



## Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Robert Vestal, Director of Public Works  
**BY:** Hugo Escobedo, Public Works Senior Engineer  
**DATE:** January 20, 2026  
**SUBJECT:** Maintenance Bond Exoneration

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**Description:** Maintenance Bond Exoneration for Infrastructure Sewer Improvements associated with Tract Map No. 31462.

### **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 verify 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.

After the petition is received by the Public Works Department, City staff verify that the previously constructed improvements have been maintained in accordance with City standards. Maintenance includes replacing defective materials, repairing defective craftsmanship, replacing missing components, repairing or replacing damaged finishes and surfaces, and repairing any other deficiencies.

The principal is requesting that the public improvements listed in Table No. 1 be accepted and respective maintenance bonds exonerated.

**Table No. 1 – Bond Summary**

<b>Project</b>	<b>Maintenance Bond Number</b>	<b>Improvement Value</b>	<b>File Number</b>	<b>Improvement</b>	<b>Principal</b>
Tract Map No. 31462	1001191184	\$103,450.00	3095	Infrastructure Sewer Improvements	SDC Fairway Canyon, LLC

**Fiscal Impact:**

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

The approximate value of sewer assets being accepted is \$103,450.00. The cost to maintain these facilities will be covered through the Wastewater operating budget. The one-year maintenance period will terminate with this acceptance.

**Recommended Action:**

Accept the public improvements, authorize the Mayor to sign the Certificate of Acceptance, and authorize staff to issue a bond exoneration letter for maintenance bonds for (Project / Bond Number / Improvement):

- Tract Map No. 31462 / 1001191184 / Infrastructure Sewer Improvements

**Attachments:**

- A. PW2025-0315 – Bond-x Package
- B. Certificate of Acceptance