



CITY COUNCIL AGENDA REPORT

MEETING DATE: DECEMBER 1, 2009

ITEM NUMBER:

SUBJECT: RELEASE OF BONDS IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS05-00278 AND PS05-00522 FOR STREET IMPROVEMENTS AND CORNER MONUMENTATION FOR TRACT 16382 LOCATED AT 1901 NEWPORT BOULEVARD, COSTA MESA, CALIFORNIA.

DATE: NOVEMBER 19, 2009

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: PETER NAGHAVI, DIRECTOR 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. 829092S) in the amounts of \$378,428.41 each for street improvements and (Certificate No.829093S) for setting corner monuments in the amount of \$6,000 to Rutter Development Corporation, (Developer), 18012 Cowan, Suite 200, Irvine, California 92614.

BACKGROUND

On November 15, 2004, the City Council approved the Final Map for Tract No.16382 for the subdivision of seven (7) lots, two (2) lots for residential use, two (2) lots for commercial use, and three (3) lots for parking and private streets. The Engineering Division required the setting of durable monuments at corners of exterior and interior lots. The Performance Bond in the amount of \$6,000 was received and accepted by the Public Services Department as a guarantee for the setting of the monuments. Also, the Engineering Division issued Encroachment Permits No. PS05-00278 and PS05-00522 to Rutter Development Corporation (Contractor), for the construction of street improvements within Bernard Street. The Encroachment Permits allowed the construction of sidewalk, curb and gutter, drive approach and storm drain. The Performance and Labor and Materials Bonds in the amount of \$378,428.41 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, and all of the monuments have been set by the Engineer. Therefore, staff recommends that the Performance and Labor and Material Bonds in the amount of \$378,428.41 each and the bond for setting corner monuments in the amount of \$6,000 be released to Rutter Development Corporation.

ERNESTO MUÑOZ
City Engineer

PETER NAGHAVI, DIRECTOR
Department of Public Services

DISTRIBUTION: City Manager
City Clerk
City Attorney
Staff