

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETING

MEETING DATE(S): JUNE 13 & 17, 2024

FROM: ERIC WECK, P.E., ENGINEERING MANAGER

FOR: ACTION X DIRECTION _____ INFORMATION _____



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

STAFF RECOMMENDATION

Board approval of the Public Water and Sewer Systems Construction Agreements for the Skyborne Village III - Tract No. 30230-3 residential development project (Project) and authorize the General Manager to do all things necessary to complete the agreements.

SUMMARY

The acceptance of the Water and Sewer Systems Construction Agreements ensures that the systems will be constructed to the standards of the District and that the Developer is responsible for all costs associated with the design and construction of the systems. Additionally, 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, which were previously accepted as part of the Water and Sewer Bonding Agreement, by the Board of Directors at the May 20, 2024 Board meeting. 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 Water and Sewer Systems Construction Agreement, coupled with the previously approved Performance/Warranty Bonds for water and sewer improvements approved by the Board on May 20, 2024, assures the work will be completed pursuant to current District construction standards and will be paid for through the bonds if developer defaults, and will continue 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) also previously approved by the Board on May 20, 2024 covers claims by others against materials or labor supplied but not ever paid for in part or full for the project if it defaults. This bond is exonerated upon final acceptance.

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	\$61,000.00	
Balance remaining if approved:	\$61,000.00	

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 Systems Construction Agreement
Sewer Systems Construction Agreement