

RESOLUTION 25-113

**A RESOLUTION TO APPROVE TO CALL THE MAINTENANCE BOND FOR
KEDRON SQUARE PHASE 1B**

WHEREAS, a Maintenance Bond Letter of Credit is in place for Kedron Square Phase 1B in the amount of \$2,218,590.00; and

WHEREAS, the improvements that are covered under the bond include sidewalks, storm water, curbing, signage, binder, final asphalt topping, water lines, sewer lines and street lights; and

WHEREAS, the current Letter of Credit expires May 17, 2025 and the City has not received a renewal to extend the Letter of Credit past the expiration date; and

WHEREAS, per the City's Unified Development Code, Article 15.D.2, should the bond not be renewed or extended within fourteen (14) days of the expiration date, the bond will be assumed to be in default and will be called in its full amount by the City; and

WHEREAS, City staff recommends approval of calling the Maintenance Bond in the amount of \$2,218,590.00 for the City to hold in reserves to be used towards future repair costs to Phase 1B if a renewal Letter of Credit is not received by May 7, 2025, as recommended by the Planning Commission on April 28, 2025 by PC Resolution 25-51, attached hereto as Exhibit A.

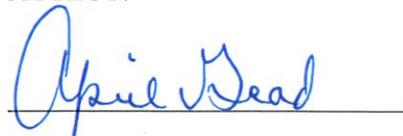
NOW, THEREFORE BE IT RESOLVED, the City of Spring Hill Board of Mayor and Aldermen approves to call the existing Performance Bond for Kedron Square Phase 1B in the amount of \$2,218,590.00 if a renewal Letter of Credit is not received prior to May 7, 2025, as recommended by the Spring Hill Planning Commission on April 28, 2025.

Passed and Adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 5th day of May, 2025.



Matt Fitterer, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney



SUBMITTED BY: Missy Stahl, CIP Director

DATE: May 5, 2025

RE: Recommendation to Call Maintenance Bond for Kedron Square Phase 1B

BACKGROUND:

A maintenance bond was established in February 2025 in the amount of \$2,218,590.00. The reduced Letter of Credit was received with an expiration date of May 17, 2025. The Developer is working with their financial institution on the renewal but, to date, the City has not received a renewal to extend the expiration date nor received confirmation from the Developer that a renewal will be received prior to the expiration date. City staff and the City Attorney recommend that the Board of Mayor and Aldermen to call the maintenance bond for Phase 1B if a renewal Letter of Credit is not received prior to May 7, 2025 and the funds held in reserve in the event City staff needs to make repairs within the development phase.