



## STAFF REPORT

DATE: August 20, 2024

### **CONSENT**

**AGENDA ITEM:** Accept Improvements and Approve Security Reductions for the Wildflower at Lake Elmo 4th Addition

**SUBMITTED BY:** Jack Griffin, City Engineer

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

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**ISSUE BEFORE COUNCIL:** Should the City Council accept the improvements and approve security reductions for the Wildflower at Lake Elmo 4th Addition?

**PROPOSAL DETAILS/ANALYSIS:** Staff has received and processed a request to accept the improvements and reduce the development security for the Wildflower at Lake Elmo 4th Addition. This request has been reviewed and is being recommended for approval in accordance with the Development Agreement, and contingent on the developer being current with all other required payments and obligations, including a positive escrow balance. The Development Security amount is recommended to be reduced as follows:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Wildflower 4th Addition:	\$793,116	\$661,246

The Wildflower at Lake Elmo 4th Addition public facility warranty periods are identified on the attached Certificate of Completion. Twenty-five percent (25%) of the original security amounts will be retained until the warranty periods have expired and all warranty corrective work has been addressed.

**FISCAL IMPACT:** It is the City's goal to retain at all times during the subdivision improvements a security amount that is adequate to ensure completion of all elements of the improvements as protection to the city tax payers against the potential of developer default.

**RECOMMENDATION:** Staff is recommending that the City Council, *as part of the Consent Agenda*, accept the improvements and approve the security reductions as detailed in the attached worksheet for the Wildflower at Lake Elmo 4th Addition, 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 accept the improvements and approve a security reduction as detailed in the attached Security Reduction Worksheet for Wildflower at Lake Elmo 4th Addition, contingent on the developer being current with all other subdivision payments and obligations.”***

**ATTACHMENTS:**

1. Certificate of Completion – Wildflower at Lake Elmo 4th Addition
2. Security Reduction Worksheet – Wildflower at Lake Elmo 4th Addition

**CERTIFICATE OF COMPLETION**

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DATE OF ISSUANCE: AUGUST 20, 2024

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OWNER: CITY OF LAKE ELMO, MN  
DEVELOPER: ROBERT ENGSTROM COMPANIES  
SUBDIVISION  
NAME: WILDFLOWER 4<sup>TH</sup> ADDITION  
PROJECT NO.: 2021.113

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- This Certification of Completion applies to all work under the Development Agreement  
 This Certification of Completion applies to the following specified parts of the Development Agreement

Section 34.A – Public sanitary sewer and watermain  
Section 34.B – Public improvements including street construction, including concrete curb and gutter, sidewalks and trails, materials and equipment.

I do hereby certify that the work to which this Certificate applies has been constructed in accordance with the Development Agreement dated February 2, 2022. The above-mentioned improvement is hereby declared to be complete and acceptance of this work is recommended.

DATE OF COMPLETION: August 20, 2024

Mike Rusenovich Reg. No. 58717



FOCUS Engineering, inc.

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Section 34.A Warranty Period Begins January 17, 2023 and ends January 17, 2025

Section 34.B Warranty Period Begins August 20, 2024 and ends August 20, 2025

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WILDFLOWER AT LAKE ELMO 4TH ADDITION

Time of Performance: August 31, 2022

DEVELOPMENT AGREEMENT AMOUNTS			REDUCTIONS					
CATEGORY	CONSTRUCTION	125% REMARKS	#1	#2	#3	#4	#5	#6
Sanitary Sewer	\$257,538	\$321,923 75%	\$241,442					
Watermain	\$218,620	\$273,275 75%	\$204,956					
Streets & Sidewalks	\$1,240,903	\$1,551,129 75%		\$775,564	\$387,782			
Storm Sewer	\$238,267	\$297,834 75%		\$148,917	\$74,458			
Erosion Control	\$38,975	\$48,719 75%				\$36,539		
Surface Water Facilities (BMPs)	\$12,460	\$15,575 75%				\$11,681		
Trails	\$50,907	\$63,634 75%				\$47,725		
Street Lighting	\$24,000	\$30,000 75%				\$22,500		
Street Signs and Traffic Control Signs	\$5,219	\$6,524 75%				\$4,893		
Landscaping	\$5,000	\$6,250						
Tree Preservation and Restoration	NA	NA						
Wetland Mitigation and Buffers	NA	NA						
Monuments	\$4,100	\$5,125 75%				\$3,844		
Private Utilities	NA	NA						
Record Drawings	\$5,000	\$6,250 75%				\$4,688		
<b>TOTALS</b>	<b>\$2,100,989</b>	<b>\$2,626,236</b>						
			RELEASED AMOUNTS:	\$446,398	\$924,481	\$462,241	\$131,870	
			CUMMULATIVE AMOUNTS:	\$446,398	\$1,370,879	\$1,833,120	\$1,964,989	
			SECURITY AMOUNT REMAINING:	\$2,179,838	\$1,255,357	\$793,116	\$661,246	
			DATE:	1/17/2023	12/5/2023	1/2/2024	8/20/2024	