



STAFF REPORT

DATE: November 20, 2018

CONSENT

ITEM #: 9

AGENDA ITEM: Approve Development Security Reductions for Hammes 1st & 2nd Additions

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Ken Roberts, Planning Director
Chad Isakson, Assistance City Engineer

ISSUE BEFORE COUNCIL: Should the City Council approve development security reductions for the Hammes 1st and Hammes 2nd Additions?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed requests to reduce the development security in accordance with the various development projects. These requests have been reviewed and the following reductions are being recommended for approval:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Hammes 1st Addition	\$1,636,912	\$1,441,912
2. Hammes 2nd Addition	\$ 890,789	\$ 323,900

Work within each of these developments have progressed in accordance with the respective development agreement and to the extent necessary to support a reduction in the security as detailed in this report.

FISCAL IMPACT: It is the City's goal to retain at all times during the subdivision improvements a security amount that is adequate to ensure completion of all elements of the improvements as protection to the City tax payers against the potential of developer default. With this reduction, the remaining security amount held by the City remains sufficient to complete the remaining improvements.

RECOMMENDATION: Staff is recommending that the City Council approve, *as part of the Consent Agenda*, the security reductions for the Hammes 1st and Hammes 2nd Additions as detailed in this report and supporting documentation. If removed from the consent agenda, the recommended motion for the action is as follows:

“Move to approve security reductions for the Hammes 1st and Hammes 2nd Additions as detailed in the attached Security Reduction Worksheet.”

ATTACHMENTS:

1. Security Reduction Worksheet – Hammes 1st Addition.
2. Security Reduction Worksheet – Hammes 2nd Addition.

HAMMES 1ST ADDITION

Time of Performance: October 31, 2017

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS							
			#1	#2	#3	#4	#5	#6		
Grading	\$156,000	\$195,000		\$195,000						
Sanitary Sewer	\$413,076	\$516,345	\$387,259							
Watermain	\$298,624	\$373,280	\$279,960							
Storm Sewer (w/pond structures)	\$492,748	\$615,935	\$461,951							
Streets	\$430,598	\$538,247	\$403,685							
Sidewalks/Trails	\$111,360	\$139,200								
Surface Water Facilities	NA	NA								
Street Lighting	\$54,000	\$67,500								
Street Signs and Traffic Control Signs	\$6,300	\$7,875								
Private Utilities (electricity, natural gas, telephone, and cable)										
Landscaping	\$244,922	\$306,153								
Tree Preservation and Restoration	NA	NA								
Wetland Mitigation and Buffers	\$50,000	\$62,500								
Monuments	\$5,700	\$7,125								
Erosion Control	\$195,986	\$244,982								
Boardwalk	\$66,500	\$83,125								
Record Drawings	\$10,000	\$12,500								

TOTALS

\$2,535,813

\$3,169,767

RELEASED AMOUNTS: \$1,532,855 \$195,000

CUMMULATIVE AMOUNTS: \$1,532,855 \$1,727,855

SECURITY AMOUNT REMAINING: **\$1,636,912** **\$1,441,912**

DATE: 9/5/2017 11/20/2018

HAMMES 2ND ADDITION

Time of Performance: **October 31, 2017**

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125%	REMARKS	REDUCTIONS						
				#1	#2	#3	#4	#5	#6	
Grading	NA	NA	Included in Phase 1							
Sanitary Sewer	\$121,909	\$152,386		\$114,290						
Watermain	\$107,523	\$134,404		\$100,803						
Storm Sewer (w/pond structures)	\$139,803	\$174,754		\$131,065						
Streets + Sidewalks	\$235,446	\$294,308		\$220,731						
Bituminous Trails	\$7,783	\$9,729								
Surface Water Facilities	NA	NA								
Street Lighting	\$18,000	\$22,500								
Street Signs and Traffic Control Signs	\$1,000	\$1,250								
Private Utilities (electricity, natural gas, telephone, and cable)										
Landscaping	\$53,588	\$66,985								
Tree Preservation and Restoration	NA	NA								
Wetland Mitigation and Buffers	NA	NA								
Monuments	\$3,700	\$4,625								
Erosion Control	\$18,878	\$23,598								
Miscellaneous Facilities	NA	NA								
Record Drawings	\$5,000	\$6,250								

TOTALS	\$712,630	\$890,789	RELEASED AMOUNTS:	\$566,888
		\$222,697.13	CUMMULATIVE AMOUNTS:	\$566,888
			SECURITY AMOUNT REMAINING:	\$323,900

DATE: 11/20/2018