



County of El Dorado

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Legislation Text

File #: 08-0690, Version: 1

Transportation Department recommending the Chairman be authorized to sign the Escrow Agreement For Security Deposits In Lieu of Retention with A. Teichert & Son Inc. dba Teichert Construction and Bank of the West as it pertains to the White Rock Road Realignment and Widening Project.

RECOMMENDED ACTION: Approve.

BUDGET SUMMARY:		
Total Estimated Cost		\$0.00
Funding		
Budgeted	\$	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$0.00	
Change To Net County Cost		\$0.00

Fiscal Impact/Change to Net County Cost: None

Reason for Recommendation:

On October 23, 2007 your Board awarded a construction contract to A.Teichert & Son Inc. dba Teichert Construction in the amount of \$3,147,026.00. The contract is to construct improvements for the White Rock Road Realignment and Widening project.

The County withholds 10% (retention) of each progress payment as work is completed, releasing this retention upon completion of the construction of the project. Pursuant to Section 22300 of the Public Contract Code of the State of California, a contractor has the option to deposit securities with an escrow agent and thereby receive these retention payments that would otherwise be held by the County. Alternatively, the contractor may request that the County pay the retention amount directly to an escrow agent where no securities would be required to be deposited with the escrow agent. The retention held by an escrow agent is released upon successful completion of the construction as determined by the Director of Transportation.

In accordance with these provisions, A.Teichert & Son Inc. has requested in writing that the County make payment of retention funds directly into an escrow account held at Bank of the West.

Action to be taken following Board approval:

1) Chairman will sign Escrow Agreement of Security Deposits in Lieu of Retention in triplicate where one original will be made available to each of the three entities that are a party to the agreement.

2) Upon satisfactory completion of the construction contract and upon written notification from the Director of Transportation, the contractor shall receive from the escrow agent all retention paid into the account and any interest earned thereon.

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

Concurrences: