



CITY COUNCIL AGENDA REPORT

MEETING DATE: JULY 3, 2007

ITEM NUMBER:

SUBJECT: REFUND OF CASH DEPOSIT IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS06-00166 FOR STREET IMPROVEMENTS LOCATED AT 3333 HYLAND AVENUE, COSTA MESA, CALIFORNIA

DATE: JUNE 21, 2007

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: WILLIAM J. MORRIS, DIRECTOR OF PUBLIC SERVICES

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

RECOMMENDED ACTION:

Refund cash deposit in connection with Encroachment Permit No. PS06-00166 in the amount of \$144,788.25 to South Coast Home Furnishing Center, LLC (Developer), 18201 Von Karman Avenue, Suite 1170, Irvine, CA 92612.

BACKGROUND:

On March 27, 2006, the Engineering Division issued Encroachment Permit No. PS06-00166 to Fullmer Construction (Contractor) for the construction of street improvements within Hyland and Sunflower Avenues. The Encroachment Permit allowed the construction of curb and gutter, commercial sidewalk, bus turnout, wheelchair ramps, connection to the storm drain system, and resurfacing a portion of Hyland and Sunflower Avenues. The cash deposit in the amount of \$144,788.25 was received and accepted by the Public Services Department as a guarantee for the construction of the improvements.

ANALYSIS:

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 cash deposit. The Costa Mesa Municipal Code Section 15-32(b) states, "The condition of said bond (or cash deposit) 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 cash deposit 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 cash deposit in the amount of \$144,788.25 be released and refunded to South Coast Home Furnishing Center, LLC (Developer).

ERNESTO MUNOZ
City Engineer

WILLIAM J. MORRIS
Director of Public Services

MARC R. PUCKETT
Director of Finance

DISTRIBUTION: City Manager
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 Staff