

ITEM 4.17

CITY MANAGER'S REPORT AUGUST 14, 2023 CITY COUNCIL REGULAR MEETING

ITEM: **ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIRT DYNASTY, INC. FOR THE LATHROP AND HARLAN ROAD INTERSECTION IMPROVEMENTS, CIP PS 21-06**

RECOMMENDATION: **Adopt Resolution Accepting Public Improvements Constructed by Dirt Dynasty, Inc. for the Lathrop Road and Harlan Road Intersection Improvements, CIP PS 21-06, Authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds**

SUMMARY:

On February 14, 2022, City Council awarded a construction contract to Dirt Dynasty, Inc. (Dirt Dynasty) for the construction of the Lathrop Road and Harlan Road Intersection Improvements, Capital Improvement Project (CIP) PS 21-06 (Project). The Project improved the efficiency of vehicular movement and pedestrian safety at and approaching the intersection.

These improvements have been inspected by staff and deemed complete in accordance with the approved plans and specifications by the City Engineer. Dirt Dynasty has provided a one-year warranty bond based on 10% of the completed improvement construction cost and lien releases for the improvements being accepted.

Staff is requesting City Council accept the improvements constructed by Dirt Dynasty for the Lathrop Road and Harlan Road Intersection Improvements, CIP PS 21-06. 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 for \$10,776 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

BACKGROUND:

The increase in vehicular traffic volumes through the intersection of Lathrop Road and Harlan Road has increased the need for improvements to traffic flow. Adjacent developments including Panda Express, Sonic and Dutch Brothers increased the need for a north/south pedestrian crossing at Lathrop Road and northbound I-5 intersection. The Project was created to increase the intersection's capacity by adding one exclusive left turn lane to that existing from northbound Harlan Road onto westbound Lathrop Road, and extending the left turn lane from eastbound Lathrop Road onto northbound Harlan Road by 90 feet.

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PS 21-06

The Project also increased pedestrian safety by providing a new crosswalk across Lathrop Road on the east side of its intersection with the northbound Interstate 5 ramps.

On February 14, 2022, City Council awarded a construction contract to Dirt Dynasty for the construction of these improvements. The awarded contract was for \$807,000, plus a 15% construction contingency of \$121,050 for a total of \$928,050 was authorized for staff to use as necessary to achieve the goals of the Project.

During construction, additional contract change orders were issued for a final contract amount of \$862,067. The construction costs referenced below capture all expenditures.

Construction costs are as follows:

A. Construction Contract	\$ 807,000
B. Additional Change Orders	\$ 55,067
	\$ 862,067
Total Construction Cost	\$ 862,067

The paving work was completed on December 2022; however, several locations near the intersection of Lathrop Road and Harlan Road needed to be replaced due to failure of the material. The low temperatures and consistent rain delayed the paving repairs until current summer 2023. Dirt Dynasty has completed the reconstruction of the center median islands, signal modifications, pedestrian improvements, and Microsurfacing corrective paving work. Staff has inspected these improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

Upon acceptance of the improvements, the performance bond (Bond No. 070215698, \$807,000) and payment bond (Bond No. 070215698, \$807,000) will be released and replaced with a one-year warranty bond (Bond No. 070215698-W, \$82,207). The one-year warranty bond covers any repairs or replacements that may become necessary during the one-year period beginning with this acceptance due to any 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 that City Council accept the improvements constructed by Dirt Dynasty for the Project.

Staff also requests that City Council authorize the filing of a Notice of Completion with the San Joaquin County Clerk, the release of contract retention to Dirt Dynasty for \$10,776 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

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FOR THE LATHROP AND HARLAN ROAD INTERSECTION IMPROVEMENTS, CIP
PS 21-06****REASON FOR RECOMMENDATION:**

The City Council's acceptance of these improvements and authorization to file a Notice of Completion will allow the release of retention to Dirt Dynasty as required by the City Municipal Code.

FISCAL IMPACT:


The final construction contract amount for CIP PS 21-06 is for \$ 862,067. Adequate funds have been allocated in the FY 2022/23 budget 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 Dirt Dynasty, Inc. for the Lathrop Road and Harlan Road Intersection Improvements, CIP PS 21-06, Authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
- B. Notice of Completion – Lathrop Road and Harlan Road Intersection Improvements, (CIP) PS 21-06

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PS 21-06

APPROVALS:



Angel Abarca
Assistant Engineer

07/24/2023

Date



Ken Reed
Senior Construction Manager

7-24-23

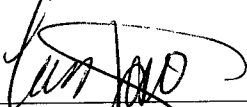
Date



Brad Taylor
City Engineer

8/3/2023

Date



Cari James
Finance Director

7/25/23

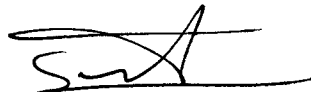
Date



Michael King
Assistant City Manager

7.24.2023

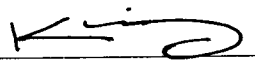
Date



Salvador Navarrete
City Attorney

7-24-2023

Date

 FOR

Stephen J. Salvatore
City Manager

8-7-2023

Date

RESOLUTION NO. 23 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING PUBLIC IMPROVEMENTS CONSTRUCTED BY DIRT DYNASTY, INC. FOR LATHROP ROAD AND HARLAN ROAD INTERSECTION IMPROVEMENTS, CIP PS 21-06, AUTHORIZE THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, AND RELEASE OF PERFORMANCE AND PAYMENT BONDS

WHEREAS, on February 14, 2022, City Council awarded a construction contract to Dirt Dynasty, Inc. (Dirt Dynasty) for the construction of Lathrop Road and Harlan Road Intersection Improvements, Capital Improvement Project (CIP) PS 21-06 (Project); and

WHEREAS, the Project included adding one exclusive left turn lane from northbound Harlan Road onto westbound Lathrop Road and extending the left turn lane from eastbound Lathrop Road onto northbound Harlan Road; and

WHEREAS, pedestrian improvements provided a new crosswalk across Lathrop Road on the east side of the northbound Interstate 5 (I-5) ramps; and

WHEREAS, Dirt Dynasty has successfully completed the reconstruction of the center median islands, signal modifications, and pedestrian improvements; and

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

WHEREAS, Dirt Dynasty has provided the necessary lien releases for the materials supplied and completed work and a one-year warranty bond (based on 10% of total project cost) for the improvements being accepted; and

WHEREAS, the performance bond (Bond No. 070215698, \$807,000) and payment bond (Bond No. 070215698, \$807,000) will be released and replaced with a one-year warranty bond (Bond No. 070215698-W, \$82,207) upon City Council's acceptance of the improvements; and

WHEREAS, the one-year warranty bond covers any repairs or replacements that may become necessary during the one-year period, beginning with this acceptance, due to defective materials or workmanship in connection with the completed improvements; and

WHEREAS, staff requests City Council accept the public improvements constructed by Dirty Dynasty for the Lathrop Road and Harlan Road Intersection Improvements, CIP PS 21-06; and

WHEREAS, 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 \$10,776, 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 Dirt Dynasty for Lathrop Road and Harlan Road Intersection Improvements CIP PS 21-06; 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 \$10,776, 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 14th day of August 2023, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:


ABSTAIN:

Sonny Dhaliwal, Mayor

ATTEST:

Teresa Vargas, City Clerk

APPROVED AS TO FORM:



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 AND ZIP CODE

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 the title of stated owner, or if more than one owner, then of the stated owner and co-owners is fee (e.g. fee, leasehold, joint tenancy, etc.).
4. That on the 14th day of August 2023 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 AND ZIP CODE

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 21-06 Lathrop Road and Harlan Road Intersection Improvements

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

CITY OF LATHROP

By: _____
Stephen J. Salvatore, City Manager Date

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 **August 14, 2023** 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 **August 14, 2023**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated _____

By

Stephen J. Salvatore, City Manager

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