

**SEMINOLE COUNTY GOVERNMENT  
AGENDA MEMORANDUM**

**SUBJECT:** Release of Road Maintenance Bonds

**DEPARTMENT:** Public Works      **DIVISION:** Road Operations & Stormwater

**AUTHORIZED BY:** *W. Gary Johnson*      **CONTACT:** *Mark Flomerfelt*      **EXT.** 5710  
W. Gary Johnson, P.E.      Mark Flomerfelt, P.E., Manager  
Director, Dept. Public Works      Road Operations & Stormwater

**Agenda Date** 03-23-04    **Regular**     **Consent**     **Work Session**     **Briefing**   
**Public Hearing – 1:30**       **Public Hearing – 7:00**

**MOTION/RECOMMENDATION:**

Approve release of Road Maintenance Bonds.

**BACKGROUND:**

- Release Road Maintenance Bond #LC #STR17854 in the amount of \$25,211.38, for the project known as Victoria Manor.  
District 4 – Commissioner Henley
- Release Road Maintenance Bond #LC #20052 in the amount of \$8,745.20, for the project known as Greystone Subdivision.  
District 1 – Commissioner Maloy

A two-year maintenance inspection was conducted by staff for the above mentioned projects and revealed to be satisfactory. Staff recommends the release of these bonds.

Attachments: Copy of Bonds

Reviewed by:	
Co Atty:	<u>NA</u>
DFS:	<u>NA</u>
Other:	<u>NA</u>
DCM:	<u><i>[Signature]</i></u>
CM:	<u><i>[Signature]</i></u>
File No.	<u>CPWR01</u>



[www.mihomes.com](http://www.mihomes.com)

Orlando Division  
237 S. Westmonte Drive  
Suite 111  
Altamonte Springs, Florida 32714

407/862-6300  
407/862-0012 Fax

Columbus/Cincinnati, Ohio

Indianapolis, Indiana

Tampa Bay/Orlando/West Palm Beach, Florida

Charlotte/Raleigh, North Carolina

Washington D.C. Area

February 24, 2004

Gail Blackwelder  
Seminole County  
520 W. Lake Mary Blvd.  
Sanford, Florida 32773

Re: Public Road Maintenance Agreement.

**Project Name: Victoria Manor**  
**Bond Amount: \$25,211.38**  
**Bond #: LC # STR17854**  
**District # 4**

Dear Mrs. Blackwelder

Pursuant to the attached letter dated February 20, 2004 regarding the release of our maintenance bond for the above-mentioned project. M/I Homes would like to request that our maintenance bond (bond # LC # STR17854) be released from the county.

Sincerely,

A handwritten signature in black ink, appearing to read "Andon", followed by a long horizontal flourish.

Andon Calhoun  
Land Development Manager

C: Mr. Eric Wills, V.P. Land Acquisitions and Development, M/I Homes (Orlando Division), 237 S. Westmonte Dr. Suite 111, Altamonte Springs, Florida, 32714.

**MAINTENANCE AGREEMENT**  
(Road Improvements)

THIS AGREEMENT is made and entered into this 1st day of May, 2001, between M/I Schottenstein Homes, Inc., hereinafter referred to as "PRINCIPAL", and Seminole County, a political subdivision of the State of Florida, hereinafter referred to as "COUNTY".

WHEREAS, PRINCIPAL has constructed certain road improvements, including streets, curbs, storm drains and other appurtenances in that certain subdivision described as Victoria Manor, a Plat of which is recorded in Plat Book \_\_\_\_\_, Pages \_\_\_\_\_, Public Records of Seminole County, Florida; and

WHEREAS, the aforesaid road improvements were made pursuant to certain plans and specifications dated September 14, 2000, (as subsequently revised or amended) and filed with the County Engineer of Seminole County; and

WHEREAS, PRINCIPAL is obligated to protect the COUNTY against any defects resulting from faulty materials or workmanship of said road improvements and to maintain said improvements for a period of two (2) years from July 1, 2001; and

WHEREAS, to guarantee performance of said obligations by PRINCIPAL, PRINCIPAL has obtained and furnished to the COUNTY, a certain Irrevocable Letter of Credit No. STR17854 issued by Bank One, N.A., in the sum of Twenty-five Thousand Two Hundred Eleven Dollars and Thirty-eight Cents (\$25,211.38).

NOW THEREFORE, the COUNTY agrees to accept the road improvements into the County Road System upon execution of this Agreement and to accept an Irrevocable Letter of Credit as security for the maintenance obligation of the PRINCIPAL.

PRINCIPAL, its heirs, executors, successors and assigns, jointly and severally agrees to be held and firmly bound to the COUNTY in the sum of Twenty-five Thousand Two Hundred Eleven Dollars and Thirty-eight Cents (\$25,211.38) on the condition that, if PRINCIPAL shall promptly and faithfully protect the COUNTY against any defects resulting from faulty materials or workmanship of the aforesaid road improvements and maintain said road improvements for a period of two (2) years from July 1, 2001, then this obligation shall be null and void, otherwise it shall remain in full force and effect.

The County Engineer shall notify the Principal in writing of any defect for which the Principal is responsible and shall specify in said notice a reasonable period of time within which PRINCIPAL shall have to correct said defect.

Should the PRINCIPAL fail or refuse to perform or correct said defects within the time specified, the COUNTY shall be authorized, but shall not be obligated, to take over and perform, or cause to be performed, such work as shall be necessary to correct such

defects, and shall be authorized to draw upon the Letter of Credit to pay the cost thereof, including, but not limited to, engineering, legal and contingent costs. Further, the COUNTY, in view of the public interest, health, safety, welfare and other factors involved, and the consideration in approving and filing the said Plat shall have the right to resort to any and all legal remedies against the PRINCIPAL, both at law and in equity, including specifically, **specific performance**, to which the PRINCIPAL unconditionally agrees.

The PRINCIPAL further agrees that the COUNTY, at its option, shall have the right to correct said defects resulting from faulty materials or workmanship, or, pursuant to public advertisement and receipt of bids, cause to be corrected any defects or said defects in case the PRINCIPAL shall fail or refuse to do so, and, in the event the COUNTY should exercise and give effect to such right, the PRINCIPAL shall be obligated hereunder to reimburse the COUNTY the total cost thereof, including, but not limited to, engineering, legal and contingent costs, together with any damages, either direct or consequent, which may be sustained on account of the failure of the PRINCIPAL to correct said defects.

IN WITNESS WHEREOF, the parties to this Agreement have caused their names to be affixed hereto by the proper officers thereof.

Signed, sealed and delivered  
in the presence of:

[Signature]

[Signature]

M/I Schottenstein Homes, Inc. (Seal)  
Principal

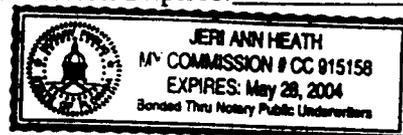
By: [Signature]  
Dana A. Bennett, Orlando Div. President

Date: 5.8.01

STATE OF FLORIDA  
COUNTY OF SEMINOLE

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of May, 2001, by Dana A. Bennett, who is personally known to me and did not take an oath.

[Signature]  
Notary Public  
My Commission No.: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_



Signed, sealed and delivered  
in the presence of:

DEPARTMENT OF PUBLIC WORKS  
ROADS DIVISION  
SEMINOLE COUNTY, FLORIDA

\_\_\_\_\_  
  
\_\_\_\_\_

\_\_\_\_\_  
Deputy Director of Public Works

Date: \_\_\_\_\_

Within authority delegated by the County  
Manager pursuant to Resolution No. 97-R-  
66 adopted March 11, 1997 and further  
delegated by Memorandum dated March 27,  
1997, Re: Streamlining of Development-  
Related Agenda Items and approved on  
April 2, 1997.

STATE OF FLORIDA  
COUNTY OF SEMINOLE

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of  
\_\_\_\_\_, 2001 by \_\_\_\_\_, who is personally known to me  
or who has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public  
My Commission No.: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_



BANK ONE, N.A. – 1717 MAIN STREET, 11<sup>TH</sup> FLOOR, DALLAS, TEXAS 75201  
TELEPHONE 1-800-924-5435

ISSUE DATE: JUNE 14, 2001

**BENEFICIARY:**  
SEMINOLE COUNTY BOARD OF  
COUNTY COMMISSIONERS  
SEMINOLE COUNTY SERVICES BUILDING  
1101 EAST FIRST STREET  
SANFORD, FL 32771

**RE: IRREVOCABLE LETTER OF CREDIT NO. STR17854**

DEAR COMMISSIONERS:

BY ORDER OF M/I SCHOTTENSTEIN HOMES, INC., WE HEREBY ESTABLISH AN IRREVOCABLE LETTER OF CREDIT IN YOUR FAVOR. WE HEREBY AUTHORIZE YOU TO DRAW ON BANK ONE, N.A. UP TO AN AGGREGATE AMOUNT OF \$25,211.38 AVAILABLE BY YOUR DRAFTS AT SIGHT ACCOMPANIED BY A SIGNED STATEMENT OF THE BOARD OF COUNTY COMMISSIONERS THAT THE MAINTENANCE AGREEMENT DATED MAY 1, 2001, BETWEEN M/I SCHOTTENSTEIN HOMES, INC. AND SEMINOLE COUNTY IS IN DEFAULT.

DRAFTS MUST BE DRAWN AND NEGOTIATED ON OR BEFORE JULY 1, 2003, AND EACH DRAFT MUST STATE THAT IT IS DRAWN UNDER IRREVOCABLE LETTER OF CREDIT NO. STR17854 OF BANK ONE, N.A. DATED JUNE 14, 2001 AND THE AMOUNT THEREOF ENDORSED ON THIS LETTER OF CREDIT. THE BANK AGREES THAT THIS LETTER OF CREDIT SHALL AUTOMATICALLY RENEW ITSELF FOR SUCCESSIVE ONE-YEAR PERIODS UNLESS THE BANK SHALL GIVE NOTICE TO YOU NO LATER THAN FORTY-FIVE (45) DAYS PRECEDING AN EXPIRATION DATE THAT IT CHOOSES NOT TO RENEW THE LETTER OF CREDIT, IN WHICH CASE, THE COUNTY SHALL BE ENTITLED TO DEMAND AND RECEIVE THE OUTSTANDING AMOUNT OF MONEY REPRESENTED BY THIS LETTER OF CREDIT. IN THE EVENT A DRAW BASED ON EXPIRATION OF THIS LETTER OF CREDIT THE PROCEEDS SHALL BE HELD BY SEMINOLE COUNTY AS A CASH BOND TO SECURE CONTINUED ADHERENCE TO THE TERMS OF THE MAINTENANCE AGREEMENT WITH M/I SCHOTTENSTEIN HOMES, INC.

UPON TENDER OF PAYMENT, YOU WILL RELEASE TO THE BANK THE ORIGINAL IRREVOCABLE LETTER OF CREDIT MARKED "CANCELLED". IN ANY EVENT, UPON EXPIRATION OF THE MAINTENANCE AGREEMENT DATED MAY 1, 2001, AND THE COMPLETION OF M/I SCHOTTENSTEIN HOMES, INC. OBLIGATIONS THEREUNDER, YOU WILL RETURN THE ORIGINAL LETTER OF CREDIT TO THIS BANK MARKED "CANCELLED".

WE HEREBY ENGAGE WITH DRAWERS, ENDORSERS, AND BONA FIDE HOLDERS OF ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT, THAT SUCH DRAFTS WILL BE DULY HONORED UPON PRESENTATION TO THE DRAWEE AT BANK ONE, N.A., ATTN: STANDBY LETTER OF CREDIT DEPARTMENT, 1717 MAIN STREET 11<sup>TH</sup> FLOOR TX1-2490., DALLAS, TEXAS 75201.

IF THE BOARD OF COUNTY COMMISSIONERS INITIATES SUIT UNDER THIS LETTER OF CREDIT, THE BANK HEREBY AGREES TO BE RESPONSIBLE FOR SEMINOLE COUNTY'S COURT COST AND REASONABLE ATTORNEY'S FEES, BUT BANK ONE, N.A. SHALL NOT BE RESPONSIBLE FOR ANY ATTORNEYS' FEES IN EXCESS OF FIFTEEN PERCENT (15%) OF THE AGGREGATE AMOUNT OF THIS LETTER OF CREDIT.

**\*\* CONTINUED ON PAGE TWO OF THIS LETTER OF CREDIT \*\***

**PAGE TWO WHICH FORMS AN INTEGRAL PART OF LETTER OF CREDIT NO. STR17854**

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING AND SUCH UNDERTAKING SHALL NOT, IN ANY WAY, BE AMENDED BY REFERENCE HEREIN TO ANY AGREEMENT, AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT OR AGREEMENT OTHER THAN THE MAINTENANCE AGREEMENT DATED MAY 1, 2001, AND REFERENCED HEREIN.

VERY TRULY YOURS  
BANK ONE, N.A.

BY: Cathy Beaman

TITLE : OPERATIONS OFFICER

CORPORATE SEAL:



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Office 407-971-6024 Fax 407-971-6093 (3809 Greystone Legend Pl. Oveido, FL 32765)

Monday, March 01, 2004

Jacqueline Laracuent  
520 W. Lake Mary Blvd. Suite # 200  
Sanford, FL 32773

Re: Bond Release

I would like to have the bond # LC # 20052 for Greystone Subdivision released for the amount of \$8,745.20 as mentioned at Miss. Jacqueline Laracuent's letter.

Sincerely

A handwritten signature in black ink that reads "M. Zureiq". The signature is written in a cursive style with a long, sweeping tail.

Mike Zureiq

SUBDIVISION AND SITE PLAN  
PRIVATE ROAD MAINTENANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That we Zareig Housing Company, Inc., hereinafter referred to as "Principal" and Nova Casualty Company, hereinafter referred to as "Surety" are held and firmly bound unto the Greystone Community Association Homeowners Association and each and all purchasers of lots within Greystone subdivision in Seminole County, Florida, and their heirs, successors and assigns, hereinafter referred to as the "Beneficiary" or "Beneficiaries" in the sum of \$(10% of original approved estimate or contract cost) for the payment of which we bind ourselves, heirs, executors, successors and assigns, jointly and severally, firmly by these presents:

\*Eight Thousand Seven Hundred Forty Five and 20/100 Dollars (\$8,745.20)

WHEREAS Principal has constructed certain improvements, including streets, curbs, storm drains and other appurtenances in that certain subdivision described as Greystone, a plat of which is recorded in Plat Book 59, Pages 98 & 99 Public Records of Seminole County, Florida; and

WHEREAS, the aforesaid improvements were made pursuant to certain plans and specifications dated August 21, 19 2001, and filed with the County Engineer of Seminole County; and

WHEREAS, Principal is obligated to protect each and every Beneficiary against any defects resulting from faulty materials or workmanship of said improvements and to maintain said improvements for a period of two (2) years from December 19, 19 2001;

NOW THEREFORE, the condition of this obligation is such that if Principal shall promptly and faithfully protect the Beneficiaries against any defects resulting from faulty materials or workmanship of the aforesaid improvements and maintain said improvements for a period of Two (2) years from December 19, 19 2001 then this obligation shall be null and void, otherwise it shall remain in full force and effect.

Any Beneficiary may notify the Principal in writing of any defect for which the Principal is responsible and shall specify in said notice a reasonable period of time within which Principal shall have to correct said defect.

The Surety unconditionally covenants and agrees that if the Principal fails to perform, within the time specified, the Surety, upon 30 days written notice from any Beneficiary, or an authorized agent or officer, of the default will forthwith correct such defect or defects and pay the cost thereof, including, but not limited to engineering, legal and contingent cost. Should the Surety fail or refuse to correct said defects, any Beneficiary, in view of the health, safety, welfare and factors involved, shall have the right to resort to any and all legal remedies against the Principal and Surety and either, both at law and in equity, including specifically, specific performance to which the Principal and Surety unconditionally agree.

The Principal and Surety further jointly and severally agree that the Beneficiaries shall have the right to correct said defects resulting from faulty materials or workmanship in case the Principal shall fail or refuse to do so, and

LAND DEVELOPMENT CODE

in the event the Beneficiaries should exercise and give effect to such right, the Principal and the Surety shall be jointly and severally hereunder to reimburse the Beneficiaries the total cost thereof, including, but not limited to, engineering, legal and contingent cost, together with any damages either direct or consequent which may be sustained on account of the failure of the Principal to correct said defects.

[This Bond shall be held by Seminole County, a political subdivision of the State of Florida, on behalf of Beneficiaries and maintained in the public records of Seminole County.]

IN WITNESS WHEREOF, the Principal and the Surety have executed these presents this 29th day of January, 19 2002.

Address: Zureiq Housing Company, Inc. (SEAL)  
Principal

4606 Eagle Peak Drive  
Kissimmee, FL 34746

By: M. Zureiq Its: President  
(If a corporation)

ATTEST: Paul Zureiq Its: V. President  
(If a corporation)

Address: Nova Casualty Company (SEAL)  
Surety

180 Oak Street  
Buffalo, NY 14203-1610

By: Teresa L. Robinson Teresa L. Robinson  
Its Attorney-in-Fact & FL Licensed Resident Agent\*

ATTEST: Kerlie M. Donahue

\*Inquiries: (407) 786-7770

(App E, LDC; through Supp 16).

**POWER OF ATTORNEY**

No. 20052

Know all men by these Presents, that the NOVA CASUALTY COMPANY, a corporation of the State of New York, having its principal offices in the City of Buffalo, New York, does make, constitute and appoint

**\*\*\*JEFFREY W. REICH, SUSAN L. REICH, TERESA L. ROBINSON,  
PATRICIA L. SLAUGHTER, LESLIE M. DONOHUE & KIM E. NIV\*\*\***

its true and lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

**\*\*\*NOT TO EXCEED \$250,000.00\*\*\***

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of NOVA CASUALTY COMPANY at a meeting duly called and held on the 18th day October, 1993:

RESOLVED, that the President, and Vice President, the Secretary or Treasurer, acting individually or otherwise, be and they hereby are granted the power and authorization to appoint by a Power of Attorney for the purposes only of executing and attesting bonds and undertakings, and other writings obligatory in the nature thereof, one or more resident vice-presidents, assistant secretaries and attorney(s)-in-fact, each appointee to have the powers and duties usual to such offices to the business of this company; the signature of such officers and seal of the Company may be affixed to any such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company, and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached. Any such appointment may be revoked, for cause, or without cause, by any of said officers, at any time."

In Witness Whereof, the NOVA CASUALTY COMPANY has caused these presents to be signed by its officer undersigned and its corporate seal to be hereto affixed duly attested by its Secretary, this 21st day of October, 1993.

Attest:

NOVA CASUALTY COMPANY

*Harsha Acharya*

Harsha Acharya, Secretary



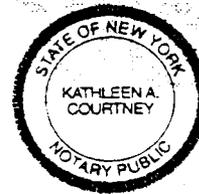
*Norman F. Ernst*

Norman F. Ernst, President

STATE OF NEW YORK }  
COUNTY OF ERIE }

On the 21st day of October, 1993, before me personally came Norman F. Ernst, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Erie, State of New York; that he is the President of NOVA CASUALTY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

STATE OF NEW YORK }  
COUNTY OF ERIE }



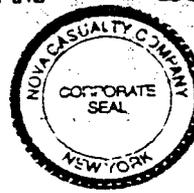
*Kathleen A. Courtney*

Kathleen A. Courtney  
Notary Public, Erie Co., NY  
My Commission Expires July 25, 1994

**CERTIFICATE**

I, the undersigned, duly elected to the office stated below, now the incumbent in NOVA CASUALTY COMPANY, a New York Corporation, authorized to make this certificate, DO HEREBY CERTIFY that the foregoing attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and Sealed at the City of Buffalo. Dated the 29th day of January, 2002



*H. C. Hoover*

H. Christopher Hoover, Treasurer