



City of Rochelle

Engineering Department

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October 16, 2012

Mr. Jim Nass
Prologis
8755 West Higgins Rd Ste 700
Chicago, Illinois 60631

Re: performance and completion bond sureties for public land improvements for the final plat of Prologis Park Rochelle - Unit One Subdivision. Said subdivision is located along Ritchie Road and Ritchie Ct. in Rochelle, Illinois.

Mr. Nass,

This office has reviewed your request for a reduction in the Performance bonds No. 08952092, No. 08925093, No. 08952094, No. 08952095 and No. 08925096 as issued by Fidelity and Deposit Company of Maryland for the above referenced project. As of October 16, 2012 nearly all of the public land improvements items have been completed with the exception of the remaining punchlist items which include, but are not limited to, street lighting sensor modifications, applicable restoration, temporary erosion control removal, utility adjustments, manhole adjustments, grading/backfilling along the bikepath, and the additional items required for the completion of the as built plans and certification of stormwater management areas. Therefore, it is staff's recommendation that the guarantee shall be reduced upon the following conditions.

- 1) Developer shall complete the land improvements in general conformance with the approved construction and/or site plan(s) and the provisions set forth in the Rochelle Municipal Code (RMC).
- 2) Approval by City Council of the requested reduction in letter of credit as outlined herein. Furthermore the council will need to approve an extension to complete the remaining land improvements as identified. It is anticipated that up to a one year extension will be required to complete the installation of street lights along the City and/or State right of way.
- 3) Submit **complete** "as built" plan copies and an electronic disk in Autocad 2007 or later format. The "as built" shall contain the appropriate information as described within the Rochelle Municipal code or as requested by City staff. "As built" are required for **all land improvements** covered under the approved Engineers estimate of cost, letter of credit, and the approved construction plans. The "as built" should show the applicable location, elevation, size, rim and invert elevations and/or slope of the water main/service, sanitary main/service, electrical conduit/service, storm sewer

and structures, culverts, manholes, pipe drains locations, grading and drainage contours and spot elevations, stormwater detention/retention facilities and other related structures and/or appurtenances, roadways, curb and gutter, sidewalks or other pedestrian paths, striping, street lights, etc. "As built" shall be referenced to state plan coordinates and NAVD so as to make them compatible with the City's mapping system. Furthermore, the as built shall be certified, by the owner/developer and an Illinois Professional Engineer, that all improvements have been constructed in conformance with the approved construction plans and specifications.

- 4) Lien Waivers in accordance with the Illinois Mechanics Lien Act from all contractors. The existing letter will not be reduced nor a new letter of credit accepted until all lien waivers have been received by the City.
- 5) The submission or deposit of a letter of credit or other surety, as approved by council, for no less than ten percent of the cost of the land improvements. This surety shall be held by the City for a period of 24 months after acceptance as a guarantee of satisfactory completion and performance of the land improvements. The current value of the letter of credits are as follows:

Fidelity and Deposit Co. performance bond No. 08952092 for \$447,175.60.
Fidelity and Deposit Co. performance bond No. 08952093 for \$14,741.85.
Fidelity and Deposit Co. performance bond No. 08952094 for \$115,810.19.
Fidelity and Deposit Co. performance bond No. 08952095 for \$117,436.00.
Fidelity and Deposit Co. performance bond No. 08952096 for \$1,254,311.63.

The total values of the above referenced sureties are \$1,949,475. Therefore, given that there are additional items to be completed or restored, as stated in items aforementioned, the performance bond or other surety shall be 10% of \$1,949,475 (or \$194,948), plus an additional \$15,500 for the street lighting, applicable finish grading and seeding restoration, temporary erosion control removal, utility adjustments, manhole adjustments, grading/backfilling, traffic control and/or street signage installation and adjustments and the additional items required for the completion of the as built plans. Therefore, the new deposit of a letter of credit surety shall be no less than \$210,448.

- 6) Final acceptance, by resolution of the city council, of the land improvements which have been designated by the city council for acceptance, and acknowledgement, by resolution of the city council, of completion of the land which have not been designated for acceptance.
- 7) Other items as may be required under section 86-56, et seq. of the Rochelle Municipal Code (RMC).

The final plat, of the above referenced subdivision, was recorded on 4/8/2011. Please be aware that per section 86-54 of the RMC:

(a) All land improvements as defined in this chapter shall be installed and completed within a period of two years after recording of the final plat, unless prior to the expiration of the two-year period an extension of time is requested by the subdivider to complete all of said improvements. Failure of the subdivider to complete all of the said improvements

within such two-year period or any extension thereof shall result in forfeiture of the guarantee collateral. A request for an extension shall not be granted unless adequate guarantee collateral has been received and approved by the city council. In the event building permits have been issued for more than 50 percent of the lots, no extension of the time period shall be granted, except the city council may provide a time extension for completion of sidewalk, tree planting, and parkway restoration improvements; such time extension request shall be accompanied by a guarantee for completion of improvements as required in section 86-52.

(b) In the event of failure to complete the land improvements in the required period, or any extension thereof, as stated above, the city council may direct that no further building permits be issued for property in such subdivision until acceptance or acknowledgment of completion by the city council of the land improvements.

Should you have any questions or comments please contact my office.

Sincerely,

Sam Tesreau, P.E.
City Engineer

Cc: Dave Plyman, City Manager
Bruce McKinney, City Clerk
Chris Limas, Community Development Director
Don Elliot, Street Division Superintendent
Kathy Cooper, RMU Water/Water Reclamation Superintendent
Joe Orlikowski, RMU Electric T&D Superintendent
Alan Cooper, City Attorney