



TOWN OF GRAND LAKE

STAFF REPORT

TO
Mayor & Trustees

FROM
Steve Kudron, Town Manager

DATE
June 8, 2026

ACTION TYPE: Action Requested Information Only

RE: Portal Crossing Subdivision – Developer Request for Reimbursement of Additional Improvement Costs at 505 Grand Avenue

BACKGROUND

The Portal Crossing Subdivision is located at 505 Grand Avenue within the Town of Grand Lake. As a condition of subdivision approval, the developer was required to complete certain right-of-way (ROW) improvements. The developer received approval on the original civil drawings and proceeded to construct the improvements in accordance with that approval.

In May 2025, previous Town Public Works Director Matthew Reed-Tolonen directed the developer to undertake additional work consisting of a grade change and retaining wall construction at the site. The developer complied with this direction and incurred significant additional costs as a result.

DEVELOPER'S REQUEST

The developer's project manager has submitted a formal request for reimbursement of the additional expenses incurred as a direct result of the Town's direction to deviate from the originally approved civil drawings. The developer contends that the additional work was unnecessary under the original approval and that the changes were imposed at the insistence of Town staff after construction was already underway.

The following additional expenditures were incurred for the grade change and retaining wall work required by previous Town Public Works Director Matthew Reed-Tolonen (Required Changes, May 2025):

Vendor / Description	Amount
Core Engineering	\$5,627.50
Azimuth Survey	\$760.00
Azimuth Survey	\$430.00
Ascent Group Engineering	\$390.00
Premier Concrete	\$7,560.00
Acord Asphalt (difference – prior approval vs. last-minute change)	\$16,738.40
Ritz Builders	\$35,855.96
Rocky Point Builders	\$8,950.00
CRT Rental	\$2,337.12
CRT Rental	\$1,370.56
Flinstone Gravel	\$14,848.49
Flinstone Gravel	\$137.41
Panoramic Irrigation	\$4,000.00
J & L Excavation	\$2,870.00
Scott Zweifel	\$3,600.00

The Tree Farm	\$1,122.50
B & J Plumbing	\$2,800.00
Overhead, Insurance, Comp	\$19,187.63
Subtotal	\$129,089.57
<i>Less: Materials furnished by Town (deduction)</i>	<i>(\$11,396.61)</i>
Net Amount Requested	\$117,692.96

STAFF ANALYSIS

Staff acknowledges that the direction provided by previous Town Public Works Director Matthew Reed-Tolonen in May 2025 represented a material departure from the previously approved civil drawings. The additional work — including grade changes, retaining wall construction, and related engineering and material costs — was performed by the developer in direct response to that direction and would not have been required under the original approval.

A deduction of \$11,396.61 has been identified for materials furnished by the Town in connection with the additional work, reducing the net reimbursement claim to \$117,692.96. Staff has reviewed the submitted cost schedule and finds the itemized expenses consistent with the scope of work directed by the previous Town Public Works Director.

Staff does not make a recommendation as to the specific amount of reimbursement, as this involves a policy judgment regarding the extent of the Town’s responsibility for costs arising from staff-directed plan changes. Staff respectfully presents this matter to the Board of Trustees for its determination.

SUGGESTED MOTIONS

The Board may consider one of the following motions:

Option 1 – Full Reimbursement (Net Amount)

“I move to approve reimbursement to the developer of the Portal Crossing Subdivision in the amount of \$117,692.96, representing the net additional expenses incurred as a result of the Town’s direction to modify the originally approved civil drawings, and to authorize the Town Manager to execute any documents necessary to effectuate said payment.”

Option 2 – Full Reimbursement (Gross Amount)

“I move to approve reimbursement to the developer of the Portal Crossing Subdivision in the amount of \$129,089.57, representing the full additional expenses incurred as a result of the Town’s direction to modify the originally approved civil drawings, and to authorize the Town Manager to execute any documents necessary to effectuate said payment.”

Option 3 – Partial Reimbursement

“I move to approve partial reimbursement to the developer of the Portal Crossing Subdivision in the amount of \$ _____, in recognition of the additional costs attributable to the Town’s direction to modify the originally approved civil drawings, and to authorize the Town Manager to execute any documents necessary to effectuate said payment.”

Option 4 – Denial of Reimbursement

“I move that the Town of Grand Lake decline to reimburse the developer of the Portal Crossing Subdivision for the additional expenses submitted in connection with the grade change and retaining wall construction at 505 Grand Avenue.”