

RESOLUTION 09-88

A RESOLUTION OF THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF SPRING HILL, TN TO ACCEPT THE RECOMMENDATION OF THE PLANNING COMMISSION TO RENEW THE EXISTING IRREVOCABLE LETTER OF CREDIT (PERFORMANCE BOND) FOR GLENNMONT

WHEREAS, an existing Irrevocable Letter of Credit is currently in place; and

WHEREAS, the following public improvements are required:

Water, Sewer, Storm Water Drainage and Detention Ponds, Streets and Curbs, and Final Topping to all streets with one and one half (1½) inches of hot mix asphalt; and

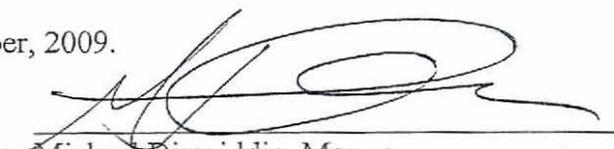
WHEREAS it is the recommendation of the Planning Commission that the Irrevocable Letter of Credit (performance bond) be renewed for twelve (12) months, for the original sum of \$135,000.00; and

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

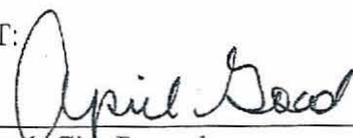
WHEREAS, upon completion of the public improvements listed above, the Developer will be required to file a "maintenance" bond guaranteeing performance of the public improvements for an additional one year period with the Planning Commission after the dedication and acceptance of such public improvements 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 Irrevocable Letter of Credit for Glennmont, is renewed in the amount of \$135,000.00.

Passed and adopted this 19th day of October, 2009.


Michael Dinwiddie, Mayor

ATTEST:


April Goad, City Recorder

LEGAL FORM APPROVED:


Timothy P. Underwood, City Attorney



19 October 2009

From: Beau Herring, Director of Codes & Planning

To: Board of Mayor and Alderman

Subject: Renewal of Bond for Glennmont Subdivision

This office has received a renewed bond (Irrevocable Letter of Credit) for Glennmont in the amount of \$135,000.00. This amount has not changed from the previous bond. This bond will not expire until November 20, 2010.

I recommend approval of this bond renewal.

Respectfully,

Beau Herring

Director of Codes & Planning

City of Spring Hill





COMMUNITY FIRST BANK & TRUST

Expect more from your bank.

501 S. James M. Campbell Blvd.
Columbia, TN 38401

Date: November 20, 2009
Letter of Credit No. 69001809
Expiration Date: November 20, 2010
Amount: \$135,000.00

City of Spring Hill
199 Town Center Parkway
Spring Hill, TN 37174

RE: Irrevocable Standby Letter of Credit for Taylor Golden, Developer of **Glenmont Subdivision, Buckner Road, Williamson County, Tennessee.**

We hereby establish an Irrevocable Letter of Credit for the account of **Taylor Golden**, Developer of Glenmont Subdivision, a residential subdivision in Spring Hill, TN., in the amount of **One Hundred and Thirty Five Thousand Dollars and no/100(\$135,000.00)** available by draft sight for payment in full to guarantee maintenance of Streets and Drainage in Glenmont Subdivision, Buckner Road, Williamson County, Tennessee.

In the event of failure of the Developer to complete the maintenance of streets and drainage as required by the City of Spring Hill prior to the expiration date of this instrument the City of Spring Hill shall notify the Bank in writing. Upon such notification, the Bank shall either renew the Letter of Credit for a term acceptable to the City of Spring Hill or pay the amount set forth above to the City of Spring Hill. In case of default, Community First Bank and Trust hereby irrevocably agrees to pay the sum of One Hundred and Thirty Five Thousand Dollars and no/100(\$135,000.00) for the improvements to be completed on behalf of the City of Spring Hill in conjunction with this Project. The City of Spring Hill agrees to refund to Community First Bank & Trust any amounts not expended by the City of Spring Hill to complete the unfinished requirements of the said Project.

It is understood and agreed that this in no way limits the liability of the developer for any costs in addition to One Hundred and Thirty Five Thousand Dollars and no/100 (\$135,000.00).

This agreement automatically terminates on November 20, 2010.

Sincerely,

Carl B. Campbell
Senior Vice President
Chief Credit Officer

Unless otherwise stated, this Letter of Credit is governed by the Uniform Commercial Code enforced in the State of Tennessee on the date of this Letter of Credit.