



STAFF REPORT

DATE: June 20, 2023

CONSENT

AGENDA ITEM: Approve Release of Warranty Security for Public Improvements for Hammes Estates 3rd 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 Hammes Estates 3rd Addition?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to release the development security for Hammes Estates 3rd Addition. The 1-year warranty period for the public improvements including street construction, concrete curb and gutter, sidewalks and trails, materials and equipment began on November 17, 2020. 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 since been addressed by the developer.

With the release of the 1-year 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. Hammes Estates 3 rd Addition:	\$318,252	\$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 street in Hammes Estates 3rd 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 Hammes Estates 3rd 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 – Hammes Estates 3rd Addition.

HAMMES 3RD ADDITION

Time of Performance: October 31, 2018

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS					
			#1	#2	#3	#4	#5	#6
Grading	NA	NA	Included in Phase 1					
Sanitary Sewer	\$384,246	\$480,307	\$360,230		\$120,077			
Watermain	\$503,893	\$629,866	\$472,399		\$157,466			
Storm Sewer (w/pond structures)	\$360,855	\$451,068	\$225,534	\$112,767		\$112,768		
Streets + Sidewalks	\$500,959	\$626,199	\$313,099	\$156,550		\$156,550		
Bituminous Trails	\$48,972	\$61,215		\$45,911		\$15,304		
Surface Water Facilities	NA	NA						
Street Lighting	\$48,000	\$60,000		\$45,000		\$15,000		
Street Signs and Traffic Control Signs	\$3,100	\$3,875		\$2,906		\$969		
Private Utilities (electricity, natural gas, telephone, and cable)								
Landscaping	\$212,300	\$265,375			\$265,375			
Tree Preservation and Restoration	NA	NA						
Wetland Mitigation and Buffers	NA	NA						
Monuments	\$6,900	\$8,625		\$6,469		\$2,157		
Erosion Control	\$44,616	\$55,770		\$41,828		\$13,942		
Miscellaneous Facilities	NA	NA						
Record Drawings	\$5,000	\$6,250		\$4,688		\$1,562		

TOTALS	\$2,118,840	\$2,648,551	RELEASED AMOUNTS:	\$1,371,263	\$416,118	\$542,918	\$318,252	\$0	\$0
			CUMMULATIVE AMOUNTS:	\$1,371,263	\$1,787,382	\$2,330,300	\$2,648,552		
			SECURITY AMOUNT REMAINING:	\$1,277,288	\$861,170	\$318,252	\$0		
			DATE:	3/17/2020	11/17/2020	2/7/2023	6/20/2023		