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## VILLAGE OF SUGAR GROVE BOARD REPORT

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**TO:** VILLAGE PRESIDENT & BOARD OF TRUSTEES  
**FROM:** WALTER MAGDZIARZ, COMMUNITY DEVELOPMENT DIRECTOR  
**SUBJECT:** DISCUSSION: AUTHORIZING RELEASE OF PUBLIC IMPROVEMENT GUARANTEE (GORDON ROAD QUIET ZONE PROJECT) (STAR)  
**AGENDA:** JUNE 7, 2022 VILLAGE BOARD MEETING  
**DATE:** JUNE 2, 2022

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### ISSUE

Shall the Village Board authorize release of the public improvement guarantee being held for the Gordon Road quiet zone project.

### DISCUSSION

As required by the Settlers Ridge Annexation Agreement Amendment, Document No. 2017K000658, Coast Oak was required to construct necessary road improvements to Prairie Street and Gordon Road in order to achieve quiet zone status for the Gordon Road railroad crossing. As part of that improvement, Coast Oak is required to provide a public improvement guarantee for the construction of the public improvements. Coast Oak arranged for their road construction contractor to provide the required guarantee. The Contractor is requesting the release of the guarantee.

Following acquisition of land for the needed right-of-way, Coast Oak caused the road improvements and crossing improvements to be constructed and completed according to approved plans. The construction was completed in December 2020. At last, the Federal Railroad Administration (FRA) has responded to the Village's request for acceptance of the crossing improvements and quiet zone improvements. The FRA issued anon-acceptance letter due to two unapproved signs used to identify the railroad crossing. This is a fairly simple correction and will be remedied by the developer and we expect FRA acceptance once the correct signs are installed.

Ordinarily, the release of the public improvement guarantee is a two-step process; first, the cost of the public improvements, second, the release of the maintenance guarantee following the eighteenth month warranty period. The warranty period is intended to discover any flaws in material or construction. No such flaws have been detected in the project since it was completed. In this instance, the public improvements have been installed and in operation for nearly two years prior to FRA approval/acceptance. While the Village Engineer's recommendation letter reflects the two-step process, Village staff and the Village Engineer are of the opinion the warranty period for the public improvements has been satisfied and the entire guarantee amount can be released.

Village staff and the Village Engineer (EEI) reviewed the constructed public improvements and determined, with the exception of the deficiencies noted by FRA, they are complete and in accordance with the approved plans and recommend release of the public improvement guarantee.

The developer is in the process of preparing as-built plans and providing waivers of lien as required. The original surety document will not be returned until we receive the as-builts and waivers of lien.

The Village Code requires Village Board approval to release the entirety of a public improvement guarantee.

#### **ATTACHMENTS**

- Village Engineer recommendation
- Resolution Authorizing the Release of Public Improvement Guarantee (Gordon Road quiet zone project)

#### **RECOMMENDATION**

That the Village Board place a Resolution Authorizing the Release of Public Improvement Guarantee (Gordon Road quiet zone project), subject to Attorney review, on the next Board meeting Consent Agenda.



## Engineering Enterprises, Inc.

May 25, 2022

Mr. Walter Magdziarz  
Community Development Director  
Village of Sugar Grove  
601 Heartland Drive  
Sugar Grove, IL 60554

**Re: *Prairie Street Realignment (Gordon Road Quiet Zone)***  
***Sugar Grove, Illinois***  
***Acceptance and Bond Reduction***

Dear Mr. Magdziarz:

On May 23, 2022, Chris Ott from our office walked through the site to specifically review the remaining punchlist items related to the public improvements for the above referenced project. The public improvements are complete and in general conformance with Village ordinances and standard engineering practices. Consistent with the Annexation Agreement and Subdivision Ordinance, we subsequently recommend that the surety be released to 20% of the amount of the cost of the public improvements for maintenance/warranty purposes. Therefore, we recommend Continental Casualty Company Bond No. 30107894 in the amount of \$598,738.51 be reduced by \$478,990.81 to a new amount of \$119,747.70 subject to receipt of a waiver of lien for this work.

If you have any questions, please do not hesitate to call.

Respectfully submitted,

ENGINEERING ENTERPRISES, INC.

Michele L. Piotrowski, P.E., LEED AP  
Senior Project Manager / Principal

MLP  
Enclosure

pc: Mr. Brent Eichelberger, Village Administrator  
Mr. Anthony J. Speciale, Director of Public Works  
Mr. Brad Merkel, Deputy Director of Public Works  
CJO - EEI



**Resolution 2022-0621\_**

**AUTHORIZING THE RELEASE OF PUBLIC IMPROVEMENT GUARANTEE  
(GORDON ROAD QUIET ZONE PROJECT)**

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**WHEREAS**, on behalf of Coast Oak, LLC, Curran Contracting Company provided surety in the amount of \$598,738.51 in the form of a performance bond from Continental Casualty Company to warranty required public improvements constructed in connection with the Gordon Road quiet zone project, including realignment of Prairie Street at Gordon Road; and

**WHEREAS**, construction of the public improvements have been completed and the mandatory warranty period for said improvements has elapsed; and

**WHEREAS**, Curran Contracting Company has requested release of the surety in its entirety in conjunction with the acceptance of said public improvements and the satisfaction of the mandatory warranty period for said improvements; and

**WHEREAS**, the required public improvements have been completed to the satisfaction of the Village Engineer; and

**NOW, THEREFORE, BE IT RESOLVED** the Village Board hereby releases the surety (\$598,738.51) provided by Curran Contracting Company for the construction of certain public improvements associated with the Gordon Road quiet zone project, including realignment of Prairie Street at Gordon Road, and the required warranty period for said public improvements in its entirety, subject to receipt of waivers of lien and as-built drawings, as required.

**PASSED AND APPROVED** by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, this 21<sup>st</sup> day of June 2022.

ATTEST:

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Jennifer Konen,  
President of the Board of Trustees

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Alison Murphy,  
Village Clerk

	Aye	Nay	Absent	Abstain
Trustee Matthew Bonnie	___	___	___	___
Trustee Sean Herron	___	___	___	___
Trustee Heidi Lendi	___	___	___	___
Trustee Michael Schomas	___	___	___	___
Trustee Ryan Walter	___	___	___	___
Trustee James White	___	___	___	___

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