



CITY COUNCIL AGENDA REPORT

MEETING DATE: JULY 6, 2010

ITEM NUMBER:

SUBJECT: RELEASE OF THE MAINTENANCE BOND IN CONNECTION WITH THE COASTAL SAGE SCRUB RESTORATION PROJECT AT FAIRVIEW PARK.

DATE: JUNE 24, 2010

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

RECOMMENDATION:

Release the remaining Maintenance Bond (Certificate No. SU 5014567) in the amount of \$64,300 to Headlands Reserve, LLC, 24849 Del Prado, Dana Point, California, 92629.

BACKGROUND:

On April 5, 2005 the City Council approved the Memorandum of Agreement and Land Covenant with Headlands Reserve, LLC, for the creation of 11-acres of Coastal Sage Scrub (CSS) in the lower northwest portion of Fairview Park. Headlands Reserve, LLC, created 11-acres of CSS to partially compensate for native plant impacts that occurred within the Headlands Development project in Dana Point. Headlands Reserve, LLC, provided all funding for the installation of the CSS plantings and five years of maintenance costs. Public Services staff oversees the maintenance contractor, Natures Image Inc., and the field biologist.

The CSS provides habitat for a variety of avian species including the coastal California gnatcatcher (*Poliophtila californica*), California towhee (*Pipilo crissalis*), white-crowned sparrow (*Zonotrichia leucophrys*), wrenit (*Chamaea fasciata*), Bewick's wren (*Thryomanes bewickii*), California thrasher (*Toxostoma redivivum*) and Costa's hummingbird (*Calypste costae*). The CSS will also provide habitat for a variety of reptile and mammal species.

Fairview Park 11- Acre Coastal Sage Scrub Mitigation Site



ANALYSIS:

The Memorandum of Agreement with Headlands Reserve, LLC, states that the Maintenance Bond may be reduced annually after the completion of each restoration year. In July 2009, Headlands Reserve, LLC, requested an annual reduction of the Maintenance Bond for years 2005-2008. Headlands Reserve, LLC, is now requesting the remaining Maintenance Bond be released.

The 11-acre CSS site is fully established and the irrigation has been shut down since October 2009. Absolute cover of native species in the Fairview Park creation/restoration areas was 69.3 percent as of December 2009. The third year performance standard is 50 percent native plant cover. In analyzing the cover values of each respective layer individually, native herbaceous vegetation comprised 12.5 percent of the herbaceous plant layer, native shrubs comprised 45.5 percent native shrub layer, and the native shrub-tree layer is 11.3 percent. Non-native vegetation comprised approximately 0.1 percent cover throughout the site. All non-native cover occurred within the herb layer. The third year performance standard of weed cover of less than 10 percent has been met.

Maintenance and monitoring will continue to be performed by Natures Image Inc. and a qualified URS biologist/restoration specialist. During the final year of the maintenance period, sufficient personnel and equipment will be allocated to perform landscape maintenance of all planted areas. Maintenance will continue on a monthly basis and monitoring visits will continue to be conducted quarterly. The need for additional maintenance visits shall be determined by the monitoring biologist based on current site conditions. Headlands Reserve, LLC, is responsible for the CSS site until 2011, or earlier if staff and the biologist deem that the site is self-sustaining and meets the contracted success criteria.

ALTERNATIVES CONSIDERED:

The alternative to this Council action would be to retain the Maintenance Bond. 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." Retention of the Maintenance Bond would be in violation of the Municipal Code.

FISCAL REVIEW:

There is no fiscal impact due to this item.

LEGAL REVIEW:

There is no legal review required on this item.

CONCLUSION:

It is recommended that the City Council authorize staff to release the remaining Maintenance Bond (Certificate No. SU 5014567) in the amount of \$64,300 to Headlands Reserve, LLC, 24849 Del Prado, Dana Point, California, 92629.

ERNESTO MUÑOZ
City Engineer

PETER NAGHAVI, Director
Department of Public Services

c: City Manager
City Attorney
City Clerk
Development Services Director
Parks Project Manager
Contract Administrator