



## Staff Report

**TO:** City Council  
**FROM:** Robert L. Vestal, Assistant Public Works Director  
**DATE:** April 19, 2022  
**SUBJECT:** **Authorize Staff to Issue a Bond Exoneration Letter for Performance and Payment Bonds, and Accept Maintenance Bonds**

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### **Background and Analysis:**

The City requires all developers to provide construction security for public improvements consisting of, but not limited to, street improvements, sewer improvements, storm drain improvements, and survey monumentation. After the improvements are constructed, City staff verifies that no liens have been filed, that the improvements are completed in accordance with the project's conditions of approval, design standards, and City requirements, and that all punch list items have been addressed. Once verified, City Council may exonerate the construction security and accept a one-year maintenance security.

During the one-year maintenance period, the developer maintains all associated improvements. After the one-year term has elapsed, the developer may petition the City Council to accept the improvements into the publicly maintained system and exonerate the maintenance security.

### Taylor Morrison, formerly RSI Communities

The principal, Taylor Morrison, is requesting that the performance and payment bonds listed in table No. 1 be exonerated and that the City Council accept the corresponding maintenance bond for a period not less than one year.

City staff has verified that no liens have been filed, that the improvements were constructed in accordance with the project's conditions of approval, design standards, and City requirements, and that all punch list items had been addressed.

**Table No. 1 – Summary of Bonds recommended to be exonerated.**

<b>Project</b>	<b>Performance Bond Number</b>	<b>Improvement</b>	<b>File Number</b>	<b>Maintenance Bond Number</b>
Tract Map No. 27971-3	1001053556	Sewer	3108	1001053556-M
Tract Map No. 27971-2	1001053555	Sewer	3107	1001053555-M
Tract Map No. 27971-5	PB03010405608	Sewer	3109	PB03010405608-M
Tract Map No. 27971	1001053559	Force Main Sewer	3112	1001053559-M

Therefore, City staff recommends that City Council accept the maintenance bonds and authorize City staff to issue a bond exoneration letter for the performance and payment bonds.

**Fiscal Impact:**

The cost of preparing the staff report is estimated to be \$350.

**Recommended Action:**

Authorize City staff to issue a Bond Exoneration Letter for Performance and Payment Bonds and Accept Maintenance Bonds for (Project / Bond Number / Improvement / Maintenance Bond Number):

- Tract Map No. 27971-3 / 1001053556 / Sewer / 1001053556-M,
- Tract Map No. 27971-2 / 1001053555 / Sewer / 1001053555-M,
- Tract Map No. 27971-5 / PB03010405608 / Sewer / PB03010405608-M, and
- Tract Map No. 27971 / 1001053559 / Force Main Sewer / 1001053559-M.

**Attachments:**

- A. PW2021-0752 - Maintenance Bond 1001053556-M Package
- B. PW2021-0755 - Maintenance Bond 1001053555-M Package
- C. PW2021-0756 - Maintenance Bond PB03010405508-M Package
- D. PW2021-0762 - Maintenance Bond 1001053559-M Package