

# Policy Briefing Summary

## City Council



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<b>Regarding:</b>	<b>Resolution to Appropriate \$115,443 in Woodland Drive Performance Bond Funds (2nd reading)</b>
<b>Staff Contact(s):</b>	Brennen Duncan, City Engineer, Krisy Hammill, Director of Budget
<b>Presenter:</b>	<b>Brennen Duncan, City Engineer</b>
<b>Date of Proposed Action:</b>	May 4, 2026

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### Issue

City Council is asked to appropriate \$115,443 in performance bond funds in order to complete outstanding work on the construction project known as Woodland Drive

### Background / Rule

Woodland Drive is a project that has remained unfinished to date. In the spring of 2021, it became apparent that the Developer, Dickerson Homes and Development LLC, was not willing or able to complete the work. In June 2021, the City Engineer decided to cash in the bonded amounts to complete the remaining work.

### Analysis

The bonds consisted of three separate Letters of Credit Drawn on Atlantic Union Bank for stormwater maintenance (\$65,400), erosion and sediment control (\$6,483.15), and public improvements (\$120,570.98). The total bonded amount cashed in was \$192,454.13 and was deposited in the City's CIP Fund. The city performed public improvement portions of the work covered by the bonds, consisting of, but not limited to sidewalk repair, base asphalt and subgrade repairs, surface asphalt, E&S, and curb and gutter work. The total amount for the work performed to date is \$77,012.02 which was funded through the Public Works Public Service Division. There is remaining work that needs to be completed to close out this project. The remaining balance of unspent bond funds is \$115,443 which needs to be appropriated so that the remaining outstanding work can be completed.

### Financial Impact

A performance bond ensures that a contractor completes a construction project in accordance with the contract and protects the City from financial loss if the contractor fails to do so. The contractor was required to provide this bond at the start of the project. The funds now being used to complete the repairs are proceeds from that bond, meaning there is no financial impact to the City and no local funds are required to finish the work.

### Recommendation

Staff recommends approval of the resolution to appropriate the funds.

### Recommended Motion (if Applicable)

### Attachments

1. Resolution to Appropriate \$115,443 Woodland Performance Bond Funds