



# *CITY COUNCIL AGENDA REPORT*

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MEETING DATE: JANUARY 4 , 2011

ITEM NUMBER:

**SUBJECT:** RELEASE OF BONDS IN CONNECTION WITH ENCROACHMENT PERMITS NO. PS07-00085 AND PS07-00433 FOR STREET IMPROVEMENTS LOCATED AT 450 ANTON BOULEVARD, COSTA MESA, CALIFORNIA

**DATE:** DECEMBER 23, 2010

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

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

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

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## ***RECOMMENDED ACTION***

Release the Performance and Labor and Material Bonds (Certificates No. 6451470 and 6505004) in the amounts of \$447,190 and \$622,918 respectively, for street improvements to The Irvine Company, LLC (Developer), 550 Newport Center Drive, Newport Beach, California 92660.

## ***BACKGROUND***

The Engineering Division issued Encroachment Permits No. PS07-00085 and PS07-00433 to Western National Contractors (Contractor) for the construction of street improvements within Anton Boulevard, Sakioka Drive, and Sunflower Avenue. The Encroachment Permits allowed the construction of new storm drain lines, traffic signals, sidewalk, curb and gutter, bus pads and a bike trail. The Performance and Labor and Materials Bonds in the amount of \$447,190 and \$622,918 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 Permits have been completed by the Contractor. Therefore, staff recommends that the Performance and Labor and Material Bonds in the amount of \$447,190 and \$622,918 be released to The Irvine Company, LLC.

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**ERNESTO MUÑOZ**  
City Engineer

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**PETER NAGHAVI, DIRECTOR**  
Public Services Department

DISTRIBUTION: City Manager  
City Clerk  
City Attorney  
Staff