



STAFF REPORT

DATE: June 20, 2023

CONSENT

AGENDA ITEM: Approve Release of Warranty Security for Public Sanitary Sewer and Watermain for Union Park 1st Addition.

SUBMITTED BY: Jack Griffin, City Engineer

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

ISSUE BEFORE COUNCIL: Should the City Council approve release of warranty security for public sanitary sewer and watermain improvements for the Union Park 1st Addition?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to release development security for the Union Park 1st Addition. The 2-year warranty period for public sanitary sewer and watermain in Union Park 1st Addition expired on April 20, 2023. A warranty walk-through has been completed by city staff and all warranty punch list items have since been addressed by the developer.

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Union Park 1 st Addition	\$1,378,983	\$ 1,182,771

The remaining proposed security would remain in place for the public street improvement and landscaping.

FISCAL IMPACT: Release of the warranty security closes out the public sanitary sewer and watermain improvements portion of the development. 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 public sanitary sewer and watermain improvements in Union Park 1st Addition, all 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 Union Park 1st Addition as detailed in the respective 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 – Union Park 1st Addition.

UNION PARK 1ST ADDITION

Time of Performance: October 31, 2020

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS					
			#1	#2	#3	#4	#5	#6
Grading	\$268,425	\$335,531 100%		\$335,531				
Sanitary Sewer	\$365,093	\$456,366 100%	\$342,275		\$114,092			
Watermain	\$262,783	\$328,479 100%	\$246,359		\$82,120			
Storm Sewer (w/pond structures)	\$319,348	\$399,185						
Streets + Sidewalks	\$435,304	\$544,130						
Bituminous Trails	\$24,645	\$30,806						
Surface Water Facilities	\$34,727	\$43,409						
Street Lighting	\$24,000	\$30,000						
Street Signs and Traffic Control Signs	\$8,965	\$11,206						
Private Utilities (electricity, natural gas, telephone, and cable)								
Landscaping	\$36,620	\$45,775						
Tree Preservation and Restoration	NA	NA						
Wetland Mitigation and Buffers	NA	NA						
Monuments	\$6,200	\$7,750						
Erosion Control	\$51,408	\$64,260						
Miscellaneous Facilities	NA	NA						
Record Drawings	\$5,000	\$6,250						

TOTALS	\$1,842,518	\$2,303,148	RELEASED AMOUNTS:	\$588,634	\$335,531	\$196,211	\$0	\$0	\$0
		\$491,904	CUMMULATIVE AMOUNTS:	\$588,634	\$924,165	\$1,120,376			
			SECURITY AMOUNT REMAINING:	\$1,714,514	\$1,378,983	\$1,182,771			
			DATE:	4/20/2021	9/7/2021	6/20/2023			