

Item #6:
Village Trustee Acuna
C. Sunset Grove Performance Guarantee Reduction #2



January 25, 2010

FEB 03 2010

Mr. David Lothspeich
3110 RFD Old McHenry Road
Long Grove, IL 60047

VILLAGE OF LONG GROVE

RE: Sunset Groves Payout 2
ESI Project Number 04-026-018-01 BG# 72

Dear Dave,

This letter is regarding the pay request #2 by Sunset Groves LLC to release funds from the Construction Loan Account pursuant to the RDA which effectively reduces the performance guarantee. Jack Shum of Lakewood sent a draft request via email on January 11, 2010; we received paper copies of the request and the record drawings for the sanitary and storm sewer on January 15th, 2010. This request included the following:

- Cover Letter from Lakewood Real Estate Solutions describing the requested amount of reduction in each section dated January 11th, 2010
- Application for payment from Lakewood Homes to the Village of Long Grove in the amount of \$432,420.88 for the current payment
- Excel spreadsheet reorganized to match our breakdown of items showing what items have been completed to what percentage in order to back-up the current payment request.
- A breakdown of the site by sections in order to reduce earthwork and future pavement items as fully completed in a section as described in this document
- A exhibits accompanying this breakdown in order to depict the sections on a map for easy reference
- Lake County Public Works Department sanitary sewer vacuum test reports
- Lake County Public Works Department Sanitary Air test reports
- Letter from United Septic Inc stating that they do not believe it is wise to televise the sewer during freezing temperatures, and that they will be performing the televising as soon as possible
- Application for payment from Bell Land Improvement to Lakewood Homes in the amount of \$45,033.41 for the current payment. Including a breakdown of the amount they are submitting for payment
- Copy of an invoice from Bell Landscaping for \$13,102.40
- Copy of an invoice from Classic Landscape Ltd for \$1,159.80, and \$2,187.50
- Copy of an invoice from J & S construction for \$312,796.50 for sanitary sewer, watermain, and storm sewer work
- Copy of an invoice from J & S construction for \$5,068 for the construction entrance, including CA-1, and CA-6
- Copy of an invoice from J & S construction for \$1,719.23 for the temporary pond outlet
- Copy of an invoice from Midwest Forestree for additional tree and brush clearing in the amount of \$2,000.
- A detailed breakdown of the invoiced amounts per each category on the engineers estimate for the entire sunset groves project

Based on these documents Lakewood Real Estate Solutions has completed an application for payment to the Village of Long Grove in the amount of \$432,420.88 (\$1,020,949.58 less previous release for payment of \$588,528.70). Additionally there was retainage withheld on the first reduction that is recommended to now release. The retainage was held due to the certain issues related to the first submittal and during our formal meeting regarding finalizing the procedure for pay request submittals. It has since been agreed that since retainage is currently incorporated into the quantity breakdown there would be no need to further withhold retainage on the release of payments. Accounting for the release of this retainage the actual requested payment is \$491,273.75.

Subject to the accuracy of the information provided we recommend approval of \$467,457.61 as the TOTAL amount released at this time which is approximately 95% of the requested reduction. The difference of \$23,822.14 is primarily due to an additional 10% withholding on specific items in the sanitary sewer section due to televising not being completed at this time. The additional difference is due to a minor discrepancy in the amount of work reported to be completed at this time. The attached spreadsheet provides further detail as to which items are included in this amount.

With this release for payment it will leave \$3,933,733.33 in the account as Performance Guarantee which we believe to be reasonable and appropriate based on the remaining work. Please call me if you have any questions regarding this pay request processing.

Sincerely,
ESI Consultants, Ltd
President



Joseph Chiczewski, P.E.
Village Engineer

Attachment

CC: Jack Shum, Sunset Groves LLC
Vic Filipini, Holland and Knight
B Witkowski / File, ESI Consultants

ESI

www.esiconsultantsltd.com

Section	Requested Reduction 1	Recommended Reduction 1	Requested Reduction 2	Recommended Reduction 2	Previous Retainage
Sediment and Erosion Control	\$ 6,300.00	\$ 5,812.50	\$ 5,812.50	\$ 5,812.50	\$ 581.25
Earthwork	\$ 564,823.25	\$ 424,554.00	\$ 532,704.00	\$ 526,041.50	\$ 42,455.40
Sanitary Sewer Improvements	\$ 169,051.50	\$ -	\$ 98,184.25	\$ 88,955.79	\$ -
Water Main Improvements	\$ 100,856.50	\$ 69,041.88	\$ 138,083.75	\$ 138,083.75	\$ 6,904.19
Storm Sewer Improvements	\$ 158,599.00	\$ 89,120.33	\$ 246,165.08	\$ 238,233.90	\$ 8,912.03
ON-Site Roadway Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
IL Route 83 Road Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
CUMULATIVE TOTAL	\$ 999,630.25	\$ 588,528.70	\$ 1,020,949.58	\$ 997,127.44	\$ 58,852.87

Payout 1

Grand Summary \$ 529,675.83

Payout 2

\$ 467,451.61

EEOPC Remaining

\$ 4,401,184.94

\$ 3,933,733.33