



Date of Council Meeting: February 24, 2015

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Subject: Reduction of the performance guarantee for public improvements installed at PMW Farms Section 6 (TLCD-2011-0001).

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

Council Action Requested: Section 6.04 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. Staff has reviewed the request and inspected the improvements. As a result, I recommend that the Corporate Surety Bond from Lexon Insurance Company in the current amount of \$1,539,000 be reduced by \$1,385,100 to \$153,900. This is a reduction of 90%.

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

Commission Recommendation: Not applicable.

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

Executive Summary: The PMW Farms Section 6 project is ready for Town Council approval of a reduction of the performance guarantee for public improvements.

Background:

PMW Farms Section 6 – GTIS-HOV Festival Lakes, LLC, the developer of PMW Farms Section 6, has completed a large amount of the public improvements and has requested a reduction of the performance guarantee.

Attachments: Resolution

PRESENTED: February 24, 2015

RESOLUTION NO. 2015-

ADOPTED: February 24, 2015

A RESOLUTION: MAKING A REDUCTION OF THE PERFORMANCE GUARANTEE FOR PUBLIC IMPROVEMENTS AT PMW FARMS SECTION 6 (TLCD-2011-0001)

WHEREAS, the Town's Director of Public Works has reviewed the improvements installed to date for PMW Farms Section 6 and certified that the value of work performed is \$1,385,100; and

WHEREAS, a Corporate Surety Bond from Lexon Insurance Company in the amount of \$1,539,000 was provided by the developer and approved by the Council to guarantee installation of public improvements at PMW Farms Section 6; and

WHEREAS, the Director of Public Works recommends reducing the performance guarantee for public improvements installed at PMW Farms Section 6.

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

SECTION I. The Corporate Surety Bond from Lexon Insurance Company for PMW Farms Section 6 in the current amount of \$1,539,000 is reduced to \$153,900.

SECTION II. The Town Manager shall notify the developers that liability for the Corporate Surety Bond has been reduced as outlined in Section I of this resolution and that this reduction does not constitute acceptance of public improvements by the Town or relieve the developer of responsibilities outlined in the contract for public improvements at PMW Farms Section 6.

PASSED the 24th day of February, 2015.

Kristen C. Umstatt, Mayor
Town of Leesburg

ATTEST:

Clerk of Council