

## ITEM 4.19

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

**ITEM:** **ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37**

**RECOMMENDATION:** **Adopt Resolution Accepting Public Improvements Constructed by Commercial Pump & Mechanical for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds**

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#### **SUMMARY:**

Commercial Pump & Mechanical (CPM) has completed the construction of improvements associated with CIP PW 22-37 (Project) for Well 10 Testing, Analysis and Modifications (Project). Staff inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

CPM has submitted lien releases confirming all sub-contractors and suppliers have been paid in full and provided a one-year warranty bond for the improvements to be accepted.

Staff requests City Council accept the completed improvements constructed by CPM 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 CPM of \$14,611 within forty-five (45) days after recording the Notice of Completion, and the release of performance and payment bonds.

#### **BACKGROUND:**

On February 14, 2022, City Council awarded a construction contract to CPM for the construction contract of the Project for \$87,664 and an additional \$112,336 authorized for contingencies related to the construction of the Project. During the construction, contract change orders (CCO) were issued by staff pursuant to the approved contingency or approved by City Council for a total final contract amount of \$378,280. The costs referenced below include all construction expenditures associated with the Project:

A. Construction Contract	\$87,664
B. Contract Change Orders	\$290,616
	<hr/>
Total Construction Contract Costs	\$378,280

**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING****ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37**

Upon acceptance of the improvements, the performance bond and payment bond will be released and replaced with a one-year warranty bond (Bond No. 5958118, \$37,748). 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. CPM has also provided the necessary lien releases for the materials supplied and completed work.

Staff requests City Council accept the improvements constructed by CPM for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37. 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 CPM for \$14,611 within forty-five (45) days after the recording of the Notice of Completion, and the release of performance and payment bonds.

**REASON FOR RECOMMENDATION:**

CPM has completed the Project pursuant to the construction contract documents dated November 14, 2022 and subsequent CCOs. Staff inspected the improvements and they have been deemed complete and in accordance with the approved plans and specifications by the City Engineer.

CPM has submitted a one-year warranty bond for the improvements to be accepted and lien releases confirming all sub-contractors and suppliers have been paid in full. 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.

The performance bond and payment bond will be released and replaced with the one-year warranty bond upon City Council's acceptance of the improvements.

**FISCAL IMPACT:**

The final construction cost amount with CPM for the Project is \$378,280.

Adequate funds have been allocated in the FY 2023-24 budget to close out for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37. With the completion of the Project, staff requests that unused funds be transferred back to the original funding sources.

Staff requests that unused funds be transferred back into the Water Replacement CIP Fund (5600).

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

**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37**

**ATTACHMENTS:**

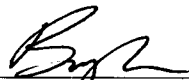
- A. Resolution to Accept Public Improvements Constructed by Commercial Pump & Mechanical for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37, Authorizing the Filing of a Notice of Completion, Release of Contract Retention, and Release of Performance and Payment Bonds
- B. Notice of Completion – Well 10 Testing, Analysis and Modifications, CIP PW 22-37
- C. Vicinity Map

**CITY MANAGER'S REPORT**  
**FEBRUARY 12, 2024 CITY COUNCIL REGULAR MEETING**  
**ACCEPT PUBLIC IMPROVEMENTS CONSTRUCTED BY COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37**

**APPROVALS:**

  
\_\_\_\_\_  
Greg Gibson  
Senior Civil Engineer

01/25/2024  
\_\_\_\_\_  
Date

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

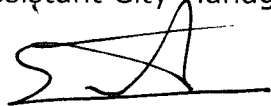
1/25/2024  
\_\_\_\_\_  
Date

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

1/30/2024  
\_\_\_\_\_  
Date

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

1.26.2024  
\_\_\_\_\_  
Date

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

1-29-2024  
\_\_\_\_\_  
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 COMMERCIAL PUMP & MECHANICAL FOR THE WELL 10 TESTING, ANALYSIS AND MODIFICATIONS, CIP PW 22-37, AUTHORIZING THE FILING OF A NOTICE OF COMPLETION, RELEASE OF CONTRACT RETENTION, AND RELEASE OF PERFORMANCE AND PAYMENT BONDS**

**WHEREAS**, Well 10 Testing, Analysis and Modifications (Project), CIP PW 22-37 was created to address sanding and other maintenance items for the City's Well 10, one of four active wells comprising the City's groundwater supply; and

**WHEREAS**, on February 14, 2022, City Council awarded a construction contract in the amount of \$87,664 to Commercial Pump & Mechanical (CPM) for the construction of the Project; and

**WHEREAS**, the scope of work included recommended maintenance and repairs, in addition to testing and analysis to evaluate whether additional modifications are needed to improve the performance and efficiency of Well 10.; and

**WHEREAS**, during construction, contract change orders were issued to CPM in the amount of \$290,616 for a final contract amount of \$378,280; and

**WHEREAS**, staff inspected the improvements and the City Engineer deemed the improvements complete and in accordance with the approved plans and specifications; and

**WHEREAS**, CPM 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. 5958118, \$87,664) and payment bond (Bond No. 5958118, \$43,832) will be released and replaced with a one-year warranty bond (Bond No. 5958118, \$37,748) 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**, adequate funds have been allocated in the FY 2023-24 approved budget to close out the Project. With the completion of the Project, staff requests that unused funds be transferred back to the source CIP Fund (5600); and

**WHEREAS,** staff request City Council accept the completed public improvements constructed by CPM for the Well 10 Testing, Analysis and Modifications, CIP PW 22-37; 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 CPM in the amount of \$14,611 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 completed public improvements constructed by CPM for Fueling Facility Tank Footings, CIP PW 22-37, pursuant to the contract documents dated February 14, 2022; 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 CPM, in the amount of \$14,611, 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 the City Council of the City of Lathrop approves the unused funds be transferred back into the Water Replacement CIP Fund (5600).

The foregoing resolution was passed and adopted this 12th day of February, 2024 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:

- 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)

- 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.
- 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.).
- That on the 12th day of February, 2024 a work of improvement on the real property herein described was completed.
- That the name of the original contractor, if any, for said work of improvement was: Commercial Pump & Mechanical

- That the name and address of the transferor is:  
NAME                      STREET AND NO.                      CITY                      STATE AND ZIP CODE

Commercial Pump & Mechanical                      11254 Midway                      Chico,                      CA                      95928

- 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 PW 22-37 Well 10 Testing, Analysis and Modifications, Lathrop, CA 95330

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 **Commercial Pump & Mechanical** 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 \_\_\_\_\_

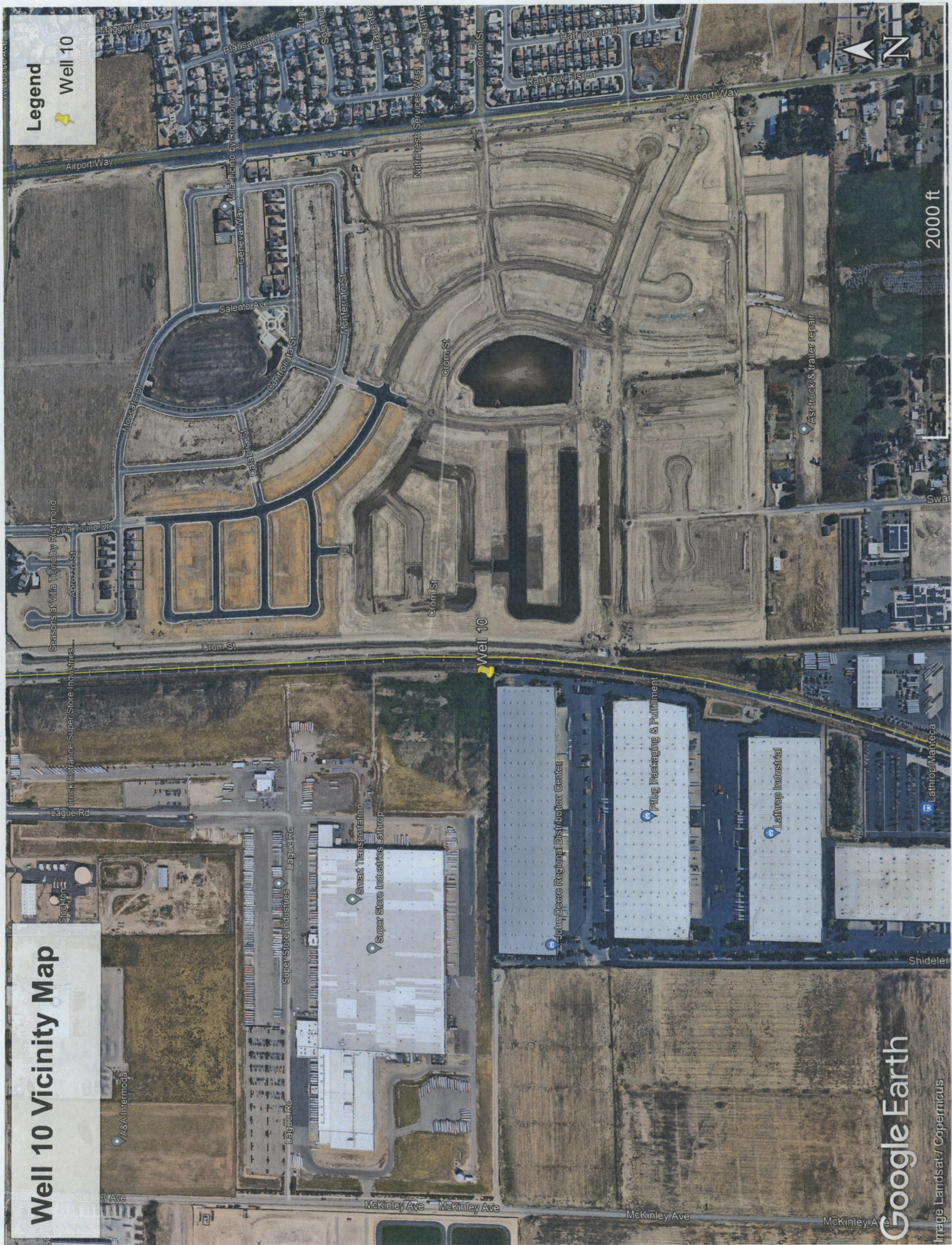
By

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



# Well 10 Vicinity Map

Legend  
Well 10



Google Earth

Image Landsat / Copernicus