



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 Federal Insurance Company Performance Bond No.82195292 in the amount of \$1,673,455.00

Encl. (2) Resolution for Releasing a Bond For Completion Of Land Improvements

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, utilities and other public land improvements along Caron Court, for the *Prologis Park 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.

The Rochelle Municipal Code provides for the release of the completion guarantee and bond on certain conditions, including the posting of a 24-month performance bond in the amount of no less than 10% of the original surety or \$167,345.00, lien waivers for public improvements, and acceptance of public improvements by the City Council, together with an acknowledgment of the

completion of non-public improvements. Prologis has met all the requirements for release of the bond, except for presentation of lien waivers and posting of the performance bond. Release of the bond, acceptance of the public improvements, and acknowledgment of completion of non-public improvements are to be accomplished by resolution. Lastly, it appears an extension will be required to complete the remaining public land improvements and such extension should be no less than October 30, 2015 unless a longer time period is allowed under any developers agreements for this particular subdivision development.

Please consider the release of bond no. 82195292, as well as an extension to complete the remaining public land improvements as identified herein. A draft resolution will be provided.