

## ITEM 4.17

### CITY MANAGER'S REPORT FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING

**ITEM:** ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION, INC. DBA DIEDE CONSTRUCTION FOR LATHROP CITY HALL ADA IMPROVEMENTS COUNCIL CHAMBER, CIP GG 22-04

**RECOMMENDATION:** Adopt Resolution to Accept Public Improvements Constructed by Diede Construction, Inc. dba Diede Construction for the Lathrop City Hall ADA Improvements Council Chamber, CIP GG 22-04, authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds

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#### **SUMMARY:**

Diede Construction Inc. dba Diede Construction (Diede Construction) has completed the improvements of the Council Chamber dais (Project). The improvements consisted of removing a non-compliant ADA ramp, construction of two wood steps, fabrication and installation of a metal door and posts, and the relocation of network cables. Staff inspected the improvements and have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

Diede Construction 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 completed improvements constructed by Diede Construction and authorize the filing of a Notice of Completion with the San Joaquin County Clerk, release of contract retention to Diede Construction in the amount of \$3,216 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

#### **BACKGROUND:**

On May 8, 2023, City Council awarded a construction contract to Diede Construction associated with CIP GG 22-04 for the construction improvements of the City Council Chamber.

During the construction, Change Order No. 1 was issued for the design and construction of a compartment under the dais to store an ADA ramp which resulted in a deduction of \$17,220 from the original contract amount of \$81,836. Due to lack of space under the dais the contractor was not able to build the compartment per the contract. The final contract amount was \$64,316 after the change order was issued.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING  
ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION  
FOR THE LATHROP CITY HALL ADA IMPROVEMENTS COUNCIL CHAMBER, CIP  
GG 22-04**

Staff has inspected the improvements which have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

Diede Construction 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.

Upon acceptance of the improvements, the performance and payment bonds (No. 9423696) will be released and replaced with a warranty bond (No.9423696, \$6,431). 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. Diede Construction has also provided the necessary lien releases for the materials supplied and completed work.

Staff requests City Council accept the improvements constructed by Diede Construction for Lathrop City Hall ADA Improvements associated with CIP GG 22-04. 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 Diede Construction in the amount of \$3,216 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 Diede Construction pursuant to the contract documents. Staff has inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

**FISCAL IMPACT:**

The approved contract with Diede Construction was for \$81,836 during construction, Change Order No.1 for \$17,220 was deducted for a final contract amount of \$64,316.

Staff is requesting for remaining funds to be transferred back to the original funding source.

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**

**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION FOR THE LATHROP CITY HALL ADA IMPROVEMENTS COUNCIL CHAMBER, CIP GG 22-04**

**ATTACHMENTS:**

- A. Resolution to Accept Public Improvements Constructed by Diede Construction Inc. dba Diede Construction for the Lathrop City Hall ADA Improvements Council Chamber, CIP GG 22-04, Authorize the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
  
- B. Notice of Completion – Lathrop City Hall ADA Improvements Council Chamber, CIP GG 22-04

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION**  
**FOR THE LATHROP CITY HALL ADA IMPROVEMENTS COUNCIL CHAMBER, CIP**  
**GG 22-04**

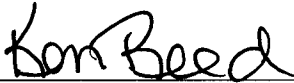
**APPROVALS:**



Carlos Carrillo  
Management Analyst II

1/18/24

Date



Ken Reed  
Senior Construction Manager

1-19-2024

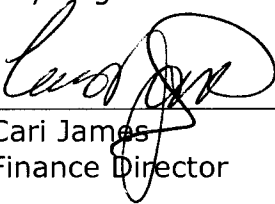
Date



Brad Taylor  
City Engineer

1/19/2024

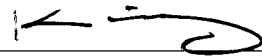
Date



Cari James  
Finance Director

1/24/2024


Date



Michael King  
Assistant City Manager

1.19.2024

Date



Salvador Navarrete  
City Attorney

1-23-2024

Date



Stephen J. Salvatore  
City Manager

2/5/24

Date

**RESOLUTION NO. 24 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP ACCEPTING PUBLIC IMPROVEMENTS CONSTRUCTED BY DIEDE CONSTRUCTION, INC. DBA DIEDE CONSTRUCTION FOR LATHROP CITY HALL ADA IMPROVEMENTS, CIP GG 22-04, AUTHORIZE THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, AND RELEASE OF PERFORMANCE AND PAYMENT BONDS**

**WHEREAS,** On May 8, 2023, City Council awarded a construction contract to Diede Construction, Inc. (Diede Construction) associated with Capital Improvement Project (CIP) GG 22-04 for the removal of an existing ADA ramp on the East side of the Council Chamber dais, which was not in compliance with ADA standards; and

**WHEREAS,** during the construction, Change Order No. 1 was issued for the design and construction of a compartment under the dais to store an ADA ramp which resulted in a deduction of \$17,220 from the original contract amount of \$81,836; and

**WHEREAS,** due to lack of space under the dais the contractor was not able to build the compartment per the contract. The final contract amount was \$64,316 after the change order was issued.

**WHEREAS,** Diede Construction has completed these improvements. Staff has inspected the improvements which have been deemed complete and in accordance with the approved plans and specifications by the City Engineer; and

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

**WHEREAS,** Diede Construction 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 (No.9423696) will be released and replaced with a one-year warranty bond (No.9423696, \$6,431) upon City Council's acceptance of the improvements; and

**WHEREAS,** staff is requesting City Council accept the public improvements constructed by Diede Construction for the Lathrop City Hall ADA Improvements , CIP GG 22-04; 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 Diede Construction, in the amount of \$3,216, within forty-five (45) days after the recording of the Notice of Completion and the release of the performance and payment bonds; and

**WHEREAS,** staff is requesting for remaining funds be transferred back to the original funding source account.

**NOW THEREFORE, BE IT RESOLVED,** that the City Council of the City of Lathrop does hereby accept the public improvements constructed by Diede Construction for the Lathrop City Hall ADA Improvements Council Chamber, CIP GG 22-04, for a total contract amount of \$64,316; and

**BE IT FURTHER RESOLVED,** that any remaining funds be transferred back to the original funding source account.

**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 Diede Construction, in the amount of \$3,216 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 12<sup>th</sup> day of February 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 the title of stated owner, or if more than one owner, then of the stated owner and co-owners is fee title (e.g. fee title, leasehold, joint tenancy, etc.).

4. That on the 12th day of February, 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: Diede Construction Inc.

6. That the name and address of the transferor is:  
NAME STREET AND NO. CITY STATE  
Diede Construction Inc. 12393 CA-99 Lodi, CA 95240

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:  
CIP GG 22-04 Lathrop City Hall ADA 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 **February 12, 2024** by **Diède Construction 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 **February 12, 2024**, and the grantee consents to recordation thereof by its duly authorized officer.

Dated \_\_\_\_\_

By \_\_\_\_\_

Stephen J. Salvatore, City Manager

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