

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

639A



FROM: TLMA - Transportation Dept.

SUBMITTAL DATE:
March 21, 2005

SUBJECT: Escrow Agreement for Security Deposits in Lieu of Retention among the County, Griffith Company and City National Bank in conjunction with the Newport Road construction project in the Menifee and 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, Griffith Company and City National Bank in conjunction with the Newport Road construction project in the Menifee and 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 August 31, 2004 (item no. 3.2), the Board awarded the contract with Griffith Company of Santa Fe Springs, California to construct Newport Road, between Menifee Road and Winchester Road (SR79), in the Menifee and Winchester area of Riverside County. The contract amount is \$18,847,255.10. In accordance with Section 22300 of the Public Contract Code, the contractor has

Departmental Concurrence

George A. Johnson

George A. Johnson
Director of Transportation

GAJ:sd

(Continued On Attached Page)

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0.00	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0.00	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0.00	For Fiscal Year:	2004/2005

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: **APPROVE**

County Executive Office Signature

John G. Suter

Policy
 Policy

Consent
 Consent

Dep't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref. 8/31/04 (3.2)

District: 3

Agenda Number:

3.47

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

The Honorable Board of Supervisors

RE: Escrow Agreement for Security Deposits in Lieu of Retention among the County, Griffith Company and City National Bank in conjunction with the Newport Road construction project in the Menifee and Winchester area

March 21, 2005

Page 2 of 2

requested that the County execute an Escrow Agreement for Security Deposits in Lieu of Retention. As requested 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. A8-0785.