

City of Calistoga

Staff Report

TO: Honorable Mayor and City Council
FROM: Michael Kirn, Public Works Director/City Engineer
DATE: August 2, 2016
SUBJECT: Consideration of a Resolution Accepting as Complete the Lower Washington Street Sewer Trunk Line and the Pine Street Sewer Lift Station Required as Part of the Calistoga Hills Resort Constructed by Granite Construction, Inc. and Authorizing the Public Works Director to File a Notice of Completion

APPROVAL FOR FORWARDING:



DYLAN FEIK, CITY MANAGER

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ISSUE: Consideration of a Resolution that:

1. Accepts as complete the Lower Washington Street Sewer Trunk Line and the Pine Street Sewer Lift Station required as part of the Calistoga Hills Resort constructed by Granite Construction, Inc.
2. Authorizes the Public Works Director to file a notice of completion with the Napa County Recorder.
3. Authorizes release of the Performance and Payment Bonds and directs staff to process reimbursement payments in accordance with the Reimbursement Agreement.

RECOMMENDATION: Adopt the Resolution.

August 2, 2016

Completion of Washington Street Sewer Trunk Line and the Pine Street Sewer Lift Station Constructed by Granite Construction, Inc.

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15 **BACKGROUND/DISCUSSION:** In April, 2013 the City Council approved the Calistoga
16 Hills Resorts, Inc. project and entered into a Development Agreement with the
17 Developer. On May 19, 2015 the City Council approved a Subdivision Offsite
18 Improvement and Reimbursement Agreement for the Calistoga Hills Resorts, Inc. which
19 included the Lower Washington Street Sewer Trunk Line and the Pine Street Sewer Lift
20 Station. Granite Construction, Inc. was hired by Calistoga Hills Resorts, Inc. to
21 complete the project.

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23 Work on the project has been completed. The project has been inspected by the City
24 Engineer and the Deputy Public Works Director and has been determined to be
25 complete and constructed in conformance with approved plans and specifications. As-
26 built drawings have been received by the City Public Works Department.

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28 Staff recommends that the City accept as complete the Lower Washington Street Sewer
29 Trunk Line and Pine Street Sewer Lift Station improvements. Performance bond and a
30 payment bond were provided as security for the project. Staff recommends that these
31 bonds be released.

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33 As part of the project, the City agreed to reimburse Calistoga Hills Resorts, Inc. for
34 certain improvements associated with replacement of the Pine Street Sewer Lift Station
35 and recycled water main in order to comply with the November 12, 2014 Cease and
36 Desist Order issued by the State and to install conduit for future installation of fiber optic
37 cable for improved SCADA communication to the wastewater treatment plant. The
38 combined cost of these improvements was valued at \$930,000.

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40 Resolution No. 2015-071 authorizes reimbursement to Calistoga Hills Resorts, Inc. in
41 the amount \$930,000. Payment of the City's portion was to include \$380,000 for initial
42 reimbursement to the Developer 35 days after recordation of a Notice of Completion
43 was filed, provided there were no mechanics liens or stop notices filed by contractors,
44 subcontractors or other parties. A second lump sum payment of \$275,000 was to be
45 paid on or before July 10, 2016. The third lump sum payment of \$275,000 is to be paid
46 on or before July 10, 2017. The recommended resolution authorizes reimbursement to
47 the Developer in the amount of \$655,000 for the first two payments.

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49 **FISCAL IMPACT:** Funds for the first two payments due after the Notice of Completion
50 has been recorded in the amount of \$655,000 are budgeted in the Sewer Collection
51 Capital Improvement Budget 13-5328-4915.

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53 **ATTACHMENTS:**

- 54 1. Resolution
55 2. Notice of Completion

RESOLUTION NO. 2016-XXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA,
COUNTY OF NAPA, STATE OF CALIFORNIA, ACCEPTING AS COMPLETE
THE LOWER WASHINGTON STREET SEWER TRUNK LINE AND THE PINE
STREET SEWER LIFT STATION REQUIRED AS PART OF THE CALISTOGA HILLS
RESORTS PROJECT, AUTHORIZING THE PUBLIC WORKS DIRECTOR TO FILE A
NOTICE OF COMPLETION AND AUTHORIZING REIMBURSEMENT PAYMENTS**

WHEREAS, the City of Calistoga entered into a Development Agreement with Calistoga Hills Resorts, Inc. in April 2013 and a Subdivision Offsite Improvement and Reimbursement Agreement on May 19, 2015; and

WHEREAS, the Subdivision Offsite Improvement Agreement included construction of the Lower Washington Street Sewer Trunk Line and the Pine Street Sewer Lift Station; and

WHEREAS, as part of the project the City agreed to reimburse Calistoga Hills Resorts, Inc. for certain improvements associated with replacement of the Pine Street Sewer Lift Station and recycled water main in order to comply with the November 12, 2014 Cease and Desist Order issued by the State and to install conduit for future installation of fiber optic cable for improved SCADA communication to the Wastewater Treatment Plant in the amount of \$930,000; and

WHEREAS, the City agreed to pay \$380,000 to Calistoga Hills Resort, Inc. 35 days after recordation of a Notice of Completion was filed, provided there were no mechanics liens or stop notices filed by contractors, subcontractors or other parties; and

WHEREAS, the City agreed to pay a second lump sum payment of \$275,000 on or before July 10, 2016; and

WHEREAS, the City Council now desires to accept the project as complete and fulfill the payments as required by the Subdivision Improvement and Reimbursement Agreement.

NOW, THEREFORE BE IT RESOLVED THAT AS FOLLOWS:

1. The City Council of the City of Calistoga hereby accepts as complete the work for the Lower Washington Street Sewer Trunk Line and the Pine Street Sewer Lift Station.
2. The Public Works Director is authorized to file a Notice of Completion with the Napa County Recorder.
3. Payment in the amount of \$655,000 may be disbursed to Calistoga Hills Resorts, Inc. after the Notice of Completion has been filed and a waiting period of 35 days has passed, provided there were no mechanics liens or stop notices filed by contractors, subcontractors or other parties.
4. The Performance Bond and Payment bond may be released.

50 **PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Calistoga
51 at a regular meeting held this **2nd day of August, 2016**, by the following vote:

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54 **AYES:**
55 **NOES:**
56 **ABSTAIN:**
57 **ABSENT:**

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CHRIS CANNING, Mayor

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ATTEST:

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Kathy Flamson, City Clerk

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**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

**CITY OF CALISTOGA
1232 WASHINGTON STREET
CALISTOGA, CA 94515
Attn: Public Works Department**

**Exempt From Recording Fees
Section 27383 Gov't. Code**

NOTICE OF COMPLETION

Notice is hereby given that:

1. The undersigned is the owner of the interest or estate stated below in the property described below.
2. The name of the undersigned is City of Calistoga.
3. The address of the undersigned is:
1232 Washington Street
Calistoga, CA 94515
4. The nature of interest or estate of the undersigned is fee ownership, as well as ownership of the certain improvements located thereon.
5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are: None
6. The names of the predecessors in interest of the undersigned, if the property was transferred subsequent to the commencement of work of improvement herein referred to are: None
7. A work of improvement on the property hereinafter described was completed on August 2, 2016.
8. The name of the original contractor, if any, for the work of improvement was Granite Construction, Inc. on behalf of Calistoga Hills Resorts, Inc.
9. The kind of work done or material furnished was construction of the Lower Washington Street Sewer Trunk Line and Pine Street Sewer Lift Station.
10. The property on which the work of improvement was completed is in the City of Calistoga, County of Napa, State of California, and is described as follows:

Lower Washington Street, Calistoga, CA 94515
North End of Pine Street, Calistoga, CA 94515
11. The name of the surety on the bonds of the Lower Washington Street Sewer Trunk Line and Pine Street Sewer Lift Station Project is as follows: _____.

City of Calistoga, Owner

Dated: August 3, 2016

Signed: _____
Michael Kirn, Public Works Director

VERIFICATION

I, the undersigned, say:

I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.

I declare under the penalty of perjury that the above is true and correct

Executed at Calistoga, California, this 3rd day of August, 2016.

City of Calistoga

Michael Kirn, Public Works Director