CITY MANAGER'S REPORT JUNE 10, 2024 CITY COUNCIL REGULAR MEETING

ITEM: ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY

G&G BUILDERS, INC. FOR CIP PK 22-44,

INSTALLATION OF RUBBERIZED SURFACING

RECOMMENDATION: Adopt Resolution Accepting Public Improvements

Constructed by G&G Builders, Inc. for CIP PK 22-44, Installation of Rubberized Surfacing, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment

Bonds

SUMMARY:

G&G Builders, Inc. (G&G) has completed the construction of CIP PK 22-44, Installation of Rubberized Surfacing (Project). Staff inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

G&G has submitted lien releases confirming all subcontractors and suppliers have been paid in full and provided a one-year warranty bond (based on 10% of the construction contract) for the improvements to be accepted.

Staff requests City Council accept the completed improvements constructed by G&G for the Project. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to G&G of \$26,927 within forty-five (45) days after recording the Notice of Completion, and the release of performance and payment bonds.

BACKGROUND:

On November 14, 2022, City Council awarded a construction contract to G&G for the construction of the Project in the amount of \$538,543, with a 10% construction contingency of \$53,854 for staff to use as necessary to achieve the goals of the Project. The Project scope included removing original shredded bark playground surfacing, earth work and installing rubberized playground surfacing at Reflections, Somerston and Tidewater Parks.

No contract change orders were issued during the construction of the project; therefore, the final contract price of the Project is \$538,543.

Upon acceptance of the improvements, the performance bond (Bond No. 070215973, \$538,543) and payment bond (Bond No. 070215973, \$538,543) will be released and replaced with a one-year warranty bond (Bond No. 070215973, \$53,854). The one-year warranty bond covers any repairs or replacements that may become

CITY MANAGER'S REPORT JUNE 10, 2024 CITY COUNCIL REGULAR MEETING ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY G&G BUILDERS, INC. FOR CIP PK 22-44, INSTALLATION OF RUBBERIZED SURFACING

necessary during the one-year period beginning with this acceptance due to any defective materials or workmanship in connection with the completed improvements. G&G has also provided the necessary lien releases for the materials supplied and completed work.

Staff requests City Council accept the improvements constructed by G&G for CIP PK 22-44, Installation of Rubberized Surfacing. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to G&G for \$26,927 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

REASON FOR RECOMMENDATION:

G&G has completed the Project pursuant to the contract documents dated November 14, 2022. Staff inspected the improvements and they have been deemed complete and in accordance with the plans and specifications approved by the City Engineer.

G&G has submitted a one-year warranty bond for the improvements to be accepted (based on 10% of the construction contract) and lien releases confirming all subcontractors and suppliers have been paid in full. The 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.

The performance bond and payment bond will be released and replaced with the oneyear warranty bond upon City Council's acceptance of the improvements.

FISCAL IMPACT:

The final construction contract amount with G&G for the Project is \$538,543.

Adequate funds have been allocated in the FY 2023-24 budget to close out CIP PK 22-44, Installation of Rubberized Surfacing. With the completion of the Project, staff requests that unused funds be transferred back to the original funding sources.

ATTACHMENTS:

- A. Resolution Accepting Public Improvements Constructed by G&G Builders, Inc. for CIP PK 22-44, Installation of Rubberized Surfacing, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
- B. Notice of Completion CIP PK 22-44Installation of Rubberized Surfacing,

JUNE 10, 2024 CITY COUNCIL REGULAR MEETING ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY G&G BUILDERS, INC. FOR INSTALLATION OF RUBBERIZED SURFACING, CIP PK 22-44

APPROVALS:

<u>Auen Hollenbegl</u> Steven Hollenbeak Assistant Engineer	<u>5.7.24</u> Date
Ken Reed	<u>5-7-2024</u>
Senior Construction Manager	Date
Brad Vaylor	5/20/2024
City Engineer	Date
Cari James	<u>5/23/2084</u>
Finance Director	Date
Michael King Assistant City Manager	<u>5 · 2ı · 2∘24</u> Date
Salvador Navarrete	5.22-2024
City Attorney	Date
StepHen J. Salvatore City Manager	5·30·24 Date

RESOLUTION NO. 24-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING PUBLIC IMPROVEMENTS CONSTRUCTED BY G&G BUILDERS, INC. FOR CIP PK 22-44, INSTALLATION OF RUBBERIZED SURFACING, AUTHORIZING THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, AND RELEASE OF PERFORMANCE AND PAYMENT BONDS

WHEREAS, on November 14, 2022, City Council awarded a construction contract to G&G Builders, Inc. (G&G) for CIP PK 22-44, Installation of Rubberized Surfacing (Project) in the amount of \$538,543 with a 10% construction contingency of \$53,854 for staff to use as necessary to achieve the goals of the Project; and

WHEREAS, the scope of work consisted of removing original shredded bark playground surfacing, earth work and installing rubberized playground surfacing at three (3) City Parks; and

WHEREAS, during construction, no contract change orders were issued; and

WHEREAS, staff inspected the improvements and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications; and

WHEREAS, G&G has provided the necessary lien releases for the materials supplied and completed work and a one-year warranty bond (based on 10% of total Project cost) for the improvements being accepted; and

WHEREAS, the performance bond (Bond No. 070215973, \$538,543) and payment bond (Bond No. 070215973, \$538,543) will be released and replaced with a one-year warranty bond (Bond No. 070215973, \$53,854) upon City Council's acceptance of the improvements; and

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

WHEREAS, adequate funds have been allocated in the FY 2023-24 budget for CIP PK 22-44 to close out the Project. With the completion of the Project, staff requests that unused funds be transferred back to the source Fund; and

WHEREAS, staff requests City Council accept the public improvements constructed by G&G for CIP PK 22-44, Installation of Rubberized Surfacing; and

WHEREAS, staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to G&G in the amount of \$26,927 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

- **NOW THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby accept the completed public improvements constructed by G&G Builders for CIP PK 22-44, Installation of Rubberized Surfacing, pursuant to the contract documents dated November 14, 2022; and
- **BE IT FURTHER RESOLVED,** that the City Council of the City of Lathrop authorizes the filing of the Notice of Completion with the San Joaquin County Clerk and the release of the contract retention to G&G, in the amount of \$26,927 within forty-five (45) days after the recording of the Notice of Completion, and authorizes the release of the performance and payment bonds; and
- **BE IT FURTHER RESOLVED**, that the City Council of the City of Lathrop approves the transfer of unused funds back to the original funding source.

The foregoing resolution was passed and add following vote of the City Council, to wit:	opted this 10^{th} day of June, 2024 by the
AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
	Sonny Dhaliwal, Mayor
ATTEST:	APPROVED AS TO FORM:
Teresa Vargas, City Clerk	Salvador Navarrete, City Attorney

RECORDING REQUESTED BY, AND

WHEN RECORDED MAIL TO:

CITY OF LATHROP ATTN: CITY CLERK 390 TOWNE CENTRE DRIVE LATHROP, CA 95330

Exempt from payment of recording fees (GC 11922)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

NOTICE OF COMPLETION

NC	OTICE IS HEREBY GIVEN:					
1.	That the interest or estate stated in paragraph 3 h NAME STREET AND NO		the real property he	erein described is CITY		: ΓΑΤΕ
	City of Lathrop 390 Towne Centre D (If more than one owner of the interest state		me and address of	Lathrop each must be stat	CA ed)	95330
2.	That the full name and address of the owner of said interest or estate, if there is only one owner, and that the full names and addresses of all the co-owners who own said interest or estate as tenants in common, as joint tenants, or otherwise, if there is more than one owner, are set forth in the preceding paragraph.					
3.	That the nature of the title of stated owner, or if more than one owner, then of the stated owner and co-owners is <u>fee title</u> (e.g. fee title, leasehold, joint tenancy, etc.).					
4.	. That on the <u>10th</u> day of <u>June, 2024</u> a work of improvement on the real property herein described was completed.					
5.	. That the name of the original contractor, if any, for said work of improvement was: <u>G&G Builders, Inc.</u>					
6.	That the name and address of the transferor is: NAME STREET A	AND NO.		CITY	S.	ГАТЕ
	G&G Builders, Inc 4542 Contractor's Place		Livermore,		CA 9455	1
7. That the real property herein referred to is situated in the City of Lathrop Cour State of California, and is described as follows:				unty of San	Joaquin,	
	CIP PK 22-44 Installation of Rubberized Surfac	ing				
	at the undersigned has knowledge of the contents h	nerein and	l states under penal	ty of perjury that	the foregoi	ing is true
		<u>CITY (</u>	OF LATHROP			
		By:	Stephen J. Salvate	ore. City Manage		Date
			•	, ,		
		By:	Teresa Vargas, C	ity Clerk		Date

CERTIFICATE OF ACCEPTANCE

This is to certify that t	the interest in real	property conveyed by the NOTICE OF COMPLETION
dated June 10, 2024 by	y <mark>G&G Builders, I</mark>	Inc. to the City of Lathrop, a political corporation and/o
governmental agency,	is hereby accepted	by the undersigned officer or agent on behalf of the City
Council pursuant to au	thority conferred b	y minute action of the City Council adopted on June 10
2024, and the grantee	consents to recorda	tion thereof by its duly authorized officer.
Dated	By	
		Stephen J. Salvatore, City Manager