



Date of Council Meeting: June 25, 2013

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Subject: Authorizing an agreement and approving a performance guarantee and water and sewer extension permits for PMW Farms Sections 6.

Staff Contact: Thomas A. Mason, P.E., Director of Public Works.

Recommendation: That the Town Council approve the proposed action for development project performance guarantee for PMW Farms Section 6.

Issue: Section 13-92 of the Leesburg Subdivision and Land Development Ordinance requires all performance agreements and guarantees over \$200,000 for land development projects to be approved by the Town Council.

Fiscal Analysis: This item does not impact the Department of Public Works operating budget.

Background: The following project is ready for Town Council action regarding a performance guarantee and agreement for installation of public improvements:

PMW Farms Sections 6 – The final construction drawings for PMW Farms Section 6 are ready for approval. The cost estimate for public improvements is \$1,539,000 and is approved. The developer, GTIS-HOV Festival Lakes, LLC, proposes to provide a corporate surety bond from Lexon Insurance Company. Lexon Insurance Company meets the Town's requirement for a company issuing corporate surety bonds. We recommend acceptance of a performance guarantee in the amount of \$1,539,000 to guarantee installation of public improvements at PMW Farms Section 6.

PRESENTED: June 25, 2013

RESOLUTION NO. 2013-

ADOPTED: _____

A RESOLUTION: AUTHORIZING AN AGREEMENT AND APPROVING A PERFORMANCE GUARANTEE AND WATER AND SEWER EXTENSION PERMITS FOR PMW FARMS SECTION 6

WHEREAS, GTIS-HOV Festival Lakes, LLC, the developer of PMW Farms Section 6 has requested approval of a corporate surety bond from Lexon Insurance Company in the amount of \$1,539,000 to guarantee the public improvements; and

WHEREAS, the Director of Public Works recommends approval of a contract for installation of public improvements and acceptance of a performance guarantee for PMW Farms 6.

THEREFORE, RESOLVED by the Council of the Town of Leesburg in Virginia as follows:

SECTION I. The Town Manager shall execute the contract for public improvements for the improvements shown on the plans to be approved by the Director of Plan Review for PMW Farms Section 6.

SECTION II. A corporate surety bond from Lexon Insurance Company in the amount of \$1,539,000 is approved as security to guarantee installation of the public improvements shown on plans to be approved by the Director of Plan Review for PMW Farms Section 6.

SECTION III. The extension of municipal water and sewer for PMW Farms Section 6 is approved in accordance with Section 34-25 and Section 34-123 of the Town Code.

PASSED this 25th day of June, 2013.

Kristen C. Umstattd, Mayor
Town of Leesburg

ATTEST:

Clerk of Council