

Date December 7, 2009

RESOLUTION RELEASING PERFORMANCE BOND GIVEN AS SECURITY FOR THE GRADING AND STABILIZATION OF STERLING TRACE

WHEREAS, Sterling Trace Development, L.C. ("Sterling Trace"), a subsidiary of Regency Homes, was the proprietor and developer of Sterling Trace Plats 1 and 2 in the City of Des Moines and to that end undertook to grade and stabilize the site in conformance with a grading plan approved by the City; and,

WHEREAS, the obligation of Sterling Trace to stabilize the site was backed by Performance Bond No. IAC 34835 from Merchants Bonding Company as surety, in the original amount of \$189,969, and with an outstanding balance (prior to this action) of \$47,492; and,

WHEREAS, Sterling Trace defaulted on its obligation to stabilize portions of the property within Sterling Trace Plats 1 and 2; and,

WHEREAS, Valley Bank held a mortgage upon the remaining lots held by Sterling Trace and has taken title to those lots in lieu of foreclosure; and,

WHEREAS, on August 24, 2009, by Roll Call No. 09-1539, the City Council approved an agreement with Merchants bonding Company and Valley Bank whereby Valley Bank hired a contractor to remedy the erosion problems on the lots it holds in Sterling Trace Plats 1 and 2, and was reimbursed by Merchants Bonding Company; and,

WHEREAS, the lots owned by Valley Bank in Sterling Trace Plats 1 and 2 have now been stabilized in satisfaction of the requirements of the grading permit; NOW THEREFORE,

BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

- 1. That Performance Bond No. IAC 34835 from Sterling Trace Development, L.C., and Merchant's Bonding Company, is hereby released as security for the satisfactory completion of the required grading and site restoration, and shall be returned to the Principal.
2. That the City Clerk is hereby directed to notify the Principal and Surety of the release of such security at the following respective addresses:

Attn: Mike Saffris
Merchant's Bonding Company
2100 Fleur Drive
Des Moines, IA 50321

Attn: Rick Bratrud, Senior V.P.
Valley Bank
12257 University Ave
Clive, IA 50325

★ **Roll Call Number**

Agenda Item Number

14

Date December 7, 2009

-2-

MOVED by _____ to adopt.

FORM APPROVED:

Roger K. Brown

Roger K. Brown

Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				

MOTION CARRIED

APPROVED

.....
Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk