



# County of Monterey

Item No.23

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

Legistar File Number: 23-331

May 09, 2023

Introduced: 4/18/2023

Current Status: Housing & Community  
Development - Consent

Version: 1

Matter Type: General Agenda Item

### **East Garrison Phase 1D Subdivision Improvements, Bond Release and Warranty:**

- a. Accept as complete improvements specified in the subdivision improvement agreement (Board Resolution No. 05-266) for East Garrison Subdivision Phase 1D. Improvements, consist of final asphalt pavement lift, striping and construction of concrete sidewalks at certain portions of the following private streets in the area commonly referred as East Garrison Phase 1D (Attachment 4): Sherman Blvd, East Garrison Drive, Chapel Hill Road, Ord Ave, Bragg Way, Stonehenge Lane;
- b. Approve the release of a bond (Bond No. 5026132) in the total amount of \$1,174,500 for the Performance of construction and for Labor and Material costs associated with the improvements accepted as complete (East Garrison Phase 1D improvements). The total bond amount may be reduced or reflects reductions in accordance with Government Code section 66499.7 accounting for the passage of time during which claims or liens against the bond may be recorded; and
- c. Accept a Warranty Bond in the amount of \$156,600 to guarantee performance of the improvements accepted as complete (East Garrison Phase 1D improvements) for one year (Attachment 1).

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Accept as complete improvements specified in the subdivision improvement agreement (Board Resolution No. 05-266) for East Garrison Subdivision Phase 1D. Improvements, consist of final asphalt pavement lift, striping and construction of concrete sidewalks at certain portions of the following private streets in the area commonly referred as East Garrison Phase 1D (Attachment 4): Sherman Blvd, East Garrison Drive, Chapel Hill Road, Ord Ave, Bragg Way, Stonehenge Lane;
- b. Approve the release of a bond (Bond No. 5026132) in the total amount of \$1,174,500 for the Performance of construction and for Labor and Material costs associated with the improvements accepted as complete (East Garrison Phase 1D improvements). The total bond amount may be reduced or reflects reductions in accordance with Government Code section 66499.7 accounting for the passage of time during which claims or liens against the bond may be recorded; and

- c. Accept a Warranty Bond in the amount of \$156,600 to guarantee performance of the improvements accepted as complete (East Garrison Phase 1D improvements) for one year (Attachment 1).

SUMMARY:

The East Garrison development project was approved by the Board of Supervisors in 2005. The project included a specific plan and phased subdivision. Subdivision improvements, to be built by the developer, were necessary for the orderly development of the project. Improvements were not completed prior to the consideration of final subdivision maps so a subdivision improvement agreement was considered concurrent with acceptance of the final maps for the development. Consistent with the Subdivision Map Act and the Inland Subdivision Ordinance of the County of Monterey (Title 19 of the Monterey County Code) security bonds for the costs of necessary improvements were collected. The improvements for which the bonds were provided have now been completed. The recommended actions will allow the County to accept as complete the improvements and release bond #5026132 (Attachment 2) related to East Garrison Phase 1D Onsite infrastructure improvements. In accepting the improvements as complete and releasing the bond for the improvements, the County would collect a new warranty bond that guarantee the performance of the completed improvements for one year.

DISCUSSION:

On June 22, 2007, the Board of Supervisors approved the Final Tract Map, Subdivision Improvement Agreement, and infrastructure improvement plans for Phase 1 of the East Garrison development, and construction was initiated. Bonds were provided to the County of Monterey by East Garrison Partners LLC (William Lyon Homes, Inc.) to secure the construction of onsite infrastructure improvements for Phase 1 of the East Garrison development. The bonds were in the amounts of \$5,740,257 for Faithful Performance, and \$2,870,128 for Labor & Materials (Attachment 2).

On March 26, 2013, the County Board of Supervisors accepted as complete portions of the Phase 1D onsite improvements and approved the reduction of these particular bonds to the amounts of \$783,000 for Faithful Performance and \$391,500 for Labor & Materials to a total of \$1,174,500 to guarantee completion of those improvements left undone. The uncompleted improvements include construction of the final asphalt lift on certain specific streets, striping and construction of concrete sidewalks.

On February 23, 2016, the Monterey County Board of Supervisors further accepted certain portions of East Garrison Phase 1 Infrastructure Improvements, including off-site and on-site erosion control, and off-site street improvements, as complete and approved the release of certain bonds held by the County of Monterey and Retained Faithful Performance and Labor and Material Bond No. 5026132 in the total amount of \$1,174,500 pending completion of those improvements left undone.

The Subdivider submitted a letter of completion from the Engineer of Record (Attachment 5) and requested the release of the balance of the Faithful Performance and Labor and Material Bonds related to said improvements. HCD-Engineering Services conducted a site visit and determined the on-site improvements for Phase 1D to be complete in substantial conformance with the approved improvement plans; therefore, the bond can be released.

A Warranty Security bond (Attachment 1) in the amount of \$156,600 for those on-site infrastructure improvements completed and accepted as complete is provided by the developer in accordance with the Subdivision Improvement Agreement. The Warranty Security will be released after the period of one (1) year from the date of acceptance of the improvements if the improvements continue to function satisfactorily.

The recommended actions will allow the County to accept portions of the East Garrison Phase 1 on-site improvements as complete and authorize release of the Subdivider's bonds for these improvements.

OTHER AGENCY INVOLVEMENT:

The office of the County Counsel has reviewed the recommendation as to form.

FINANCING:

Staff costs to prepare this report are included in the FY2022-23 Adopted Budget for HCD Appropriation Unit HCD002, Unit 8543. The cost of the subdivision improvement agreement amendment processing is funded with developer fees.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action supports the Board of Supervisors' Strategic Initiative for Economic Development and Public Safety.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Armando Fernandez, HCD-Engineering Services, Senior Civil Engineer  
Reviewed by: Joshua Bowling, CCEO, HCD Chief of Building Services  
Approved by: Craig Spencer, Interim HCD Director *CS*

The following attachments are on file with the Clerk of the Board:

- Attachment 1 - Warranty Bond
- Attachment 2 - Bond No 5026132 (Performance, Labor and Materials)
- Attachment 3 - Bond Summary
- Attachment 4 - Phase 1D Improvements to Be Completed
- Attachment 5 - Engineer's Letter of Completion, dated August 16, 2022