



# *CITY COUNCIL AGENDA REPORT*

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MEETING DATE: OCTOBER 6, 2015

ITEM NUMBER: **CC-7**

**SUBJECT:** RELEASE OF BONDS IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS14-00187 FOR STREET IMPROVEMENTS LOCATED AT 2300 HARBOR BOULEVARD, COSTA MESA, CALIFORNIA

**DATE:** SEPTEMBER 24, 2015

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

**PRESENTATION BY:** ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR

**FOR FURTHER INFORMATION CONTACT:** FARIBA FAZELI, CITY ENGINEER, AT 714-754-5335

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## **RECOMMENDATION:**

Release the Faithful Performance Bond (Certificate No. 389246-C) in the amount of \$67,350 and Labor and Materials Bond (Certificate No. 389246-C) in the amount of \$67,350 for street improvements to Action Development (Contractor), 19060 Rising Sun Road, Corona, California 92881.

## **BACKGROUND:**

On July 14, 2014, the Engineering Division issued Encroachment Permit No. PS14-00187 to the Contractor for the construction of street improvements within Wilson Street. The Encroachment Permit allowed the construction of a wheelchair ramp, cross gutter, curb and gutter and relocation of traffic signal poles. The Performance and Labor and Materials Bonds in the amounts of \$67,350 respectively 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 Materials 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 Materials Bonds in the amounts of \$67,350 each be released to Action Development.

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**ERNESTO MUNOZ**  
Public Services Director

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**FARIBA FAZELI**  
City Engineer

DISTRIBUTION: Chief Executive Officer  
Assistant CEO  
City Attorney  
Economic & Dev. Director/Deputy CEO  
City Clerk