

RESOLUTION 09-108

**A RESOLUTION OF THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF
SPRING HILL, TN TO RENEW THE EXISTING LETTER OF CREDIT
FOR BENEVENTO SUBDIVISION, PHASE 1 AND 2**

WHEREAS, a Letter of Credit is currently in place for this development; and

WHEREAS, the existing Letter of Credit is guaranteeing the performance of certain public improvements;
and

WHEREAS, the following public improvements are required:

*Water, Sewer, Storm Water Drainage and Basins, Streets and Curbs and final topping to all
streets with 1 ½ inches of hot mix asphalt; and*

WHEREAS, to date, public improvements have not been accepted by the City and therefore a surety bond is
required; and

WHEREAS, it is the recommendation of the Planning Commission that the existing Letter of Credit be
renewed in the amount of \$291,850.00; and

WHEREAS, it is anticipated that the date of completion for the above referenced public improvements will
be within the time prescribed for the bond and it is required that an automatic renewal clause, to the benefit of
the City of Spring Hill, be included within the bond in case such improvements are not completed in a timely
manner; and

WHEREAS, the developer is required under Article III, Section 3-102.201 of the Subdivision Regulations to
submit an "as-built" survey of the public improvements including water, sewer and drainage; and

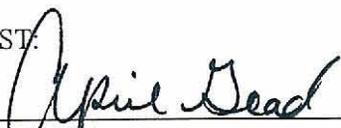
WHEREAS, upon completion of the public improvements listed above, the Developer will be required to file
a "maintenance" bond guaranteeing performance of the public improvements for an additional one year period
with the Planning Commission after the dedication and acceptance of such public improvements by the Board
of Mayor and Aldermen.

NOW, THEREFORE BE IT RESOLVED, by the Board of mayor and Aldermen of the City of Spring Hill
that the renewal of the existing Letter of Credit for Benevento Subdivision, Phase 1 and 2 in the amount of
\$291,850.00 is hereby approved.

Passed and adopted this 21st day of December, 2009.


Michael Dinwiddie, Mayor

ATTEST:



April Godd, City Recorder

LEGAL FORM APPROVED:



RESOLUTION 09-53 OF THE
PLANNING COMMISSION
OF THE CITY OF SPRING HILL, TENNESSEE

A RESOLUTION TO RENEW THE EXISTING LETTER OF CREDIT
FOR BENEVENTO SUBDIVISION, PHASE 1 AND 2

WHEREAS, a Letter of Credit is currently in place for this development; and

WHEREAS, the existing Letter of Credit is guaranteeing the performance of certain public improvements;
and

WHEREAS, the following public improvements are required:

Water, Sewer, Storm Water Drainage and Basins, Streets and Curbs and final topping to all streets with 1 ½ inches of hot mix asphalt; and

WHEREAS, to date, public improvements have not been accepted by the City and therefore a surety bond is required; and

WHEREAS, it is the recommendation of the Codes Department that the existing Letter of Credit be renewed in the amount of \$291,850.00; and

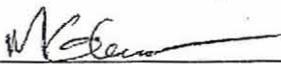
WHEREAS, it is anticipated that the date of completion for the above referenced public improvements will be within the time prescribed for the bond and it is required that an automatic renewal clause, to the benefit of the City of Spring Hill, be included within the bond in case such improvements are not completed in a timely manner; and

WHEREAS, the developer is required under Article III, Section 3-102.201 of the Subdivision Regulations to submit an "as-built" survey of the public improvements including water, sewer and drainage; and

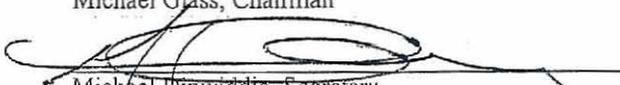
WHEREAS, upon completion of the public improvements listed above, the Developer will be required to file a "maintenance" bond guaranteeing performance of the public improvements for an additional one year period with the Planning Commission after the dedication and acceptance of such public improvements by the Board of Mayor and Aldermen.

NOW, THEREFORE BE IT RESOLVED, by the Spring Hill Planning Commission that the renewal of the existing Letter of Credit for Benevento Subdivision, Phase 1 and 2 in the amount of \$291,850.00 is hereby recommended to the Board of Mayor and Aldermen.

Passed and adopted this 14th day of December, 2009.



Michael Glass, Chairman



Michael Dinwiddie, Secretary

108

BOND INFORMATION SHEET

Site Name: Benevento Subdivision, Phase 1

Type of Bond:	Letter of Credit	Original Bond Amount:	\$291,850	<u>Type of Action Requested:</u>
Bond #:	4460	Current Bond Amount:		Bond Renewal <input checked="" type="checkbox"/>
Bond Issued:	14-Jan-09	25% of Original Amount:	\$72,963	Bond Reduction <input type="checkbox"/>
Expiration Date:	15-Jan-10	(Per Section 3-102.202 of Sub. Regs)		Bond Release <input type="checkbox"/>

Past Actions

Date:	Type of Action:	Amount:	Reason:

Required Installation

Streets		
Binder Installed:	Yes	
Road Base:	Stone	
Compaction Test Submitted:	No	
Curb Installed:	Yes	
Final Topping installed:	No	
Street Signs Installed:	Yes	
Street Lights Required:	Yes	
Side Walks Required:	Yes	

Sewer		
Sewer Line Installed:	Yes	
Sewer Line Tested:	9/19/2005	
Pump Station Required:	No	
"As Built" Drawings Submitted:	Yes	
Meets City Specifications:	Yes	

Storm Water Drainage System		
System Installed:	Yes	
"As Built" Drawings Submitted:	No	
Meets City Specifications:	Yes	

Water		
Water Line Installed:	Yes	
Water Line Tested:	5/9/2005	
"As Built" Drawings Submitted:	No	
Meets City Specifications:	Yes	

BOND INFORMATION SHEET

Site Name: Benevento Subdivision, Phase 1

Miscellaneous Site Information	Ph. 1		
Total Number of Lots:	43	Developer:	
Current Number of Available Building Lots:	8	In Bankruptcy: Yes	No
Amenities:	Complete:	YES	
1. Retention Basin with Pavillions			
2			
3			

Staff Comments:

1. Sidewalk needs repair between phases 1 and 2
2. A final walk through inspection will need to be requested and completed prior to release of the performance bond and establishment of a maintenance bond.
3. ADA ramp is required for sidewalk entry at pavillions.
4. Sidewalks are a requirement for each builder to complete
5. Phase 1 is over 80% complete, developer should consider final topping and dedication of public improvements
6. Codes Department would prefer that phases 1 and 2 have separate bonds on file
7. Record Drawings have not been submitted for Water or Storm
8. Bank may be taking over the site. They may want to final out roads and have accepted by City.
9. This Letter of Credit covers both Phase 1 and Phase 2

Staff Recommendation:

Recommend renewal of Letter of Credit and require an automatic renewal clause be added.

Beau Herring
Director of Codes
City of Spring Hill

Site Name: Benevento Subdivision Phase 2

Type of Bond:	Letter of Credit	Original Bond Amount:	\$291,850	Type of Action Requested:
Bond #:	4460	Current Bond Amount:		Bond Renewal <input checked="" type="checkbox"/>
Bond Issued:	14-Jan-09	25% of Original Amount:	\$72,963	Bond Reduction <input type="checkbox"/>
Expiration Date:	15-Jan-10	(Per Section 3-102.202 of Sub. Regs)		Bond Release <input type="checkbox"/>

Past Actions

Date:	Type of Action:	Amount:	Reason:

Required Installation

Streets		
Binder Installed:	Yes	
Road Base:	Stone	
Compaction Test Submitted:	No	
Curb Installed:	Yes	
Final Topping installed:	No	
Street Signs Installed:	Yes	
Side Walks Required:	Yes	
Street Lights Required:	Yes	

Sewer		
Sewer Line Installed:	Yes	
Sewer Line Tested:	8/23/2006	
Pump Station Required:	No	
"As Built" Drawings Submitted:	Yes	
Meets City Specifications:	Yes	

Storm Water Drainage System		
System Installed:	Yes	
"As Built" Drawings Submitted:	No	
Meets City Specifications:	Yes	

Water		
Water Line Installed:	Yes	
Water Line Tested:	8/23/2006	
"As Built" Drawings Submitted:	No	
Meets City Specifications:	Yes	

Site Name: Benevento Subdivision Phase 2

Miscellaneous Site Information

Total Number of Lots:	54	Developer:	Tom Reed
Current Number of Available Building Lots:	42	In Bankruptcy:	No

Amenities: Complete:

1. None required for this phase
- 2
- 3

Staff Comments:

1. Sidewalk needs repair between phases 1 and 2
2. A final walk through inspection will need to be requested and completed prior to release of the performance bond and establishment of a maintenance bond.
3. This Letter of Credit covers Phase 1 and Phase 2
4. Sidewalks are a requirement for each builder to complete
5. Codes Department would prefer that phases 1 and 2 have separate bonds on file
6. Record Drawings have not been submitted for Water or Storm
7. Bank may be taking over the site. They may want to reduce bond amount for phase 2

Staff Recommendation:

Recommend renewal of Letter of Credit with automatic renewal clause

Beau Herring
Director of Codes
City of Spring Hill

Barry Allen
Senior Vice President

114 West College Street
P.O. Box 188
Murfreesboro, Tennessee 37133-0188
Telephone 615/494-9589
Fax 615/494-9577
Barry.allen@pnfp.com

LETTER OF CREDIT 4460

January 14, 2009

TO: City of Spring Hill
Spring Hill, TN 37174

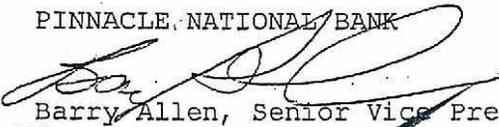
Gentlemen:

Pinnacle National Bank, hereby opens its irrevocable credit in favor of **THOMAS L. REED, JR.**, hereinafter referred to as "Developer" with their principal place of business 1634 WEXFORD DR, MURFREESBORO TN 37129 for the benefit of the CITY OF SPRING HILL in the following manner and on the following terms:

1. Developer is required by Contract and Agreement for the installation of **IMPROVEMENTS** to serve BENEVENTO S/D PHASE 1 & 2, SPRING HILL, TN. as follows:
2. The extent of the LETTER OF CREDIT shall be \$291,850.
3. In the event the Developer fails to install and/or maintain the **IMPROVEMENTS**, the City can call on the Letter of Credit in the amount necessary to complete the work, the cost thereof not to exceed the extent of the credit in Paragraph 2.
4. In the event the Developer fails to pay the partial payment required within 10 days of invoice, then and in such event the cost thereof will be paid by Pinnacle National Bank.
5. Draws in part or in full will be accompanied by a statement from a properly authorized City Official that an invoice for goods or services has been submitted and that the Developer refused to pay and is in default.
6. After acceptance of the **IMPROVEMENTS** the extent of this Letter of Credit may be reduced: the reduction to be included in the acceptance notification. A written copy of the acceptance will be forwarded to the Bank.

This Letter of Credit expires no later than JANUARY 15, 2010 unless a prior claim by the City of Spring Hill is made.

PINNACLE NATIONAL BANK


Barry Allen, Senior Vice President

P.O. Box 188
Murfreesboro, TN 37133-0188
615 893 1234

Attest: 

Zimbra

phepp@springhilltn.org

± Font size -

Benevento Subdivision, Spring Hill, TN

From : Paula Hepp <phepp@springhilltn.org>
Subject : Benevento Subdivision, Spring Hill, TN
To : mike hendren <mike.hendren@pnfp.com>
Cc : Beau Herring <bherring@springhilltn.org>

Tue, Nov 17, 2009 03:13 PM

 4 attachments

Mr. Hendren,

I have attached several documents for your review and use. The "Bond Information Sheet" is used by Department Staff when reviewing bonds that will be going before the Board of Mayor and Aldermen for action.

The Bond Requirement Summary is a fact sheet to assist developers when a renewal, reduction or release is being requested.

If the current letter of credit will be split into a Phase 1 and Phase 2 scenario, please complete 2 Bond Application forms (one for each phase) and submit to our office as soon as possible. We will accept scanned emailed copies. Our packages need to be submitted by 11-24-09 for the December agendas.

If you have any questions, please do not hesitate to contact our office. We look forward to working with you on Benevento Subdivision.

Paula Hepp
Codes Department

-
-  **BOND REQUIREMENT SUMMARY.pdf**
73KB
 -  **Bond Application.xls**
58KB
 -  **Bond Information Sheet - #4460 PH 1.xlsx**
14KB
 -  **Bond Information Sheet - #4460 PH 2.xlsx**
13KB



October 22, 2009

Tom Reed
4 Wexford Drive
Murfreesboro, Tennessee 37129

**Benevento Subdivision, Phases 1 and 2
Upcoming Bond Expiration**

Dear Mr. Reed:

Review of our records has indicated that an Irrevocable Letter of Credit (#4460) is currently on file with our office for Benevento Subdivision, Phases 1 and 2 and will be expiring on January 1, 2010.

Proposed action on bonds; whether for renewal, reduction or release must be brought before the Planning Commission and Board of Mayor and Aldermen for approval prior to the expiration date. Based on the above referenced expiration date, this office must receive correspondence regarding the proposed action on the bond prior to **November 11, 2009** so that the information can be processed timely and placed on the December agendas for approval.

It is the responsibility of the developer to ensure that all bonds pertaining to this project are kept current. Enclosed, please find a brief summary of our current bond requirements. If correspondence is not received by November 11, 2009 the City may be forced to take action on the current bond.

Thank you for your continued cooperation. If you have any questions, please do not hesitate to contact our office.

Sincerely,


Bruce Herring
Director of Codes and Planning

Barry Allen, Senior Vice President, Pinnacle Financial Partners,
114 West College Street, Murfreesboro, TN 37133-0188

Town Center Parkway
Box 789
Spring Hill, TN 37174

Phone 931.486.2252
Fax 931.486.0516
www.springhilltn.org

IF RENEWING A PERFORMANCE BOND OR LETTER OF CREDIT

- Developer must submit a letter requesting renewal of the bond or letter of credit.
- A developer representative shall be present at the Planning Commission and Board of Mayor and Alderman work session meetings.
- The Bond or Letter of Credit must include an automatic renewal clause.
- Verification must be submitted from the financial institution that the renewal is in process.
- Pursuant to Article III, 3-101.2 of Subdivision Regulations, the surety must be drawn from a financial institution within the State of Tennessee with an agent of the lender within a fifty (50) mile radius of the City of Spring Hill.
- Note: the Performance Bond or Letter of Credit must remain in place until such time as the public improvements are accepted by the City of Spring Hill.

IF REDUCING AN EXISTING BOND OR LETTER OF CREDIT

- Developer must submit a letter requesting reduction of the bond or letter of credit.
- At no time shall the amount of the performance bond be reduced to less than 25% of the original amount.
- A developer representative shall be present at the Planning Commission and Board of Mayor and Alderman work session meetings.
- The developer must submit an Engineer's Cost Estimate for remaining costs of improvements.
- Record "As-Built" drawings must be submitted pursuant to Article III, 3-102.201 of the Subdivision Regulations.
- The Bond or Letter of Credit must include an automatic renewal clause.
- Verification must be submitted from the financial institution that the renewal is in process.
- Pursuant to Article III, 3-101.2 of Subdivision Regulations, the surety must be drawn from a financial institution within the State of Tennessee with an agent of the lender within a fifty (50) mile radius of the City of Spring Hill.
- If amenities are included in the phase of development being considered for reduction, the completion of those amenities will be reviewed and/or discussed when the reduction is considered at the Planning Commission and Board levels.
- Note: the Performance Bond or Letter of Credit must remain in place until such time as the public improvements are accepted by the City of Spring Hill.

IF RELEASING AN EXISTING BOND OR LETTER OF CREDIT

- Developer must submit a letter requesting release of the bond or letter of credit.
- A developer representative shall be present at the Planning Commission and Board of Mayor and Alderman work session meetings.
- Developer must submit a certification from a licensed engineer that all improvements have been completed pursuant to the approved plan.
- Record "As-Built" drawings must be submitted pursuant to Article III, 3-102.201 of the Subdivision Regulations.
- Developer must schedule a final walk through inspection with the Codes Department prior to the submittal deadline for the Planning Commission Work Session.
- No release of the surety will be considered until all amenities are completed within the development.
- Note: The establishment of a one year Maintenance Bond will be required at the time of release of the surety and acceptance of the public improvements.

IF RELEASING A MAINTENANCE BOND

- Developer must submit a letter requesting release of the Maintenance Bond.
- A developer representative shall be present at the Planning Commission and Board of Mayor and Alderman work session meetings.
- Developer must schedule a final walk through inspection with the Codes Department prior to the submittal deadline for the Planning Commission Work Session.
- If corrections are necessary based on the inspection, a follow up inspection will be required prior to the Board of Mayor and Aldermen meeting.
- If corrections cannot be made timely, the Maintenance Bond must be extended or renewed.