368 days, from July 28, 2025 to July 31, 2026 (Four votes required).
 - c. Authorize the Auditor-Controller/Treasurer/Tax Collector to post the necessary budget adjustments for the County Service Area 70M Wonder Valley – Community Center Upgrades, as detailed in the Financial Impact Section (Four votes required).

(Presenter: Noel Castillo, Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

**Interagency Memorandum of Understanding and Contract Amendments
for County Services Area 70M Wonder Valley - Community Center
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Approval of these items will not result in the use of Discretionary General Funding (Net County Cost). The additional costs are funded by project savings from the American Rescue Plan Act (ARPA) – Coronavirus Local Fiscal Recovery Fund (CLFRF). Budget adjustments to the 2025-26 County Service Area 70M Wonder Valley (CSA) budget will be needed to fund the additional unforeseen costs of \$45,874.39 associated with Amendment No. 2 to the KNC Construction Inc. (KNC) contract, along with additional costs of \$4,275.77 related to the flooring contractor, which was procured through a Purchase Order. Funding is made available through a reduction to Amendment No. 1 of the Interagency Memorandum of Understanding (MOU) under Recommendation No. 1 and will be reflected in future budgets as needed.

The following 2025-26 budget adjustments are requested for the Project:

Fund Center / Fund	Commitment Item	Description	Action	Amount
2050001464	54304030	Structures & Improvement to Structures	Increase	\$ 50,150.16
2050001464	55405010	Salaries & Benefits Transfers Out	Decrease	\$ 50,150.16

BACKGROUND INFORMATION

On December 17, 2024 (Item No. 106), the Board of Supervisors (Board) approved Interagency MOU No. 24-1293 between San Bernardino County and the CSA 70M Wonder Valley, to execute and fund the CSA 70M Wonder Valley Community Center Upgrades Project, for the initial period of October 1, 2024 through December 31, 2026, in the not to exceed amount of \$109,770.47. This MOU provides for payroll and non-payroll expenditures related to project management and inspection services. The project consists of general repairs and upgrades required to bring the kitchen up to current Health Department codes, including bathroom finish improvements, kitchen enhancements, replacement of kitchen and bathroom flooring, installation of energy-efficient and safety lighting, and the addition of a commercial-grade reverse osmosis (RO) water filtration system.

On August 6, 2024 (Item No. 60), the Board approved Contract No. 24-695 with KNC, in the amount of \$333,928, to construct the CSA 70M Wonder Valley – Community Center Upgrades Project with a duration of 280 calendar days. This item also authorized the Department of Public Works (DPW) Director to order any necessary changes or additions to the work under the construction contract within approved contingencies.

On November 19, 2024 (Item 60), the Board approved Amendment No. 1 to Contract No. 24-695, increasing the contract amount by \$33,392, from \$333,928 to \$367,320, to establish a supplemental force account, with no change to the construction duration.

Under Recommendations Nos.1 and 2.a, Amendment No. 1 to Interagency MOU No. 24-1293 with CSA 70M – Wonder Valley reduces the contract amount by \$50,150.16, from \$109,770.47 to \$59,620.31, with no change to the contract term. This reduction reflects a decrease in DPW project management and inspection services to offset added, unforeseen construction costs addressed in Amendment No. 2.a. to the KNC contract and a \$4,275.77 to increase an existing purchase order with Dels Flooring Contractors, Inc., to meet unanticipated flooring and wall finish requirements necessary for Health Code compliance. The Environmental Health Services'

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(EHS) inspection report issued on March 18, 2025, required upgrading the commercial kitchen flooring and wall finishes of the restrooms to EHS-approved finishes.

Recommendation No. 2.b will approve Amendment No. 2 to Contract No. 24-695 with KNC by increasing the contract amount by \$45,874.39, from \$367,320 to \$413,194.39, and extend the construction duration from 280 calendar days to 648 calendar days, for a new completion date of July 31, 2026. The amendment addresses unforeseen work identified after bidding procurement and installation of a commercial refrigeration unit, make-up air units, and additional components for the reverse osmosis system that were National Sanitation Foundation/American National Standards Institute-approved to achieve Health Code compliance. The time extension is necessary due to long lead times for the unforeseen materials and fabrication of these components. Coordination with the contractor, vendor, and EHS took several months due to hard to source components.

Approval of this item will provide the funding needed to complete the required work to bring the kitchen to current standards and order the necessary components for the RO system.

This Project and related amendments align with the Board-approved Capital Improvement Program and ARPA CLFRF cost-obligation requirements, as these changes do not substantially alter or modify the original project purpose and scope. Pursuant to Public Contract Code Section 20137 four-fifths vote by the Board is required for construction contract changes.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Julie Surber, Principal Assistant County Counsel, and Aaron Gest, Deputy County Counsel, 387-5455) on February 2, 2026; Auditor-Controller/Treasurer/Tax Collector (Charlene Huang, Auditor-Controller Manager, 382-7022) on February 10, 2026; and County Finance and Administration (Matthew Dalton, Administrative Analyst, 387-5005) on February 23, 2026.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: March 10, 2026



cc: BGCSA - Reyes w/agree
Contractor - c/o BGCSA w/agree
File - w/agree
MBA 03/16/2026