

ITEM 4.6

CITY MANAGER'S REPORT JULY 11, 2022 CITY COUNCIL REGULAR MEETING

ITEM: **ACCEPT PUBLIC IMPROVEMENTS WITH ASSOCIATED CONDITION FOR TRACT 4062, PHASE 1C, IN THE CENTRAL LATHROP SPECIFIC PLAN FROM LATHROP LAND ACQUISITION, LLC**

RECOMMENDATION: **Adopt Resolution Accepting Public Improvements with Associated Condition for Tract 4062, Phase 1C, in the Central Lathrop Specific Plan from Lathrop Land Acquisition, LLC**

SUMMARY:

Lathrop Land Acquisition, LLC (Saybrook), the developer for the Central Lathrop Specific Plan (CLSP), has substantially completed construction of the public improvements listed in the GASB 34 report, included as Attachment "C", for Tract 4062, Phase 1C, in accordance with their Subdivision Improvement Agreement (SIA). These improvements have been inspected by staff and deemed completed by the City Engineer. A Vicinity Map for Tract 4062 is included as Attachment "B".

Saybrook has provided a one-year warranty bond based on 10% of the completed improvement construction cost and lien releases for the improvements being accepted. Due to delays with the procurement of PG&E transformers, the Tract is not energized. Staff recommends City Council accept Public Improvements contingent on the Tract being energized. Approval to accept the improvements contingent on completion will accelerate the construction of the homes by allowing Saybrook to sell the land to the builders, rather than waiting for a full acceptance during a later City Council meeting.

BACKGROUND:

On October 5, 2006, the City approved a Vesting Tentative Map (VTM) for Tract 3533 to create 62 parcels on 960 acres of land. On March 20, 2007, the City approved a VTM for Tract 3647 to subdivide a portion of Tract 3533 into 1,071 parcels on 190 acres of land. On August 13, 2018, the City approved VTM 3967 to subdivide a portion of Tract 3533 into 113 parcels on 18 acres to replace the previously planned school location with residential lots. The land for Tract 4062 is within the geographic boundaries of the VTMs for Tracts 3647 and 3967.

On October 11, 2021, City Council approved Tract 4062, establishing 191 single-family lots. As required by the City's subdivision ordinance, the approved Tract 4062 included an SIA to guarantee certain public improvements associated with the final map. Saybrook has completed most of the improvements associated with the SIA for Tract 4062.

JULY 11, 2022 CITY COUNCIL REGULAR MEETING**ACCEPT PUBLIC IMPROVEMENTS WITH ASSOCIATED CONDITION FOR TRACT 4062, PHASE 1C, IN THE CENTRAL LATHROP SPECIFIC PLAN FROM LATHROP LAND ACQUISITION, LLC**

To guarantee the completion of the unfinished improvements, Performance Bond No. PB01987300005 for \$13,125,066.26 and Labor & Materials No. PB01987300005 for \$6,562,533.13 will remain in place until the Tract is energized and inspected by staff. The bonds will be released, and maintenance will begin upon inspection and confirmation by City staff that all items listed in the GASB 34 Report, included in Attachment "C", are completed in compliance with the approved plans and City Standards.

Saybrook has provided one-year warranty bonds based on 10% of the completed improvements construction cost and both developer lien releases and lien releases from each contractor. The warranty bond values and descriptions are detailed in Table 1 below. Due to delays with PG&E transformers, the Tract is not energized. Approval to accept the improvements contingent on completion will accelerate the construction of the homes by allowing Saybrook to sell the land to the builders, rather than waiting for a full acceptance during a later City Council meeting. Staff recommends City Council accept the public improvements contingent on the Tract being energized.

Table 1

Contractor	Scope of Work	Bond Number	Bond Value
Teichert Construction	Mass Grading	070214770	\$262,322
Teichert Construction	Underground and Top Side	070214792	\$807,841
David Hall Masonry	Sound Walls	1001086880	\$53,226
Green Valley Landscaping	Landscaping	ES00008909	\$36,2215

REASON FOR RECOMMENDATION:

Construction of the public improvements for Tract 4062 is substantially complete and have been inspected by City staff to ensure conformance with the approved plans. Saybrook has submitted lien releases and a one-year maintenance bond for the improvements being accepted. Conditional acceptance of the improvements will allow for the continued development of Tract 4062.

City staff will confirm when the condition has been met and will subsequently release the Performance and Labor & Materials bonds as well as allow for the City to start maintenance of the improvements.

FISCAL IMPACT:

The City's maintenance costs will increase because of the additional improvements that have to be maintained. The City's Service Maintenance CFD 2019-02 has been established to help fund City maintenance and operating costs.

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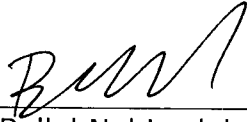
The one-year warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements.

ATTACHMENTS:

- A. Resolution Accepting Public Improvements with Associated Condition for Tract 4062, Phase 1C, in the Central Lathrop Specific Plan from Lathrop Land Acquisition, LLC
- B. Tract 4062 Acceptance Vicinity Map
- C. GASB 34 Report for Tract 4062

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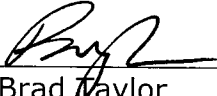
APPROVALS:



Bellal Nabizadah
Assistant Engineer

6/29/22

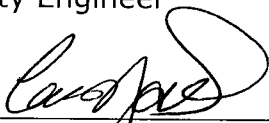
Date



Brad Taylor
City Engineer

6/30/2022

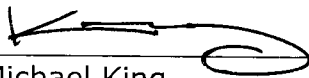
Date



Cari James
Finance Director

7/5/2022

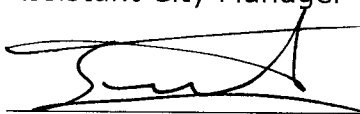
Date



Michael King
Assistant City Manager

6-30-2022

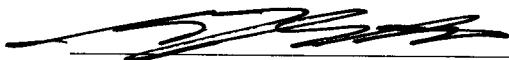
Date



Salvador Navarrete
City Attorney

6.29.2022

Date



Stephen J. Salvatore
City Manager

7.5.22

Date

RESOLUTION NO. 22-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING PUBLIC IMPROVEMENTS WITH ASSOCIATED CONDITION FOR TRACT 4062, PHASE 1C, IN THE CENTRAL LATHROP SPECIFIC PLAN FROM LATHROP LAND ACQUISITION, LLC

WHEREAS, on October 5, 2006, the City approved a Vesting Tentative Map (VTM) for Tract 3533 to create 62 parcels on 960 acres of land. On March 20, 2007, the City approved a VTM for Tract 3647 to subdivide a portion of Tract 3533 into 1,071 parcels on 190 acres of land; and

WHEREAS, on August 13, 2018, the City approved VTM 3967 to subdivide a portion of Tract 3533 into 113 parcels on 18 acres to replace the previously planned school location with residential lots. The land for Tract 4062 is within the geographic boundaries of the VTMs for Tracts 3647 and 3967; and

WHEREAS, on October 11, 2021, the City Council approved one Final Map for Tract 4062, establishing 191 single-family lots. As required by the City's subdivision ordinance, the approved Tract 4062 included an SIA to guarantee certain public improvements associated with the final map; and

WHEREAS, Lathrop Land Acquisition, LLC (Saybrook) has completed most of the improvements associated with the SIA for Tract 4062. Due to delays with the procurement of PG&E transformers, the Tract is not energized. Staff recommends City Council accept Public Improvements contingent on the Tract being energized; and

WHEREAS, approval to accept the improvements contingent on completion will accelerate the construction of the homes by allowing Saybrook to sell the land to the builders, rather than waiting for a full acceptance during a later City Council meeting; and

WHEREAS, to guarantee the completion of the unfinished improvements, Performance Bond No. PB01987300005 for \$13,125,066.26 and Labor and Materials No. PB01987300005 for \$6,562,533.13 will remain in place until the remaining improvement is complete and inspected by staff; and

WHEREAS, the bonds will be released and maintenance will begin upon inspection and confirmation by City staff that all items listed in the GASB 34 Report, included as Attachment "C" of the City Manager's Report, are completed in compliance with the approved plans and City Standards; and

WHEREAS, Saybrook has provided one-year warranty bonds based on 10% of the completed improvements construction cost and both a master lien release and lien releases from each contractor. The warranty bond values and descriptions are detailed in Table 1 below:

Table 1

Contractor	Scope of Work	Bond Number	Bond Value
Teichert Construction	Mass Grading	070214770	\$262,322
Teichert Construction	Underground and Top Side	070214792	\$807,841
David Hall Masonry	Sound Walls	1001086880	\$53,226
Green Valley Landscaping	Landscaping	ES00008909	\$36,2215

WHEREAS, City staff will confirm when the condition has been met and will subsequently request the City Engineer to release the Performance and Labor & Materials bonds as well as allow for the City to start maintenance of the improvements; and

WHEREAS, the City's Service Maintenance CFD 2019-02 has been established to help fund City maintenance and operating costs.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lathrop does hereby accept the public improvements associated with the Subdivision Improvement Agreement for Tract 4062 in the Central Lathrop Specific Plan from Lathrop Land Acquisition, LLC in accordance with City specifications, contingent on the Tract being energized. The City Engineer is to confirm when this condition has been met and upon satisfaction of the condition, the Performance and Labor & Materials bonds will be released and the City will begin maintenance of the improvements.

The foregoing resolution was passed and adopted this 11th day of July 2022, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

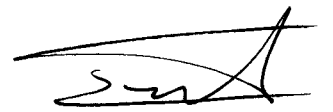
ABSENT:

Sonny Dhaliwal, Mayor

ATTEST:

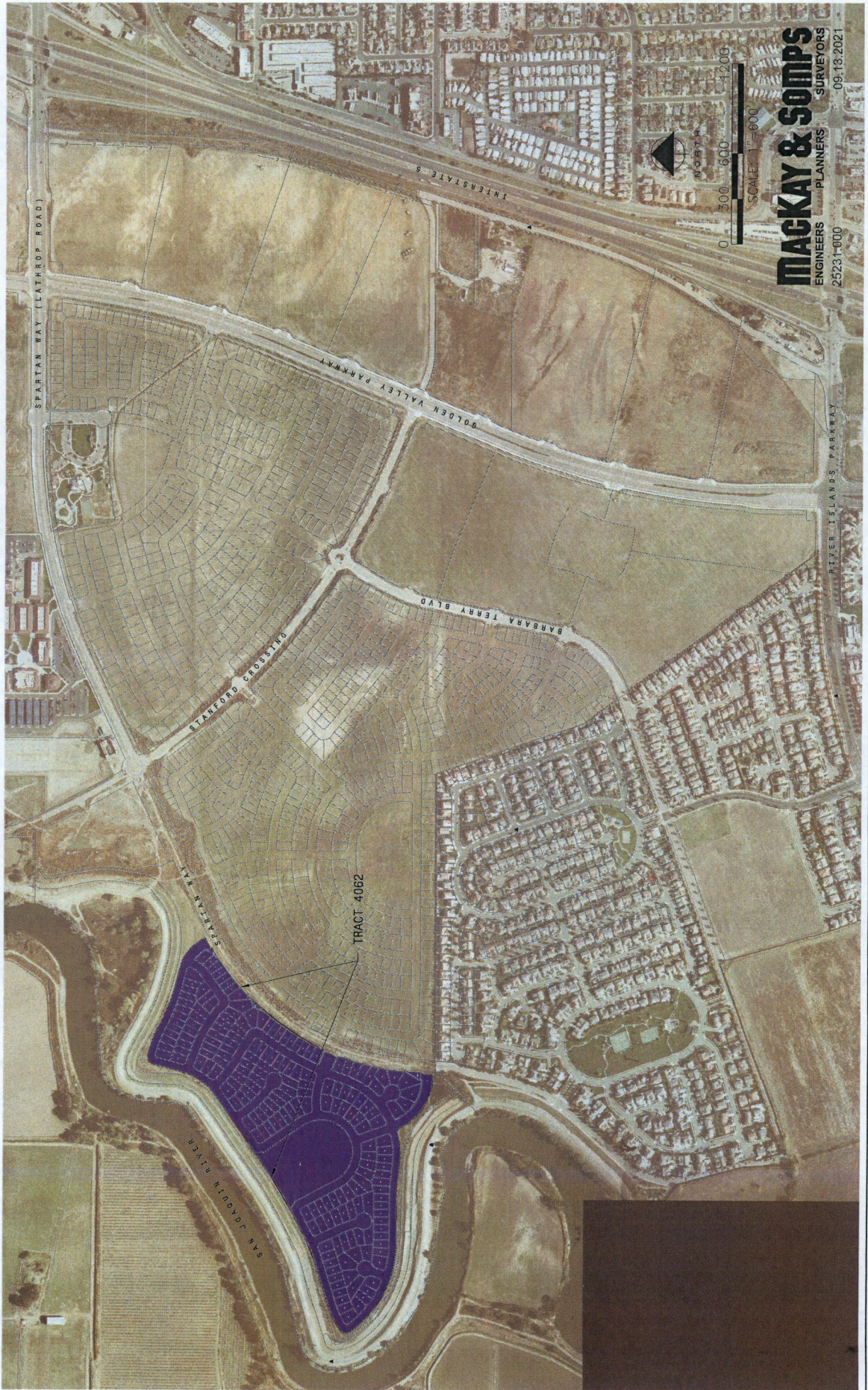
Teresa Vargas
City Clerk

APPROVED AS TO FORM:



Salvador Navarrete
City Attorney

CENTRAL LATHROP SPECIFIC PLAN - TRACT 4062 VICINITY MAP



ATTACHMENT C

CITY OF LATHROP PROJECT ACCEPTANCE (GASB 34 REPORT)

Date: 6/15/2022

Submitted by: MacKay & Soms
Tract 4062 - Lathrop, CA

*Based on Improvement and Grading Plans prepared by MacKay & Soms dated June 2021

<u>Item</u>	<u>Unit</u>	<u>Quantity</u>	<u>Unit Cost</u>	<u>Cost</u>
Structural Section (4" AC, 4" AB, 12" LTB)	SF	371,718	4.00 \$	1,486,872.00
Survey Monuments	EA	59	800.00 \$	47,200.00
Community Wall	LF	2,284	150.00 \$	342,600.00
6" Standard curb and gutter	LF	19,964	16.00 \$	319,424.00
9" Median curb & apron (Type F)	LF	693	33.50 \$	23,215.50
6" Sidewalk	SF	74,311	5.00 \$	371,555.00
Curb Return and ADA ramp	EA	26	2,500.00 \$	65,000.00
Driveways	EA	191	725.00 \$	138,475.00
Manholes including reset to finish grade and vacuum test	EA	38	6,000.00 \$	228,000.00
8" Pipe including backfill	LF	8,797	32.00 \$	281,504.00
4" Laterals w/ cleanouts	EA	191	1,000.00 \$	191,000.00
Storm drain manhole including reset to finish grade	EA	8	3,200.00 \$	25,600.00
Storm drain manhole including reset to finish grade (with saddle type base)	EA	5	5,500.00 \$	27,500.00
8" PVC Storm drain pipe (Linear Park)	LF	3,081	18.00 \$	55,458.00
15" RCP Storm drain pipe	LF	4,482	65.75 \$	294,691.50
18" RCP Storm drain pipe	LF	2,694	66.00 \$	177,804.00
24" RCP Storm drain pipe	LF	842	85.00 \$	71,570.00
36" RCP Storm drain pipe	LF	1,289	124.00 \$	159,836.00
48" RCP Storm drain pipe	LF	1,300	198.00 \$	257,400.00
72" RCP Storm drain pipe	LF	98	310.00 \$	30,380.00
Curb inlet	EA	86	3,800.00 \$	326,800.00
Curb inlet (with saddle type manhole base)	EA	5	5,500.00 \$	27,500.00
Area Drain Riser (Linear Park)	EA	35	100.00 \$	3,500.00
Drainage Inlet (Linear Park)	EA	11	3,000.00 \$	33,000.00
Drainage Inlet (Park)	EA	2	3,000.00 \$	6,000.00
			\$	-
8" Potable Water Main including fittings	LF	10,516	30.00 \$	315,480.00
6" Recycled Water Main including fittings	LF	458	24.00 \$	10,992.00
Fire hydrant assembly	EA	20	5,500.00 \$	110,000.00
1" Service Lateral including meter box	EA	191	1,200.00 \$	229,200.00
8" Butterfly Valves	EA	41	800.00 \$	32,800.00
6" Recycled Water BOV	EA	1	1,500.00 \$	1,500.00
8" Potable Water ARV	EA	4	1,500.00 \$	6,000.00
Water sampling station	EA	1	2,500.00 \$	2,500.00
Total				5,700,357.00

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