



## Staff Report

**TO:** City Council  
**FROM:** Robert Vestal, Public Works Director  
**DATE:** February 6, 2024  
**SUBJECT:** Performance Bond Exoneration

---

**Description** Performance and Payment bond exoneration for sewer improvements associated with Tract Map No.18132, storm drain improvements associated with Tract No. 31462, sewer improvements associated with Tract No. 37426, and survey monuments associated with Tract Map No. 32775

### **Background and Analysis:**

The City requires all developers to provide construction security for public improvements consisting of, but not limited to, street improvements, sewer improvements, storm drain improvements, and survey monumentation. After the improvements are constructed, City staff verifies that no liens have been filed, that the improvements are completed in accordance with the project's conditions of approval, design standards, and City requirements, and that all punch list items have been addressed. Once verified, City Council may exonerate the construction security and accept a one-year maintenance security.

During the one-year maintenance period, the developer maintains all associated improvements. After the one-year term has elapsed, the developer may petition the City Council to accept the improvements into the publicly maintained system and exonerate the maintenance security.

The principals are requesting that the performance and payment bonds listed in Table No. 1 be exonerated and that the City Council accept the corresponding maintenance bond for a period not less than one year.

City staff has verified that the improvements were constructed in accordance with the project's conditions of approval, design standards, and City requirements, and that all punch list items have been addressed.

**Table No. 1 – Bond Summary**

<b>Project</b>	<b>Performance Bond Number</b>	<b>Improvement</b>	<b>File Number</b>	<b>Maintenance Bond Number</b>	<b>Principal</b>
Curry's Mobile Home park	72482534	Sewer	3440	Cash surety deposit	Curry's MHP
Tract Map No. 31462	1001124446	Storm Drain	3093A	1001191180	SDC Fairway Canyon, LLC
Tract Map No. 37426	0216989	Sewer	3198	0216989-M	TriPointe Homes
Tract Map No. 32775	1083505	Monumentation	N/A	N/A	SDC Fairway Canyon, LLC

Therefore, City staff recommends that City Council accept the maintenance security and authorize City staff to issue a bond exoneration letter for the performance and payment bonds. The survey monuments do not require a maintenance bond.

**Fiscal Impact:**

The cost of preparing the staff report is estimated to be \$350. The principal maintains all associated improvements during the maintenance period. The City is not liable for public improvement maintenance until the public improvements are accepted into the City's publicly maintained system.

**Recommended Action:**

Authorize City staff to issue a Bond Exoneration Letter for Performance and Payment Bonds and Accept Maintenance Security for (Project / Bond Number / Improvement / Maintenance Bond Number):

- Curry's Mobile Home Park / 72482534 / Sewer / Cash
- Tract Map No. 31462 / 1001124446 / Storm Drain / 1001191180
- Tract Map No. 37426 / 0216989 / Sewer / 0216989-M
- Tract Map No. 32775 / 108505 / Monumentation

**Attachments:**

- A. PW2023-1071 – Curry's Mobile Home Park Sewer Bond-x Package
- B. PW2023-1076 - TR 31462 Storm Drain x Package
- C. PW2023-1073 – TR 37426 Sewer Improvement x package
- D. PW2023-1074 – TR 32775 Monumentation x package