



City of Rochelle
Engineering Department

Memo

To: Dave Plyman, City Manager

CC: Tim Isley, Supt. of Street Division

Curt Ward, Engineering Technician

Kip Countryman, Community Development

Michelle Pease, Community Development Director

Alan Cooper, City Attorney (via council packet)

From: City Engineer - Sam Tesreau

Date: September 17, 2014

Re: Request for reduction in Chubb Group of Insurance Companies Performance Bond No.82195292 for certain private stormwater grading and public land improvements along Caron Court, for the *PrologisPark Rochelle Unit 4 Subdivision*.

Encl (1):Chubb Group of Insurance Companies Performance Bond No.82195292 in the amount of \$1,673,455.00

Mr. Jim Nass, vice president of Prologis , has requested a reduction in the Chubb Group of Insurance Companies Performance Bond No.82195292 (\$1,673,455.00) for certain private stormwater grading and public land improvements along Caron Court, for the *PrologisPark Rochelle Unit 4 Subdivision*. This is one of four sureties submitted by Prologis as required by 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 with the approved plans. The remaining three surety Performance Bonds No. 82195291, 82195295 and 82195296 are not being reduced at this time since those public land improvements have not been completed.

If the request is granted the surety should not be reduced to less than 10%, or \$167,345.00, of the original surety amount. 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 \$167,345.00 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. Lastly, 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 15, 2015, unless a longer time period is allowed under any developers agreements for this particular subdivision development.

Please consider the reduction of the surety Performance Bond(s) identified as well as an extension to complete the remaining public land improvements as identified herein.