

VILLAGE OF MULBERRY GROVE, ILLINOIS

ORDINANCE NO. 701

AN ORDINANCE AMENDING CHAPTER 5 OF THE
REVISED CODE OF ORDINANCES TO ADD REQUIRMENTS
FOR PERFORMANCE BONDS TO BE POSTED PRIOR TO
CONSTRUCTION PROJECTS WHICH WOULD ALTER THE PUBLIC
PROPERTY OF THE VILLAGE OF MULBERRY GROVE, ILLINOIS

ADOPTED BY THE BOARD OF TRUSTEES
OF THE VILLAGE OF MULBERRY GROVE, ILLINOIS
THIS 3RD DAY OF NOVEMBER, 2025

Published in pamphlet form by the authority of the Board of Trustees of the
Village of Mulberry Grove, Bond County, Illinois, this 3rd day of November, 2025.

Prepared By:

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STATE OF ILLINOIS
COUNTY OF BOND
VILLAGE OF MULBERRY GROVE

ORDINANCE NO. 7-1

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WHEREAS, WHEREAS, the Board of Trustees of the Village of Mulberry Grove, Illinois, have determined that construction projects within the Village can cause damage to Village property and concern for the safety and health of residents of the Village; and

WHEREAS, the Board of Trustees of the Village of Mulberry Grove, Illinois, have determined that it is necessary to adopt and amend Chapter 5 of the Revised Code of Ordinances of the Village of Mulberry Grove in order to add a requirement for performance bonds to be posted prior to the initiation of any building permit or construction which will damage or alter Village property.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF VILLAGE OF MULBERRY GROVE, BOND COUNTY, ILLINOIS, AS FOLLOWS:

Section 1: A new Article II is added to Chapter 5 of the Revised Code of Ordinances of the Village of Mulberry Grove which hereafter reads as follows:

ARTICLE II – PERFORMANCE BONDS

5-2-1. COMPLETION GUARANTEE APPROVAL. The Village Board shall not approve any permit for the installation of a sewer line, water line, driveway, or any other construction which would result in alterations to Village property until such applicant has provided the Village with legal assurance to guarantee the satisfactory completion in accordance with the sections below.

5-2-2. FORMS OF ASSURANCE. At the option of the Board of Trustees, the required legal assurance may be either a performance bond, letter of credit, or an escrow deposit. Every performance bond and letter of credit shall be reviewed by the Village Attorney and posted with the Village Clerk. Any funds to be held in escrow shall be deposited with the Village Treasurer.

5-2-3. AMOUNT OF BOND OR DEPOSIT. The amount of the performance bond or escrow deposit shall be equal to 110% of the Village Code Enforcement Officer's estimate of the costs of repairing the potential damage to Village property plus all required inspection fees or costs. Any escrow deposit may be in the form of:

- (A) Cash; or
- (B) An irrevocable letter of credit or commitment from a lending institution guaranteeing to the Village the availability of the escrow funds from time to time upon demand.

5-2-4. ELIGIBLE SURETIES. No person shall be eligible to act as surety unless they have been approved by the Village Treasurer. The Village Treasurer shall conduct or cause to be conducted spot audits of all sureties. Any surety who fails to perform shall be ineligible for two years thereafter to act as surety for any improvements or demolition within the Village's jurisdiction.

5-2-5. TERM OF ASSURANCE, EXTENSION. The initial term of any performance bond, letter of credit, or escrow agreement shall be six months. If all the required repairs have not been completed by the end of the six-month period, the Village Board may either extend said bond/escrow agreement for up to one year or may proceed as per state law.

5-2-6. RELEASE OF BOND/ESCROW DEPOSIT.

(A) The Village Treasurer may release up to 90% of the amount of the performance bond/escrow deposit upon receipt of written recommendation from the Code Enforcement Officer and approval of the Village Board upon substantial completion of the required improvements. The amount which the Code Enforcement Officer authorize to be released, shall be equal to the value of repair work actually completed in accordance with approved plans. Requests for release of bond or escrow deposit shall be limited to one-time per site, per phase, or per addition. Multiple requests for releases for the same site, same phase, or same addition shall not be authorized.

(B) The balance of the amount of the performance bond/escrow deposit shall not be released until:

- (1) The Code Enforcement Officer has certified to the Village Board in writing, that all required improvements have been satisfactorily completed; and
- (2) Said improvements have been accepted by and dedicated to the Village or other appropriate governmental entity.

5-2-7. FAILURE TO COMPLETE IMPROVEMENTS. If all the required improvements have not been completed by the end of the six-month period (or one-year and six-months period, in the case of an extension), the Village Board, with the assistance of the Village Attorney, may:

(A) Require the surety to perform on the bond, and to pay the Village an equal amount to the cost of completing the required improvements (as estimated by the Code Enforcement Officer) or the amount of the bond not theretofore released, whichever is less;

(B) Order the Village Treasurer to retain all escrowed funds needed to complete the required improvements, and to return the balance (if any) of such funds to the applicant; or

(C) Require the applicant to submit a new performance bond, escrow deposit, or cash sum sufficient to guarantee the completion of the improvements indicated on the approved improvement plans after recalculation in order to allow for any inflated costs of constructing the required improvements.

5-2-8. OTHER REMEDIES FOR DEFAULT. If the applicant or surety fails to comply with the requirements for payment as described above or fails to complete the improvements as required, and there is risk that applicant will continue construction without timely prior completion of improvements, the Village Board may, in addition or alternatively to other remedies, recommend that the Village Attorney take appropriate legal action and may also withhold any building, or occupancy permits to this applicant or related entities until such compliance is cured.

The Village shall also have the right to partially or wholly remedy an applicant's deficiencies or breached obligations under this code by set-off of any funds or assets otherwise held by the Village to the maximum extent permitted by law. Such set-off shall occur upon written notice of such event by the Village Board to the applicant after the applicant has failed to timely cure the deficiencies. It shall be deemed a provision of every final plat approval under this code that the developer shall pay the Village's costs, including reasonable attorney's fees, of enforcement of any provision herein.

SECTION 2: This Ordinance shall be effective upon its due publication in pamphlet form as by ordinance and statute otherwise provided.

This Ordinance was passed and adopted by the Board of Trustees of the Village of Mulberry Grove, Bond County, State of Illinois, on this 3rd day of November, 2025, upon aye and nay vote as follows:

	<i>Aye</i>	<i>Nay</i>	<i>Abstain</i>
Steve Daley	_____	_____	✓
Dennis Henrichsmeyer	_____	_____	✓
Shawna Sue Henrichsmeyer	✓	_____	_____
Tim Keck	_____	_____	✓
David Koonce	✓	_____	_____
Amy Wright	✓	_____	_____

Approved this 3rd day of November, 2025.

Mike Burlingame
Mike Burlingame, Village President

ATTEST:

Dianne Siebert
Dianne Siebert, Village Clerk

CERTIFICATION

I, Dianne Seibert, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Mulberry Grove, Bond County, Illinois, and that as such officer, I am the keeper of the records and files of the Village of Mulberry Grove, Illinois.

I do further certify that the foregoing document is a true, correct and complete copy of Ordinance 701 as passed by the Board of Trustees of the Village of Mulberry Grove, Illinois at the regularly scheduled Village Board Meeting on the 3rd day of November, 2025, said ordinance being entitled:

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In witness whereof, I have hereunto affixed my official signature and the seal of the Village of Mulberry Grove, Bond County, Illinois, this 3rd day of November, 2025.

Dianne Siebert
Dianne Siebert, Village Clerk
Village of Mulberry Grove, Illinois

(SEAL)