

RESOLUTION 11-25

**A RESOLUTION TO ACCEPT THE RECOMMENDATION OF THE SPRING HILL
MUNICIPAL PLANNING COMMISSION TO REDUCE THE SURETY FOR
HARDIN'S LANDING SUBDIVISION, PHASE 2**

WHEREAS, A Surety is currently in place for this development to guarantee construction of certain improvements including: the storm water drainage system, water and sanitary sewer system and roadway improvements, and

WHEREAS, the following improvements are required pursuant to the Final Plat:

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, the improvements have not been completed and/or accepted by the City and therefore a surety is required; and

WHEREAS, it is the recommendation of the Planning Commission that the Surety be reduced to the amount of \$94,590.00; and

WHEREAS, it is anticipated that the date of completion for the above referenced public improvements will be within a twelve month period from the date of this resolution, however it is required that an automatic renewal clause, to the benefit of the City of Spring Hill, be included within the surety 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 storm drainage; and

WHEREAS, upon completion of the public improvements listed above, the Developer may be required to file a "maintenance" surety 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.

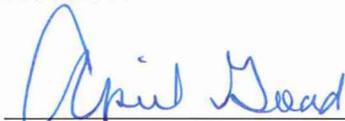
NOW, THEREFORE BE IT RESOLVED, by the Board of Mayor and Aldermen of the City of Spring Hill that a reduction of the Surety for Hardin's Landing Subdivision, Phase 2 to the amount of \$94,590.00 is hereby approved.

Passed and adopted this 21st day of March, 2011.



Michael Dinwiddie, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Timothy P. Underwood, City Attorney

**RESOLUTION 11-07 OF THE
PLANNING COMMISSION
OF THE CITY OF SPRING HILL, TENNESSEE**

**A RESOLUTION TO REDUCE THE SURETY FOR
HARDIN'S LANDING SUBDIVISION, PHASE 2**

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WHEREAS, the following improvements are required pursuant to the Final Plat:

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, the improvements have not been completed and/or accepted by the City and therefore a surety is required; and

WHEREAS, it is the recommendation of the Codes Department that the Surety be reduced to the amount of \$94,590.00; and

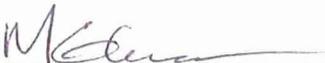
WHEREAS, it is anticipated that the date of completion for the above referenced public improvements will be within a twelve month period from the date of this resolution, however it is required that an automatic renewal clause, to the benefit of the City of Spring Hill, be included within the surety 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 storm drainage; and

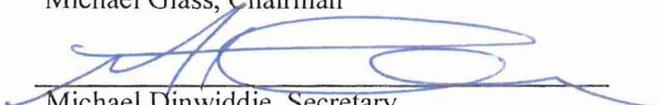
WHEREAS, upon completion of the public improvements listed above, the Developer may be required to file a "maintenance" surety guaranteeing performance of the public improvements for an additional one year period with the Planning Commission after the dedication and acceptance of such public improvements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

NOW, THEREFORE BE IT RESOLVED, by the Spring Hill Planning Commission that a reduction of the Surety for Hardin's Landing Subdivision, Phase 2 to the amount of \$94,590.00 is hereby recommended to the Board of Mayor and Aldermen.

Passed and adopted this 14th day of March, 2011.



Michael Glass, Chairman



Michael Dinwiddie, Secretary

SURETY INFORMATION SHEET

Site Name: **Hardins Landing Phase 2**

Type of Surety:	Letter of Credit	Original Surety Amount:	\$143,650	<u>Type of Action Requested:</u>
Surety #	SM234136W	Current Surety Amount:	\$143,650	Establish Surety <input type="checkbox"/>
Surety (s) Issued:	18-Mar-09	25% of Original Amount:	\$35,913	Surety Renewal <input type="checkbox"/>
Expiration Date:	18-Mar-11	(Per Section 3-102.202 of Sub. Regs)		Surety Reduction <input checked="" type="checkbox"/>
				Surety Release <input type="checkbox"/>

Past Actions

Date:	Type of Action:	Amount:	Reason:
2/16/2010	Renew	\$143,650	Renew letter of credit, no home activity

Required Installation

Streets			
Binder Installed:	Yes		
Road Base:	Stone		
Compaction Test Submitted:	N/A		
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:	7/26/2007
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:	6/12/2007
"As Built" Drawings Submitted:	Yes
Meets City Specifications:	Yes

** If stone base is installed, compaction testing is not required

SURETY INFORMATION SHEET

Site Name: Hardins Landing Phase 2

Miscellaneous Site Information			
Total Number of Lots:	89	Developer:	Hardin's Landing Assoc., LLC
Current Number of Available Building Lots:	69	In Bankruptcy:	No
Amenities:	Complete:	Yes	
1. gravel walking trail and play area			
2			
3			

Staff Comments:

1. Developer requested reduction in the amount of the Letter of Credit
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. Storm sewer as-builts not submitted.
4. Developer desires to pave phase 2 in 2011.

Staff Recommendation:

Reduce Letter of Credit to the amount of \$94,590.00 and conditioned on storm sewer as-builts being submitted to the City.

Chris Brooks
Building Official
City of Spring Hill

WACHOVIA

IRREVOCABLE STANDBY LETTER OF CREDIT
NUMBER SM234136W

LETTER OF CREDIT AMOUNT	ISSUE DATE	EXPIRY DATE
USD 143,650.00	03/18/09	03/18/10

BENEFICIARY:
CITY OF SPRING HILL, TENNESSEE
199 TOWN CENTER PARKWAY
SPRING HILL, TN 37174

APPLICANT:
HARDIN'S LANDING ASSOCIATES, LLC
1207 ROSENEATH ROAD
RICHMOND, VA 23230

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR FOR THE ACCOUNT OF THE ABOVE REFERENCED APPLICANT IN THE AGGREGATE AMOUNT OF (USD ONE HUNDRED FORTY THREE THOUSAND SIX HUNDRED FIFTY AND 00/100'S) USD 143,650.00 WHICH IS AVAILABLE BY PAYMENT UPON PRESENTATION OF THE FOLLOWING DOCUMENTS:

1. A DRAFT AT SIGHT DRAWN ON WACHOVIA BANK, NATIONAL ASSOCIATION, DULY ENDORSED ON ITS REVERSE SIDE THEREOF BY THE BENEFICIARY, SPECIFICALLY REFERENCING THIS LETTER OF CREDIT NUMBER.
2. THE ORIGINAL LETTER OF CREDIT AND ANY AMENDMENTS ATTACHED THERETO
3. A DATED STATEMENT ISSUED ON THE LETTERHEAD OF THE BENEFICIARY AND PURPORTEDLY SIGNED BY AN AUTHORIZED REPRESENTATIVE STATING:
THE DEVELOPER HAS NOT SATISFACTORILY COMPLETED THE SURFACE COURSE OF PAVING FOR SECTION 2 OF HARDIN'S LANDING SUBDIVISION IN ACCORDANCE WITH REQUIREMENTS OF THE PERTINENT ORDINANCES AND SUBDIVISIONS REGULATIONS OF THE CITY OF SPRINGHILL, TENNESSEE. WE THEREFORE DEMAND PAYMENT IN THE AMOUNT OF (INSERT AMOUNT) AS SAME IS DUE AND OWING.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT WRITTEN AMENDMENT FOR ONE YEAR PERIODS FROM THE PRESENT OR ANY FUTURE EXPIRY DATE UNLESS AT LEAST NINETY (90) DAYS PRIOR TO SUCH EXPIRATION DATE, WE SEND THE BENEFICIARY NOTICE AT THE ABOVE STATED ADDRESS BY OVERNIGHT COURIER THAT WE ELECT NOT TO EXTEND THIS LETTER OF CREDIT BEYOND THE INITIAL OR ANY EXTENDED EXPIRY DATE THEREOF.

THIS IRREVOCABLE LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING. THIS UNDERTAKING IS INDEPENDENT OF AND SHALL NOT IN ANY WAY BE MODIFIED, AMENDED, AMPLIFIED, OR INCORPORATED BY REFERENCE TO ANY DOCUMENT, CONTRACT, OR AGREEMENT REFERENCED HEREIN.

WE HEREBY AGREE WITH YOU THAT DRAFT(S) DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS CREDIT SHALL BE DULY HONORED IF PRESENTED TOGETHER WITH DOCUMENT(S) AS SPECIFIED AT OUR OFFICES LOCATED BELOW ON OR BEFORE THE ABOVE STATED EXPIRY DATE, OR ANY EXTENDED EXPIRY DATE IF APPLICABLE.

CONTINUED ON NEXT PAGE WHICH FORMS AN INTEGRAL PART OF THIS
IRREVOCABLE STANDBY LETTER OF CREDIT

WACHOVIA

IRREVOCABLE STANDBY LETTER OF CREDIT NO. SM234136W

PAGE NO. 2

DOCUMENTS MAY BE PRESENTED AT EITHER OF OUR FOLLOWING LOCATIONS:

WACHOVIA BANK, N.A.

WACHOVIA BANK, N.A.

STANDBY L/C DEPT

OR

2030 MALLORY LANE

401 LINDEN STREET

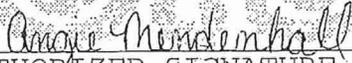
FRANKLIN, TN 37067

WINSTON-SALEM, NC 27101

IF DOCUMENTS ARE PRESENTED TO THE TENNESSEE ADDRESS THEY MUST ALSO BE FAXED
BENEFICIARY TO 336-735-0952 THE SAME DAY IN ORDER TO BE DEEMED A PRESENTATIO

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJEC
TO THE INTERNATIONAL STANDBY PRACTICES 1998, INTERNATIONAL CHAMBER OF COMMER
PUBLICATION NO. 590 ("ISP98").

SINCERELY,



AUTHORIZED SIGNATURE

WACHOVIA BANK, NATIONAL ASSOCIATION

BY: LAM

THE ORIGINAL OF THIS LETTER OF CREDIT CONTAINS AN EMBOSSED SEAL OVER THE
AUTHORIZED SIGNATURE.

PLEASE DIRECT ANY CORRESPONDENCE OR INQUIRY QUOTING OUR
REFERENCE NUMBER TO:

WACHOVIA BANK, NATIONAL ASSOCIATION

401 LINDEN STREET, MAIL CODE NC6034

WINSTON SALEM, NORTH CAROLINA 27101

OUR CUSTOMER CARE PHONE NUMBER FOR QUERIES IS 800-776-3862

OUR FAX NUMBER IS 336-735-0950

Hardin's Landing Associates, LLC
1207 Roseneath Road, Suite 200
Richmond, VA 23230

February 9, 2011

Mr. Chris Brooks
Building Official
City of Spring Hill, TN
199 Town Center Parkway
PO Box 789
Spring Hill, TN 37174

Re Hardin's Landing Phase 2
Upcoming Surety Expiration - One Year Extension

Dear Mr. Brooks:

I am in receipt of your letter of Jan 19th 2011 (*attached*) and I thank you for your response.

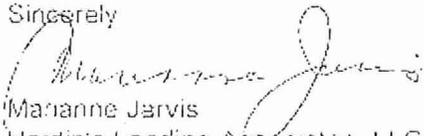
It is our understanding that a proper asphalt pavement installation requires ambient temperature conditions that may not be present between now and the expiration of our current letter of credit. Given such, we feel that the second option in your letter is the appropriate solution.

Please find enclosed for your review a quote from our paving contractor for the cost of the final topping. Hardin's Landing Associates, LLC would be willing to provide a one year surety extension in the amount of \$94,590 (*see attached quote*) provided that the City of Spring Hill will give us its assurance that it will be agreeable to the installation of final topping immediately upon weather conditions becoming appropriate and that no further home construction will be required prior to such installation.

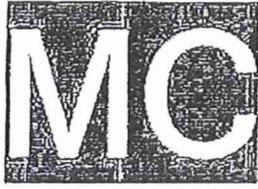
Please find enclosed some prior correspondence between our office and Beau Herring that may be relative to this matter. We understand that Mr. Herring is no longer employed by the city.

Please do not hesitate to call me for further discussion.

Sincerely,


Marianne Jarvis
Hardin's Landing Associates, LLC
804 354 8830 x 329

Enclosures



MILLENNIUM
CONSTRUCTION LLC

PO Box 682553
Franklin, TN. 37068
Phone: 615-791-9211
Fax: 615-791-9212

Proposal

2-8-2011

DEVELOPER: Hardins Landing Associates LLC

PROJECT: Hardins Landing ph 2

Surface Course of Paving for phase 2 ----- Ls \$ 94,590.00

Note:

Paving price is tied to 2009 Bituminous index (\$ 455.83) if this price increases or
Decreases price will be adjusted, as of today it is the same and price above is
Good for thirty days from proposal date.

ACCEPTANCE BY DEVELOPER

AUTHORIZED SIGNATURE / DATE



January 19, 2011

Ms. Marianne Jarvis
Hardins Landing Associates, LLC
1207 Roseneath Road
Richmond, VA 23230

Re: Hardin's Landing Phase 2
Upcoming Surety Expiration

Dear Ms. Jarvis:

Based on our recent conversations and the letter from Wells Fargo indicating your desire to not renew the Letter of Credit, I have reviewed the emails between you and Beau Herring regarding installation of the final topping for the roads within Phase 2 of Hardins Landing. As Mr. Herring is no longer employed at the City, I have taken over many of the duties in which he performed.

I have discussed your desire to complete the roads within phase 2 with our City Administrator and he is in agreement that it is better to have the roads completed since development is lacking due to the ongoing economic conditions.

I would offer the following options:

1. Complete the roads in phase 2 and place a one year maintenance surety with the City.
2. Request a reduction in the current Letter of Credit to an amount equal to the cost of the final topping of the roads in phase 2.

Please provide correspondence as to your intention for phase 2 of Hardins Landing. The City wishes to work with all our current developers through this tough time. If you have any questions, please do not hesitate to contact me at 931.486.2252 Ext. 211

Respectfully,

Chris Brooks
Building Official



WELLS FARGO BANK, N.A.
STANDBY LETTER OF CREDIT DEPARTMENT
401 LINDEN STREET, MC: D4004-012
WINSTON SALEM, NC 27101

DATE: 12/01/10

NOTICE OF NON-EXTENSION
URGENT ATTENTION REQUIRED!

CITY OF SPRING HILL, TENNESSEE
199 TOWN CENTER PARKWAY
SPRING HILL, TN 37174

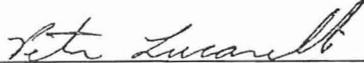
STANDBY LETTER OF CREDIT: SM234136W
APPLICANT: HARDIN'S LANDING ASSOCIATES, LLC

DEAR BENEFICIARY:

IN REFERENCE TO OUR IRREVOCABLE STANDBY LETTER OF CREDIT ISSUED IN YOUR FAVOR DATED 03/18/09, PLEASE BE ADVISED THAT THIS CREDIT WILL NOT EXTEND BEYOND THE CURRENT EXPIRY OF 03/18/11.

PLEASE CONTACT OUR STANDBY CUSTOMER CARE PROFESSIONALS AT 800-776-3862, OPTION 2, WITH QUESTIONS REGARDING THIS LETTER OF CREDIT.

REGARDS,
WELLS FARGO BANK, N.A.
STANDBY LETTER OF CREDIT CENTER OF EXCELLENCE



AUTHORIZED SIGNATURE
JJR EV# 03

ON MARCH 20, 2010 WACHOVIA BANK, NATIONAL ASSOCIATION AND WELLS FARGO BANK, N.A. MERGED. THE NAME OF THE NEWLY MERGED BANK IS WELLS FARGO BANK, N.A.

Together we'll go far



CHECKLIST

Information for Planning Commission Packets

Deadline: Feb. 14, 2011

Development: Hardins Landing - phase II

- | | |
|---------------------------------|--|
| Draft Resolution | <input checked="" type="checkbox"/> 11-07 |
| Bond Information Sheet | <input checked="" type="checkbox"/> Draft 2-10-11 2-14-11 |
| Copy of Bond | <input checked="" type="checkbox"/> |
| Copy of Recorded Plat or Aerial | <input checked="" type="checkbox"/> |
| Developer Request for Reduction | <input checked="" type="checkbox"/> letter 2-9-11 |
| Cost Estimate for Reduction | <input checked="" type="checkbox"/> Millenium Const.
2-8-11 |
| Correspondence | <input checked="" type="checkbox"/> |
| Initial Letter | <input checked="" type="checkbox"/> 1-19-11 - Chris Brooks
12-1-10 - Bank |
| Bond Recon Complete | <input type="checkbox"/> NA |
| Bond Application Form | <input type="checkbox"/> NA - letter rcvd. |
| Inspection Log (for new bonds) | <input type="checkbox"/> NA |
| Copies of Packet Completed | <input type="checkbox"/> |