



County of El Dorado

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Legislation Text

File #: 08-0142, **Version:** 2

Transportation Department recommending the following pertaining to Euer Ranch Unit 7:

- (1) Accept the subdivision improvements as substantially complete;
- (2) Reduce Performance Bond No. 725096S by \$3,179,345.40 to \$353,260.60 to guarantee against defective work, labor done, or defective materials furnished and release one year after acceptance if no claims are made; and
- (3) Hold Laborer and Materialmens Bond No. 725096S in the amount of \$1,766,303.00 to guarantee payment to persons furnishing labor, materials or equipment, and release six months after acceptance if no claims are made.

RECOMMENDED ACTION: Approve.

FUNDING: Developer funds.

BUDGET SUMMARY:	N/A	
Total Estimated Cost		\$0
Funding		
Budgeted	\$	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$	
Change To Net County Cost		\$0

Fiscal Impact/Change to Net County Cost: There is no short or long-term fiscal impact associated with this action and no change to Net County Cost.

Reason for Recommendation: The subdivision improvements within Euer Ranch Unit 7 are substantially completed according to the plans and specifications for this development, and per conditions to the Agreement to Make Subdivision Improvements to Class I Subdivision Between the County and Owner (K. Hovnanian Forecast Homes, Inc.), dated January 31, 2006.

The Department recommends Performance Bond No. 725096S be reduced by \$3,179,345.40 to \$353,260.60, which is 10% of the total improvements. This amount guarantees against any defective work, labor done, or defective materials furnished, and is to be released after one year if no claims are made. Laborer and Materialmens Bond No. 725096S for \$1,766,303.00 is held to guarantee payment to persons furnishing labor, materials or equipment, and is to be released after six months if conditions are met.

Action to be taken following Board approval:

1. The Clerk of the Board will reduce Performance Bond No. 725096S to \$353,260.60.

2. The Clerk of the Board will hold Laborer and Materialmens Bond No. 725096S in the amount of \$1,766,303.00
3. The Department will request the Clerk of the Board release the Laborer and Materialmens Bond six month after acceptance of Unit 7 if listed conditions have been met, and request release of the Performance Bond one year after acceptance of Unit 7 if no claims have been filed.

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

Concurrences: