



STAFF REPORT

DATE: March 18, 2025

CONSENT

TO: City Council
FROM: Chad Isakson, Project Engineer
AGENDA ITEM: Approve Release of Warranty Security for Public Improvements for Easton Village 4th Addition
REVIEWED BY: Nicole Miller, City Administrator
Clarissa Hadler, Finance Director
Jason Stopa, Community Development Director
Marty Powers, Public Works Director
Nate Stanley, City Engineer

CORE STRATEGIES:

- | | |
|---|--|
| <input type="checkbox"/> Vibrant, inclusive, connected community | <input type="checkbox"/> Efficient, reliable, innovative services |
| <input type="checkbox"/> Responsive, transparent, adaptive governance | <input checked="" type="checkbox"/> Balanced Finances now and future |
| <input checked="" type="checkbox"/> Managed Growth | <input checked="" type="checkbox"/> Resilient Infrastructure |

BACKGROUND: Chase Development, Inc. entered into a development agreement with the City for Easton 4th Addition on September 10, 2018. The sanitary sewer and watermain warranty period ended on January 15, 2021. The public improvement warranty period ended on February 6, 2025.

ISSUE BEFORE COUNCIL: Should the City Council approve release of warranty security for the public improvements for Easton Village 4th Addition?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to release the development security for Easton Village 4th Addition. The 1-year warranty period for the public improvements expired on February 6, 2025. Twenty-five percent (25%) of the original security was retained through the 1-year warranty period. A warranty walk-through was completed by city staff and all warranty punch list items have since been addressed by the developer.

With the release of the warranty security the overall development security may be reduced as shown below:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Easton Village 4th Addition	\$93,053	\$0

FISCAL IMPACT: Release of the warranty security closes out the public improvement portion of the development. The operation and maintenance of the public facilities becomes the responsibility of the city going forward.

OPTIONS: Release the remaining security amount for Easton Village 4th Addition in accordance with Development Agreement **or** Do not approve the release and retain the current security amount.

RECOMMENDATION: Staff is recommending that the City Council, as part of the Consent Agenda, approve the release of public improvement warranty security for Easton Village 4th Addition. The release of security is contingent on the developer being current with all 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:

Motion to approve the release of the warranty security for Easton Village 4th Addition as detailed in the Security Reduction Worksheet, contingent on the developer being current with all 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 – Easton Village 4th Addition.

EASTON VILLAGE 4TH ADDITION

Time of Performance: October 31, 2018

DEVELOPMENT AGREEMENT AMOUNTS			REDUCTIONS						
CATEGORY	CONSTRUCTION	125% REMARKS	#1	#2	#3	#4	#5	#6	
Grading	NA	NA							
Sanitary Sewer	\$74,754	\$93,443	\$70,082	\$23,361					
Watermain	\$123,925	\$154,906	\$116,180	\$38,727					
Storm Sewer	\$109,294	\$136,618		\$102,463	\$34,154				
Streets and Sidewalks	\$146,487	\$183,109		\$137,332	\$45,777				
Trails	NA	NA							
Surface Water Facilities	NA	NA							
Street Lighting	\$12,000	\$15,000 By Xcel Energy		\$11,250	\$3,750				
Street Signs and Traffic Control Signs	\$700	\$875		\$656	\$219				
Private Utilities (electricity, natural gas, telephone, and cable	NA	NA							
Landscaping	\$15,900	\$19,875		\$19,875					
Tree Preservation and Restoration	NA	NA							
Wetland Mitigation and Buffers	NA	NA							
Monuments	\$2,400	\$3,000		\$2,250	\$750				
Erosion Control	\$21,890	\$27,363		\$20,522	\$6,841				
Misc.	NA	NA							
Record Drawings	\$5,000	\$6,250		\$4,688	\$1,563				
TOTALS	\$512,350	\$640,438	RELEASED AMOUNTS:	\$186,262	\$361,123	\$93,053	\$0	\$0	\$0
			CUMMULATIVE AMOUNTS:	\$186,262	\$547,384	\$640,438			
			SECURITY AMOUNT REMAINING:	\$454,176	\$93,053	\$0			
			DATE:	1/15/2019	2/6/2024	3/18/2025			