



STAFF REPORT

DATE: November 5, 2019
CONSENT

AGENDA ITEM: Approve Security Reduction for Southwind at Lake Elmo.

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Ken Roberts, Planning Director
Marty Powers, Public Works Director
Chad Isakson, Assistant City Engineer

ISSUE BEFORE COUNCIL: Should the City Council approve a security reduction for Southwind at Lake Elmo?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed requests to reduce the development security for Southwind at Lake Elmo. This request has been reviewed and the following reduction is being recommended:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Southwind at Lake Elmo	\$793,403	\$581,018

The Southwind at Lake Elmo 2-year warranty period for the watermain and sanitary sewer has ended and all warranty corrections have been completed by the developer. The twenty-five percent (25%) warranty security is therefore recommended for release. In addition, a landscaping improvement inspection was completed and partial reduction in landscape security is recommended in accordance with the inspection findings.

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.

RECOMMENDATION: Staff is recommending that the City Council, *as part of the Consent Agenda*, approve the security reduction for Southwind at Lake Elmo as detailed in the attached worksheet. If removed from the consent agenda, the recommended motion for the action is as follows:

“Move to approve the security reduction for Southwind at Lake Elmo as detailed in the attached Security Reduction Worksheet”.

ATTACHMENTS:

1. Security Reduction Worksheet – Southwind at Lake Elmo.

SOUTHWIND OF LAKE ELMO

Time of Performance: October 31, 2018

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS						
			#1	#2	#3	#4	#5	#6	
Grading	\$ 187,554	\$234,442 100%		\$234,442					
Sanitary Sewer	\$ 117,757	\$147,196 100%	\$110,397				\$36,799	<i>2-year Warranty end</i>	
Watermain	\$ 126,676	\$158,345 100%	\$118,759				\$39,586	<i>2-year Warranty end</i>	
Storm Sewer (w/pond structures)	\$ 217,173	\$271,466	\$135,733	\$67,867					
Streets + Sidewalks	\$ 545,215	\$681,518	\$340,759		\$170,380				
Bituminous Trails	\$ 32,525	\$40,656							
Surface Water Facilities	\$ 35,185	\$43,981							
Street Lighting	\$ 48,000	\$60,000							
Street Signs and Traffic Control Signs	\$ 7,400	\$9,250							
Private Utilities (electricity, natural gas, telephone, and cable)									
Landscaping	\$225,042	\$281,303 48%					\$136,000	<i>partial release</i>	
Tree Preservation and Restoration	NA	NA							
Wetland Mitigation and Buffers	NA	NA							
Monuments	\$ 4,600	\$5,750							
Erosion Control	\$ 25,265	\$31,582							
5TH Street North	Included	Included							
Record Drawings	\$ 5,000	\$6,250							
TOTALS	\$1,577,391	\$1,971,740							
			RELEASED AMOUNTS:	\$705,649	\$302,309	\$170,380	\$212,385		
			CUMMULATIVE AMOUNTS:	\$705,649	\$1,007,957	\$1,178,337	\$1,390,722		
			SECURITY AMOUNT REMAINING:	\$1,266,091	\$963,783	\$793,403	\$581,018		
			DATE:	1/16/2018	9/18/2018	1/15/2019	11/5/2019		