

## ITEM 4.12

### **CITY MANAGER'S REPORT JULY 10, 2023 CITY COUNCIL REGULAR MEETING**

**ITEM: ACCEPT INTERSECTION IMPROVEMENTS ASSOCIATED WITH THE SIA FOR PM 19-03 FROM LATHROP GATEWAY 1, LLC, LOCATED AT THE INTERSECTION OF MCKINLEY AVENUE AND YOSEMITE AVENUE**

**RECOMMENDATION: Adopt Resolution Accepting Intersection Improvements Associated with the Subdivision Improvement Agreement for Parcel Map 19-03 from Lathrop Gateway 1, LLC, Located at the Intersection of McKinley Avenue and Yosemite Avenue**

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#### **SUMMARY:**

Lathrop Gateway 1, LLC, (Phelan) the developer for Lathrop Gateway Business Park, has completed the construction of the intersection of Yosemite Avenue and McKinley Avenue, in accordance with their Subdivision Improvement Agreement (SIA) for Parcel Map 19-03 (PM 19-03).

These improvements have been inspected by staff and deemed complete to City specifications by the City Engineer. Phelan provided a one-year warranty bond based on 10% of the completed improvement cost and lien releases for the improvements. A vicinity map for the intersection is included as Attachment "B".

Staff recommends City Council accept the intersection improvements from Phelan.

#### **BACKGROUND:**

On February 11, 2015, the City of Lathrop Planning Commission adopted Resolution No. 15-03 to approve the Vesting Tentative Parcel Map for the Lathrop Gateway Business Park (VTM-13-69) with Conditions of Approval for development consistent with the Lathrop Gateway Specific Plan.

On December 20, 2018, the City of Lathrop Planning Commission approved a Minor Specific Plan Amendment No. SPA-18-71 and Site Plan Review No. SPR-18-40 to construct ten (10) tilt-up buildings totaling approximately 3,035,000 square feet of speculative industrial warehouse space within three phases of development.

On January 24, 2018, the City of Lathrop Planning Commission approved Time Extension No. TE-18-01 for the Lathrop Gateway Business Park Vesting Tentative Parcel Map (VTM-13-69) by Resolution No. 18-1, which extended the life of the map to February 11, 2020. Pursuant to California Government Code Section 66452.6, the expiration is extended by 36 months because the subdivider is required to expend \$236,790 or more to construct, improve, or finance the construction or public improvements outside the property boundaries of the tentative map.

**JULY 10, 2023 CITY COUNCIL REGULAR MEETING**

**ACCEPT INTERSECTION IMPROVEMENTS ASSOCIATED WITH SIA FOR PM 19-03 FROM LATHROP GATEWAY 1, LLC, LOCATED AT THE INTERSECTION OF MCKINLEY AVENUE AND YOSEMITE AVENUE**

In March 2021, City Council approved Parcel Map 19-03, establishing Phase 1 of Lathrop Gateway Business Park. As required by the City’s subdivision Ordinance, the approved parcel map included an SIA to guarantee the construction of the intersection improvements associated with the final map. Phelan has completed the intersection improvements associated with the SIA for Parcel Map 19-03. Completion of the intersection improvements listed in the GASB 34 Report fulfills the associated obligations of the SIA. The bond values and numbers are detailed in Table 1 below. Staff requests Council accept the intersection improvements and approve the release of the Performance and Labor & Materials Bonds and their replacement with the one-year warranty bond.

**Table 1 – Bond Details**

<b>Performance Bond Number/Value</b>	<b>Labor &amp; Materials Bond Number/Value</b>	<b>Warranty Bond Number/Value</b>
0136871 / \$533,291	0136871 / \$266,646	0136871-M / \$41,892.40

**REASON FOR RECOMMENDATION:**

Staff has inspected the improvements listed in the GASB 34 Report and confirmed that the improvements have been completed in accordance with City specifications and deemed complete by the City Engineer. Phelan has submitted lien releases for the improvements being accepted. Staff has received the one-year warranty bond and as-built drawings for said improvements. Staff recommends Council accept the improvements.

**FISCAL IMPACT:**

The approximate value of the improvements proposed to accept is \$418,924 as shown in the project GASB 34 Report and the costs to maintain these facilities will be covered through the Gateway Business Park City Services Capital Facilities District 2021-1.

The one-year warranty bond covers any repairs or replacements that become necessary during the one-year period, beginning with the effective date of this acceptance, due to defective materials or workmanship in connection with the completed improvements.

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**ACCEPT INTERSECTION IMPROVEMENTS ASSOCIATED WITH SIA FOR PM 19-03 FROM LATHROP GATEWAY 1, LLC, LOCATED AT THE INTERSECTION OF MCKINLEY AVENUE AND YOSEMITE AVENUE**

**ATTACHMENTS:**

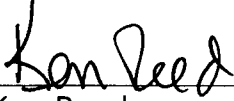
- A. Resolution Accepting Intersection Improvements Associated with the Subdivision Improvement Agreement for Parcel Map 19-03 from Lathrop Gateway 1, LLC, Located at the Intersection of McKinley Avenue and Yosemite Avenue
- B. Vicinity Map
- C. GASB 34 Report – Intersection of McKinley Avenue and Yosemite Avenue

**CITY MANAGER'S REPORT** **PAGE 4**  
**JULY 10, 2023 CITY COUNCIL REGULAR MEETING**  
**ACCEPT INTERSECTION IMPROVEMENTS ASSOCIATED WITH SIA FOR PM 19-03 FROM LATHROP GATEWAY 1, LLC, LOCATED AT THE INTERSECTION OF MCKINLEY AVENUE AND YOSEMITE AVENUE**

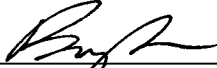
**APPROVALS:**

  
\_\_\_\_\_  
Bellal Nabizadah  
Assistant Engineer


6-28-23  
Date

  
\_\_\_\_\_  
Ken Reed  
Senior Construction Manager

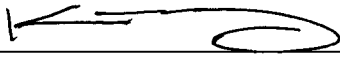
6-29-2023  
Date

  
\_\_\_\_\_  
Brad Taylor  
City Engineer

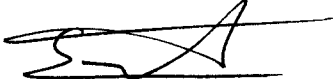
6/28/2023  
Date

 for  
\_\_\_\_\_  
Cari James  
Finance Director

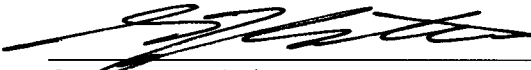
6/30/2023  
Date

  
\_\_\_\_\_  
Michael King  
Assistant City Manager

6-29-2023  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

6-28-2023  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

7.6.23  
Date

## **RESOLUTION NO. 23-**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING INTERSECTION IMPROVEMENTS ASSOCIATED WITH THE SUBDIVISION IMPROVEMENT AGREEMENT FOR PARCEL MAP 19-03 FROM LATHROP GATEWAY 1, LLC, LOCATED AT THE INTERSECTION OF MCKINLEY AVENUE AND YOSEMITE AVENUE**

**WHEREAS**, on February 11, 2015, the City of Lathrop Planning Commission adopted Resolution No. 15-03 to approve the Vesting Tentative Parcel Map for the Lathrop Gateway Business Park (VTM-13-69) with Conditions of Approval for development consistent with the Lathrop Gateway Specific Plan; and

**WHEREAS**, on December 20, 2018, the City of Lathrop Planning Commission approved a Minor Specific Plan Amendment No. SPA-18-71 and Site Plan Review No. SPR-18-40 to construct ten (10) tilt-up buildings totaling approximately 3,035,000 square feet of speculative industrial warehouse space within three phases of development; and

**WHEREAS**, on January 24, 2018, the City of Lathrop Planning Commission approved Time Extension No. TE-18-01 for the Lathrop Gateway Business Park Vesting Tentative Parcel Map (VTM-13-69) by Resolution No. 18-1, which extended the life of the map to February 11, 2020. Pursuant to Government Code 66452.6, the expiration is extended by 36 months because the subdivider is required to expend \$236,790 or more to construct, improve, or finance the construction or public improvements outside the property boundaries of the tentative map; and

**WHEREAS**, on March 2021, City Council approved Parcel Map 19-03, establishing Phase 1 of Lathrop Gateway Business Park. As required by the City's subdivision Ordinance, the approved parcel map included a Subdivision Improvement Agreement (SIA) to guarantee the construction of the intersection improvements associated with the final map; and

**WHEREAS**, Lathrop Gateway 1, LLC (Phelan), has completed the improvements associated with the SIA for Parcel Map 19-03. Completion of the intersection improvements listed in the GASB 34 Report (Attachment C of the City Manager's Report) fulfills the associated obligations of the SIA; and

**WHEREAS**, the bond values and numbers are detailed in Table 1 below. Staff requests Council accept the intersection improvements and approve the release of the Performance and Labor & Materials Bonds and their replacement with the one-year warranty bond; and

**Table 1 – Bond Details**

<b>Performance Bond Number/Value</b>	<b>Labor &amp; Materials Bond Number/Value</b>	<b>Warranty Bond Number/Value</b>
0136871 / \$533,291	0136871 / \$266,646	0136871-M / \$41,892.40

**WHEREAS**, these improvements have been inspected by staff and deemed complete by the City Engineer and confirmed that the improvements have been completed in accordance with City specifications; and

**WHEREAS**, Phelan has submitted lien releases for the improvements proposed to be accepted. Staff has received the one-year warranty bonds and as-built drawings for said improvements; and

**WHEREAS**, staff recommends Council accept the intersection improvements from Phelan; and

**WHEREAS**, the City's maintenance costs will increase because of the additional improvements that have to be maintained. The City's Service Maintenance CFD 2021-1 has been established to help fund City maintenance and operating costs.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lathrop does hereby accept the intersection improvements for Phase 1 of the Gateway Development and authorizes the release of the Performance Bond and the Labor & Materials Bond associated with the SIA for Parcel Map 19-03.

The foregoing resolution was passed and adopted this 10<sup>th</sup> day of July 2023, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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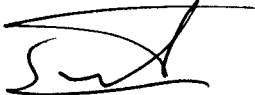
Sonny Dhaliwal, Mayor

**ATTEST:**

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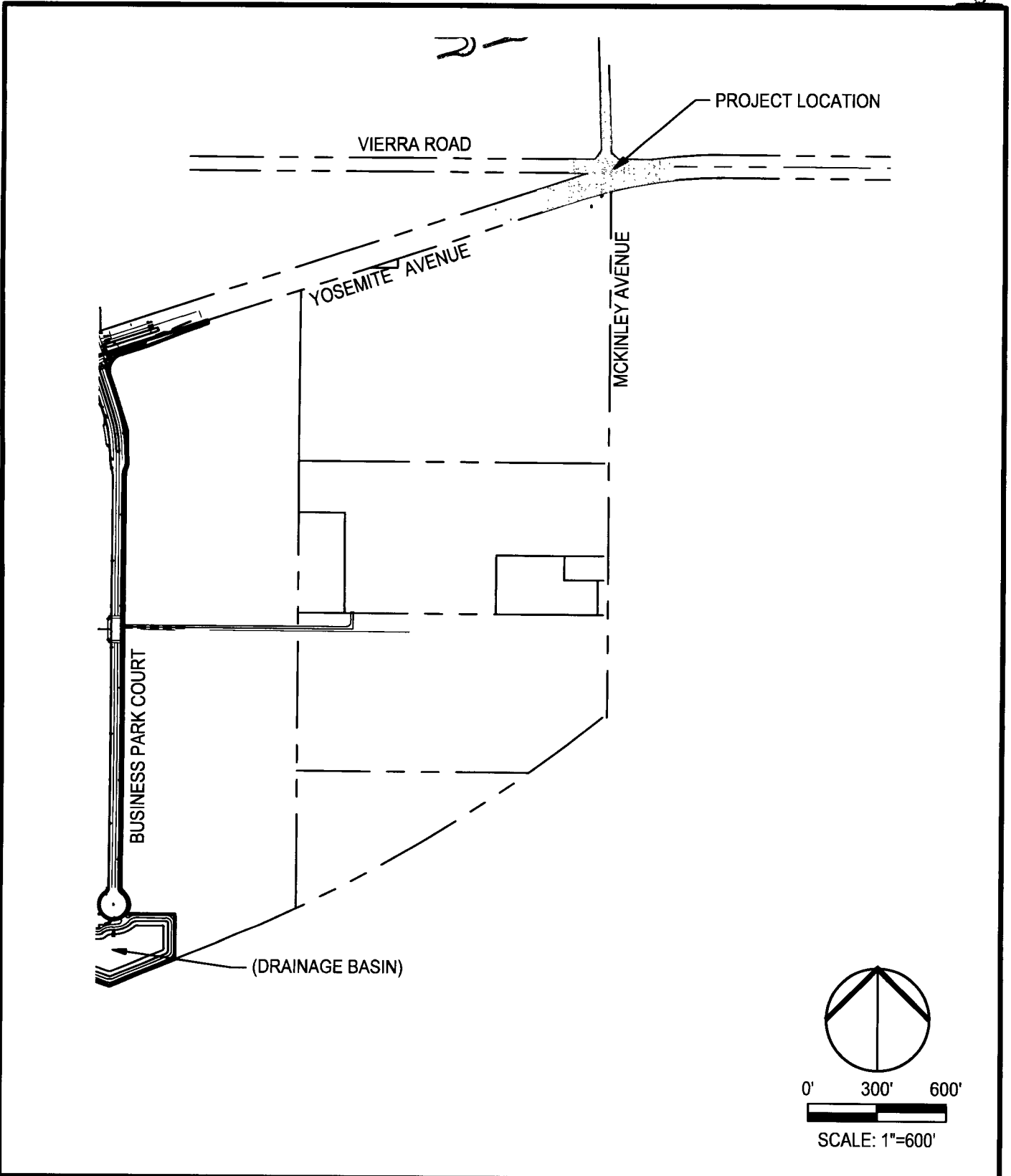
Teresa Vargas  
City Clerk

**APPROVED AS TO FORM:**



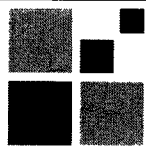
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Salvador Navarrete  
City Attorney



LATHROP GATEWAY PHASE 1 OFFSITE IMPROVEMENTS MCKINLEY - VICINITY MAP

DATE	06/27/23
DESIGN	
DRAWN	
JOB NO.	17208



**SIEGFRIED**

3428 Brookside Road, Stockton, California 95219  
209-943-2021 www.siegfriedeng.com Fax: 209-942-0214

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- ATHLETIC FACILITY DESIGN

SCALE: AS SHOWN

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OF: 1

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06/27/23





CITY OF LATHROP  
PROJECT ACCEPTANCE  
(GASB 34 REPORT)

Date: 07/03/2023

Submitted by: Phelan Haugen Development Company  
Lathrop Gateway Phase 1 - Offsite Improvements McKinley and Yosemite Signal  
Based on Improvement and Grading Plans prepared by Siegfried Engineering

ITEM	UNIT	QUANTITY	UNIT COST	AMOUNT
<b>SITE PAVING</b>				
1 ASPHALT PAVEMENT - YOSEMITE AVENUE (7.5" AC/18" AB) (TI=11)	SF	5,301	15.50	82,166
2 ASPHALT PAVEMENT- YOSEMITE AVENUE (17.5" DEEPLIFT)	SF	2,031	13.50	27,418
3 6" AC DIKE	LF	520	2.00	1,040
4 SIGN	EA	1	1,000.00	1,000
5 STRIPING (EXCLUDING RED PAINTED CURB)	LS	LUMP SUM	10,000.00	10,000
		<b>SITE PAVING SUBTOTAL</b>		<b>\$121,624</b>
<b>STORM DRAIN SYSTEM</b>				
6 15" STORM DRAIN - MCKINLEY (RCP)	LF	180	85.00	15,300
7 DRAIN INLETS	EA	2	3,500.00	7,000
		<b>STORM DRAIN SYSTEM SUBTOTAL</b>		<b>\$22,300</b>
<b>TRAFFIC SIGNAL</b>				
8 TRAFFIC SIGNAL MODIFICATIONS	LS	LUMP SUM	275,000.00	275,000
		<b>TRAFFIC SIGNAL SUBTOTAL</b>		<b>\$275,000</b>
		<b>GRAND TOTAL</b>		<b>\$418,924</b>

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