



Agenda Report

---

File #: 19-0302

---

**AGENDA REPORT  
REQUEST FOR CITY COUNCIL ACTION**

DATE: 4/3/2019

TO: Honorable Mayor and City Council Members

FROM: Public Works Department

**SUBJECT:**

City Council consideration of accepting off-site utility, public storm drain, and undergrounding of overhead wire improvements associated with Tract Map 36427, release the appropriate improvement securities, and approve the reduction of on-site public improvements - LCG Harrington LLC, a Delaware Limited Liability Company.

**RECOMMENDED ACTION:**

That the City Council:

1. Accept the off-site Public Sewer for Cota Street, the off-site Public Water & Sewer, the Public Storm Drain, and the Undergrounding of Overhead Wire Improvements.
2. Retain twenty-five percent of the Faithful Performance Security for one year beyond the acceptance of the improvements as security for repair or replacement of any improvements that fail to meet City Standards at the end of the one-year period (Bond Nos. 4413210, 4415092, 4415093, and. 4415097).
3. Retain the Labor and Material Security for six months beyond the acceptance of the improvements, and automatically release the security unless any claims are filed (Bond Nos. 4413210, 4415092, 4415093, and 4415097).
4. Approve the reduction of the on-site Public Improvement Faithful Performance Security to \$893,600 effective immediately, and the associated Labor and Material Security to \$446,800 after six months unless any claims are filed (Bond No. 4415094).

**ANALYSIS:**

LCG Harrington, LLC is the developer of Tract Map 36427, which is located south of Harrington Avenue between North Lincoln Avenue and Cota Street, as shown on Exhibit "A." On June 5, 2013,

the City Council approved Tentative Tract Map (TTM) 36427, a subdivision for residential condominium purposes on approximately 7.27 acres. On April 6, 2016, the City Council approved the resubmitted tentative tract map to increase the subdivision boundary for a total of approximately 7.7 acres, and provide for the construction of 148 townhomes in the High Density Residential (HDR) Designation of the Township in Corona Specific Plan (SP82-01).

On September 19, 2017, the City Council approved Grading, Improvement, and Survey Monumentation Agreements for the project. Then on November 15, 2017, the City Council approved the Final Map for TTM 36427. The Map has since recorded, and a substantial amount of the on-site and off-site improvements have been completed for the project. Additionally, the City has issued occupancy to 38 units including the 4 models.

All off-site water and sewer utility improvements required to serve water and sewer to the development have been completed and inspected to ensure conformance with City specification. All public storm drains, located mostly on-site, have been completed and inspected to ensure conformance with City specifications.

The developer was conditioned to underground overhead wires across the property. On July 5, 2017, the City Council adopted Resolution No. 2017-063, establishing Underground Utility District No. 11 and designating work to be completed through the Southern California Edison's Rule 20A and 20B programs in three phases on Harrington Street. The developer's portion, Rule 20B, from Willow Creek Drive to the easterly tract boundary is now complete. All lines within the developer's area of responsibility have been placed underground and the poles have been removed in conformance with Southern California Edison's requirements.

Most of the on-site improvements have been constructed, but since the majority of the units have not been completed, the City is unable to fully test and accept the water and sewer services. Based on the engineer's estimate, the remaining construction cost for the improvements would be \$341,950, as shown in Exhibit "B." However, City staff recommends only reducing the Faithful Performance and Labor and Material Securities by 50 percent to \$893,600 and \$446,800 respectively, to retain sufficient securities to guarantee completion of the work.

**COMMITTEE ACTION:**

Not applicable.

**STRATEGIC PLAN:**

Not applicable.

**FISCAL IMPACT:**

The developer paid \$1,523 for a bond reduction fee, collected under PIM160036.

**ENVIRONMENTAL ANALYSIS:**

In accordance with Section 15063 of the State Guidelines for the California Environmental Quality Act (CEQA), the City prepared an initial study to determine if the project would have a significant effect on the environment. The initial study was prepared in accordance with Section 15063 and per the City's Local Guidelines for Implementing CEQA. The initial study identified environmental effects that were determined not to be significant and identified potentially significant effects that were capable of being mitigated to less than significant. Therefore, the City adopted a Mitigated Negative Declaration

---

**File #:** 19-0302

---

and Mitigation Monitoring Plan on June 5, 2013, in accordance with Section 15070 of the State CEQA Guidelines and Section 6.02 of the City's Local Guidelines for Implementing CEQA.

**PREPARED BY:** CHRISTOPHER L. HORN, P.E., SENIOR CIVIL ENGINEER

**REVIEWED BY:** TOM KOPER, P.E., ASSISTANT PUBLIC WORKS DIRECTOR

**REVIEWED BY:** NELSON D. NELSON, P.E., PUBLIC WORKS DIRECTOR

**REVIEWED BY:** KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

**SUBMITTED BY:** MICHELE NISSEN, ACTING CITY MANAGER

**Attachments:**

1. Exhibit "A" - Location Map
2. Exhibit "B" - Engineer's Cost Estimate for On-Site Improvements

Developer: LCG Harrington, LLC  
27132 B Paseo Espada, Ste. 1206  
San Juan Capistrano, CA 92675

Engineer: KWC Engineers  
1880 Compton Ave., Suite 100  
Corona, CA 92881