



STAFF REPORT

DATE: December 3, 2019
CONSENT

AGENDA ITEM: Approve Security Reduction for Savona 1st, 2nd and 3rd Additions.

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 the security reductions as recommended by staff for the Savona 1st, 2nd and 3rd Additions?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed requests to reduce the development security for landscaping improvements for the Savona 1st, 2nd and 3rd Additions. This request has been reviewed and the following reductions are being recommended:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Savona 1st Addition	\$574,612	\$483,453
2. Savona 2nd Addition	\$549,773	\$405,947
3. Savona 3rd Addition	\$898,958	\$809,691

The landscaping improvements for the Savona 1st, 2nd and 3rd Additions have been inspected by the City Landscape Architect. Based on this inspection the Planning Director is recommending a reduction in the development security for the landscaping improvements resulting in the reductions detailed above.

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 reductions for the Savona 1st, 2nd and 3rd Additions as detailed in the attached worksheets. If removed from the consent agenda, the recommended motion for the action is as follows:

“Move to approve the security reductions for the Savona 1st, 2nd and 3rd Additions as detailed in the attached Security Reduction Worksheets”.

ATTACHMENTS:

1. Security Reduction Worksheet – Savona 1st Addition.
2. Security Reduction Worksheet – Savona 2nd Addition.
3. Security Reduction Worksheet – Savona 3rd Addition.

SAVONA 1ST ADDITION

Time of Performance: October 31, 2015

DEVELOPMENT AGREEMENT AMOUNTS CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS						
			#1	#2	#3	#4	#5	#6	
Grading	\$650,000	\$812,500 100%		\$812,500					
Sanitary Sewer	\$138,099	\$172,624 100%	\$86,312	\$43,156		\$43,156	Warranty end 12/20/2018		
Watermain	\$155,927	\$194,909 100%	\$97,454	\$48,727		\$48,727	Warranty end 12/20/2018		
Streets	\$763,387	\$954,234 75%	\$477,117	\$238,558					
Surface Water Facilities	\$493,703	\$617,129 75%	\$308,564			\$154,282	In warranty		
Erosion Control	\$52,533	\$65,666 75%		\$32,833		\$16,417	09/03/2019-09/03/2020		
Sidewalks/Trails	\$119,642	\$149,553 75%		\$112,164					
Street Lighting	NA	NA By Xcel Energy							
Street Signs and Traffic Control Signs	\$11,600	\$14,500 75%		\$7,250	\$3,625				
Landscaping	\$97,236	\$121,545 75%						\$91,159	
Tree Preservation and Restoration	NA	NA							
Wetland Mitigation and Buffers	NA	NA LOC Through VBWD							
Monuments	\$6,450	\$8,063 75%				\$6,047			
Miscellaneous Facilities	NA	NA							
Record Drawings	\$2,500	\$3,125 75%				\$2,344			
TOTALS	\$2,491,077	\$3,113,846	RELEASED AMOUNTS:	\$969,448	\$1,295,189	\$182,714	\$91,883	\$91,159	\$0
			CUMMULATIVE AMOUNTS:	\$969,448	\$2,264,637	\$2,447,351	\$2,539,234	\$2,630,393	
			SECURITY AMOUNT REMAINING:	\$2,144,399	\$849,210	\$666,495	\$574,612	\$483,453	
			DATE:	3/2/2016	12/20/2016	2/5/2019	9/3/2019	12/3/2019	

SAVONA 2ND ADDITION

Time of Performance: October 31, 2015

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS						
			#1	#2	#3	#4	#5	#6	
Grading	NA	NA	NA						
Sanitary Sewer	\$314,594	\$393,243 100%	\$196,621	\$98,311	\$98,311	Warranty end 12/20/2018			
Watermain	\$485,172	\$606,464 100%	\$303,232	\$151,616	\$151,616	Warranty end 12/20/2018			
Streets	\$614,836	\$768,545 75%	\$384,272	\$192,136					
Surface Water Facilities	\$471,332	\$589,165 75%	\$294,583			\$147,291	In warranty		
Erosion Control	\$51,146	\$63,933 75%			\$31,966	\$15,983	09/03/2019-09/03/2020		
Sidewalks/Trails	Included in Streets	Included in Streets							
Street Lighting	NA	NA By Xcel Energy							
Street Signs and Traffic Control Signs	Included in Streets	Included in Streets							
Landscaping	\$153,415	\$191,769 75%					\$143,827		
Tree Preservation and Restoration	NA	NA							
Wetland Mitigation and Buffers	NA	NA LOC Through VBWD							
Monuments	\$5,800	\$7,250 75%				\$5,438			
Miscellaneous Facilities	NA	NA							
Record Drawings	\$2,500	\$3,125 75%				\$2,344			

TOTALS	\$2,098,795	\$2,623,494	RELEASED AMOUNTS:	\$1,178,709	\$474,029	\$420,982	\$143,827
			CUMMULATIVE AMOUNTS:	\$1,178,709	\$1,652,738	\$2,073,720	\$2,217,547
			SECURITY AMOUNT REMAINING:	\$1,444,785	\$970,756	\$549,773	\$405,947
			DATE:	3/2/2016	12/20/2016	9/3/2019	12/3/2019

SAVONA 3RD ADDITION

Time of Performance: October 31, 2016

DEVELOPMENT AGREEMENT AMOUNTS			REDUCTIONS					
CATEGORY	CONSTRUCTION	125% REMARKS	#1	#2	#3	#4	#5	#6
Grading (Separate Grading Agreement)		\$127,000		\$127,000				
Sanitary Sewer	\$345,301	\$431,626 75%	\$215,813	\$107,907			In warranty	
Watermain	\$503,113	\$628,891 75%	\$314,446	\$157,223			01/16/2018-01/16/2020	
Streets	\$1,168,007	\$1,460,009 75%	\$730,004		\$365,002			
Surface Water Facilities	\$333,140	\$416,425 50%	\$208,213			\$104,106	In warranty	
Erosion Control	\$133,732	\$167,165 75%			\$125,374		09/03/2019-09/03/2020	
Sidewalks/Trails	Included in Streets	Included in Streets						
Street Lighting	NA	NA By Xcel Energy						
Street Signs and Traffic Control Signs	Included in Streets	Included in Streets						
Landscaping	\$95,218	\$119,023 75%					\$89,267	
Tree Preservation and Restoration	NA	NA						
Wetland Mitigation and Buffers	NA	NA LOC Through VBWD						
Monuments	\$6,000	\$7,500 75%			\$5,625			
Miscellaneous Facilities	NA	NA						
Record Drawings	\$6,500	\$8,125 75%			\$6,094			
TOTALS	\$2,591,011	\$3,365,764	RELEASED AMOUNTS: \$1,468,476	\$392,129	\$502,095	\$104,106	\$89,267	\$0
			CUMMULATIVE AMOUNTS: \$1,468,476	\$1,860,605	\$2,362,700	\$2,466,806	\$2,556,073	
			SECURITY AMOUNT REMAINING: \$1,897,288	\$1,505,159	\$1,003,064	\$898,958	\$809,691	
			DATE: 12/20/2016	1/16/2018	2/5/2019	9/3/2019	12/3/2019	