



**STAFF REPORT
CITY COUNCIL REGULAR MEETING AGENDA
MEETING DATE: DECEMBER 4, 2023**

SUBMITTED: November 20, 2023
DEPARTMENT: Engineering
DEPARTMENT HEAD: Mark Falgout, Acting City Engineer

TITLE OF ITEM: RESOLUTION NO. 2023-242, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER GRANTING ACCEPTANCE OF PUBLIC IMPROVEMENTS AND APPROVING REDUCTION IN PERFORMANCE BOND FOR WEST OF FAIRVIEW PHASE 1A SUBDIVISION

BRIEF DESCRIPTION: This Resolution will grant acceptance of the public improvements installed as part of the West of Fairview Phase 1A subdivision and will approve the bond reduction for the subdivision.

RECOMMENDATION: Adopt a resolution accepting the Public Improvements as constructed in accordance with the approved plans and specifications, as well as approving the bond reduction for such improvements.

DEPARTMENT SUMMARY: Award Homes Inc. and subsequently, per section 31 of the Subdivision Improvement Agreement (Transfer and Assignment), Meritage Homes of California Inc. entered into a Subdivision Improvement Agreement with the City of Hollister. Said agreement required Meritage Homes of California Inc. to install certain public improvements for the West of Fairview Phase 1A Subdivision and to bond as a way to secure the improvements. The Engineering Department has made an inspection of the Public Improvements for the West of Fairview Phase 1A Subdivision and found that all requirements have been met.

FINANCIAL IMPACT: Maintenance of Improvements are covered under Community Facilities District No. 4

CEQA: N/A

ATTACHMENTS:

1. Exhibit A

THIS REPORT WAS REVIEWED BY THE CITY MANAGER WHO CONCURS WITH THE STAFF RECOMMENDATION

David Mirrione, City Manager

RESOLUTION NO. 2023-242

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER GRANTING ACCEPTANCE OF PUBLIC IMPROVEMENTS AND APPROVING REDUCTION IN PERFORMANCE BOND FOR WEST OF FAIRVIEW PHASE 1A SUBDIVISION

WHEREAS, the Final Map for West of Fairview Phase 1A Subdivision (“The Project”) was approved by the City Council of the City of Hollister (“City Council”) on November 18, 2019, under and pursuant to the provisions of the Subdivision Improvement Agreement (“SIA”) between Award Homes Inc. and subsequently per section 31 of the Subdivision Improvement Agreement (Transfer and Assignment) Meritage Homes of California Inc. (“Developer”); and the City of Hollister (“City”) (collectively, the “Parties”); and

WHEREAS, Meritage Homes of California Inc., as Principal, and XL Specialty Insurance Company, as Surety, executed and posted a certain Faithful Performance Bond No. US00106155SU21A conditioned upon the faithful performance of the provisions of the SIA and upon the faithful performance of all Public Improvements work required thereunder; and

WHEREAS, as of November 7, 2023 the Public Improvements for the West of Fairview Phase 1A Subdivision have been completed; and

WHEREAS, the SIA provides that the security shall extend for a period of one year after the date of acceptance of Public Improvements to cover the warranty period of said improvements; and

WHEREAS, the City Council is willing to consent to a reduction in the penal sum of said security during said one-year warranty period; and

WHEREAS, the Engineering Division has made an inspection of the Public Improvements for the West of Fairview Phase 1A Subdivision and recommends that the City Council accept the Public Improvements as constructed in accordance with the approved plans and specifications.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hollister hereby finds, determines, and resolves as follows:

1. The Public Improvements installed within the West of Fairview Phase 1A Subdivision (Exhibit A), are hereby accepted as constructed in accordance with the approved plans and specifications upon recommendation of the Engineering Division.
2. The penal sum of that certain Security furnished by the above-named Subdivider, as Principal, and the above-named Surety in connection with the SIA West of Fairview Phase 1A Subdivision may be reduced to the sum of \$308,880.00, upon request of said Principal and Surety, said penal sum as reduced to

apply from the date of completion and acceptance of said improvements and to extend for the balance of the term of one year of said security. Provided, however, that nothing herein contained shall in any way be deemed to be a waiver, release or relinquish by City of any obligations imposed upon the Subdivider or his/its Surety, or sureties, by law or by the SIA, save and except as expressly set forth herein.

PASSED AND ADOPTED, by the City Council of the City of Hollister at a Regular Meeting held this 4th day of December, 2023, by the following vote:

Mia Casey, Mayor

ATTEST:

Jennifer Woodworth, MMC, City Clerk

APPROVED AS TO FORM:

Lozano Smith Attorneys at Law

Mary F. Lerner, City Attorney

I, JENNIFER WOODWORTH, MMC, City Clerk of the City of Hollister, do hereby certify that the attached Resolution No. 2023-242, is an original Resolution, or true and correct copy of a City Resolution, duly adopted by the Council of the City of Hollister at a regular meeting of said Council held on the 4th day of December, 2023, at which meeting a quorum was present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the City of Hollister this City Council day of December, 2023.

Jennifer Woodworth, MMC

City Clerk of the City of Hollister