



DATE: January 18, 2022
CONSENT

AGENDA ITEM: Approve Security Reduction for Hidden Meadows 2nd Addition

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Molly Just, Planning Director
Marty Powers, Public Works Director
Sam Magureanu, Finance Director
Chad Isakson, Assistance City Engineer

ISSUE BEFORE COUNCIL: Should the City Council approve a security reduction for the Hidden Meadows 2nd Addition as itemized below?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to reduce the development security for the Hidden Meadows 2nd Addition. This request has been reviewed and the following reduction is being recommended for approval, 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:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Hidden Meadows 2nd Addition:	\$ 2,230,607	\$ 1,464,243

Work within the development has progressed in accordance with the development agreement and to the extent necessary to support a reduction in the security as detailed in this report. As part of this reduction the sanitary sewer and watermain improvements have been accepted and the 2-year warranty period will be initiated.

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. With this reduction, the remaining security amount held by the City remains sufficient to complete the remaining improvements.

RECOMMENDATION: Staff is recommending that the City Council approve, *as part of the Consent Agenda*, the security reduction for the Hidden Meadows 2nd Addition as detailed in this report and supporting documentation, 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 security reduction for the Hidden Meadows 2nd Addition as detailed in the attached 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 – Hidden Meadows 2nd Addition.

HIDDEN MEADOWS 2ND ADDITION

Time of Performance: October 31, 2018

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS					
			#1	#2	#3	#4	#5	#6
Grading	\$125,000	\$156,250						
Sanitary Sewer	\$107,890	\$134,863	\$101,147					
Watermain	\$292,113	\$365,141	\$273,856					
Storm Sewer (w/pond structures)	\$301,130	\$376,413	\$188,206					
Streets + Sidewalks	\$325,048	\$406,310	\$203,155					
Bituminous Trails	\$28,600	\$35,750						
Surface Water Facilities	\$131,988	\$164,984						
Street Lighting	\$36,000	\$45,000						
Street Signs and Traffic Control Signs	\$8,600	\$10,750						
Private Utilities (electricity, natural gas, telephone, and cable)								
Landscaping	\$185,000	\$231,250						
Tree Preservation and Restoration	NA	NA						
Wetland Mitigation and Buffers	\$9,000	\$11,250						
Monuments	\$2,500	\$3,125						
Erosion Control	\$80,247	\$100,309						
Phase 2 Wastewater Disposal System	\$146,370	\$182,963						
Record Drawings	\$5,000	\$6,250						
TOTALS	\$1,784,485	\$2,230,607	RELEASED AMOUNTS: \$766,364	\$0	\$0	\$0	\$0	\$0
			CUMMULATIVE AMOUNTS: \$766,364					
			SECURITY AMOUNT REMAINING: \$1,464,243					
			DATE: 1/18/2022					