



## Legislation Text

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

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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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