

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETINGS

MEETING DATE(S): MAY 16 & 20, 2024

FROM: ERIC WECK P.E., ENGINEERING MANAGER

FOR: ACTION X DIRECTION _____ INFORMATION _____



PUBLIC WATER AND SEWER SYSTEMS CONSTRUCTION AGREEMENTS AND WATER AND SEWER BONDING AGREEMENT FOR TRACT NO. 32030-3 SKYBORNE VILLAGE III

STAFF RECOMMENDATION

Board approval of the Public Water and Sewer Bonding Agreement for the Skyborne Village III - Tract No. 32030-3 residential development project (Project) and authorize the General Manager to do all things necessary to complete the Agreement.

SUMMARY

The acceptance of the Public Water and Sewer Bonding Agreement ensures that the systems will be constructed to the District's standards and that the Developer is responsible for all costs associated with the design and construction of the systems. The District has determined, in conjunction with the City of Desert Hot Springs, that it is necessary to obtain separate Performance/Warranty and Payment bonds in favor of the District for the Project. Subsequently, approved water and sewer facilities will be transferred to the District upon successful completion of all the work, and the one-year warranty period will begin.

ANALYSIS

The Performance/Warranty Bond assures the water and sewer improvements will be completed and paid for through the bond if the developer defaults. The Performance/Warranty Bond continues to cover the warranty period for the first year after final acceptance to correct any operational problems attributable to the original construction. The Payment Bond (labor & materials bond) covers claims by others for materials or labor supplied for the improvements, but not paid for in part or full if the project defaults. This bond is exonerated upon final acceptance.

FISCAL IMPACT & STRATEGIC PLAN

IMPLEMENTATION

There is no fiscal impact to the District as this is a developer-driven project, and all costs associated will be paid for by the developer. This action is consistent with Strategic Plan Goal 4.3- Maintain and renew assets while facilitating strategic Capital Improvements.

ATTACHMENTS

Water and Sewer Bonding Agreement

Subdivision Performance Bond No. 30217652

Subdivision Labor & Material Bond No. 30217652

FINANCIAL DATA

Cost Associated with this action:	\$0	
Current FY cost:	\$0	
Future FY cost:	-0-	
Is it covered in current year budget:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Budget adjustment needed:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
If yes, year needed:	NA	
All previous contracts including dates, amounts and board approvals are attached or have been made available. N/A		
FUNDING SOURCES		
Source of funds:	Developer	
BID/Job#	#11818	
Current BID/Job balance	\$66,656.00	
Balance remaining if approved:	\$66,656.00	