

City of Piedmont
COUNCIL AGENDA REPORT

DATE: November 6, 2023

TO: Mayor and Councilmembers

FROM: Rosanna Bayon Moore, City Administrator

SUBJECT: Consideration of Acceptance of Improvements for the Highland Guilford Steps Project

RECOMMENDATION

Approve the attached resolution which takes the following actions related to the Highland Guilford Steps Project:

1. Accept the improvements as complete.
2. Authorize the release of the Performance and Labor and Material Bonds.
3. Retain the Maintenance Bond until November 6, 2024, and, if there are no warranty items found, authorize the Public Works Director to release the Maintenance Bond at that time.
4. Direct the Public Works Director to file the Notice of Completion for the project.

BACKGROUND

On November 15, 2021, the Council authorized award of the Highland Guilford Steps Project to HM Construction in the amount of \$225,464.00. Subsequently, due to lack of performance by the original contractor, City staff worked with HM Construction's bonding company (ARCH Surety) and on September 6, 2022, the Council awarded the re-bid project to Bay Construction in the amount of \$310,000. The \$84,536 difference between the original contract price with HM Construction and the re-bid price from Bay Construction was paid by ARCH Surety. All work associated with this project was recently determined to be complete.

DISCUSSION

Public Works staff have determined that the above-referenced work was completed in accordance with the construction documents and specifications. Staff is recommending that the City Council accept the improvements associated with this project, authorize the release of the Performance and Labor and Material Bonds, retain the Maintenance Bond for a period of one year and direct the filing of the Notice of Completion. If no issues have been identified with the improvements one year from acceptance, the Maintenance Bond can be released without further action.

FISCAL IMPACT

The overall expenditures associated with this project are:

	<u>Original Budget</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Construction Contract	\$ 310,000.00	\$ 310,000.00	\$ 0.00
Construction Contingency	\$ 22,546.00	\$ 11,119.20	\$ - 11,426.80
Totals	\$ 332,546.00	\$ 321,119.20	\$ - 11,426.80

Construction project funding sources are:

	<u>Funding Allocation</u>
Facilities Capital Fund	\$ 149,583.20
Donation Piedmont Beautification Fund	\$ 82,000.00
Piedmont Garden Club	\$ 5,000.00
ARCH Surety	\$ 84,536.00
Totals	\$ 321,119.20

Attachment:

1. Draft Resolution

By: Daniel Gonzales, Public Works Director
John Wanger, City Engineer

**RESOLUTION ACCEPTING THE IMPROVEMENTS CONSTRUCTED FOR THE
HIGHLAND GUILFORD STEPS PROJECT**

WHEREAS, at the November 15, 2021, City Council meeting, the City Council approved an overall budget for the Highland Guilford Steps Project (Project) and authorized the award of the construction project to HM Construction; and

WHEREAS, due to lack of performance from HM Construction, the construction contract was terminated, and, with the assistance of ARCH Surety, Bay Construction was hired by the City to replace HM Construction and complete the project; and

WHEREAS, the City of Piedmont entered into a contract with Bay Construction on September 6, 2022, to complete the project; and

WHEREAS, the Project has been inspected and determined to have been completed in accordance with the contract requirements; and

WHEREAS, based upon the foregoing, staff recommends acceptance of the Project on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PIEDMONT AS FOLLOWS:

1. The improvements associated with the Highland Guilford Steps Project are hereby accepted.
2. The Public Works Director is authorized to release the Performance and Labor & Material surety posted with this project; and to hold the Maintenance Bond for a period of one year from the date of this resolution, at which time the Public Works Director is authorized to release said bond if the improvements remain in good condition and there are no issues to be resolved.

3. The Public Works Director is directed to file a Notice of Completion concerning the Project with the Alameda County Clerk's Office within ten (10) days of the date of this Resolution.