Staff Report

Agenda Item: **ENFORCEMENT OF SURETY BONDS ISSUED BY BOND SAFEGUARD INSURANCE COMPANY ON MOUNTAIN GATE SUBDIVISION** — Discussion and consideration of authorizing the Town Attorney to file a court complaint against Bond Safeguard Insurance Company for failure to honor its surety bonds issued to the Town of Clarkdale on the Mountain Gate Subdivision, insuring the completion of the subdivision infrastructure required to be constructed by the developer, Empire Residential Construction Company, L.P.

Staff Contact: Robert Pecharich, Town Attorney

Meeting Date: October 13, 2009

Background: Staff and the Town Attorney's Office have been working with Bond Safeguard to gain completion of the work and work areas to be performed by Safeguard in the Mountain Gate Subdivision. The Town needs to ensure confirmation that the bond will remain in place until its value had been paid or preformed. The outstanding amount of the bond is $1,850,000.00.

Recommendation: Approval to authorize the Town Attorney to file a court complaint against Bond Safeguard Insurance Company for failure to honor its surety bonds issued to the Town of Clarkdale on the Mountain Gate Subdivision, insuring the completion of the subdivision infrastructure required to be constructed by the developer, Empire Residential Construction Company, L.P.