



Legislation Text

File #: 45139, Version: 1

Fiscal Note

Private Contract, No Funds Required.

Title

Approving Amendment No. 1 to the Contract for the Construction of Public Improvements that Will be Accepted by the City for The Meadowlands - Phase 5, Contract No. 2084. (3rd AD)

Body

WHEREAS, on July 24, 2012, the developer, Veridian Homes AB, LLC of Madison, Wisconsin, had entered into a Contract for the Construction of Public Improvements that Will be Accepted by the City with the City of Madison (the "Contract"), and;

WHEREAS, the Contract authorized an escrow agreement in lieu of a surety bond or letter of credit to guarantee the installation of the public improvements to serve this development, and;

WHEREAS, the City and Developer have since mutually agreed to amend the surety for this project, and;

WHEREAS, the Developer shall provide the City a surety bond in the amount of \$10,000 to fund the warranty period of the public street improvements, and;

WHEREAS, upon the payment by the Developer to the City of a surety bond for \$10,000, the City shall release the Construction Escrow Agreement for this Contract.

NOW, THEREFORE, BE IT RESOLVED: that the Mayor and City Clerk are hereby authorized and directed to execute an amendment to the Contract with Veridian Homes AB, LLC on the following terms:

SECTION I, P. Surety is amended to read:

1. The Developer agrees to enter into a Construction Escrow Agreement to provide surety in the amount of ~~\$242,000.00~~, which shall be integral with this contract. The Construction Escrow Agreement shall detail the terms and condition of the surety requirement and shall be for the amount estimated by the City, which shall cover the entire cost of the public infrastructure improvements with a minimum of 10% retainage added. The Construction Escrow Agreement shall detail the release of surety under this contract. furnish the City with a corporate surety bond in the amount of \$10,000.00 to secure the warranty period of this contract.

ARTICLE II, I. is created to read as follows:

I. Upon the payment by Developer to the City a surety bond in the amount of \$10,000.00 as specified in SECTION I, P., the City shall release the Developer from the Construction Escrow Agreement of this Contract.