



July 19, 2013

Mr. David Lothspeich
3110 RFD Old McHenry Road
Long Grove, IL 60047
RE: Executive House LOC Reduction #3
ESI Project Number 04-026-018-01 BG# 311

Dear Dave,

This letter is regarding the recent request by Executive House Property to release funds from the Letter of Credit. Martin Iwanicki requested the 1st request for reduction via E-mail on June 17, 2013 then updated July 18th, and July 19th. This request included the following:

- Excel spreadsheet organized to match our breakdown of items showing what items have been completed to what percentage in order to back-up the current payment request. Prepared and signed by John Brown of V3 certifying that this calculation is correct and is requesting \$511,510.00 (minus previous pavement of \$198,682.50 leaving \$312,827.50) in payment. \$151,357.50 and \$66,286.75 in maintenance remaining in the LOC
- Proof Roll test prepared by Holmes Testing Inc dated 1/10/2013 and received by ESI 7/19/2013
- Chlorination results from Surburban Laboratories Inc, dated 1/15/2013 and a second report dated 1/16/2013 and received by ESI Consultants 7/18/2013
- Lake County Public Works Department sanitary sewer test results dated 5/10/2013 and received by ESI Consultants, Ltd 7/18/2013

Subject to the accuracy of the information provided we recommend approval of \$300,327.50 as the amount reduced at this time which is 96% of the requested reduction. The difference is due to Storm Sewer System and Earthwork section. Based on our field investigation the Storm Sewer is fully installed however we will not reduce larger than 50% of these items until an as-built survey is provided showing that they were installed at the correct elevation.

The remaining difference is included in earthwork, all earthwork items will not be reduced more than 75% until as-built surveys are provided showing that the grading was done properly and stabilization measures are in place.

With approval of this payment / performance guarantee reduction it will leave \$230,144.25 in the account as Performance Guarantee which we believe to be reasonable and appropriate based on the remaining work. If any of the information submitted contains any material inaccuracy, then any approvals shall be deemed ineffective and rescinded.

Sincerely,
ESI Consultants, Ltd

Brian Witkowski, P.E.
CC: Dan Tinnes, D B Loren Co LLC
Vic Filipini, Holland and Knight
Joseph Chiczewski / File, ESI Consultants