

Item #6:
Resolution Reducing Sunset Grove LOC

**VILLAGE OF LONG GROVE
RESOLUTION NO. 2010-R-__**

**A RESOLUTION AUTHORIZING THE REDUCTION OF A LETTER OF CREDIT
FOR SUNSET GROVE**

WHEREAS, pursuant to Section 15 of the “Redevelopment Agreement between the Village of Long Grove and Sunset Grove Development Project Corp. (Sunset Grove Project)” dated March 25, 2008, as it may be amended from time-to-time (“**Redevelopment Agreement**”), the Village of Long Grove requires an irrevocable letter of credit as security to the Village for the performance by Sunset Grove LLC (“**Developer**”) of Developer's obligations to construct and complete the Public Improvements and Private Improvements (as defined in the Redevelopment Agreement); and

WHEREAS, the Developer provided to the Village “Letter of Credit No. 620266800-501,” in the amount of \$3,913,543.72, to secure certain public improvements required pursuant to the Redevelopment Agreement, (“**Letter of Credit**”); and

WHEREAS, based on the recommendation of the Village Engineer, on May 25, 2010, the Village Board passed Resolution No. 2010-R-20, authorizing a reduction in the Letter of Credit to the amount of \$3,888,293.33 (the “**Reduced Amount**”); and

WHEREAS, based on the recommendation of the Village Engineer, on June 22, 2010, the Village Board passed Resolution No. 2010-R-24, authorizing the further (second) reduction in the Letter of Credit to the amount of \$3,804,131.33 (the “**Reduced Amount**”);

WHEREAS, based on the recommendation of the Village Engineer, on July 27, 2010, the Village Board passed Resolution No. 2010-R-28, authorizing the further (third) reduction in the Letter of Credit to the amount of \$3,778,077.83 (the “**Reduced Amount**”);

WHEREAS, the Developer is now requesting that the Letter of Credit be further reduced (fourth) to more accurately reflect the work that remains to be completed and performed; and

WHEREAS, based on the recommendation of the Village Engineer as set forth in Exhibit A attached hereto, various elements of the improvements for which the Letter of Credit was required have been satisfactorily completed and approved by the Village, thereby warranting a partial reduction in the Letter of Credit from \$3,778,077.83 to the principal amount of \$3,751,959.33;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF LONG GROVE, LAKE COUNTY, ILLINOIS, THAT:

Section 1: Recitals. The recitals set forth above are incorporated as a part of this Resolution by this reference.

Section 2: Reduction of Letter of Credit. The Letter of Credit in the Reduced Amount of \$3,778,077.83 shall be and is hereby reduced to the amount of \$3,751,959.83. The Village Manager and Village Treasurer are hereby authorized and directed to take such action as may be necessary consistent with this Resolution.

Section 3: Effective Date. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this 24th day of August, 2010.
AYES: (0) Trustees XXXX
NAYS: (0)
ABSENT: (0)
APPROVED this 24th day of August, 2010.

Village President, Maria Rodriguez

ATTEST:

Village Clerk, Karen Schultheis

EXHIBIT A

VILLAGE ENGINEER RECOMMENDATION

Recommended Reduction 6	Requested Reduction 6	Recommended Reduction 6
\$ 9,942.50	\$ 11,192.50	\$ 9,942.50
\$ 762,167.00	\$ 792,185.00	\$ 788,285.00
\$ 88,955.79	\$ 88,955.79	\$ 88,955.79
\$ 138,083.75	\$ 138,083.75	\$ 138,083.75
\$ 238,233.90	\$ 238,233.90	\$ 238,233.90
\$ -	\$ -	\$ -
\$ -	\$ -	\$ -
\$ 1,237,382.94	\$ 1,268,650.94	\$ 1,263,500.94
Payout 6		Payout 7
\$ 26,053.50		\$ 26,118.00
\$ 3,778,077.83		\$ 3,751,959.83

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ESI

ESI CONSULTANTS, LTD
Excellence, Service, Integrity
NAPERVILLE • CHARLESTON
CHICAGO • ELIZABETH

August 17th, 2010

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

RE: Sunset Groves Payout 7
ESI Project Number 04-026-018-01 BG# 72

Dear Dave,

This letter is regarding the recent request 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 5th request for reduction via e-mail on July 7th, 2010. This request included the following:

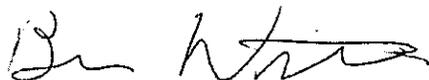
- Cover Letter from Lakewood Real Estate Solutions describing the requested amount of reduction in each section dated August 2nd, 2010
- Application for payment from Lakewood Homes to the Village of Long Grove in the amount of \$84,600.00 for the current payment, signed by Manhard dated August 2nd, 2010
- 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.
- Letter from Manhard Consulting, Ltd confirming that the retaining walls are installed properly on the east side of the development, dated August 2nd, 2010
- Invoice for payment from Bell Land Improvement to Lakewood Homes in the amount of \$3,800.80 and \$2,5537.50 for undercutting and additional excavation
- Invoice from Classic Landscape to Lakewood Real Estates Solutions for PERF 4" pipe in LN Ft, Retaining Wall installation and geogrid in the amount of \$17,525.50
- OZ Engineering, LLC soils reports dated June 29th, 2010
- A one-page exhibit entitled North Entrance Subgrade Verification Exhibit, created by Manhard Consulting, Ltd, dated 7-27-2010
- A onepage exhibit entitled Retaining Wall Verification Exhibit, created by Manhard Consulting, Ltd, dated 8/3/2010

Based on these documents Lakewood Real Estate Solutions has completed an application for payment to the Village of Long Grove in the amount of \$26,130.50 (\$1,263,513.44 less previous amount of \$1,237,382.94).

Subject to the accuracy of the information provided we recommend approval of \$26,118.00 as the amount reduced at this time which is 99.9% of the requested reduction due to rounding differences. The inclusion of the current grades for the north entrance area and the retaining wall allow us to reduce the requested amount.

With approval of this payment / performance guarantee reduction it will leave \$3,751,959.83 in the account as Performance Guarantee which we believe to be reasonable and appropriate based on the remaining work.

Sincerely,
ESI Consultants, Ltd

A handwritten signature in black ink, appearing to read "Brian Witkowski". The signature is fluid and cursive, with the first name being more prominent.

Brian Witkowski, P.E.
Enforcement Officer

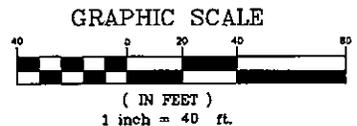
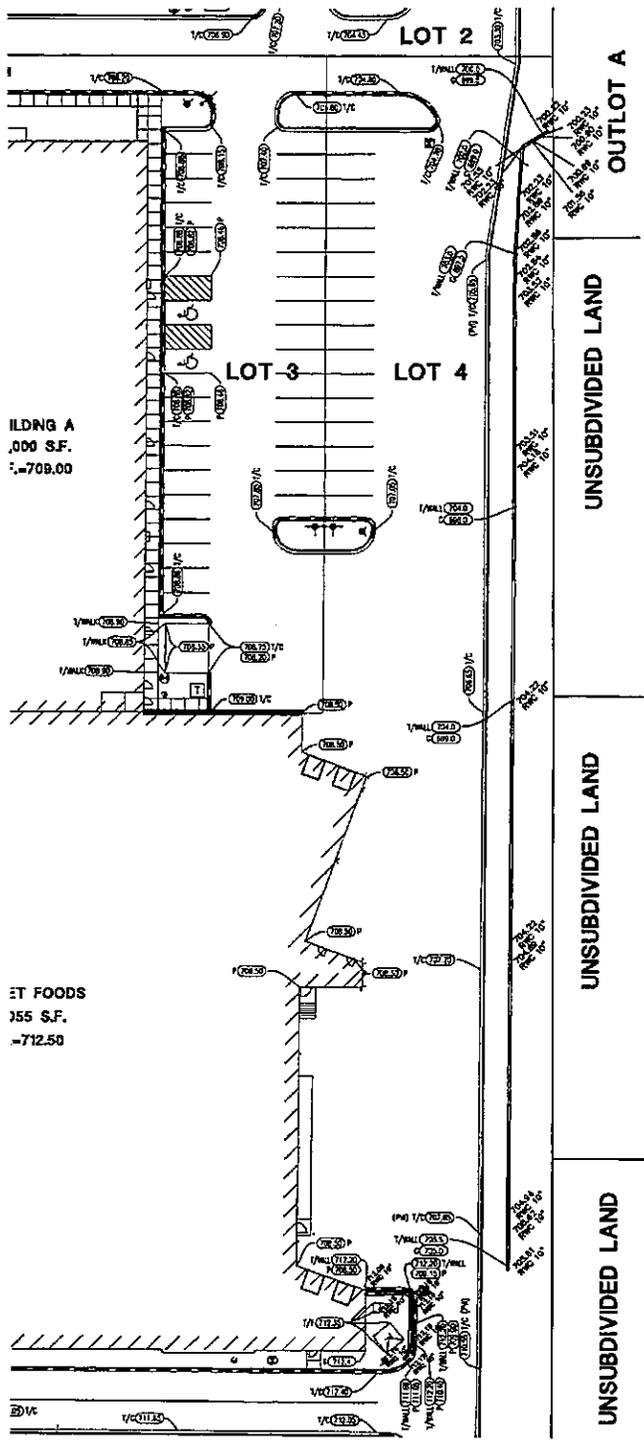
Attachment

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

ESI

www.esiconsultantsltd.com

RETAINING WALL VERIFICATION EXHIBIT



LEGEND

DESC (ELEV.) = PROPOSED SPOT ELEVATION
 701.56 = TOP OF RETAINING WALL
 RWC 10" (AS-CONSTRUCTED)

NGVD29 BENCHMARKS:
 ALL TOPOGRAPHIC ELEVATIONS SHOWN HEREON ARE RELATED TO THE SITE DATUM. SUBTRACT 0.19 FEET FROM ALL ELEVATIONS TO CONVERT TO NGVD29 DATUM.

BENCHMARK (NGVD29):
 VILLAGE OF BUFFALO GROVE BENCHMARK NUMBER 45. ROD MONUMENT UNDER ACCESS COVER MARKED GPS CONTROL MONUMENT VEG-3B.
 SITE ELEVATION = 703.08
 [NGVD29 ELEVATION = 702.89 (703.08-0.19*)]

BENCHMARK (NGVD29):
 LAKE COUNTY BENCHMARK 4-19B. CHISELED CROSS ON CONCRETE STORM DRAIN AT NORTHEAST CORNER OF ILLINOIS ROUTE 22 AND KRUEGER ROAD.
 SITE ELEVATION = 747.12
 [NGVD29 ELEVATION = 746.93 (747.12-0.19*)]

SITE BENCHMARK:
 CUT SQUARE ON THE WEST SIDE OF TRAFFIC LIGHT BASE AT NORTHEAST CORNER OF ILLINOIS ROUTE 83 AND APTAKISIC ROAD
 SITE ELEVATION = 708.88
 [NGVD29 ELEVATION = 708.69 (708.88-0.19*)]

- GENERAL NOTES:**
1. THIS SURVEY WAS PREPARED FOR SUNSET GROVE, LLC BASED ON FIELD WORK COMPLETED ON AUGUST 2, 2010.
 2. THE BOUNDARY LINES SHOWN HEREON ARE BASED ON THE FINAL PLAT OF SUBDIVISION PREPARED BY MANHARD CONSULTING LAST DATED JUNE 30, 2010. PROPOSED EASEMENTS HAVE NOT BEEN SHOWN.
 3. THE PROPOSED IMPROVEMENTS SHOWN HEREON ARE BASED ON THE ENGINEERING PLANS PREPARED BY MANHARD CONSULTING LAST DATED JULY 2, 2010.
 4. MANHARD CONSULTING, LTD. IS A PROFESSIONAL DESIGN FIRM REGISTRATION NUMBER 184D03350. EXPIRES APRIL 30, 2011.

DATE	REVISIONS	BY

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Manhard CONSULTING LTD
 800 Woodlark Parkway, Vernon Hills, IL 60061 Tel: (847) 824-0800 Fax: (847) 824-0208 manhard.com
 Civil Engineers - Surveyors - Water Resources Engineers - Water & Wastewater Engineers
 Construction Managers - Environmental Remediation - Landmarks Archaeology - Planning

SUNSET GROVE DEVELOPMENT					
LONG GROVE, ILLINOIS					
RETAINING WALL VERIFICATION EXHIBIT					
APPROVED BY	DATE	SCALE	DRAWN	CHECKED	PROJECT
ERV	06/03/10	1"=40'			

Draw Name: F:\Work\Proj\Sur\Final Drawings\Record Drawings\WADLC-Retaining wall behind sunset foods AS-BUILD.dwg Updated By: ewesky 13:25