



City of Placerville
Public Works / Engineering
MEMORANDUM

DATE: 13 June 2006
TO: City Council
FROM: Rick Tippet, City Engineer
SUBJECT: **AGREEMENT FOR LAGANA PARCEL MAP (TPM 03-12)**

RECOMMENDATION

That the Council adopt the following Resolution authorizing the Mayor to:

1. Execute a Subdivision Improvement Agreement with Frank and Cheryl Lagana for Parcel Map TPM 03-12.

BACKGROUND

The Lagana Tentative Parcel Map was approved by the Staff on 2 February 2004. Subsequently, the Developer presented the City with the Parcel Map, which was prepared in accordance with the Subdivision Map Act of the State of California, the Subdivision Ordinance of the City and the conditions of the approved Tentative Parcel Map. City and County Staff have reviewed the Parcel Map, and determined that it is ready for approval and filing, subject to the Developer performing the following actions:

1. Completing and obtaining approval of improvement plans to widen Francis Avenue and improvements as required per the conditions of the approved Tentative Parcel Map.
2. Entering into a Subdivision Agreement for construction of these improvements.
3. Depositing with the City the improvement security required by Government Code Section 66499 for the completion of the infrastructure improvements.
4. Offering for dedication parts of Francis Avenue.

The Applicant has prepared Improvement Plans and they have been approved by Staff. The Offer of dedication of Francis Avenue has been offered on the Parcel Map. Approval of the requested action at this meeting will allow for recording of the Parcel Map.

Government Code Section 66499 allows a Developer to furnish several different types of security to provide for the completion of improvements related to a subdivision. One of the types of security that a Developer is authorized to furnish is a bond issued by an authorized and acceptable corporate surety. In this case, to provide access and utilities to all the new parcels, the Developer has to complete certain infrastructure improvements within the existing parcel, consisting primarily of work related to streets, gutters, sidewalks, storm drains, sewer and water lines, as well as some electrical work. A detailed description of the work that remains to be completed is attached to the proposed Improvement Agreement, which a copy of which is attached to this report. It is not unusual for subdivision developers to obtain a final map and record that map upon furnishing of the appropriate security for completion of the subdivision-related improvements. As previously indicated, this process is authorized by Government Code Section 66499.

Whenever a Developer proposes to ensure the completion of certain subdivision improvements by posting security in the form of a bond or other acceptable security pursuant to Government Code Section 66499, the Developer is usually required to enter into a Subdivision Improvement Agreement specifying the nature of the improvements that remain to be completed, the bonding requirements in order to ensure completion of those improvements, and the time in which the improvements are to be completed. The Agreement before the Council tonight is for that purpose.

DISCUSSION

A. Subdivision Improvement Agreement

The Subdivision Improvement Agreement, together with the posting of sufficient surety bonds, is authorized by Government Code Sections 66462 and 66499, respectively, as a method by which a developer can record a final map when certain infrastructure improvements have yet to be constructed and/or completed. This proposed agreement will set forth not only the amount of the required bond, but also the two-year period in which the improvements must be completed, and a description of the improvements to be completed.

As required for this agreement, the Lugana's will furnish the City with security as provided for in the Improvement Agreement. The amount of the surety bond is 150% of the estimated costs of the infrastructure improvements, or \$100,661.

Additionally, the Improvement Agreement requires that the developer provide at least \$2 million of general liability insurance, workmen's compensation insurance, and automobile liability insurance. Also, upon completion of the work to be preformed, the agreement contains provisions requiring payment for the repair or reconstruction of defective work equal to the cost of such repairs, for a one-year period after acceptance of work by the City Council, and additional Warranty Surety of 10% of the estimated costs of the infrastructure improvements to guarantee these repairs.

FISCAL ANALYSIS

There is, at this time, no fiscal impact to the City. In the event that the developer defaults in completing the required improvements, the City's costs in completing those improvements, including administrative costs, are covered by the amount of the bond and the provisions of the Agreement.

Prepared by:

Approved

Rick Tippet
City Engineer

Randy Pesses
Director of Public Works

Reviewed for Recommendation
And Approved for Agenda

Reviewed for Financial Impact

John Driscoll
City Manager/ City Attorney

Dave Warren
Director of Finance

Attachments: Location Map
Resolutions
Improvement Agreements

RESOLUTION NO. _____**RESOLUTION AUTHORIZING THE MAYOR, CITY MANAGER AND THE CITY CLERK TO EXECUTE AN IMPROVEMENT AGREEMENT FOR THE LUGANA PARCEL MAP ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.**

BE IT AND IT IS HEREBY RESOLVED, that the City Council of the City of Placerville authorizes the Mayor and City Manager to execute on behalf of the City of Placerville, an Improvement Agreement with Frank and Cheryl Lagana, copy of which is attached hereto and by reference made a part hereof. The City Council further directs the Mayor and City Clerk to have the Offer Improvement Agreement filed with the Recorder of El Dorado County

The foregoing Resolution was introduced at a regular meeting of the City Council of the City of Placerville held on June 13, 2006, by Council member _____, who moved its adoption. The motion was seconded by Council member _____.

The motion was passed by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor Pierre Rivas

ATTEST:

City Clerk Susan Zito