## 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 tensar 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.

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.

CITY MANAGER'S REPORT

JULY 8, 2024 CITY COUNCIL REGULAR MEETING

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

### **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

# CITY MANAGER'S REPORT JULY 8, 2024 CITY COUNCIL REGULAR MEETING ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY KNIFE RIVER FOR LATHROP ROAD PAVEMENT REPAIR, CIP PS 24-35

### **APPROVALS:**

Angel Abarca	<u>6-28 - 2024</u>
Assistant Engineer	Date
Ken Reed Senior Construction Manager	<b>7-1-2024</b> Date
Brad Vaylor	<u> 7/1/7024</u>
City Engineer	Date
Cari James	7/1/2004
Finance Director	Date
Michael King	<u>6 · ι8 · 2024</u>
Assistant City Manager	Date
Salvador Navarrete City Attorney	<u> </u>
Stephen J. Salvatore City Manager	<b>7.2.24</b> 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 tensar glasgrid, repaying 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 following vote of the City Council, to wit:	adopted this 8 <sup>th</sup> day of July 2024, by the
AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
	Sonny Dhaliwal, Mayor
ATTEST:	APPROVED AS TO FORM:
	5
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**

### NOTICE IS HEREBY GIVEN:

110	THEE IS HEREDT GIVEN.							
1.	That the interest or estate stated in paragraph 3 herein in NAME STREET AND NO.	n the real property herein described is CITY	ibed is owned by: STATE					
	City of Lathrop 390 Towne Centre Drive	Lathrop	CA 95330					
	(If more than one owner of the interest stated, the n	ame and address of each must be state	ed)					
2.	That the full name and address of the owner of said intenames and addresses of all the co-owners who own said otherwise, if there is more than one owner, are set forth	interest or estate as tenants in commo	ner, and that the full n, as joint tenants, or					
3.	. That the nature of title or the stated owner, or if more than one owner, then of the stated owner and co-owners is: Project No. CIP PS 24-35 Lathrop Road Pavement Repair by DSS Company dba Knife River Construction.							
4.	That on the 8th day of July 2024 a work of completed.	improvement on the real property h	erein described was					
5.	That the name of the original contractor, if any, for said vacconstruction.	ork of improvement was: <u>DSS Comp</u>	any dba Knife River					
5.	That the name and address of the transferor is:							
	NAME STREET AND NO	. CITY	STATE					
	DSS Company dba 655 West Clay Stre	et Stockton	CA 95206					
	Knife River Construction							
7.	That the real property herein referred to is situated in the <u>City of Lathrop</u> County of San Joaquin, State of California, and is described as follows:							
	Project No. CIP PS 24-35 Lathrop Road Pavement Repa	<u>ir</u>						
	CITY	OF LATHROP						
	By:	Stephen J. Salvatore, City Manage	r Date					
	That the undersigned has knowledge of the contents hereitrue and correct.	n and states under penalty of perjury	that the foregoing is					
	By:							
		Teresa Vargas, City Clerk	Date					

### 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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