



DATE: December 7, 2021
CONSENT

AGENDA ITEM: Approve Release of Warranty Security for Inwood 1st and 2nd Additions.

SUBMITTED BY: Jack Griffin, City Engineer

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

ISSUE BEFORE COUNCIL: Should the City Council approve release of warranty security for public improvements including street construction, concrete curb and gutter, storm sewer facilities, sidewalks, trails, materials and landscaping for the Inwood 1st and 2nd Additions?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to release the development security in accordance with the development agreement for Inwood 1st and 2nd Additions. The public improvements including street construction, concrete curb and gutter, storm sewer facilities, sidewalks, trails, materials and equipment were completed and accepted by the City on December 1, 2020 and the 1-year warranty period was initiated. Twenty-five percent (25%) of the original security was retained through the 1-year warranty period. A warranty walk-through has been completed by City staff and all warranty punch list items have been addressed by the Developer. In addition, the landscape improvements have been accepted and the 2-year warranty period has expired. The release of security is contingent on the developer being current with all other payments and obligations in accordance with the Development Agreement, including a positive escrow balance as required by the City.

With the release of the warranty security for public improvements and landscaping, the overall development security may be released in full. There is no remaining security for this phase of the development.

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Inwood 1st and 2nd Additions	\$670,719	\$0.00

FISCAL IMPACT: Release of the warranty security brings the public improvements including street construction, concrete curb and gutter, storm sewer facilities, sidewalks, trails, materials and landscaping to a close. The operation and maintenance of these facilities becomes the responsibility of the City going forward.

RECOMMENDATION: Staff is recommending that the City Council, *as part of the Consent Agenda*, approve the release of warranty security for the public improvements and landscaping in Inwood 1st and 2nd Additions, resulting in a full release of security for these phases of the development. The release of security is contingent on the developer being current with all other payments and obligations in accordance with the Development Agreement, including a positive escrow balance as required by the City. If removed from the *consent agenda*, the recommended motion for the action is as follows:

“Move to approve the security reductions for Inwood 1st and 2nd Additions as detailed in the attached Security Reduction Worksheet, contingent on the developer being current with all other payments and obligations in accordance with the Development Agreement, including a positive escrow balance as required by the City”.

ATTACHMENTS:

1. Security Reduction Worksheet – Inwood 1st and 2nd Additions.

INWOOD 1ST AND 2ND ADDITIONS

Time of Performance: July 1, 2016

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS				
			#1	#2	#3	#4	#5
Grading	\$314,000	NA				\$314,000	
Sanitary Sewer	\$412,585	\$515,731.25 100%	\$386,798		\$128,933		
Watermain	\$510,249	\$637,811.25 100%	\$478,358		\$159,453		
Streets	\$1,114,212	\$1,392,765.00 75%	\$696,383	\$348,191			\$348,191
Surface Water Facilities	\$599,736	\$749,670.00 75%	\$374,835	\$187,418			\$187,418
Erosion Control	NA	NA included in Grading Agreement					
Sidewalks/Trails	\$212,175	\$265,218.75 75%	\$132,609			\$66,305	\$66,305
Street Lighting	NA	NA By Xcel Energy					
Street Signs and Traffic Control Signs	\$18,705	\$23,381.25 75%	\$11,691			\$5,845	\$5,845
Landscaping	\$97,236	\$121,545.00 100%				\$60,773	\$60,773
Tree Preservation and Restoration	NA	NA included in Grading Agreement					
Wetland Mitigation and Buffers	NA	NA LOC Through VBWD					
Monuments	\$5,000	\$6,250.00 75%				\$4,688	\$1,563
Miscellaneous Facilities	NA	NA None					
Record Drawings	\$2,000	\$2,500.00 75%				\$1,875	\$625
TOTALS	\$2,971,898	\$3,714,872.50	RELEASED AMOUNTS: \$2,080,674	\$535,609	\$288,386	\$453,485	\$670,719
			CUMMULATIVE AMOUNTS: \$2,080,674	\$2,616,283	\$2,904,669	\$3,358,154	\$4,028,873
			SECURITY AMOUNT REMAINING: \$1,948,198	\$1,412,589	\$1,124,204	\$670,719	\$0
			DATE: 3/21/2017	9/19/2017	5/7/2019	12/1/2020	12/7/2021