



City of Rochelle

Engineering Department

Memo

To: Dave Plyman, City Manager

CC: Kathy Cooper, Superintendent of water/wastewater RMU

Don Elliott, Supt. of Street Division

Curt Ward, Engineering Technician

Chris Limas, Community development Director

Alan Cooper, City Attorney (via council packet)

From: City Engineer - Sam Tesreau

Date: October 16, 2012

Re: Request for reduction in Fidelity and Deposit Company of Maryland Performance Bond No. 08952092, No. 08952093, No. 08952094, No. 08905295 and No. 08952096 for the public land improvements in connection with the Final Plat of Subdivision for Prologis Park Rochelle – Unit One.

Encl (1): City Engineers letter to Jim Nass dated 10/16/2012

Mr. Jim Nass, vice president of Prologis , has requested a reduction in the Fidelity and Deposit Company of Maryland Performance Bonds No.08952092 (\$447,175.60), No. 08952093 (\$14,741.85), No. 08952094 (\$115,810.19), No. 08952095 (\$117,436.00) and No. 08952096 (\$1,254,311.63)for certain public land improvements, along Ritchie Road and Ritchie Court, for the *PrologisPark Rochelle Unit One subdivision*. However, other private entrances off Ritchie Road and Ritchie Court are not accepted by the City for public improvements and/or maintenance and are considered “private” as shown on the *Final plat of Subdivision for Prologis Park Rochelle – Unit One*. The surety was required as part of the Rochelle Municipal Code final plat requirements for land improvements for said subdivision. A majority of the land improvements have been completed and are in general conformance to the approved plans.

If the request is granted the surety should not be reduced to less than 10%, or \$194,948.00, of the original surety amounts plus an additional \$15,500 for incomplete or outstanding punchlist items subject to the City Engineer’s letter dated 10/16 /2012 (enclosure1). The developer should submit or deposit with the City an irrevocable letter of credit or other approved surety in an amount of no less than \$210,448.00 as approved by City Council, to be held for a period of not less than 24 months before the original performance surety bonds are reduced and/or released.

This surety shall serve as a guarantee of satisfactory completion and performance of the completed and accepted land improvements. Furthermore, all other applicable items of the Rochelle Municipal code section 86-56, et seq. shall be satisfied as well. In addition, it appears an extension will be required to complete the remaining public land improvements and such extension should be no less than a period of one year, or by October 30, 2013.

Please consider the reduction of the letters of credits identified as well as an extension for a period of no less than one year subject to the recommendations herein and the City Engineers letter identified as (enclosure 1).