



STAFF REPORT

DATE: October 3, 2023
CONSENT

AGENDA ITEM: Approve Release of Warranty Security for Public Improvements for Four Corners 1st 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 Four Corners 1st Addition?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to release the development security for Four Corners 1st Addition. The 2-year warranty period for the public sanitary sewer and watermain and sod, trees, and landscaping began on September 21, 2023. Twenty-five percent (25%) of the original security was retained through the 2-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 2-year warranty security for public sanitary sewer and watermain and sod, trees, and landscaping the overall development security may be released in full.

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Four Corners 1 st Addition:	\$257,034	\$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 Four Corners 1st 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 may be 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 Four Corners 1st 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 may be required by the City”

ATTACHMENTS:

1. Security Reduction Worksheet – Four Corners 1st Addition.

FOUR CORNERS 1ST ADDITION

Time of Performance: July 31, 2021

DEVELOPMENT AGREEMENT AMOUNTS			REDUCTIONS						
CATEGORY	CONSTRUCTION	125% REMARKS	#1	#2	#3	#4	#5	#6	
Grading	NA	NA							
Sanitary Sewer	\$411,585	\$514,481 75%	\$385,861		\$128,620				
Watermain	\$403,925	\$504,906 75%	\$378,680		\$126,227				
Storm Sewer (w/pond structures)	\$148,706	\$185,883 100%	\$139,412	\$46,471					
Streets + Sidewalks	\$350,555	\$438,194 100%	\$328,645	\$109,548					
Bituminous Trails	\$16,864	\$21,080 100%	\$15,810	\$5,270					
Surface Water Facilities	\$29,400	\$36,750 100%	\$27,563	\$9,188					
Street Lighting	NA	NA							
Street Signs and Traffic Control Signs	\$525	\$656 100%	\$492	\$164					
Private Utilities (electricity, natural gas, telephone, and cable)									
Landscaping	\$7,000	\$8,750 75%	\$6,563		\$2,188				
Tree Preservation and Restoration	NA	NA							
Wetland Mitigation and Buffers	NA	NA							
Monuments	NA	NA							
Erosion Control	\$35,163	\$43,954 100%	\$32,965	\$10,988					
Miscellaneous Facilities	NA	NA							
Record Drawings	\$9,498	\$11,873 100%	\$8,904	\$2,968					
TOTALS	\$1,413,221	\$1,766,526	RELEASED AMOUNTS:	\$1,324,895	\$184,597	\$257,034	\$0	\$0	\$0
			CUMMULATIVE AMOUNTS:	\$1,324,895	\$1,509,492	\$1,766,526			
			SECURITY AMOUNT REMAINING:	\$441,632	\$257,034	\$0			
			DATE:	9/21/2021	12/6/2022	10/3/2023			