

**CITY OF COLOGNE
RESOLUTION NO. 26-13
RESOLUTION APPROVING REDUCTION
OF LETTER OF CREDIT**

WHEREAS, The City of Cologne, Minnesota, (the “City”) and Southside Villages of Cologne LLC (the “Developer”) are parties to a Developer’s Agreement (the “Agreement”) regarding the development of certain improvements related to The Village at Cologne 18th Addition to the City of Cologne; and

WHEREAS, pursuant to the Agreement, Developer has maintained a letter of credit (the “Security”) in the original amount of \$708,750 as security for its faithful performance of its obligations under the Agreement; and

WHEREAS, the Agreement allows for the reduction of the total amount of the Security upon request of the Developer based on the value of the completed work, subject to the approval of the City Engineer and the City Council and;

WHEREAS, The Developer has requested a reduction of the Security based on the amount of work which has been completed and;

WHEREAS, The City Engineer has reviewed the request and has determined that the cost of the work remaining amounts to \$320,000 as described in a letter attached hereto as EXHIBIT A.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF COLOGNE, MINNESOTA, AS FOLLOWS:

1. The recitals above and the exhibits therein referenced are hereby incorporated and adopted as finding of fact;
2. The Developer may provide a letter of credit amendment, identical to the original Security with respect to form and terms, except in the reduced amount of \$320,000

Adopted by the City Council of the City of Cologne, Minnesota on Monday July 20th, 2026.

Approved:



Matt Lein
Mayor

Attested:



Michelle Morrison
City Administrator

M/ Bowers

Lein yes

Szarolletta yes

Bowers yes

S/ Olson

Bruss absent Olson yes



Real People. Real Solutions.

EXHIBIT A

2638 Shadow Lane
Suite 200
Chaska, MN 55318-1172

Ph: (952) 448-8838
Fax: (952) 448-8805
Bolton-Menk.com

June 30, 2026

City of Cologne
Attn: Michelle Morrison
1211 Village Parkway
PO Box 120
Cologne, MN 55322

**RE: Olson Development
Letter of Credit Reduction Request No 1**

Dear Mrs. Morrison:

We have reviewed the Letter of Credit reduction request for the Olson Development project, together with the estimated amount of work remaining on the project as of this writing.

It is recommended to reduce the Letter of Credit for this project to \$320,000. This amount is acceptable based on the amount of work remaining along with approximately a 10% contingency.

Please let me know if you have any questions or if you need any additional information.

Sincerely,
Bolton & Menk, Inc.

Jake S. Saulsbury, P.E.

cc: Cindy Nash, City Planner
Ryan Johnson, Bolton & Menk