

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

_____ Resolution or Ordinance (Blue) _____ *Waiver of First Requested*
_____ Recommendations of Boards, Commissions & Committees (Green)
 X Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott R. Niehaus, Village Manager

DATE: November 11, 2014 (B of T) Date: November 20, 2014

TITLE: PC 05-41: 1301 North Lombard Road - LFI Reimbursement Request for Selected Public Improvements

SUBMITTED BY: Department of Community Development

BACKGROUND/POLICY IMPLICATIONS:

The Department of Community Development transmits for your consideration a request to authorize a change order and reimbursement for public water main and sanitary sewer connection improvements associated with Ordinance 5695 relative to the Location Finders International (LFI) and Haney & Sons industrial properties on North Lombard Road (O'Hare/DuPage Business Center Planned Development). (DISTRICT #1)

Staff recommends approval of this request.

Fiscal Impact/Funding Source:

Review (as necessary):
Village Attorney X _____ Date _____
Finance Director X _____ Date _____
Village Manager X _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



MEMORANDUM

TO: Scott R. Niehaus, Village Manager

FROM: William Heniff, AICP, Director of Community Development 

DATE: November 20, 2014

SUBJECT: **PC 05-41: 1301 North Lombard Road (O'Hare-DuPage Business Center Planned Development) – LFI Reimbursement Request for Selected Public Improvements**

Attached for Village Board consideration is a requested change order and reimbursement request for public water main and sanitary sewer connection improvements associated with Ordinance 5695 and the Location Finders International (LFI) and Haney & Sons industrial properties on North Lombard Road.

BACKGROUND

In 2005, the Village approved zoning entitlements and a companion development agreement for the property at 1301 N. Lombard Road property. Many of the negotiated developer obligations were off-site improvements, including the reconstruction of Lombard Road north of Cortland Avenue. The agreement also obligated LFI to install public water and sanitary sewer connections to the Haney & Sons property at 1200 N. Lombard Road and other engineering improvements and surveying activities. At the time of the negotiations it was anticipated that the project would occur shortly thereafter. To address cost concerns, the developer obligations for the additional improvements were capped at \$40,000.

Ordinance 5700 provided for the annexation agreement approval of the adjacent Haney property and made representations and assurances in the annexation agreement. The agreement states that any costs associated with required utility connections would not be borne by Haney. However, Haney donated to the Village a portion of their real estate for a cul-de-sac bulb desired by the Village for a proper vehicle turn-around. The bulb was dedicated as public right of way since 2007 and the Village secured a companion Facilities Planning Amendment. Both the LFI and the Haney agreements were negotiated at approximately the same time and functionally work as a three-party agreement.

Native Floral has since acquired a portion of the LFI property and LFI has been completing the public improvements and building construction obligations. The Village was provided documentation by LFI that demonstrates that the engineering, surveying and utility connection costs to connect the Haney site exceed the \$40,000 cap, as the actual construction figure for the eligible costs is \$56,115. They are seeking reimbursement in the amount of \$16,114.55 for the proposed utility connection improvements.

Attached is a spreadsheet that itemizes the costs associated with the project and how the \$16,114.55 figure was derived. In consideration of this request staff also shares the following that demonstrates that the reimbursement cost is readily offset by substantial net fiscal benefits to the community:

Property taxes generated from Haney & Sons since the 2006 annexation to date:	\$ 11,500
Permit fees collected for utility connection to Haney & Sons:	\$ 8,350
Total engineering fees collected for LFI/Native Floral permit:	\$ 59,765
Total building permit fees collected for LFI/Native Floral permit:	\$137,594
Total value of street improvements to Lombard Road:	\$116,057
Estimated value of dedicated Lombard Road right-of-way:	\$ 15,087

In addition, these figures do not include the future additional property assessments that will be derived by the completion of the LFI development.

ACTION REQUESTED

Attached is a change order for the proposed improvements. Given the unique nature of this request and that the initial representations set forth within the order were made through past Board actions, staff is bringing this matter for Village Board consideration approval. Staff recommends that the Village Board approve the change order and reimbursement request to LFI in the amount of \$16,114.65 associated with utility connection obligations set forth within Ordinance 5695.

Summary of Incurred Fees by LFI for ROW improvements, Utility extentions, Haney utility connections

Cost:
Revised Numbers

Principle:

Principle Construction design coordination, 46 hrs @ \$125 (Combined Development and Haney costs, giving 50%)	\$2,875.00
LA Sites water from Courtland to parallel point (Development related, not Haney)	\$0.00
LA Sites 2" copper crossing Lombard to b/box (Haney related only)	\$5,292.00
LA Sites sanitary from Courtland, crossing Lombard Rd to 6" stub w/ c/o (Development related, except 6" stub w/ c/o is Haney, price to reimburse is for 23 LF of 6" PVC & a cleanout lid)	\$710.00
Spaceco Engineering water and sanitary from Courtland to parallel point and crossing Lombard Rd for future service 5ft from Haney bldg (Combined Development and Haney costs, giving 10%)	\$466.70
Spaceco Engineering permit drawing connection for Haney water and sanitary (Haney related only)	\$230.00
Spaceco staking and as-built drawings (Majority is Development related, not Haney, giving 10%)	\$225.00
New connections to the bldg from LA Sites stubs. Includes sawcutting & demo of pav't areas. Furnish all materials & labor necessary to hook up sanitary and water to the Haney property. Includes: 2" water service, backflow, sanitary hookup. Includes seal of existing well. Includes pumping septic tank, crush & fill of existng septic in accordance with Village of Lombard requirements. Includes \$2500 landscape allowance. (Haney only related costs)	\$19,949.00
Design documents for new service. (Haney related only)	\$2,750.00
Principle Construction General Conditions (costs revised based on percentage of total revised cost)	\$3,249.77
Insurance	\$422.47
Principle Construction OH&P	\$4,029.71
Village of Lombard Permit Fee (Haney util connection permit)	\$8,350.00
	<u>\$48,549.65</u>

Jacob & Hefner Invoices:

12/21/2005 Land Surveying (Plat of Dedication)	\$90.00
1/26/2006 Land Surveying (Plat of Dedication)	\$2,927.50
1/26/2006 Land Surveying (Plat of Easement)	\$725.00
2/16/2006 Land Surveying (Plat of Dedication)	\$110.00
4/12/2006 Land Surveying (Plat of Dedication)	\$1,125.00
4/12/2006 Land Surveying (Plat of Easement)	\$622.50
4/12/2006 Land Surveying (Revise Plat of Dedication)	\$360.00
Land Surveying (Plat of Easement, 10-ft PUE)	
4/12/2006 (Development related, not Haney)	\$0.00
4/12/2006 Land Surveying (Topo of Haney Property)	\$1,605.00
	<u>\$7,565.00</u>

Revised Subtotal:	\$56,114.65
-------------------	-------------

Amount per Developers Agreement: -\$40,000.00

Total Amount to Be Reimbursed:	\$16,114.65
---------------------------------------	--------------------