



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: Performance Bond Exoneration

Description: Performance Bond Exoneration for Street Improvements associated with Tract Map No. 27971-11 and for Street, Storm Drain, Sewer Improvements and Monumentation associated with Tract Map No. 37696.

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, the City Council may exonerate the construction security and accept 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 have 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

Project	Performance Bond Number	Improvement	File Number	Maintenance Bond Number	Principal
Tract Map No. 27971-11	PB03010407119	Street Improvements	3236	PB03010407119-M	RSI Communities – California LLC
Tract Map No. 37696	107590449	Street Improvements	3359	108358767	Richmond American Homes of Maryland, Inc.
Tract Map No. 37696	107590438	Storm Drain Improvements	3357	108358768	Richmond American Homes of Maryland, Inc.
Tract Map No. 37696	107590436	Sewer Improvements	3372	108358769	Richmond American Homes of Maryland, Inc.
Tract Map No. 37696	107590445	Monumentation	N/A	N/A	Richmond American Homes of Maryland, Inc.

Therefore, City staff recommends that the 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 for the following (Project / Performance Bond Number / Improvement / Maintenance Bond Number):

- Tract Map No. 27971-11 / PB03010407119 / Street / PB03010407119-M
- Tract Map No. 37696 / 107590449 / Street / 108358767
- Tract Map No. 37696 / 107590438 / Storm Drain / 108358768
- Tract Map No. 37696 / 107590436 / Sewer / 108358769
- Tract Map No. 37696 / 107590445 / Monumentation / N/A

Attachments:

- A. PW2023-0971 Bond-x Package
- B. PW2025-0288 Bond-x Package
- C. PW2025-0289 Bond-x Package
- D. PW2025-0290 Bond-x Package
- E. PW2025-0291 Bond-x Package