



Legislation Text

File #: 12-1213, **Version:** 2

Community Development Agency, Transportation Division, recommending the Board consider the following:

- 1) Approve and authorize the Clerk of the Board to reduce Performance Bond No. 070003259 with the Silver Springs, LLC, (associated with AGMT No. 12-53452) from \$6,557,377 to \$655,737.70, the required 10 percent retention for the guaranty of design defects which will be held for one year after acceptance of the Silver Springs Parkway construction project; and
- 2) Approve and authorize the Clerk of the Board to release the bonds upon Transportation's request.

Fiscal Impact/Change to Net County Cost

The requested Board action has no associated fiscal impact or net County cost.

Background

On September 25, 2012, the Board of Supervisors (Board) approved the following for the Silver Springs Subdivision: Subdivision Improvement Agreement AGMT No. 06-1060 Amendment III; Road Improvement Agreement AGMT No. 06-1111 Amendment II; Reimbursement Agreement AGMT No. 07-1468; Requisition and Shortfall Agreement AGMT No. 11-53219; Assignment and Assumption of Plans and Specifications AGMT No. 11-53221; and Road Improvement Agreement AGMT No. 12-53452.

Subsequent to approval of the above Agreements/Amendments, the County conducted the bid process for projects #76107, #76108 and #76114 under a single contract identified in Road Improvement Agreement AGMT No. 06-1111 Amendment II; Requisition and Shortfall Agreement AGMT No. 11-53219; Assignment and Assumption of Plans and Specifications AGMT No. 11-53221; Road Improvement Agreement AGMT No. 12-53452 and Reimbursement Agreement AGMT No. 07-1468. The project was awarded to Granite Construction Company who has nearly completed all components of this contract.

Reason for Recommendation

The approved Requisition and Shortfall Agreement AGMT No. 11-53219, Item E. states \$9,277,610 has been deposited into the Silver Springs Improvements Subaccount of the County of El Dorado Custody Account. Approved Road Improvement Agreement AGMT No. 06-1111 Amendment II, Section 5, paragraph 8 states "The bonds provided in accordance with this Section shall be released, subject to the ten percent (10%) retention for the guaranty of design defects as provided in Section 4, above, if the Silver Springs Subaccount, provided in accordance with the SCIP Agreement, contains a minimum of one hundred and twenty-five percent (125%) of the estimated cost of construction at the time that bids are awarded for the County Road Improvements."

Granite Construction Company was awarded the bid for this project (PW 09-30470) on July 16, 2013 with a bid amount of \$4,448,902.25. The funds deposited into the Silver Springs Subaccount (\$9,277,610) is in excess of the required 125% of the bid amount, (\$5,561,127.82). Bonds can now

be reduced to the 10% reduction level of \$655,737.70.

Clerk of the Board Follow Up Actions

- 1) The Clerk of the Board to reduce the Performance Bond with Surety Rider No. 070003259 to \$655,737.70 and advise the Owner it has been reduced.
- 2) The Clerk of the Board will release the bond upon Transportation's staff request.

Contact

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Community Development Agency