



Staff Report

TO: Mayor, and City Council Members
FROM: Jeff Hart, Public Works Director
DATE: April 6, 2021
SUBJECT: **Accept Performance and Payment Bonds and Security Agreements for Street Improvements from RSI Communities - California LLC, Tract 27971-7 within the Olivewood Specific Plan**

Background and Analysis:

The City requires all developers to provide security for public improvements consisting of, but not limited to, street improvements, sewer improvements, storm drain improvements, and monument improvements.

Olivewood Specific Plan

The Olivewood Specific Plan is located north of State Route 60, south of Oak Valley Parkway, and west of Potrero Boulevard. The development will be maintained by a homeowner's association, and the City will only be responsible for maintaining the sewer infrastructure once all improvements are complete, and after maintenance bonds have been exonerated.

On November 20, 2007, City Council approved Final Map No. 27971-7 (Tract). The Tract is located within the Olivewood Specific Plan and the Tract subdivided 17.98 acres into 63 residential lots and five lettered lots.

There are several public improvements required as part of the development of the Tracts, including storm drain, street, and sewer improvements. As of the date of this report, no improvements have been constructed. Therefore, in accordance with the Subdivision Map Act and Beaumont Municipal Code 16.56.010, the land divided shall enter into an agreement with the City to complete the improvements and in connection therewith shall furnish the City improvement security in the amounts required by Section 16.56.040 of said Beaumont Municipal Code.

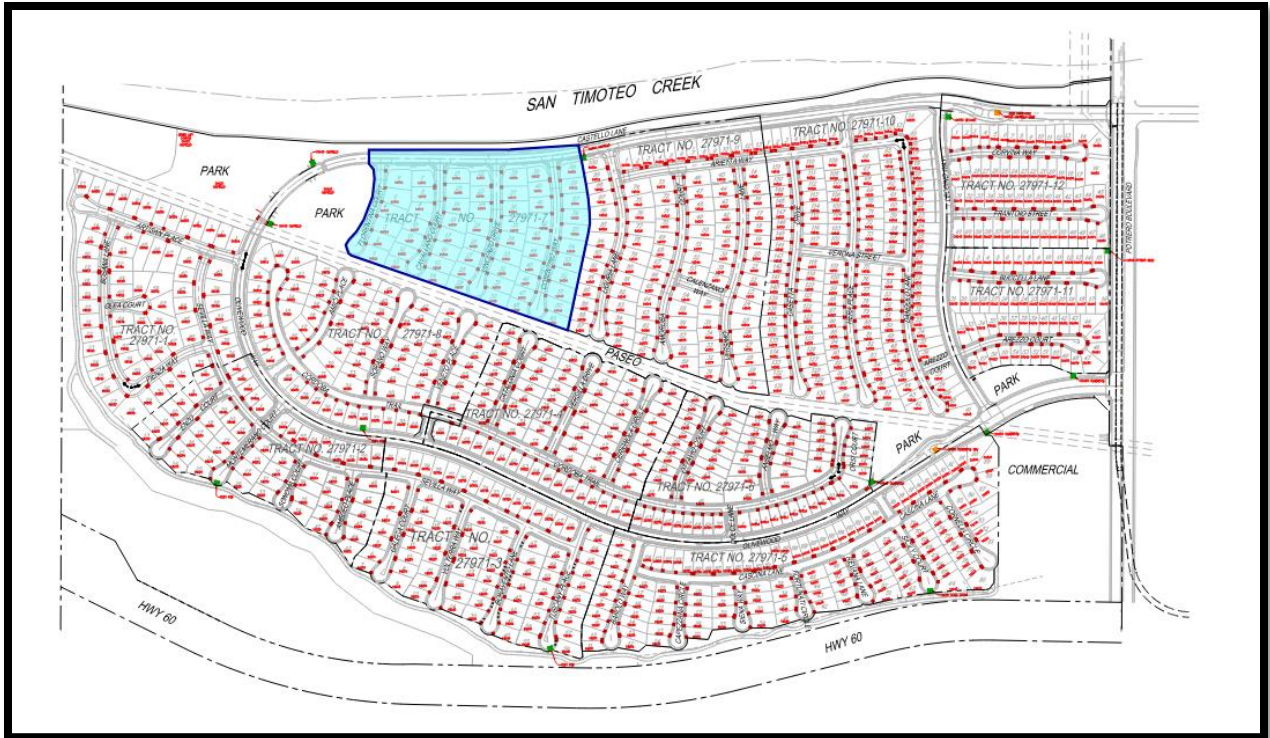


Figure 1 – Olivewood Specific Plan

RSI Communities-California LLC

RSI Communities-California LLC will construct the street, sewer, and storm drain improvements as well as install survey monuments for the Tract. The sewer improvements will consist of sewer pipes, manholes, and laterals. The street improvements will consist of the construction of local roads on the interior of the Tract, including asphalt paving, curb and gutter, sidewalk, streetlights, striping and signage. The storm drain improvements were constructed as part of the infrastructure improvements and are not proposed as part of the Tract.

RSI Communities-California LLC provided security in the form of liens for the public improvements. Pursuant to the lien contract and Government Code Section 66499(a)(4), a lien was attached to the property in an amount necessary to secure and discharge all obligations contained in the respective lien contracts.

As stated in the lien contract, RSI Communities-California LLC must substitute payment and performance security in the form of bonds in place of the lien contract. In accordance with the lien contract, RSI Communities-California LLC has provided payment and performance security in the form of bonds and a security agreement for the street improvements.

The agreements have been reviewed by City staff and found to be consistent with the Beaumont Municipal Code. The following table is a summary of the improvements and corresponding bonds:

Table 1 ~ Tract Map No. 37971-7 Bond Summary			
Improvement	Security Type	Security Number	Principal
Street	Performance and Payment	PB03010407421	RSI Communities-California LLC
Sewer	Existing Bond	1154532	RSI Communities-Heartland
Storm Drain	Not Required, No improvements proposed		
Survey Monuments	Bond released on 12/15/16	5029680	LV Heartland, LLC

Subsequently, City staff recommends the agreement and bonds be accepted.

Fiscal Impact:

The cost of preparing the staff report is estimated to be \$750.

Recommended Action:

Accept Performance and Payment Bonds and Security Agreements for Street Improvements from RSI Communities-California LLC, Tract 27971-7 within the Olivewood Specific Plan.

Attachments:

- A. Performance and Payment Bond No. PB03010407421 and security agreements for Street Improvements
- B. Approved Street Improvements
- C. Approved Cost Estimate