

ITEM 4.15

CITY MANAGER'S REPORT SEPTEMBER 9, 2024 CITY COUNCIL REGULAR MEETING

ITEM: ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY GEORGE REED, INC. FOR THE CLASS II BIKEWAYS TO ACE STATION, CIP PS 22-18

RECOMMENDATION: Adopt Resolution to Accept Public Improvements Constructed by George Reed, Inc. for the Class II Bikeways to Ace Station, CIP PS 22-18, and to Authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds

SUMMARY:

George Reed Inc. (George Reed) completed construction of Capital Improvement Project (CIP) PS 22-18 for Class II Bikeways to ACE Station (Project). The Project installed Class II bike lanes from Louise Avenue to the Lathrop/Manteca Altamont Commuter Express (ACE) Station located on Yosemite Avenue at the eastern City Limits. The scope of work also included microsurface on Harlan Road and D'Arcy Parkway and overlay asphalt concrete on segments along D'Arcy Parkway and Yosemite Avenue to accommodate the shift in traffic lanes for the new bike lanes.

Staff inspected and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications. George Reed has 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 also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to George Reed, in the amount of \$88,246 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

BACKGROUND:

Through the San Joaquin Council of Governments and the Active Transportation Program, the City of Lathrop received Measure K funding to construct CIP PS 22-18. On August 14, 2023, City Council awarded a construction contract to George Reed for improvements to the Project. The Project installed approximately 4.2 miles of Class II bike lanes from Louise Avenue to the Lathrop/Manteca ACE Station.

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The Project construction consisted of microsurfacing Harlan Road and D’Arcy Parkway, grinding and overlaying asphalt concrete on segments along D’Arcy Parkway and Yosemite Avenue to support the traffic loads shifted by the new installation of bike lanes. In addition, new signs were installed and striping was enhanced using Methyl Methacrylate (MMA) green markings for the bike lanes.

The awarded contract was in the amount of \$1,642,617 with a 10% construction contingency of \$164,262 authorized for staff to use as necessary to achieve the goals of the project. The total construction budget for the project was \$1,806,879. During construction, contract change orders totaling \$122,294 were issued for a final contract amount of \$1,764,911.

The construction costs referenced below capture all expenditures.

A.	Construction Contract Amount	\$ 1,642,617
B.	Approved Change Order 1	\$ 69,540
C.	Approved Change Order 2	\$ 74,283
D.	Approved Change Order 3	\$ (21,529)
	Total Construction Costs	\$ 1,764,911

Upon acceptance of the improvements, the performance and payment bonds (Bond No. 30197255) will be released and replaced with a warranty bond (Bond No. 30197255, \$1,764,911). 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. George Reed also provided the necessary lien releases for the materials supplied and completed work.

Staff is requesting City Council accept the public improvements constructed by George Reed 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 George Reed in the amount of \$88,246 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

REASON FOR RECOMMENDATION:

The project was completed by George Reed pursuant to the contract documents dated August 14, 2023. Staff inspected the improvements and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications.

The performance and payment bonds (Bond No. 30197255) will be released and replaced with a one-year warranty bond (Bond No. 30197255, \$1,764,911) upon City Council’s acceptance of the improvements.

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FISCAL IMPACT:

The awarded contract was in the amount of \$1,642,617 with a 10% construction contingency for a total construction budget of \$1,806,879. During construction, contract change orders totaling \$122,294 were issued for a final contract amount of \$1,764,911. Adequate funds were allocated within the fiscal year 2024/25 budget to close out CIP PS 22-18. With the completion of this project, staff requests that unused funds be transferred back into the Transportation Development Act (TDA) (2140).

ATTACHMENTS:

- A. Resolution to Accept Public Improvements Constructed by George Reed, Inc. for Class II Bikeways to ACE Station, CIP PS 22-18, and to Authorize the Filing of a Notice of Completion, Releasing of Contract Retention, and Releasing of Performance and Payment Bonds

- B. Notice of Completion – Class II Bikeways to ACE Station, CIP PS 22-18

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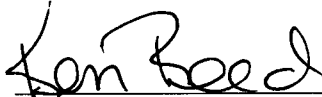
APPROVALS:



Angel Abarca
Assistant Engineer

8-22-2024

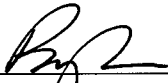
Date



Ken Reed
Senior Construction Manager

8-22-2024

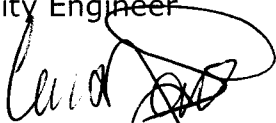
Date



Brad Taylor
City Engineer

8/27/2024

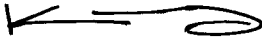
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Cari James
Finance Director

9/4/2024


Date



Michael King
Assistant City Manager

8-27-2024

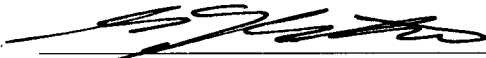
Date



Salvador Navarrete
City Attorney

8-27-2024

Date



Stephen J. Salvatore
City Manager

9.4.24

Date

RESOLUTION NO. 24 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY GEORGE REED, INC. FOR CLASS II BIKEWAYS TO ACE STATION, CIP PS 22-18, AND TO AUTHORIZE THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, AND RELEASE OF PERFORMANCE AND PAYMENT BONDS

WHEREAS, on August 14, 2023, City Council awarded a construction contract to George Reed, Inc. (George Reed) for construction of the Capital Improvement Project (CIP) PS 22-18 for Class II Bikeways to ACE Station (Project); and

WHEREAS, the Project installed Class II bike lanes from Louise Avenue to the Lathrop/Manteca Altamont Commuter Express (ACE) Station located on Yosemite Avenue at the eastern City Limits; and

WHEREAS, the scope of work also included microsurface on Harlan Road and D'Arcy Parkway and overlay asphalt concrete on segments along D'Arcy Parkway and Yosemite Avenue to accommodate the shift in traffic lanes for the new bike lanes; and

WHEREAS, the awarded contract was in the amount of \$1,642,617 and a 10% construction contingency of \$164,262 was authorized for staff to use as necessary to achieve the goals for a total construction budget of \$1,806,879; and

WHEREAS, during construction, contract amendments totaling \$122,294 were issued for a final contract amount of \$1,764,911; and

WHEREAS, George Reed has completed the construction of the project; staff inspected and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications; and

WHEREAS, George Reed has provided the necessary lien releases for the materials supplied and completed work; and

WHEREAS, George Reed has submitted a one-year warranty bond (based on 10% of total project cost) for the improvements being accepted; and

WHEREAS, the performance and payment bonds (Bond No. 30197255) will be released and replaced with a one-year warranty bond (Bond No. 30197255, \$1,764,911) upon City Council's acceptance of the improvements; and

WHEREAS, the awarded contract was in the amount of \$1,642,617 with a 10% construction contingency for a total construction budget of \$1,806,879. During construction, contract change orders totaling \$122,294 were issued for a final contract amount of \$1,764,911; and

WHEREAS, adequate funds were allocated within the fiscal year 2024/25 budget to close out CIP PS 22-18. With the completion of this project, staff requests that unused funds be transferred back into the Transportation Development Act (TDA) (2140); and

WHEREAS, staff requests City Council accept the public improvements constructed by George Reed for the Class II Bikeways to ACE Station, CIP PS 22-18; and

WHEREAS, staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk upon acceptance of the improvements and the release of the contract retention to George Reed, in the amount of \$88,246, within forty-five (45) days after the recording of the Notice of Completion and the release of the 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 George Reed for Class II Bikeways to ACE Station, CIP PS 22-18, pursuant to the contract documents dated August 14, 2023; 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 George Reed, in the amount of \$88,246 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 City Council also authorizes the transfer of the unused project funds into the Transportation Development Act (TDA) (2140).

The foregoing resolution was passed and adopted this 9th day of September 2024, by the following vote of the City Council, to wit:

AYES:

NOES:

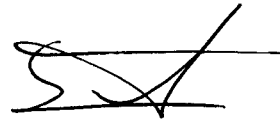
ABSENT:

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 **September 9, 2024** by **George Reed, Inc.** 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 **September 9, 2024**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated _____

By

Stephen J. Salvatore, City Manager

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