



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: August 31, 2020

DATE: Friday, August 28, 2020

TO: Board of County Commissioners

FROM: Doreen Ertell, Senior Risk Management Analyst
(775) 328-2660, dertell@washoecounty.us

Herb Kaplan, Deputy District Attorney
(775) 337-5716, hkaplan@washoecounty.us

THROUGH: Cathy Hill, Comptroller/Risk Manager

SUBJECT: Recommendation to approve the use of bond liquidation proceeds from Western Insurance Company to pay Granite Construction for work to be performed on Geiger Grade Road in the amount not to exceed [\$44,411.07]. (Commission District 2).

SUMMARY

The Risk Division and District Attorney's Office are seeking Board approval for the use of bond liquidation proceeds, from Western Insurance Company, to pay for work to be performed by Granite Construction on Geiger Grade Road.

Washoe County Strategic Objective supported by this item: Safe, Secure and Healthy Communities

PREVIOUS ACTION

There has been no previous action on this issue.

BACKGROUND

Alfred & Rosana Halprine ("the developers") submitted a parcel map to develop land on Geiger Grade Road. A parcel map improvement agreement was recorded January 18, 2007 in connection with the properties located on what is commonly known as Geiger Grade Road, Washoe County, Nevada. Certain road improvements were required in connection with the development of the area included in the parcel map. The developers were required to make those road improvements as a contingency of approval of the parcel map. Washoe County obtained a bond through Western Insurance Company to ensure that the road improvements were completed.

AGENDA ITEM # _____

Construction on the road improvements was started by the developers, but never completed, and was effectively abandoned by the developers. The development of the parcels resulted in four parcels. Those parcels are currently owned as follows:

Bradley and Teresa Schriewer are the current owners of the following parcels:0
Parcel No. 016-881-01, commonly known as 1992 Geiger Grade Road, Washoe County, Nevada 89521;
Parcel No. 016-881-02, commonly known as 1990 Geiger Grade Road, Washoe County, Nevada 89521; and,
Parcel No. 016-881-03, commonly known as 1994 Geiger Grade Road, Washoe County, Nevada 89521.

Michael and Sabrina Comer are the current owners of Parcel No. 016-881-04, commonly known as 1996 Geiger Grade Road, Washoe County, Nevada 89521.

Sometime after the developers abandoned the project, Western Insurance Company went into liquidation proceedings. On November 21, 2011, Washoe County submitted a demand on the Western Insurance Company Bond No. BDS30398 in the amount of \$210,625.80 to have the road improvements completed.

Pursuant to the Liquidator's Determination dated July 15, 2013, the Liquidator approved a payment of \$130,260.00 as payment of Washoe County claim no. 400935 arising from Western Insurance Company Bond No. BDS30398 in the total amount of \$210,625.80 relating to the project of Alfred & Rosana Halprine, DOC # 3487853.

In October 2019, Washoe County received the first disbursement of funds in the amount of \$44,411.07 in connection with that approved payment, which represents a "payment of 30% of the approved payment."

Washoe County does not have any stake, claim or interest in the funds received, as the road improvements required will not result in a dedication of the road to Washoe County. Instead, the funds are intended for the sole purpose of completing the road improvements.

The property owners have obtained a quote from a contractor, Granite Construction Company ("Granite"), to perform the work on the road. The funds that will be used for road construction remain in the possession of Washoe County on behalf of the property owners.

FISCAL IMPACT

There is no fiscal impact. The funds received from the bonding company will be forwarded to Granite Construction for payment of services on behalf of the residents, Comer and Schriewer.

RECOMMENDATION

It is recommended that the Board of County Commissioners approve the use of bond liquidation proceeds from Western Insurance Company to pay Granite Construction for work to be performed on Geiger Grade Road in the amount not to exceed of [\$44,411.07].

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:

"I move to approve the use of bond liquidation proceeds from Western Insurance Company to pay Granite Construction for work to be performed on Geiger Grade Road in the amount not to exceed of [\$44,411.07].