

**CITY OF ALBERTVILLE
COUNTY OF WRIGHT
STATE OF MINNESOTA**

ORDINANCE NO. 2009-010

**AN ORDINANCE AMENDING SECTION 11-9-4 (AGREEMENT FOR
INSTALLATION) AND SECTION 11-9-5 (FINANCIAL GUARANTEE)
OF THE ALBERTVILLE SUBDIVISION REGULATIONS (TITLE 11)
OF THE 2005 ALBERTVILLE MUNICIPAL CITY CODE, RELATING
TO DEPOSIT OR SECURITY AMOUNT REQUIRED BY CITY AND
REQUIREMENTS OF A BANK ISSUING A LETTER OF CREDIT**

THE CITY COUNCIL OF THE CITY OF ALBERTVILLE, MINNESOTA ORDAINS:

SECTION 1. Section 11-9-4 (Agreement for Installation) of Chapter 9 (Improvement Requirements), relating to the specific amount of deposit or security required by the city, is hereby amended as follows:

11-9-4: AGREEMENT FOR INSTALLATION

- B. The agreement shall require the applicant to make an escrow deposit or furnish an irrevocable letter of credit or a certified check as is determined by the city attorney, city engineer, and city administrator. The amount of the deposit or security is to be based upon the city engineer's estimate of the total cost of the improvements to be furnished under the contract, including the cost of inspection. The deposit or security shall equal one hundred percent (100%) of the city engineer's estimate of all municipal improvements, plus 150% of the estimated cost of all landscaping to be installed, plus 50% of the cost of on- and off-site improvements such as bituminous driveways, sod, and seeding. This amount may be reduced or increased upon approval of a city council resolution based upon such consideration as the size of the project, past performance by the applicant and/or financial credibility of the applicant, but in no case shall the amount be less than fifty percent (50%) of the city engineer's estimate. On request of the applicant, the contract may provide for completion of part or all of the improvements covered thereby prior to acceptance of the plat. In such event, and if evidence is presented that the described work and improvements have been paid for, the amount of the deposit may be reduced in a sum equal to the estimated cost of the improvements so completed prior to the acceptance of the plat. (Amended Ord. 1988-8, 9-8 1988; amd. by 2005 Code)

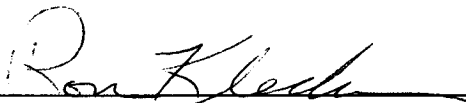
SECTION 2. Section 11-9-5 (Financial Guarantee) of Chapter 9 (Improvement Requirements), relating to the requirements of a bank providing an irrevocable letter of credit, is hereby amended as follows:

11-9-5: FINANCIAL GUARANTEE:

- B. Irrevocable Letter Of Credit: If an irrevocable letter of credit is required, it shall be payable to the order of the city and delivered to the city treasurer and city administrator in a sum equal to the amount calculated, as provided in section 11-9-4 of this chapter, as estimated by the city engineer for all the improvements to be furnished and installed by the applicant pursuant to the contract (developer's agreement), which have not been completed prior to the approval of the plat. The total cost shall include costs of inspection by the city. The irrevocable letter of credit must be from a bank which is insured by the FDIC and which has a branch within 100 miles of the Albertville city hall where the letter of credit can be drawn upon, unless an exception to the 100 mile limitation is approved by the City Council. All letters of credit must automatically renew annually unless the issuing bank sends the city a letter via certified mail at least 60 days prior to expiration notifying the city that the letter of credit will not be renewed upon its stated expiration date. The irrevocable letter of credit shall be approved as to form by the city attorney ~~and filed with the city administrator.~~
(Amended Ord. 1988-8, 9-8-1988)

THIS AMENDMENT SHALL BE IN FULL FORCE AND EFFECTIVE IMMEDIATELY FOLLOWING ITS PASSAGE AND PUBLICATION.

Approved by the Albertville City Council this 1st day of June 2009.



Ron Klecker, Mayor



Bridget Miller, City Clerk