



Title: Consider a reduction in security for Greywood 4th Addition

Report From: Brian Bloch, Finance Director

Action Requested:	<input type="checkbox"/> Informational	<input checked="" type="checkbox"/> Motion	<input type="checkbox"/> Public Hearing
Form of Action:	<input type="checkbox"/> Resolution	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Contract/Agreement
	<input type="checkbox"/> Other	<input type="checkbox"/> NA	

Summary Statement

Consider a reduction in the security for Greywood 4th Addition

Recommended Action

1. Motion to authorize the reduction in the letter of credit for Greywood 4th Addition in the amount of \$105,030.
2. [Click or tap here to enter text.](#)
3. [Click or tap here to enter text.](#)

Core Strategies

- | | |
|--|---|
| <input type="checkbox"/> Comprehensive Services to meet needs | <input type="checkbox"/> Engage and Informed Community |
| <input type="checkbox"/> Maintain financial sustainability | <input type="checkbox"/> High-Performing team of public servants |
| <input checked="" type="checkbox"/> Conscientious asset/infrastructure mgmt. | <input type="checkbox"/> Safe and healthy community |
| <input checked="" type="checkbox"/> Sustainable and planned growth | <input type="checkbox"/> Maintain and protect community strengths |
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Background

Staff has received a request from JP Brooks Builders to consider a reduction in the letter of credit for the installation of public infrastructure for Greywood 4th Addition. Staff is recommending a release of \$105,030 of the \$105,030 letter of credit the City currently holds. This will finish out the public infrastructure portion of the project. A memo from the Delano City Engineer is attached.

Financial Consideration

Is there a financial consideration?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Financing Source:	<input type="checkbox"/> Budgeted	<input type="checkbox"/> Budget Modification

☐ New revenue source

☐ Use of revenues

☐ Other

Attachments:

☒ Memo from the City Engineer.

☐ Click or tap here to enter text.

☐ Click or tap here to enter text.



To: Brian Bloch, Delano Finance Director
From: Shawn Louwagie, Delano City Engineer
Date: December 10, 2024

Reference: Greywood 4th Addition: Letter of Credit Reduction #3

General

The original required security amount for Greywood 4th Addition was in the amount of \$1,551,858. The table below provides an outline of the construction costs related to the public improvements, the present status of the improvements, and the required amount of security to be withheld.

Current Security Balance	
Original Security Amount	\$ 1,551,858
Reductions to Date	\$ 1,446,828
Current Security Amount	\$ 105,030
Required Security Balance	
Public Improvement Work Remaining to Date	\$ 0
Required Security Amount (Remaining Work + 15%)	\$ 0
LOC Reduction	\$ 105,030

Notes:

The development work is completed. The remaining security funds may be released.

End of Comments

Shawn Louwagie, P.E.
Delano City Engineer
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Attachment:

- c. Phil Kern, Delano City Administrator
Alisha Ely, Delano City Clerk