



## Staff Report

**TO:** City Council  
**FROM:** Robert Vestal, Public Works Director  
**DATE:** August 19, 2025  
**SUBJECT:** Improvement Agreement and Security

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**Description** Accept Security Agreement and Performance and Payment Bonds for Tract Map No. 31462-23 and 31462-26 for street, sewer, and storm drain improvements.

### **Background and Analysis:**

The City requires all developers to provide security for public improvements consisting of, but not limited to, sewer, street, storm drain, utility, and survey monuments per the City of Beaumont Municipal Code (BMC) Section 16.56.010.

### Tract Map No. 31462-23 and 31462-26 Fairway Canyon

DR Horton Los Angeles Holding Company, Inc. (DR Horton) has acquired Tract Map Nos. 31462-23 and 31462-26 (Tracts) from Meritage Homes of California, Inc. (Meritage). DR Horton has provided confirmation of an arrangement in the form of an email with excerpts of a private agreement with Meritage to take over the improvements associated with the aforementioned tracts. One of the conditions of such arrangement was for DR Horton to replace the original bonds posted by Meritage with new bonds. Subsequently, DR Horton proposes providing security for public improvements associated with the Tracts and relieving Meritage from its former security obligation.

Table No. 1 provides a summary of bonds that are recommended to be accepted and exonerated. The summary includes the project, original bond number, replacement bond number, improvement type, and Public Works plan number. For each item, the principal, DR Horton, has provided a security agreement and security in the form of a bond for the public improvements. The agreement has been reviewed by staff and found to be consistent with the Beaumont Municipal Code.

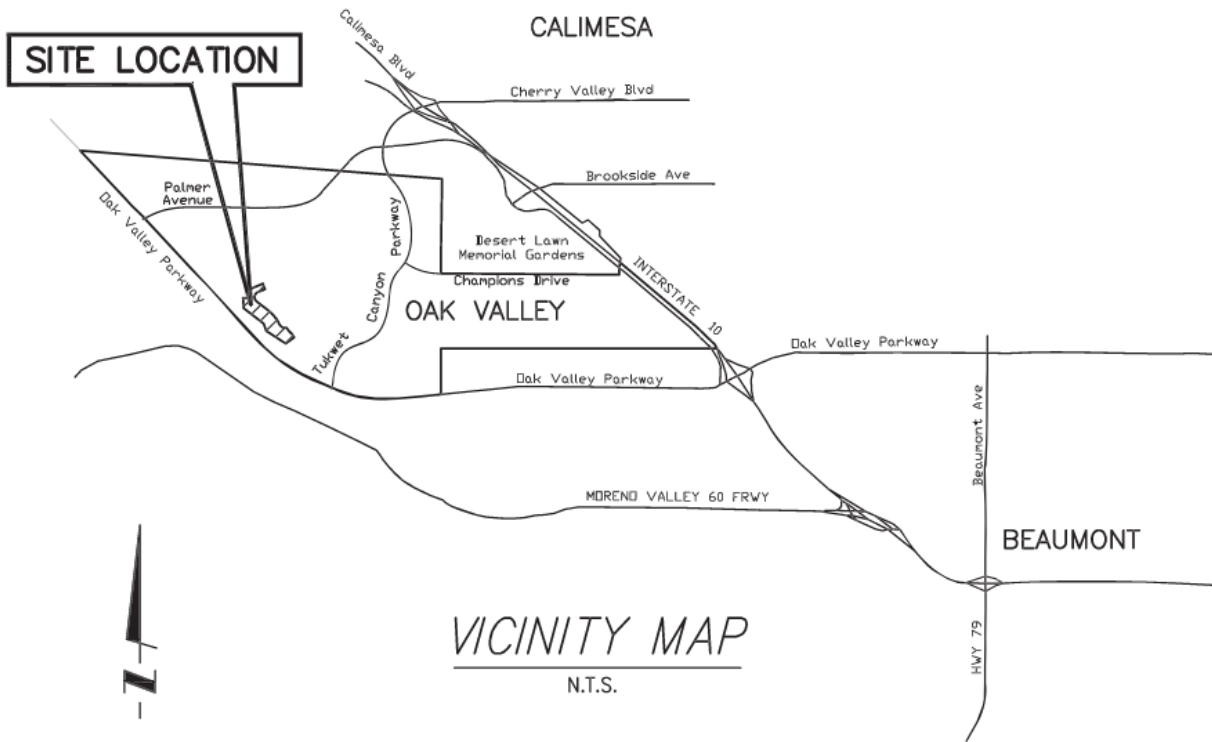


Figure 1- Vicinity Map for TR 31462-23

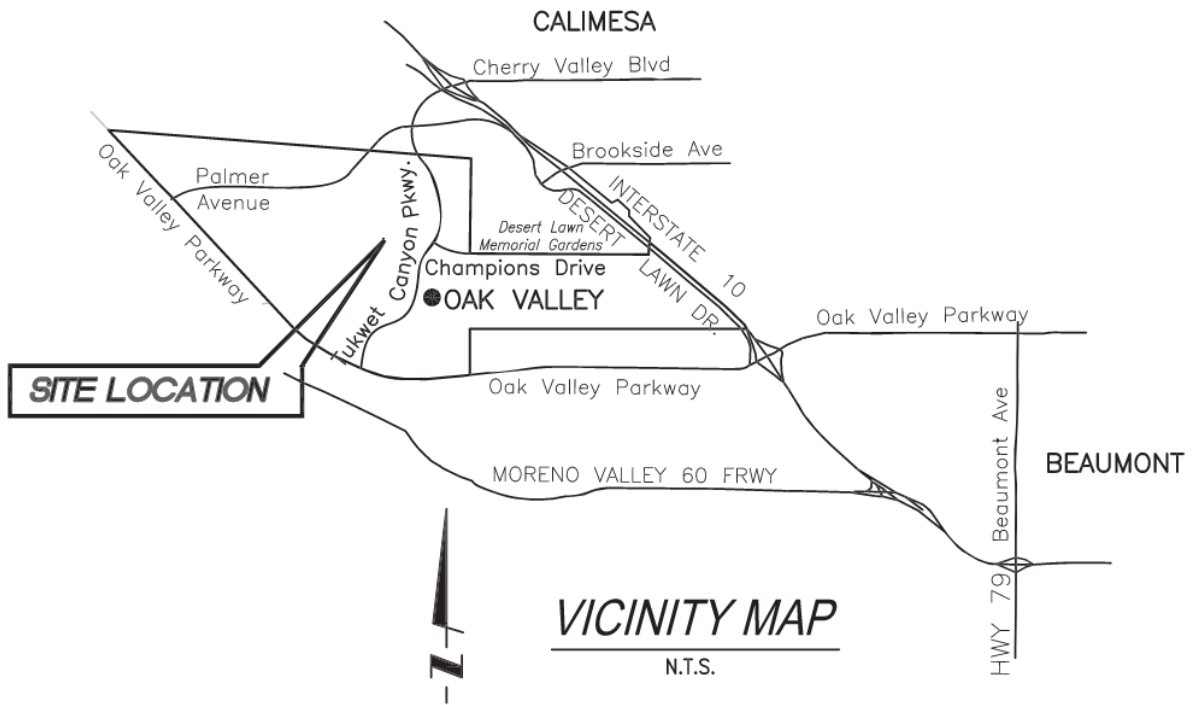


Figure 2- Vicinity Map for TR 31462-26

DR Horton Los Angeles Holding Company, Inc. (DR Horton), is proposing to assume full responsibility of all street, sewer, and storm drain improvement work associated with the following improvements:

- Public Works No. 2025-0205, as shown on City File No. 3363, under bond number 9473418 for TR 31462-23.
- Public Works No. 2025-0206, as shown on City File No.3402, under bond number 9473416 for TR 31462-23.
- Public Works No. 2025-0207, as shown on City File No. 3398, under bond number 9473417 for TR 31462-23.
- Public Works No. 2025-0208, as shown on City File No. 3407, under bond number 9473421 for TR 31462-26.
- Public Works No. 2025-0209, as shown on City File No. 3421, under bond number 9473419 for TR 31462-26.
- Public Works No. 2025-0210, as shown on City File No. 3395, under bond number 9473420 for TR 31462-26.

DR Horton Los Angeles Holding Company, Inc. (DR Horton) has provided a security agreement and security in the form of a bond for public improvements. The agreement has been reviewed by staff and found to be consistent with the Beaumont Municipal Code. The following table is a summary of the securities.

Table No. 1 - Summary of bonds recommended to be accepted.

| <b>PROJECT</b>         | <b>Original Bond Number (to be Exonerated)</b> | <b>Replacement Bond Number (to be Accepted)</b> | <b>Type of Improvement</b> | <b>Plan Number</b> |
|------------------------|--|---|----------------------------|--------------------|
| Tract Map No. 31462-23 | 30148212                                       | 9473418   | Street                     | 3363               |
| Tract Map No. 31462-23 | 30148217                                       | 9473416   | Sewer                      | 3402               |
| Tract Map No. 31462-23 | 30148221                                       | 9473417   | Storm Drain                | 3398               |
| Tract Map No. 31462-26 | 30152512                                       | 9473421   | Street                     | 3407               |
| Tract Map No. 31462-26 | 30152513                                       | 9473419   | Sewer                      | 3421               |
| Tract Map No. 31462-26 | 30152511                                       | 9473420   | Storm Drain                | 3395               |

City staff recommends that the City Council accept the Security Agreement and securities listed in Table 1.

**Fiscal Impact:**

The cost of preparing the staff report is estimated to be \$350.

The developer maintains all associated improvements during the construction and 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:**

Accept the Security Agreement and Performance and Payment Bonds for (Project / Bond Number / Improvement):

- Tract Map No. 31462-23 / 9473418 / Street
- Tract Map No. 31462-23 / 9473416 / Sewer
- Tract Map No. 31462-23 / 9473417 / Storm Drain
- Tract Map No. 31462-26 / 9473421 / Street
- Tract Map No. 31462-26 / 9473419 / Sewer
- Tract Map No. 31462-26 / 9473420 / Storm Drain

Authorize Staff to issue a Bond Exoneration Letter for Performance and Payment Bonds for (Project / Bond Number / Improvement):

- Tract Map No. 31462-23 / 30148212 / Street
- Tract Map No. 31462-23 / 30148217 / Sewer
- Tract Map No. 31462-23 / 30148221 / Storm Drain
- Tract Map No. 31462-26 / 30152512 / Street
- Tract Map No. 31462-26 / 30152513 / Sewer
- Tract Map No. 31462-26 / 30152511 / Storm Drain

**Attachments:**

- A. PW2025-0205 - Street Bond # 9473418 Replacement Package
- B. PW2025-0206 - Sewer Bond # 9473416 Replacement Package
- C. PW2025-0207 - Storm Drain Bond # 9473417 Replacement Package
- D. PW2025-0208 - Street Bond # 9473421 Replacement Package
- E. PW2025-0209 - Sewer Bond # 9473419 Replacement Package
- F. PW2025-0210 - Storm Drain Bond # 9473420 Replacement Package
- G. D.R. Horton-Meritage Bond Replacement Agreement Confirmation