

The City of Dacono requires a subdivider or land developer to submit an improvement guarantee to ensure the installation of required public improvements and private landscaping.

**Subdivision Agreement:** A subdivision agreement is required for all site plans that have related public improvements, drainage improvements and/or landscaping to install and/or complete. This includes streets, curbs and gutters, driveways, sidewalks, storm drainage system, potable water system, street lights and landscaping. If a subdivision agreement is required, an estimate of probable construction costs, including all proposed public improvements, drainage improvements and private landscaping improvements, shall be provided by the applicant for the approval by the City Engineer and Community Development Director

**Improvement Guarantee:** The Developer shall post an improvement guarantee in favor of the City for 115% of the entire estimated cost, including labor and materials, of all required improvements. The Developer shall submit to the City for its review and approval detailed cost estimates for public improvements from qualified estimators to support the amount of the improvement guarantee. No public improvements may be constructed without an executed subdivision agreement and until the City has reviewed and accepted an improvement guarantee.

The Developer may elect to deposit a cash sum or certified check which funds will be held by the City in trust until released by the City upon completion of the public improvements. These funds cannot be pledged or used by the Developer as security in any matter during such period. The City will also accept an irrevocable letter of credit from a Colorado Bank in a form approved by the City Council. The letter of credit cannot expire during the winter season (November 1 to March 1).

**Probationary Acceptance:** No later than thirty (30) days, weather permitting, after all required public improvements have been completed, the Developer shall request from the City a probationary acceptance inspection of the public improvements. If deficiencies are noted as a result of the inspection, the developer shall complete all repairs, replacements, construction, or other work required and request a follow-up inspection within thirty calendar days of receipt of the deficiency notice. The Community Development Director, City Engineer, or their designees may recommend probationary acceptance only when all public improvements are complete and upon receipt of as-built drawings in document and electronic format. Probationary acceptance shall not be granted during the winter season (November 1 to March 1).

The City Council shall by resolution grant probationary acceptance, at which time the warranty period shall begin. Upon probationary acceptance, the City Council may authorize the release of eighty percent (80%) of the improvement guarantee. No partial releases of the improvement guarantee shall be permitted.

**Warranty of Public Improvements:** The Developer shall warrant and guarantee that required public improvements constructed under the agreement will remain in good condition and meet operating specifications for two (2) years, commencing with probationary acceptance of such public improvements, or until such improvements have been granted final acceptance by the City Council. Such warranty includes defects in design, workmanship, materials, and any damage to improvements caused by the developer, its agents, or others engaged in work to be performed under the subdivision agreement.

**Final Acceptance:** At least forty-five (45) days, weather permitting, before two (2) years has elapsed from the date of probationary acceptance, the Developer shall schedule a final acceptance inspection with the City. After all deficiencies are cured and any necessary follow-up inspections are completed, the City Engineer, the Community Development Director, or their designees may recommend to the City Council final acceptance of the public improvements and release of the remaining improvement guarantee. If extensive repairs or replacements of public improvements were required during the warranty period, the City Engineer or Community Development Director may recommend the City Council extend the warranty period for a period of time not to exceed one (1) additional year before the improvements will be considered for final acceptance.

The City Council shall by resolution grant final acceptance and accept for ownership and maintenance all public improvements to be owned and maintained by the City. Prior to the release of the remaining improvement guarantee, the Developer shall provide to the City a stamped statement from an engineer licensed in Colorado

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certifying the project has been completed in substantial compliance with the approved plans and specifications of the site plan and related documents.

**Correction of Deficiencies During the Warranty Period:** Within 30 days, or such period as may be extended by the City in its sole discretion, after notification by the City of the need for repair or replacement of any public improvement, the Developer shall correct the deficiencies to the City's satisfaction. Such notification shall be made by certified mail. If the Developer fails to repair or replace the deficiency within the time specified in this Section, the City may make the repair or replacement at the developer's sole expense and either bill the developer for the cost of the repair or draw upon all or a portion of the improvement guarantee.

**Default:** If the Developer defaults on any obligation to construct required public improvements or the obligation to warrant and repair such improvements, the City may draw upon the improvement guarantee to complete or repair the public improvements to ensure that:

- All required public improvements are built to specifications necessary to receive final acceptance; and
- The improvements remain in good condition for the completion of the warranty period.

The City may use improvement guarantee funds for the completion of required public improvements or may hold such guarantee funds until the improvements have been completed. Upon final acceptance of the public improvements, the City shall return to Developer any funds remaining after payment of all costs and fees incurred by the City.

**Inspections:** The Developer shall schedule with the City inspections required by this Article at least forty-eight (48) hours in advance. Prior to the City's acceptance of the public improvements, utility companies and other service providers shall inspect and approve installations that will become their respective responsibility.

Ordinance #732 adopted September 14, 2009