



# County of El Dorado

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## Legislation Text

File #: 08-0776, Version: 1

Transportation Department recommending Maintenance Bond No.8734485-M for Euer Ranch Unit 9, (TM 96-1317) be reduced by \$1,447,350.33 to \$160,816.70 to guarantee against defective work, labor done, or defective materials furnished and release after one year if no claims are made.

**RECOMMENDED ACTION:** Approve.

**FUNDING:** Developer funds.

BUDGET SUMMARY: N/A		
Total Estimated Cost		\$
Funding		
Budgeted	\$	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$	
Change To Net County Cost		\$

Fiscal Impact/Change to Net County Cost: There is no fiscal impact associated with this action.

Background: The 12 residential lots within Euer Ranch Unit 9 were originally a part of Euer Ranch Units 6 and 7. However, when the Final Maps for Units 6 and 7 were submitted to Development Services Department, these 12 lots were not within the El Dorado Irrigation District (EID) service area for public water and sewer, and therefore could not be included with those Units. The lots were subsequently annexed into the EID service area and Unit 9 was created. Although the total of improvements for Unit 9 were initially included in the Performance and Laborer/Materialmens Bonds for Units 6 & 7, the County required a separate bond in the amount of 10% of the total of improvements for Units 6 & 7 resulting in Maintenance Bond No. 8734485-M for \$1,608,167.03.

Euer Ranch Units 7 and 6 were accepted as substantially complete on February 26 and March 4, 2008 respectively.

Reason for Recommendation: The Developer, K. Hovnanian Forecast Homes, submitted a revised estimate of the completed improvements to the Department . A field inspection confirmed the improvements are complete as stated in the estimate. Section 18 of the Subdivision Improvements Agreement for Unit 9 states the County will retain a portion of the security posted in the amount of ten percent (10%) of the estimated cost of all of the improvements for one (1) year following acceptance of the work to secure the repair of any hidden defects in workmanship or materials, which may

appear. The Department recommends Maintenance Bond No. 8734485-M in the amount of \$1,608,167.03 be reduced to \$160,816.70, per the request of the Developer. The retained amount is in excess the necessary 10% maintenance retention for the total improvements for Unit 9.

Action to be taken following Board approval: The Clerk of the Board will reduce Maintenance Bond No. 8734485 to \$160,816.70. The Department will request the Clerk of the Board release the balance held as Warranty after one year if no claims have been made.

Contact: Richard W. Shepard, P. E.  
Director of Transportation

Concurrences: