



STAFF REPORT

DATE: June 20, 2023

CONSENT

AGENDA ITEM: Approve Release of Warranty Security for Public Improvements for Savona 1st and 2nd Addition.

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Marty Powers, Public Works Director
Clarissa Hadler, Finance Director
Sophia Jensen, City Planner
Chad Isakson, Assistant City Engineer

ISSUE BEFORE COUNCIL: Should the City Council approve release of warranty security for public improvements for Savona 1st and 2nd Addition?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to release the development security for Savona 1st and 2nd Addition. A warranty walk-through has been completed by city staff and all warranty punch list items have since been addressed by the developer. All work is completed per the development agreement.

With the release of the warranty security for public street improvements the overall development security may be released in full.

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Savona 1 st Addition:	\$453,067	\$0
2. Savona 2 nd Addition:	\$385,004	\$0

FISCAL IMPACT: Release of the warranty security closes out the development. The operation and maintenance of the public 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 public improvements in Savona 1st and 2nd Addition, resulting in a full release of all remaining securities. 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 release for the Savona 1st and 2nd Addition as detailed in the respective Security Reduction Worksheets, 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 – Savona 1st Addition.
2. Security Reduction Worksheet – Savona 2nd Addition.

SAVONA 1ST ADDITION

Time of Performance: October 31, 2015

DEVELOPMENT AGREEMENT AMOUNTS				REDUCTIONS						
CATEGORY	CONSTRUCTION	125%	REMARKS	#1	#2	#3	#4	#5	#6	#7
Grading	\$650,000	\$812,500	100%		\$812,500					
Sanitary Sewer	\$138,099	\$172,624	100%	\$86,312	\$43,156		\$43,156			
Watermain	\$155,927	\$194,909	100%	\$97,454	\$48,727		\$48,727			
Streets	\$763,387	\$954,234	100%	\$477,117	\$238,558					\$238,558
Surface Water Facilities	\$493,703	\$617,129	75%	\$308,564		\$154,282				\$154,282
Erosion Control	\$52,533	\$65,666	75%		\$32,833	\$16,417				\$16,417
Sidewalks/Trails	\$119,642	\$149,553	75%		\$112,164					\$37,388
Street Lighting	NA	NA	By Xcel Energy							
Street Signs and Traffic Control Signs	\$11,600	\$14,500	75%		\$7,250	\$3,625				\$3,625
Landscaping	\$97,236	\$121,545	100%					\$91,159	\$30,386	
Tree Preservation and Restoration	NA	NA								
Wetland Mitigation and Buffers	NA	NA	LOC Through VBWD							
Monuments	\$6,450	\$8,063	75%			\$6,047				\$2,016
Miscellaneous Facilities	NA	NA								
Record Drawings	\$2,500	\$3,125	75%			\$2,344				\$781
TOTALS	\$2,491,077	\$3,113,846								
			RELEASED AMOUNTS:	\$969,448	\$1,295,189	\$182,714	\$91,883	\$91,159	\$30,386	\$453,067
			CUMMULATIVE AMOUNTS:	\$969,448	\$2,264,637	\$2,447,351	\$2,539,234	\$2,630,393	\$2,660,779	\$3,113,846
			SECURITY AMOUNT REMAINING:	\$2,144,399	\$849,210	\$666,495	\$574,612	\$483,453	\$453,067	\$0
			DATE:	3/2/2016	12/20/2016	2/5/2019	9/3/2019	12/3/2019	5/2/2023	6/20/2023

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			
Watermain	\$485,172	\$606,464 100%	\$303,232	\$151,616	\$151,616			
Streets	\$614,836	\$768,545 100%	\$384,272	\$192,136				\$192,136
Surface Water Facilities	\$471,332	\$589,165 100%	\$294,583		\$147,291			\$147,291
Erosion Control	\$51,146	\$63,933 100%		\$31,966	\$15,983			\$15,983
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	\$191,769 100%				\$143,827	\$47,942	
Tree Preservation and Restoration	NA	NA						
Wetland Mitigation and Buffers	NA	NA LOC Through VBWD						
Monuments	\$5,800	\$7,250 100%			\$5,438			\$1,813
Miscellaneous Facilities	NA	NA						
Record Drawings	\$2,500	\$3,125 100%			\$2,344			\$781

TOTALS	\$2,098,795	\$2,623,494	RELEASED AMOUNTS:	\$1,178,709	\$474,029	\$420,982	\$143,827	\$47,942	\$358,004
			CUMMULATIVE AMOUNTS:	\$1,178,709	\$1,652,738	\$2,073,720	\$2,217,547	\$2,265,489	\$2,623,494
			SECURITY AMOUNT REMAINING:	\$1,444,785	\$970,756	\$549,773	\$405,947	\$358,004	\$0
			DATE:	3/2/2016	12/20/2016	9/3/2019	12/3/2019	5/2/2023	6/20/2023