

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

122



FROM: Redevelopment Agency

SUBMITTAL DATE:
September 8, 2011

SUBJECT: Northwest Animal Shelter Project – Notice of Cessation

RECOMMENDED MOTION: That the Board of Directors:

1. Receive and file the voluntary Notice of Default letter from J.D. Diffenbaugh;
2. Approve and authorize the Chairman of the Board to sign the Notice of Cessation;
3. Authorize the Clerk of the Board to record the Notice of Cessation; and

(Continued)

Robert Field
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: No

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

C.E.O. RECOMMENDATION: APPROVE
BY:
Jennifer L. Sargent
County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: MARSHAL VICTOR
Departmental Concurrence

Dept't Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref 4.4 of 09/30/08; 3.41 of 04/20/2010 | District: 2 | Agenda Number: **4.2**

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

RECOMMENDED MOTION: (Continued)

4. Authorize the release of the remaining 5% retention on the project and further authorize the Agency to process final payment subject to Agency staff working with the Surety for J.D. Diffenbaugh to finalize and close out the project, including clearing up any and all remaining stop notices and/or performance issues.

BACKGROUND:

On September 30, 2008, the Board of Directors approved the construction contract between J.D. Diffenbaugh and the Redevelopment Agency (RDA) for the County of Riverside for the construction of the Northwest Animal Shelter Project. J.D. Diffenbaugh sent RDA a letter of default stating they would not be able to carry out its contractual obligations. The Surety for J.D. Diffenbaugh, Safeco Insurance Company of America has engaged a consulting firm to close out the project, including dealing with stop notices filed against the project and to finalize all work. At the time the letter was received, the project was approximately 99% complete. All remaining work has been addressed by Surety and their agents. Only minor items of cost and work remain to be resolved. RDA and Surety have agreed that the facility is complete for warranty purposes as of June 16, 2011. As stop notice releases or release bonds are received, the remaining balance of the contract payment will be sent to the Surety pursuant to Surety's agreement with J.D. Diffenbaugh and the direction of the letter of default.

RDA recommends that the Board of Directors receive and file the Voluntary Notice of Default letter from J.D. Diffenbaugh, approve and authorize the Chairman to sign the Notice of Cessation, authorize the Clerk of the Board to record the Notice of Cessation, and authorize the release of the remaining 5% retention on the project and further authorize RDA to process final payment subject to RDA staff working with the Surety for J.D. Diffenbaugh to finalize and close out the project, including clearing up any and all remaining stop notices and/or performance issues.

To be recorded with County Recorder no sooner than thirty (30) days following continuous cessation of labor. No recording fee
When recorded return to: CLERK OF THE BOARD Stop No. 1010
NOTICE OF CESSATION (Civil Code § 3092 – Public Works)

Notice is hereby given by the undersigned owner, a public entity of the State of California, that labor has ceased on a public work of improvement as follows:

Project title: **Northwest Animal Shelter Project**

Date of cessation: June 16, 2011

Cessation has continued until recording of this Notice.

Name and address of owner: **Redevelopment Agency for the County of Riverside, 3403 Tenth Street, Suite 500, Riverside, CA 92501**

Interest or estate of owner: **Owner**

Street address or legal description of site: 6851 Van Buren, Riverside, CA 92509

Name of Contractor: **J.D. Diffenbaugh**

Dated: _____

Owner: **Redevelopment Agency for Riverside County of Riverside**

By: _____
 Title: **Bob Buster, Chairman
 Board of Directors**

STATE OF CALIFORNIA)
 COUNTY OF RIVERSIDE)

I am the Chairman of the governing board of the County of Riverside, the public entity which executed the forgoing notice and on whose behalf I make this verification; I have read said notice, know its contents, and the same is true. I certify under penalty of perjury that the forgoing is true and correct.

Executed at Riverside, California on _____ (Date)

 Bob Buster, Chairman
 Board of Directors