



# *CITY COUNCIL AGENDA REPORT*

---

MEETING DATE: SEPTEMBER 2, 2008

ITEM NUMBER:

**SUBJECT:** RELEASE OF BONDS IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS06-00793 FOR STREET IMPROVEMENTS FOR PARCEL MAP 2005-109 LOCATED AT 3191 RED HILL AVENUE, COSTA MESA, CALIFORNIA

**DATE:** AUGUST 21, 2008

**FROM:** PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

**PRESENTATION BY:** PETER NAGHAVI, DIRECTOR, DEPARTMENT OF PUBLIC SERVICES

**FOR FURTHER INFORMATION CONTACT:** ERNESTO MUÑOZ, CITY ENGINEER, 714-754-5335

---

## **RECOMMENDED ACTION**

Release the Performance and Labor and Material Bonds (Certificate No. 559726S) in the amount of \$126,208.39 for street improvements to BKM Redhill Associates, LLC (Developer), 1945 Placentia Avenue, Costa Mesa, CA 92627.

## **BACKGROUND**

On April 11, 2005, the Planning Commission approved Parcel Map 2005-109 to subdivide an industrial property into two lots for condominium purposes. The Engineering Division issued Encroachment Permit No. PS06-00793 to Artcrete of California, Inc. (Contractor), for the construction of street improvements within Red Hill Avenue and Pullman Street. The Encroachment Permit allowed the construction of new sidewalk. The Performance and Labor and Materials Bonds in the amount of \$126,208.39 each were 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 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 amounts of \$126,208.39 each be released to BKM Redhill Associates, LLC (Developer).

---

ERNESTO MUÑOZ  
City Engineer

---

PETER NAGHAVI, Director  
Department of Public Services

DISTRIBUTION: City Manager  
Assistant City Manager  
City Clerk  
City Attorney  
Staff