

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date</b>	December 7, 2009
	<b>Agenda Item No.</b> <b>14</b> <b>Roll Call No.</b> <b><u>09-</u></b> <b>Communication No.</b> <b><u>09-867</u></b> <b>Submitted by: Larry Hulse, Director</b> <b>Community Development Department</b>	

**AGENDA HEADING:**

Resolution releasing performance bond given as security for the grading and stabilization of Sterling Tract Plats 1 and 2.

**SYNOPSIS:**

Staff recommends that the City Council release the performance bond given as security for the grading and stabilization of Sterling Tract Plats 1 and 2.

**FISCAL IMPACT: NONE**

Amount: N/A

Funding Source: N/A

**ADDITIONAL INFORMATION:**

Sterling Trace Development L.C., as Principal, and Merchants Bonding Company (Mutual), as surety, provided the City with Performance Bond No. IAC 34835 to secure the Principal's obligation to grade and stabilize Sterling Trace Plats 1 and 2 in conformance with the approved grading permit. Sterling Trace Development L.C., defaulted on its obligations under the grading permit to properly grade and stabilize the site. Valley Bank then became the owner of the remaining vacant lots in Sterling Trace Plats 1 and 2 formerly held by Sterling Trace Development L.C., by a deed in lieu of foreclosure.

On August 24, 2009, by Roll Call No. 09-1539, the City Council approved an Agreement with Valley Bank and Merchants Bonding Company whereby Valley Bank was able to hire a contractor to properly grade and seed the lots in Sterling Trace Plats 1 and 2, now owned by Valley Bank, with funds provided by Merchants Bonding. The site has now been graded and stabilized in conformance with the requirements of the grading permit, and the obligations secured by the Performance Bond have now been satisfied.

**PREVIOUS COUNCIL ACTION(S):**

Date: August 24, 2009

Roll Call Number: 09-1539

Action: Approving Agreement with Merchants Bonding Company and Valley Bank for grading and seeding in Sterling Trace Plats 1 and 2. Moved by Kiernan to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).