

ITEM 4.11

CITY MANAGER'S REPORT JULY 8, 2024 CITY COUNCIL REGULAR MEETING

ITEM: **ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY KNIFE RIVER FOR LATHROP ROAD PAVEMENT REPAIR, CIP PS 24-35**

RECOMMENDATION: **Adopt Resolution Accepting Public Improvements Constructed by Knife River for Lathrop Road Pavement Repair, CIP PS 24-35, Authorizing the Filing of a Notice of Completion, the Release of Contract Retention, and the Release of Performance and Payment Bonds**

SUMMARY:

On May 13, 2024, City Council created Capital Improvement Project (CIP) PS 24-35 for Lathrop Road Pavement Repair (Project) to reconstruct damaged pavement on the eastbound travel lane of Lathrop Road near the easterly rail road grade separation. The Project consisted of grinding 3" of existing asphalt, installing tensor glasgrid, repaving 3" of asphalt, and installing thermoplastic striping. At the same Council meeting, City Council awarded a construction contract to DSS Company dba Knife River Construction (Knife River) for construction of the Project in the amount of \$75,000 plus a 15% construction contingency in the amount of \$11,250 for a total approved construction budget of \$86,250.

Knife River has completed construction of the Project. Staff inspected the improvements which have been deemed complete and in accordance with the approved plans and specifications by the City Engineer. Knife River submitted lien releases, confirming all sub-contractors and suppliers have been paid in full, and a one-year maintenance bond (based on 10% of the construction contract) for the improvements to be accepted.

Staff is requesting City Council accept the improvements constructed by Knife River for Lathrop Road Pavement Repair, CIP PS 24-35. Staff also requests City Council to authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to Knife River in the amount of \$3,804.21 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

BACKGROUND:

Staff evaluated the existing pavement conditions on Lathrop Road and determined the need to repair approximately 975 linear feet along the eastbound travel lane near the easterly rail road grade separation.

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On May 13, 2024, City Council created CIP PS 24-35 and awarded a construction contract to Knife River for construction of the Project. The scope of work consisted of grinding 3" of existing asphalt, installing tensar glasgrid, repaving 3" of asphalt, and installing thermoplastic striping with reflective pavement markers.

The awarded contract was in the amount of \$75,000 and a 15% construction contingency of \$11,250 was authorized for staff to use as necessary to achieve the goals of the project. The total construction budget for the Project was \$86,250. During construction, a contract change order of \$1,084.13 was issued for a final contract amount of \$76,084.13.

The project has been completed within the available construction budget, original contract period, and in accordance with the plans, specifications, and City of Lathrop standards. Knife River has also submitted lien releases, confirming all sub-contractors and suppliers have been paid in full, and a one-year maintenance bond (based on 10% of the construction contract) for the improvements to be accepted.

Upon acceptance of the improvements, the performance and payment bonds (No. 190-054-040/107991763) will be released and replaced with a warranty bond (Bond No. 190-054-040-W/107991763-W, \$75,000). 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. Knife River has also provided the necessary lien releases for the materials supplied and completed work.

Staff requests City Council accept the improvements constructed by Knife River for the Project. Staff is also requesting City Council to authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to Knife River in the amount of \$3,804.21 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

REASON FOR RECOMMENDATION:

Knife River completed the Project pursuant to the contract documents dated May 13, 2024. Staff has inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

The performance and payment bonds (No. 190-054-040/107991763) will be released and replaced with a one-year warranty bond (Bond No. 190-054-040-W/107991763-W, \$75,000) upon City Council's acceptance of the improvements.

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FISCAL IMPACT:

The final construction contract amount with Knife River for the Project is \$76,084.13. Sufficient funds were allocated within CIP PS 24-35 to close out the project. With the completion of this project, staff requests that unused funds be transferred back into the General Fund Street Repair Reserves (1010).

ATTACHMENTS:

- A. Resolution Accepting Public Improvements Constructed by Knife River for Construction of Lathrop Road Pavement Repair, CIP PS 24-35, Authorizing the Filing of a Notice of Completion, Releasing of Contract Retention, and Releasing of Performance and Payment Bonds
- B. Notice of Completion – Lathrop Road Pavement Repair, CIP PS 24-35

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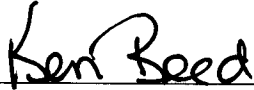
APPROVALS:



Angel Abarca
Assistant Engineer

6-28-2024

Date



Ken Reed
Senior Construction Manager

7-1-2024


Date



Brad Taylor
City Engineer

7/1/2024

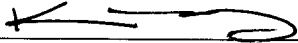
Date



Cari James
Finance Director

7/1/2024

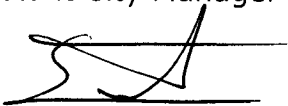
Date



Michael King
Assistant City Manager

6-18-2024

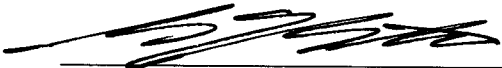
Date



Salvador Navarrete
City Attorney

6-18-2024

Date



Stephen J. Salvatore
City Manager

7.2.24

Date

RESOLUTION NO. 24 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING PUBLIC IMPROVEMENTS CONSTRUCTED BY KNIFE RIVER FOR LATHROP ROAD PAVEMENT REPAIR, CIP PS 24-35, AUTHORIZING THE FILING OF A NOTICE OF COMPLETION, THE RELEASE OF CONTRACT RETENTION, AND THE RELEASE OF PERFORMANCE AND PAYMENT BONDS

WHEREAS, on May 13, 2024, City Council created Capital Improvement Project (CIP) PS 24-35 for Lathrop Road Pavement Repair (Project) to reconstruct damaged pavement on the eastbound travel lane of Lathrop Road near the easterly rail road grade separation; and

WHEREAS, the Project consisted of grinding 3" of existing asphalt, installing tensor glasgrid, repaving 3" of asphalt, and installing thermoplastic striping; and

WHEREAS, at the same Council meeting, City Council awarded a construction contract to DSS Company dba Knife River Construction (Knife River) for construction of the Project in the amount of \$75,000 plus a 15% construction contingency in the amount of \$11,250 for a total approved construction budget of \$86,250; and

WHEREAS, Knife River has completed construction of the Project; and

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

WHEREAS, Knife River submitted lien releases, confirming all sub-contractors and suppliers have been paid in full, and a one-year maintenance bond (based on 10% of the construction contract) for the improvements to be accepted; and

WHEREAS, the performance and payment bonds (No. 190-054-040/107991763) will be released and replaced with a one-year warranty bond (Bond No. 190-054-040-W/107991763-W, \$75,000) upon City Council's acceptance of the improvements; and

WHEREAS, staff requests City Council accept the improvements constructed by Knife River for the Project; and

WHEREAS, staff is also requesting City Council to authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to Knife River in the amount of \$3,804.21 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 public improvements constructed by Knife River for Lathrop Road Pavement Repair, CIP PS 24-35, for a total construction cost of \$76,084.13; 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 Knife River, in the amount of \$3,804.21 within forty-five (45) days after the recording of the Notice of Completion, and authorizes the release of the performance and payment bonds.

The foregoing resolution was passed and adopted this 8th day of July 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:


ABSTAIN:

Sonny Dhaliwal, Mayor

ATTEST:

APPROVED AS TO FORM:

Teresa Vargas, City Clerk



Salvador Navarrete, City Attorney

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the NOTICE OF COMPLETION dated **July 8, 2024** by **DSS Company dba Knife River Construction** to the **City of Lathrop**, a political corporation and/or governmental agency, is hereby accepted by the undersigned officer or agent on behalf of the City Council pursuant to authority conferred by minute action of the City Council adopted on **July 8, 2024**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated _____

By

Stephen J. Salvatore, City Manager

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