

REPORT TO THE CITY COUNCIL



DATE: April 16, 2019

TITLE: Acceptance of Public Improvements and Reduction of Securities with Canaday Company - Vista Hacienda, LLC for Tract No. 31762-1

Prepared by: Daniel Porras Public Works Director

RECOMMENDATION

- 1) Authorize the reduction of the grading bond for Tract 31762-1 from \$47,000 to \$38,500, with Canaday Company – Vista Hacienda, LLC;
- 2) Approve and accept the street improvements for Tract 31762-1; and
- 3) Authorize the reduction of the street improvement bond for Tract 31762-1 from \$125,565 to \$100,607 for one year warranty of public improvements with Canaday Company – Vista Hacienda, LLC.

DISCUSSION

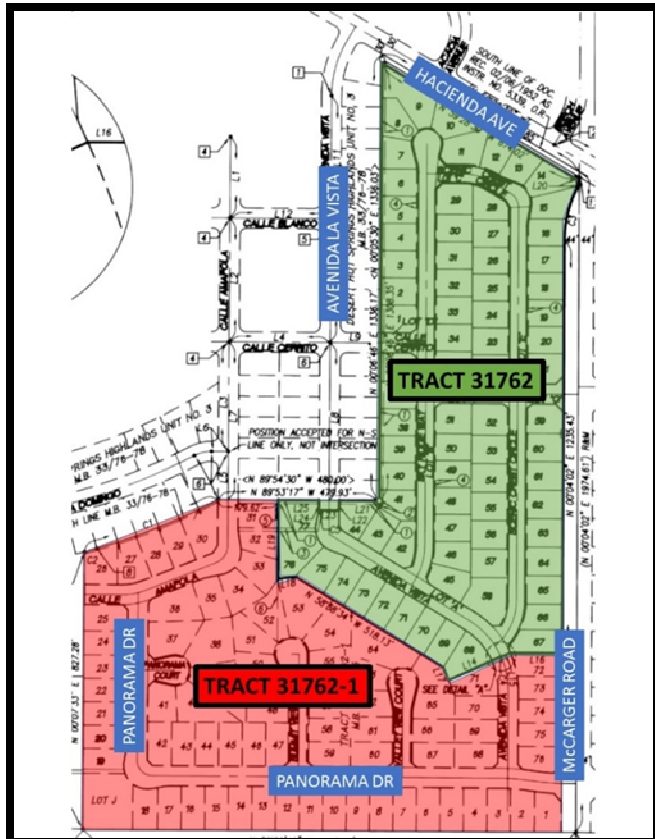
The Vista Hacienda residential development is located south of Hacienda Ave and west of McCarger Road. The Vista Hacienda development was originally approved for a 153 residential lot subdivision in December of 2004 with Tract Map 31762 and Tract Map 31762-1.

Tract Map 31762 makes up the northern half of the subdivision and is made up of 77 residential lots, which have been rough graded but still require final grading, storm drain, and street improvements to be completed.

Tract Map 31762-1 makes up the southern half of the subject development with 76 residential lots. The 76 lots have all been completed and occupied. The storm drain and street improvements associated with Tract Map 31762-1 have also been completed. See Exhibit 1 for tract map details.

The City currently has securities (bonds) in place for Tract 31762 and Tract 31762-1 for the completion of water and sewer, street improvements, grading, and monumentation for both tracts. Exhibit 2 identifies each bond, the current status, and the current bond reduction request.

On October 19, 2010, the City Council accepted the partial improvements that were completed for Tract 31762-1 and at that time reduced the amount of bonds for grading and street improvements. The grading bond was reduced from \$318,111 to \$47,000, which was equivalent to the cost of grading the 94 remaining lots at an estimated cost of \$500 per lot. The street



improvement bond was also reduced from \$1,006,074 to \$125,565, which was equivalent to the estimated cost for the remaining street repairs and final cap of asphalt.

Since then, additional improvements have been completed. Therefore, the developer is now seeking to reduce the amount of the remaining bonds corresponding to the completed work for Tract 31762-1 only.

On March 21, 2019, Vista Hacienda was inspected and the 76 residential lots from Tract 31762-1 have been completed and occupied, and the corresponding storm drain system and street improvements have been completed. Exhibit 3 shows the areas of improvements that were inspected and completed.

The 77 lots from Tract 31762 were previously rough graded but still require final grading, storm drain, and street improvements to be completed. This bond reduction request does not consider Tract 31762 and all bonds corresponding to that tract will remain as is.

Staff is recommending City Council take action of the following items:

- 1) Authorize the reduction of the grading bond from Tract 31762-1 from \$47,000 to \$38,500, which is equivalent to the cost of grading the 77 remaining lots at an estimated cost of \$500 per Lot, with Canaday Company – Vista Hacienda, LLC;
- 2) Approve and accept the street improvements for Tract 31762-1; and
- 3) Authorize the reduction of the street improvement bond for Tract Map No. 31762-1 from \$125,565 to \$100,607 (10% of original amount) for one year warranty (until April 16, 2020) of public improvements with Canaday Company – Vista Hacienda LLC.

FISCAL IMPACT

There is no direct fiscal impact to the City as a result of this approval. Securities in the form of bonds will be reduced and posted to ensure that all public improvements are maintained in proper order for one year from acceptance.

EXHIBIT(S)

- 1) Tract Map 31762 and Tract Map 31762-1
- 2) Bond Status Table
- 3) Tract Map 31762-1 – Completed Improvements
- 4) Bond Reduction Request Letter