

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

670



FROM: TLMA - Transportation Dept.

SUBMITTAL DATE: April 21, 2003

SUBJECT: Escrow Agreement for Security Deposits in Lieu of Retention among the County, R.J. Noble Company and Bank of Sacramento in conjunction with the Simpson Road reconstruction project in the Winchester area.

RECOMMENDED MOTION: That the Board approve and direct the Chairperson to execute the attached Escrow Agreement for Security Deposits in Lieu of Retention among the County, R.J. Noble Company and Bank of Sacramento in conjunction with the Simpson Road reconstruction project in the Winchester area, and authorize the Director of Transportation to give written notices regarding the Escrow Agreement on behalf of the County.

BACKGROUND: By Minute Order dated February 11, 2003 (item no. 3.19), the Board awarded the contract with R.J. Noble Company of Orange, California to reconstruct Simpson Road, between Briggs Road and Winchester Road, in the Winchester area of Riverside County. The contract amount is \$1,049,454.00. In accordance with Section 22300 of the Public Contract Code, the contractor has requested that the County execute an Escrow Agreement for Security Deposits in Lieu of Retention. As requested

George A. Johnson

George A. Johnson
Director of Transportation

(Continued On Attached Page)

FORM APPROVED
COUNTY COUNSEL

APR 23 2003

GAJ:sd

FINANCIAL DATA:

CURRENT YEAR COST	\$ 0	ANNUAL COST:	\$ 0
NET COUNTY COST	\$ 0	IN CURRENT YEAR BUDGET: Yes/ X No/	
		BUDGET ADJUSTMENT: Yes/ No/ X	
		FY: 2002/2003	

SOURCE OF FUNDS:

C.E.O. RECOMMENDATION:

APPROVE

Jennifer L. Sargent
County Executive Officer Signature

Department Recommendation: Consent Policy
Per Executive Office: Consent Policy

Prev. Agn. Ref. 2/11/03 (3.19)

Dist. 3

AGENDA NO.

3 34

The Honorable Board of Supervisors

RE: Escrow Agreement for Security Deposits in Lieu of Retention among the County, R.J. Noble Company and Bank of Sacramento in conjunction with the Simpson Road reconstruction project in the Winchester area.

April 21, 2003

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by the Contractor, the terms of the agreement are that the County will make payments of the retention earnings directly to the escrow agent.

The County will have the ability to draw upon the security deposits in the event of default by the contractor. This enables the contractor to earn interest on his funds while providing protection to the County in the event of default.

Interest earned on the retention payments held in escrow are subject to withdrawal by the contractor. The payment of retentions will be held by the Escrow Agent for the benefit of the contractor until the time the escrow, created under this contract, is terminated. Upon receipt of written notification by the County to the Escrow Agent that the contract is final and complete, all retention payments and interest earned will be released to the contractor.

Project nos. A7-0347