



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Submitted on:
(COB Stamp)

Department Name: Public Works
Department No.: 054
Agenda Date: October 14, 2025
Placement: Administrative Agenda
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s): Chris Sneddon, P.E., Public Works Director
Contact: Jeanette Gonzales-Knight, P.E., Deputy Director
SUBJECT: **Tajiguas Sanitary Landfill Phase IVA Groundwater Protection System Project – Escrow Account in lieu of Retention; Project No. 828985; Third Supervisorial District**

County Counsel Concurrence

As to form: Yes

Other Concurrence: n/a

As to form: n/a

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

Consider recommendations regarding the Tajiguas Sanitary Landfill Phase IVA Groundwater Protection System Project, Third District, as follows:

- a) Approve an Escrow Agreement (“Agreement”) with Sukut Construction LLC (“Contractor”) and Banner Bank (“Escrow Agent”) for security deposits in lieu of retention in accordance with Section 22300 of the California Contract Code;
- b) Authorize the Director of Public Works to execute the Agreement; and
- c) Determine that the above-recommended actions are not a project that is subject to environmental review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines section 15378(b)(5), finding that the actions consist of administrative activities of government that will not result in direct or indirect physical changes in the environment.

Summary Text:

This item is on the agenda requesting approval and execution of an escrow agreement in lieu of retention payments paid directly to the contractor for the Tajiguas Sanitary Landfill Phase IVA Groundwater Protection System Construction Project, Project No. 828985 (Project). Section 22300 of the California Public Contract Code allows contractors to deposit securities with an escrow agent as a substitute for retention earnings required to be withheld by the County pursuant to the construction contract with Sukut Construction, LLC (Contractor) for the Project, which was approved by the Board on September 17, 2024.

Discussion:

Pursuant to Section 22300 of the California Public Contract Code, Sukut Construction, LLC (“Contractor”) has requested to deposit retention payments with Banner Bank (“Escrow Agent”) in lieu of the 5% retention earnings otherwise held by the County under the Tajiguas Sanitary Landfill Phase IVA construction contract in the amount of \$18,638,372.00. On written request, the County will remit retention payments directly to the Escrow Agent, who will hold them for the benefit of the Contractor until termination of the escrow, with the Contractor responsible for all associated administrative fees. Interest earned on the escrowed funds will accrue to the Contractor, and withdrawals of principal require written authorization from the County. Approval of the Escrow Agreement formalizes this process, ensures compliance with state law, and protects the County’s financial interests while allowing the Contractor flexibility in managing project funds.

Background:

The County of Santa Barbara (“County”) and Sukut Construction, LLC (“Contractor”) entered into an Agreement for the Project known as the Tajiguas Sanitary Landfill Phase IVA in the amount of \$18,638,372.00 dated September 17, 2024. Phase IVA consists of the excavation of approximately 550,000 cubic yards of material to create a new landfill cell, installation of a groundwater protection system, and construction of a sedimentation basin. This scope represents the first subphase of the overall Tajiguas Landfill Capacity Increase Project (Phase IV), which was approved by your Board on March 19, 2024, and will extend the landfill’s life to the year 2038. Approval of the use of an Escrow Agent as a substitute for retention payments directly to the contractor is an administrative activity and is not a project under CEQA pursuant to CEQA Guidelines section 15378(b)(5). The construction project for which the Escrow Agent substitution is being proposed was analyzed in Santa Barbara County EIR No. 23EIR-00001 available for review at [Environmental Documents | Santa Barbara County, CA - Official Website](#)

Fiscal and Facilities Impacts:

Budgeted: Yes

The 5% retention payments earned will be withheld by the County (“Owner”) and paid directly to the Escrow Agent, Banner Bank, who will hold these payments for the benefit of the Contractor until the Escrow created under this contract is terminated. The Contractor is responsible for paying all fees incurred by the Escrow Agent to administer the Escrow Account. Interest earned on the money market accounts held in escrow and all interest earned on that interest is specifically for the Contractor. The Contractor has the right to withdraw all or any part of the principal in the Escrow Account by written notice to the Escrow Agent accompanied by written authorization from the

County to the Escrow Agent. This notice must be accompanied by written authorization from the County to the Escrow Agent providing consent to the withdrawal of the amount requested by the Contractor.

Special Instructions:

Please forward a certified, stamped Minute Order approving this action to Yanette Luna at Public Works, Resource Recovery and Waste Management Division (RRWMD): 130 E. Victoria Street, Suite 100, Santa Barbara, CA 93101, yluna@countyofsb.org.

Attachments:

Attachment A – Escrow Agreement

Authored by:

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