

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

743



FROM: Waste Management Department

SUBMITTAL DATE:
May 11, 2007

SUBJECT: Escrow Agreement in Lieu of Retention with Papich Construction Company, Inc., for the Closure Construction at the Edom Hill Sanitary Landfill.

RECOMMENDED MOTION: That the Board authorize the General Manager-Chief Engineer to execute the Escrow Agreement with Papich Construction Company, Inc., and Morgan Stanley Trust, N.A. on behalf of the County.

BACKGROUND: On January 23, 2007, the Board awarded a contract to Papich Construction Company, Inc. (Contractor) in the amount of \$6,259,184.50 for the Closure Construction at the Edom Hill Sanitary Landfill. Pursuant to Section 22300 of the Public Contract Code of the State of California, the Contractor has requested the County allow retention proceeds to be deposited with an Escrow Agent (Morgan Stanley Trust, N.A.). Upon execution of this Escrow Agreement, the Waste Management Department will be releasing the entire amount of the monthly progress payments instead of withholding the retention. The retention monies will either go to the Escrow Agent or the Contractor (if adequate securities are placed in escrow by the Contractor). As recommended by County Counsel, the General Manager-Chief Engineer should sign the Escrow Agreement because there will be future related documents submitted to the bank as the project progresses, and the General Manager-Chief Engineer will then be the authorized signatory for the County.

JC:JM:AE:JRJ:jjj
PR #51957/v2


Hans W. Kernkamp, General Manager-Chief Engineer


FORM APPROVED
COUNTY COUNSEL

MAY 11 2007
Joe Rank

BY	FINANCIAL DATA	Current F.Y. Total Cost:	N/A	In Current Year Budget:	Yes
		Current F.Y. Net County Cost:	N/A	Budget Adjustment:	No
		Annual Net County Cost:	N/A	For Fiscal Year:	2006/07

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
* Department will release 10% retention of the \$6,259,184.50 contract earlier with an escrow account, but still retain control over final release from escrow.	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

County Executive Office Signature  Alex Gann

- Policy
- Policy
- Consent
- Consent

Dept Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 11/7/06 (12.1)
1/23/07 (12.1) | **District:** 4 | **Agenda Number:**

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

12.1