



CITY COUNCIL AGENDA REPORT

MEETING DATE: MARCH 1, 2011

ITEM NUMBER:

SUBJECT: RELEASE OF BONDS IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS08-00591 FOR STREET IMPROVEMENTS LOCATED AT 1643 PLACENTIA AVENUE, COSTA MESA, CALIFORNIA.

DATE: FEBRUARY 17, 2011

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

RECOMMENDED ACTION

Release the Performance and Labor and Material Bonds (Certificate No. 892031) in the amounts of \$40,000 each for street improvements to Brownco Construction Company, Inc, (Contractor), 1000 E. Katella Avenue, Anaheim, California 92805.

BACKGROUND

On November 26, 2008, the Engineering Division issued Encroachment Permits No. PS08-00591 to Brownco Inc (Contractor), for the construction of street improvements within Placentia Avenue. The Encroachment Permit allowed the installation of a new fire water line. The Performance and Labor and Materials Bonds in the amounts of \$40,000 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 a separate contractor under permit PS10-00062. Therefore, staff recommends that the Performance and Labor and Material Bonds in the amounts of \$40,000 each be released to Brownco Inc.

ERNESTO MUÑOZ
City Engineer

PETER NAGHAVI, DIRECTOR
Public Services Department

DISTRIBUTION: City Manager
City Attorney
City Clerk
Staff