



STAFF REPORT

DATE: July 2, 2019
CONSENT

AGENDA ITEM: Accept Improvements and Approve Reduction of Security for the Royal Golf Club 1st Addition; and 20th Street Watermain and Site Utilities

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Ken Roberts, Planning Director
Marty Powers, Public Works Director
Chad Isakson, Assistant City Engineer

ISSUE BEFORE COUNCIL: Should the City Council accept the improvements and approve security reductions for the Royal Golf Club 1st Addition and Royal Golf Club Site Utilities?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to accept the improvements and to reduce the development security for the Royal Golf Club 1st Addition and 20th Street Watermain and Site Utilities. This request has been reviewed and the following reductions are being recommended:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Royal Golf Club 1 st Addition:	\$ 1,840,876	\$ 892,597
2. Royal Golf Club Site Utilities:	\$ 1,688,053	\$ 422,012

The Royal Golf Club 1st Addition and Royal Golf Club 20th Street Watermain and Site Utilities public improvements have been completed in accordance with the development agreements dated September 19, 2017 and August 15, 2017 respectively. The completed improvements are in the warranty period per the attached Certificate of Completion. A security amount of 25% of the original security will be retained until the warranty period has expired.

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 for the Royal Golf Club as detailed in the attached worksheets. If removed from the consent agenda, the recommended motion for the action is as follows:

"Move to accept the improvements and approve security reductions for the Royal Golf Club 1st Addition and Royal Golf Club 20th Street Watermain and Site Utilities as detailed in the attached Security Reduction Worksheets".

ATTACHMENTS:

1. Royal Golf Club 1st Addition – Engineers Certificate of Acceptance.
2. Royal Golf Club 20th Street Watermain and Site Utilities – Engineers Certificate of Acceptance.
3. Royal Golf Club 1st Addition – Security Reduction Worksheet.
4. Royal Golf Club 20th Street Watermain and Site Utilities – Security Reduction Worksheet.

CERTIFICATE OF COMPLETION

DATE OF ISSUANCE: JULY 2, 2019

OWNER:	<u>CITY OF LAKE ELMO, MN</u>
DEVELOPER:	<u>ROYAL DEVELOPMENT, INC</u>
SUBDIVISION	
NAME:	<u>ROYAL GOLF CLUB 1ST ADDITION</u>
PROJECT NO.:	<u>2016.125</u>

- ☐ 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

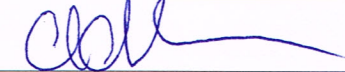
Section 33.A – Public sewer and watermain

Section 33.B – Public improvements including street construction, concrete curb and gutter, storm sewer facilities, sidewalks, 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 September 19th, 2017. The above-mentioned improvement is hereby declared to be complete and acceptance of this work is recommended.

DATE OF COMPLETION: July 2, 2019

Chad Isakson Reg. No. 49028



FOCUS Engineering, inc.

Section 33.A Warranty Period Begins	<u>July 2, 2019</u>	and ends	<u>July 2, 2021</u>
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Section 33.B Warranty Period Begins	<u>July 2, 2019</u>	and ends	<u>July 2, 2020</u>
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CERTIFICATE OF COMPLETION

DATE OF ISSUANCE: JULY 2, 2019

OWNER: CITY OF LAKE ELMO, MN
DEVELOPER: H.C. GOLF LAND, LLC
SUBDIVISION
NAME: ROYAL GOLF CLUB SITE IMPROVEMENT AGREEMENT
PROJECT NO.: 2016.125

- ☐ 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

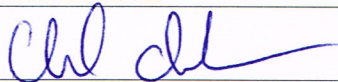
Section 20.A – Public sewer and watermain

Section 20.B – Public improvements including street construction, 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 August 15, 2017. The above-mentioned improvement is hereby declared to be complete and acceptance of this work is recommended.

DATE OF COMPLETION: July 2, 2019

Chad Isakson Reg. No. 49028


FOCUS Engineering, inc.

Section 20.A Warranty Period Begins July 2, 2019 and ends July 2, 2021

Section 20.B Warranty Period Begins July 2, 2019 and ends July 2, 2020

ROYAL GOLF CLUB 1ST ADDITION

Time of Performance: October 31, 2018

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125%	REMARKS	REDUCTIONS			
				#1	#2	#3	#4
Grading	NA	NA	Included in Overall Grading Agreement				
Sanitary Sewer	\$723,897	\$904,871	75%	\$452,436		\$226,218	
Watermain	\$368,489	\$460,611	75%	\$230,306		\$115,153	
Storm Sewer	\$429,087	\$536,359	75%	\$268,179		\$134,090	
Streets and Sidewalks	\$872,121	\$1,090,151	75%	\$545,076		\$272,538	
Trails	\$76,050	\$95,063				\$71,297	
Surface Water Facilities	NA	NA	included in Grading Agreement				
Street Lighting	\$36,000	\$45,000	By Xcel Energy			\$33,750	
Street Signs and Traffic Control Signs	\$11,404	\$14,254				\$10,691	
Landscaping	\$249,083	\$311,354			\$233,515		
Tree Preservation and Restoration	NA	NA	included in Grading Agreement				
Wetland Mitigation and Buffers	NA	NA	included in Grading Agreement				
Monuments	\$7,300	\$9,125				\$6,844	
Erosion Control	\$71,880	\$89,850				\$67,388	
Turn Lanes	NA	NA	included in Streets & Sidewalks				
Record Drawings	\$11,000	\$13,750				\$10,313	
TOTALS	\$2,856,310	\$3,570,388	RELEASED AMOUNTS:	\$1,495,996	\$233,515	\$948,279	\$0
			CUMMULATIVE AMOUNTS:	\$1,495,996	\$1,729,511	\$2,677,791	
			SECURITY AMOUNT REMAINING:	\$2,074,392	\$1,840,876	\$892,597	
			DATE:	1/16/2018	3/5/2019	7/2/2019	

ROYAL GOLF CLUB 20TH STREET WM/SITE UTILITIES

Time of Performance: November 30, 2017

DEVELOPMENT AGREEMENT AMOUNTS			REDUCTIONS		
CATEGORY	CONSTRUCTION	125% REMARKS	#1	#2	#3
Sanitary Sewer	\$274,054	\$342,568	\$256,926		
Watermain	\$900,983	\$1,126,229	\$844,672		
Storm Sewer	\$28,706	\$35,883	\$26,912		
Streets and Sidewalks	\$76,700	\$95,875	\$71,906		
Trails	\$70,000	\$87,500	\$65,625		
TOTALS	\$1,350,443	\$1,688,053	RELEASED AMOUNTS: \$1,266,040	\$0	\$0
			CUMMULATIVE AMOUNTS: \$1,266,040		
			SECURITY AMOUNT REMAINING: \$422,012		
			DATE: 7/2/2019		