



MAYOR
JON MITCHELL

City of New Bedford Department of City Planning

133 William Street · Room 303 · New Bedford, Massachusetts 02740
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MEMO: CASE #21-16

FARLAND ESTATES I: EXTENSION AND REDUCTION OF PERFORMANCE BOND

Property: Farland Estates I Subdivision

Owner: MIH1, LLC, 401 County Street, New Bedford, MA 02740
Farland Estates, LLC, 401 County Street, New Bedford, MA 02740

Agent: Farland Corp., 21 Ventura Drive, Dartmouth, MA 02747).

Summary:

The owner seeks an extension and reduction of the current performance bond used as a performance guarantee for the definitive subdivision known as "Farland Estates I", located on the easterly side of Acushnet Ave., between Phillips Road and Arnoff Street.

What is a performance guarantee?

A performance guarantee is required to ensure that the applicant fulfills their obligations for the construction and build-out of the subdivision infrastructure in compliance with City standards. Performance guarantees can be in one or a combination of three forms: Covenant, Cash Surety, or Performance Bond.

Any original security instrument selected by the applicant shall be valid for one year, if work is not satisfactorily completed on the construction of ways and the installation of principal services within this time period the Board of Survey may upon written request permit the applicant to extend the original security agreements in order to complete the necessary ways and municipal services. No extension shall exceed a six-month period; and the Board of Survey, at its discretion, may grant additional extensions.

History of Subdivision:

- February 14, 2018 - Definitive Subdivision Plan was approved.
- July 11, 2018 – Covenant was finalized and signed.
- November 14, 2018 - Partial release of covenant was approved
- May 13, 2020, modification of the subdivision plan (Case #20-15) and replacement of covenant with a performance bond (Case #20-13) for the amount of Three Hundred Twenty Thousand dollars (\$320,000).

Proposed Reduction:

On March 21, 2021, Mr. Farland requested a release of the current \$320,000 surety bond. ***See attached letter.***

The Department of Public Infrastructure (DPI) has reviewed the work completed thus far at the Farland Estate I Subdivision and has provided a cost estimate of \$265,000 for completion of the remaining work. Although the DPI cost estimate does not include services or work to be completed by utility companies (e.g. Eversource Gas, Eversource Electric, Verizon, or Comcast), the estimated amount does reflect the cost that the city reasonably estimates it would assume if the developer failed to complete the subdivision. The owner/applicant of the project is aware of this cost estimate and concurs with DPI's estimate. ***See attached DPI Estimate.***

Upon receiving this estimate, Mr. Farland notified the City that he would seek an additional performance bond that would cover the estimate for the outstanding work.

Staff Recommendation:

In light of the DPI recommendation, staff recommends the Board reduce the performance bond to \$265,000 and extend the guarantee for 6 months.



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March 19, 2021

New Bedford Planning Board
New Bedford City Hall
133 William Street, Rm 303
New Bedford, MA 02740

**RE: Farland Estates Release of Surety Bond
New Bedford, MA 02740**

To whom it may concern,

Please find this letter in relation to the "Farland Estates" subdivision being constructed off Phillips Road in New Bedford, MA. Drainage System, Structures, Piping and Infiltration Basin have been installed in its entirety. Water and Sewer Mains have been installed in their entirety with stubs and curb stops installed at property lines of each lot. Majority of the sidewalks and asphalt binder course has been installed. Approximately 1,000' of granite curbing is yet to be installed, per city of New Bedford, to be completed at the front of properties as houses are completed. Estimated value of curbing work (\$10,000). Only other work remaining is asphalt top coat, to be completed after all curbing has been installed and majority of residential house construction has been completed. Estimated value of asphalt top coat (\$40,000)

If you should have any questions, please feel free to contact us.

Very truly yours,

FARLAND CORP.

Christian A. Farland

Christian A. Farland, P.E., LEED AP
Principal Engineer and President



CITY OF NEW BEDFORD
Jonathan F. Mitchell, Mayor

Department of Public Infrastructure

Jamie Ponte
Commissioner

Water
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Highways
Engineering
Cemeteries
Park Maintenance
Forestry
Energy

Farland Estates Subdivision Estimate

<u>Items</u>	<u>Total</u>
1.) Hot Mix Asphalt - Top Course	\$ 42,000.00
2.) Cement Sidewalks	\$ 12,000.00
3.) Cement Drives & Wheelchair Ramps	\$ 22,000.00
4.) Loam & Seed	\$ 9,000.00
5.) Granite Curb	\$ 42,000.00
6.) Street Lights - LED	\$ 13,200.00
7.) Trees	\$ 17,550.00
8.) Bounds	\$ 23,000.00
9.) Take Over Detention Pond	\$ 10,400.00
10.) 4' High Black Chain Link Fence - COMPLETE	\$ 0.00
11.) Clean Structures	\$ 10,500.00
12.) As-Built & Street Acceptance Plans	\$ 12,000.00
13.) Certificate of Compliance for Drainage	\$ 15,000.00
14.) Miscellaneous Items (I., cut edges, raise structures, title searches, sewer clean outs etc.)	\$ 11,350.00
*This estimate does not include the following utilities: Eversource Gas Eversource Electric Verizon Comcast	Sum: \$ 240,000.00
	10% Contingency: \$ 24,000.00
	Total Estimate: \$ 264,000.00
	SAY \$ 265,000.00

Prepared: April 6, 2021
MHS/sc

