



AGENDA REPORT
 SAN CLEMENTE CITY COUNCIL MEETING
 Meeting Date: March 17, 2015

Agenda Item 606
Approvals:
 City Manager [Signature]
 Dept. Head [Signature]
 Attorney SS
 Finance JV

Department: Public Works / Engineering [Signature]
Prepared By: Zak Ponsen, Senior Civil Engineer

Subject: ***A RESOLUTION AUTHORIZING THE RELEASE OF IMPROVEMENT PERFORMANCE BONDS & GRADING SURETIES, WITHOUT LIMITATION, FOR TRACT 16570 RAVENNA TALEGA VILLAGE 4D-2 DEVELOPMENT, WL HOMES LLC.***

Fiscal Impact: None.

Summary: WL Homes LLC and its bonding firm, Arch Insurance Company, have completed the improvements in Tract 16570, which have been inspected by City staff and found to be complete and in conformance with the approved plans and specifications. Staff recommends that the City Council approve the request by WL Homes LLC/Arch Insurance to release the performance bonds for the completed improvements in Tract 16570.

Discussion: The Final Map and Subdivision Improvement Agreement of Tract No. 16570 were approved by the San Clemente City Council at the June 7, 2005 meeting. Improvements were required through the conditions of approval associated with the map to WL Homes LLC, and WL Talega Associates LLC, the subdividers of the map.

Since WL Home LLC filed for bankruptcy, Arch Insurance Company has taken responsibility for processing all remaining work and the release of all sureties for the development. Most of the improvements were built by WL Homes LLC during the initial construction from 2005 to 2008, but due to the bankruptcy, surety release was never obtained. Arch Insurance Company (acting on behalf of the developer) and City Staff conducted final walk-through inspections in order to determine outstanding requirements for surety release. Arch Insurance has now completed all remaining improvements and provided the City with the necessary information for surety release.

The improvements are private and have been accepted and maintained by Talega Maintenance Corporation, the homeowners association for Tract 16570. The City has received a Notice of Completion recorded on March 28, 2014.

The water and sewer improvements are Santa Margarita Water District facilities and were not inspected by city staff; however, the City has received notice from the Santa Margarita Water District Board of Directors accepting the facilities on October 23, 2013 and authorizing release of the water and sewer bonds held by the City.

Due to the extended period of time since the original work was completed and the fact that Arch Insurance recently completed all outstanding requirements in order for City staff to recommend bond release, staff recommends a waiver of the required warranty bonds which are stipulated in the original Subdivision Improvement Agreement.

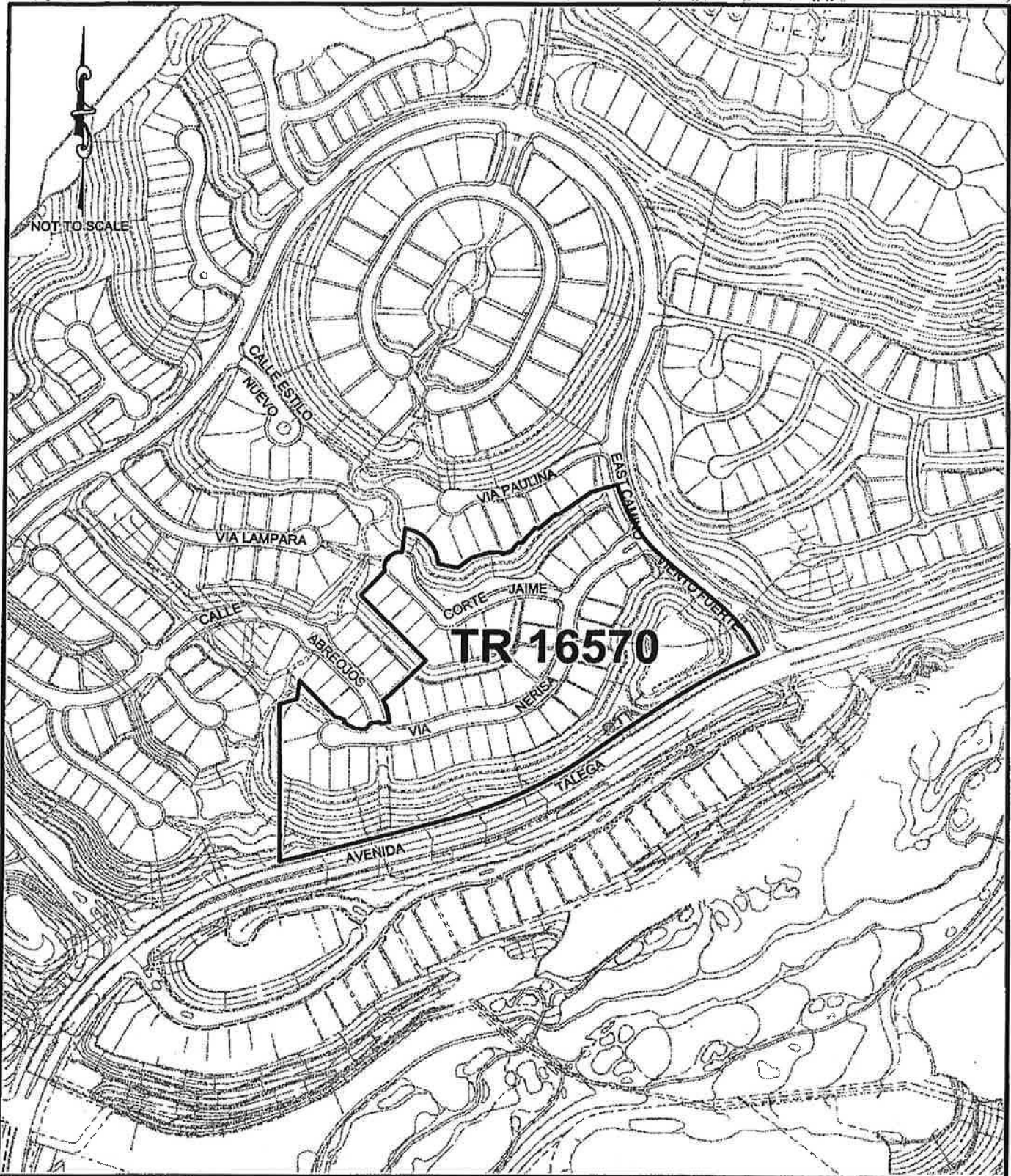
Recommended

Action: STAFF RECOMMENDS THAT the City Council adopt Resolution No. _____ entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, AUTHORIZING THE RELEASE OF IMPROVEMENT BONDS, WITHOUT LIMITATION, FOR TRACT 16570, WL HOMES LLC."

Attachments: 1. Location Map
2. Resolution

Notification: None.

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City of San Clemente

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LOCATION MAP

TRACT 16570

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, AUTHORIZING THE RELEASE OF IMPROVEMENT BONDS, WITHOUT LIMITATION, FOR TRACT 16570, WL HOMES LLC.

WHEREAS, the San Clemente City Council approved the Final Map and Subdivision Improvement Agreement for Tract 16570 at the June 7, 2005 meeting; and

WHEREAS, certain requirements and works of improvement were to be performed by the subdivider, WL Homes LLC, prior to final acceptance by the City; and

WHEREAS, the improvements are private; and

WHEREAS, with the exception of water and sewer improvements, City staff has inspected all improvements and found them to be complete per the plans and specifications submitted for the project; and

WHEREAS, the improvements have been accepted and are being maintained by Talega Maintenance Corporation, the homeowners association for Tract 16570; and

WHEREAS, the City is in receipt of Notices of Completion for the improvements that were recorded with the County of Orange on March 28, 2014; and

WHEREAS, the bond for water and sewer improvements held by the City have been authorized for release by the Santa Margarita Water District; and

WHEREAS, the City is waiving the requirement for warranty bonds due to the extended period of time since construction and the recent completion of outstanding/remedial work; and

WHEREAS, WL Homes LLC, through its surety provider Arch Insurance Company, has requested release of the bonds listed as follows:

Bond No.	Type	Improvement	Amount
SU5016482	Performance, Labor & Material	Street Improvements	\$321,600
SU5016483	Performance, Labor & Material	Storm Drain	\$128,400
SU5016484	Performance, Labor & Material	Trenching & Utilities	\$173,500
SU5016485	Performance, Labor & Material	Sewer & Water	\$225,000
SU5016486	Performance	Street Repair	\$10,000
SU5016487	Performance, Labor & Material	Landscape Improvements	\$246,600

SU5016488	Performance	Monumentation	\$30,000
SU5017828	Grading	Models- Lots 35-37	\$16,200
SU5019377	Grading	Phase 1- Lots 1-5 & 28-30	\$40,500
SU5020524	Grading	Phases 2-5- Segmental Wall, Lots 6-27, 31-34 & 38-42	\$255,600

The above referenced improvement bonds shall be referred to as the "bonds".

NOW, THEREFORE, the City Council of the City of San Clemente does hereby resolve as follows:

Section 1. The City Clerk is hereby directed to release the "bonds".

Section 2. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED this _____ day of _____, _____.

ATTEST:

City Clerk of the City of
San Clemente, California

Mayor of the City of
San Clemente, California

STATE OF CALIFORNIA)
 COUNTY OF ORANGE) §
 CITY OF SAN CLEMENTE)

I, JOANNE BAADE, City Clerk of the City of San Clemente, California, do hereby certify that Resolution No. _____ was adopted at a regular meeting of the City Council of the City of San Clemente held on the _____ day of _____, _____, by the following vote:

AYES:

NOES:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Clemente, California, this _____ day of _____, _____.

 CITY CLERK of the City of
 San Clemente, California

Approved as to form:

 City Attorney