

## ITEM 4.16

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

**ITEM:**                               **ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIRT DYNASTY, INC. FOR THE SIDEWALK INFILL AT "J" STREET AND 5TH STREET INTERSECTION, CIP PS 23-09**

**RECOMMENDATION:**   **Adopt Resolution to Accept Public Improvements Constructed by Dirt Dynasty, Inc. for the Sidewalk Infill at "J" Street and 5th Street Intersection, CIP PS 23-09, and to Authorize the Filing of a Notice of Completion, the Release of Contract Retention, and the Release of Performance and Payment Bonds**

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#### **SUMMARY:**

Dirt Dynasty Inc. (Dirt Dynasty) completed construction of the Capital Improvement Project (CIP) PS 23-09 for the Sidewalk Infill at the "J" Street and 5<sup>th</sup> Street Intersection (Project). The work included the construction of westerly extended-curb returns and standardized American with Disabilities Act (ADA) ramps for pedestrian connectivity through the intersection. Staff inspected and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications.

Dirt Dynasty 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 requests City Council accept the improvements constructed by Dirt Dynasty for the Project. Staff also requests City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to Dirt Dynasty, in the amount of \$31,922 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

#### **BACKGROUND:**

On October 9, 2023, City Council awarded a construction contract to Dirt Dynasty for improvements to the Project. The Project included construction of new rolled and vertical curb, gutter and sidewalk along "J" Street and 5<sup>th</sup> Street, installation of storm drainage improvements on 5<sup>th</sup> Street, and microsurfacing with new signing and striping on both road frontages.

Dirt Dynasty completed the construction of the Project. Staff inspected the improvements and which have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

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**SEPTEMBER 9, 2024 CITY COUNCIL REGULAR MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIRT DYNASTY, INC.**  
**FOR SIDEWALK INFILL AT “J” STREET AND 5TH STREET INTERSECTION, CIP**  
**PS 23-09**

The awarded contract was in the amount of \$588,430 and a 10% construction contingency of \$58,843 was authorized for staff to use as necessary to achieve the goals of the project. The total construction budget for the project was \$647,273. During construction, contract change orders totaling \$50,010 were issued for a final contract amount of \$638,440.

The construction costs referenced below capture all expenditures.  
Construction costs are as follows:

A.	Construction Contract Amount	\$	588,430
B.	Approved Change Order 1	\$	23,600
C.	Approved Change Order 2	\$	26,410
Total Construction Costs		\$	638,440

The project has been completed within original contract period and in accordance with the plans, specifications, and City of Lathrop standards. Upon acceptance of the improvements, the performance and payment bonds (Bond No. GM211951) will be released and replaced with a warranty bond (Bond No. GM211951, \$63,844). 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. Dirt Dynasty has also provided the necessary lien releases for the materials supplied and completed work.

Staff is requesting City Council accept the public improvements constructed by Dirt Dynasty 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 Dirt Dynasty in the amount of \$31,922 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 Dirt Dynasty pursuant to the contract documents dated October 9, 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. GM211951) will be released and replaced with a one-year warranty bond (Bond No. GM211951, \$63,844) upon City Council’s acceptance of the improvements.

**SEPTEMBER 9, 2024 CITY COUNCIL REGULAR MEETING****ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIRT DYNASTY, INC.  
FOR SIDEWALK INFILL AT "J" STREET AND 5TH STREET INTERSECTION, CIP  
PS 23-09****FISCAL IMPACT:**

The awarded contract was in the amount of \$588,430 with a 10% construction contingency for a total construction budget of \$647,273. Adequate funds were allocated in FY 24/25 budget to close out CIP PS 23-09. 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 Dirt Dynasty, Inc. for the Sidewalk Infill at "J" Street and 5th Street Intersection, CIP PS 23-09, Authorizing the Filing of a Notice of Completion, the Release of Contract Retention, and the Release of Performance and Payment Bonds
- B. Notice of Completion – Sidewalk Infill at "J" Street and 5th Street Intersection, CIP PS 23-09

**CITY MANAGER'S REPORT**  
**SEPTEMBER 9, 2024 CITY COUNCIL REGULAR MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIRT DYNASTY, INC.**  
**FOR SIDEWALK INFILL AT "J" STREET AND 5TH STREET INTERSECTION, CIP**  
**PS 23-09**

**APPROVALS:**



Angel Abarca  
Assistant Engineer

8-22-2024

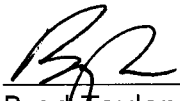
Date



Ken Reed  
Senior Construction Manager

8-22-2024

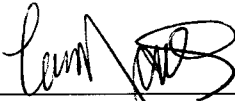
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Brad Taylor  
City Engineer

8/28/2024

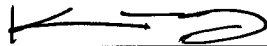
Date



Cari James  
Finance Director

9/3/2024


Date



Michael King  
Assistant City Manager

8-27-2024

Date



Salvador Navarrete  
City Attorney

9.3.2024

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 DIRT DYNASTY, INC. FOR THE SIDEWALK INFILL AT "J" STREET AND 5TH STREET INTERSECTION, CIP PS 23-09, AND TO AUTHORIZE THE FILING OF A NOTICE OF COMPLETION, THE RELEASE OF CONTRACT RETENTION, AND THE RELEASE OF PERFORMANCE AND PAYMENT BONDS**

**WHEREAS**, on October 9, 2023, City Council awarded a construction contract to Dirt Dynasty, Inc. (Dirt Dynasty) for construction of the Capital Improvement Project (CIP) PS 23-09 for Sidewalk Infill at the "J" Street and 5th Street Intersection (Project); and

**WHEREAS**, the work consisted of constructing extended-curb returns and standardized American with Disabilities Act (ADA) ramps for pedestrian connectivity through the intersection; and

**WHEREAS**, the Project also included construction of new rolled and vertical curb, gutter and sidewalk along "J" Street and 5th Street, installation of storm drainage improvements on 5th Street, and microsurfacing with new signing and striping on both road frontages; and

**WHEREAS**, the awarded contract was in the amount of \$588,430 and a 10% construction contingency of \$58,843 was authorized for staff to use as necessary to achieve the goals of the project; and

**WHEREAS**, during construction, contract amendments totaling \$50,010 were issued for a final contract amount of \$638,440; and

**WHEREAS**, Dirt Dynasty 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**, Dirt Dynasty has provided the necessary lien releases for the materials supplied and completed work; and

**WHEREAS**, Dirt Dynasty 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. GM211951) will be released and replaced with a one-year warranty bond (Bond No. GM211951, \$63,844) upon City Council's acceptance of the improvements; and

**WHEREAS**, adequate funds were allocated in FY 24/25 budget to close out CIP PS 23-09. With the completion of this project, staff requests that unused funds be transferred back into the General Fund Street Repair Reserves (1010); and

**WHEREAS,** staff requests City Council accept the public improvements constructed by Dirt Dynasty for Sidewalk Infill at "J" Street and 5th Street Intersection, CIP PS 23-09; 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 Dirt Dynasty, in the amount of \$31,922 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 Dirt Dynasty for Sidewalk Infill at "J" Street and 5th Street Intersection, CIP PS 23-09, pursuant to the contract documents dated October 9, 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 Dirt Dynasty, in the amount of \$31,922 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 General Fund Street Repair Reserves (1010).

The foregoing resolution was passed and adopted this 9<sup>th</sup> 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

**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:

1. That the interest or estate stated in paragraph 3 herein in the real property herein described is owned by:  
NAME                                      STREET AND NO.                                      CITY                                      STATE  
City of Lathrop                      390 Towne Centre Drive                                      Lathrop                                      CA                                      95330  
(If more than one owner of the interest stated, the name and address of each must be stated)
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 title or the stated owner, or if more than one owner, then of the stated owner and co-owners is:  
Project No. CIP PS 23-09 Sidewalk Infill at "J" Street and 5<sup>th</sup> Street Intersection by Dirt Dynasty, Inc.
4. That on the 9th day of September 2024 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: Dirt Dynasty, Inc.
6. That the name and address of the transferor is:  
NAME                                      STREET AND NO.                                      CITY                                      STATE  
Dirt Dynasty, Inc.                                      P.O. Box 67                                      Farmington                                      CA 95230
7. That the real property herein referred to is situated in the City of Lathrop County of San Joaquin, State of California, and is described as follows:  
Project No. CIP PS 23-09 Sidewalk Infill at "J" Street and 5<sup>th</sup> Street Intersection

**CITY OF LATHROP**

By: \_\_\_\_\_  
Stephen J. Salvatore, City Manager                                      Date

That the undersigned has knowledge of the contents herein and states under penalty of perjury that the foregoing is true and correct.

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 **September 9, 2024** by **Dirt Dynasty, 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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