



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 21, 2004

ITEM NUMBER: _____

SUBJECT: RELEASE OF BONDS IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS02-00185 FOR STREET IMPROVEMENTS LOCATED AT 1475 SOUTH COAST DRIVE, COSTA MESA, CALIFORNIA

DATE: JUNE 10, 2004

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: PETER NAGHAVI, TRANSPORTATION SERVICES MANAGER

FOR FURTHER INFORMATION CONTACT: ERNESTO MUNOZ, CITY ENGINEER, 714-754-5343

RECOMMENDED ACTION

Release the Performance and Labor and Material Bonds (Certificate No. ST1520) in the amount of \$1,504,418.00 each to C. J. Segerstrom & Sons (Developer), 3315 Fairview Road, Costa Mesa, California 92626.

BACKGROUND

On May 31, 2002, the Engineering Division issued Encroachment Permit No. PS02-00185 to KEC Engineering (Contractor) for the construction of street improvements within Harbor Boulevard at South Coast Drive. The Encroachment Permit allowed construction of street trenching, curb and gutter, sidewalk, storm drain improvements, and street resurfacing associated with the widening of the Greenville-Banning Channel. The Performance and Labor and Materials Bonds in the amount of \$1,504,418.00 each were received and accepted by the Public Services Department as a guarantee for the construction of the improvements.

ANALYSIS AND DISCUSSION

All conditions of the Encroachment Permit have been met and the work has been completed and accepted by the Public Services Department.

ALTERNATIVES CONSIDERED

The alternative to this Council action would be to retain the Performance and Labor and Material Bonds. Costa Mesa Municipal Code Section 15-32 states, "The condition of said bond shall be that the applicant will perform the work authorized by any permit issued pursuant to this chapter in a good and workmanlike manner and to the satisfaction of the City Engineer." These conditions have been met; therefore, retention of the bonds would be in violation of the Municipal Code.

FISCAL REVIEW

There is no fiscal impact to the City relative to this item.

LEGAL REVIEW

There is no legal review required relative to this item.

CONCLUSION

All of the required conditions of the Encroachment Permit have been completed by the Contractor. Therefore, staff recommends that the Performance and Labor and Material Bonds in the amount of \$1,504,418.00 each be released to C. J. Segerstrom & Sons.

ERNESTO MUNOZ
City Engineer

WILLIAM J. MORRIS
Director of Public Services

DISTRIBUTION: City Manager
Deputy City Clerk
City Attorney
Staff