

**SEMINOLE COUNTY GOVERNMENT  
AGENDA MEMORANDUM**

**SUBJECT:** Authorize Release of a Maintenance Agreement and Irrevocable Letter of Credit

**DEPARTMENT:** Planning & Development **DIVISION:** Development Review

**AUTHORIZED BY:** Dan Matthys **CONTACT:** Tony Nelson **EXT.** 7341

<b>Agenda Date</b> <u>6/27/2006</u>	<b>Regular</b> <input type="checkbox"/>	<b>Consent</b> <input checked="" type="checkbox"/>	<b>Work Session</b> <input type="checkbox"/>	<b>Briefing</b> <input type="checkbox"/>
	<b>Public Hearing – 1:30</b> <input type="checkbox"/>		<b>Public Hearing – 7:00</b> <input type="checkbox"/>	

**MOTION/RECOMMENDATION:**

Authorize the release of the Lakewood Pointe Office Park Maintenance Agreement and Irrevocable Letter of Credit for road improvements.

Districts 2 (Morris)

(Tony Nelson, Senior Engineer)

**BACKGROUND:**

The following Maintenance Agreement and Irrevocable Letter of Credit was required as part of the Land Development Code Section 35.44 (e) *Additional Required Legal Submittals* (1) *Bonds* to insure operating conditions have not significantly degraded. A two year maintenance inspection was conducted by staff for this project and was determined to be satisfactory.

- Lakewood Pointe Office Park, L.A.M. Development, LLC**  
 Maintenance Agreement and Irrevocable Letter of Credit # 806 for \$2,785.00  
 (Peoples First).

**STAFF RECOMMENDATION:**

Staff recommends the release of this Maintenance Agreement and Irrevocable Letter of Credit.

Districts 2 (Morris)

Attachments: Copies of Maintenance Agreement and Irrevocable Letter of Credit

<b>Reviewed by:</b> _____ <b>Co Atty:</b> <u>KFT</u> <b>DFS:</b> _____ <b>Other:</b> _____ <b>DCM:</b> _____ <b>CM:</b> _____ <b>File No.</b> <u>cpdd01</u>
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SUBDIVISION AND SITE PLAN

MAINTENANCE AGREEMENT  
(Road Improvements)

THIS AGREEMENT is made and entered into this 28<sup>th</sup> day of MAY, 2004 between L.A.M. Development, L.L.C. hereinafter referred to as "PRINCIPAL" and SEMINOLE COUNTY, a political subdivision of the State of Florida hereinafter referred to as COUNTY

WITNESSETH:

WHEREAS, the PRINCIPAL has constructed certain road improvements, including streets, curbs, storm drains and other appurtenances in that certain subdivision described as Seminole County Right of Way a Plat of which is recorded in Plat Book 61 Pages 94-97, Public Records of Seminole County, Florida; and

WHEREAS, the aforesaid road improvements were made pursuant to certain plans and specifications dated January 27th, 2003, (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 road improvements for a period of two (2) years from MAY 28<sup>TH</sup>, 2004; 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. 806 issued by Peoples First Community Bank, in the sum of Two Thousand Seven Hundred Eighty Five DOLLARS (\$2,785.00).

NOW THEREFORE, the COUNTY, agrees to accept the road improvements into the County Road System upon execution of the 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 Two Thousand Seven Hundred Eighty Five Dollars (\$2,785.00) 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 MAY 28<sup>TH</sup>, 2004, 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





116 East Altamonte Drive  
Altamonte Springs, Florida 32701  
(407) 830-4372 • FAX (407) 830-6908  
Lending (407) 865-7007 • FAX (407) 865-6980

**IRREVOCABLE LETTER OF CREDIT**  
**(Maintenance Agreement-Road Improvements)**

**EFFECTIVE DATE:** May 25, 2004  
**EXPIRATION DATE:** July 25, 2006  
**LETTER OF CREDIT #:** 806

**BENEFICIARY:** Seminole County Board of County Commissioners  
Seminole County Services Building  
1101 East First Street  
Sanford, Florida 32771

**APPLICATION:** L.A.M. Development, LLC  
2009 Longwood Lake Mary Road, Suite 1015  
Longwood, Florida 32750

Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit No. 806 in favor of **SEMINOLE COUNTY BOARD OF COUNTY COMMISSIONERS** (Beneficiary), for the account of **L.A.M. Development, LLC**. We hereby authorize you to draw on Peoples First Community Bank up to an aggregate amount of **TWO THOUSAND SEVEN HUNDRED EIGHTY-FIVE AND 00/100 DOLLARS (\$2,785.00)** available by your drafts at sight accompanied by a signed statement of the Board of County Commissioners that the Private Road Maintenance Agreement dated May 10, 2004, between L.A.M. Development, LLC and Seminole County is in default.

Drafts must be drawn and negotiated on or before **July 25, 2006** – 26 months after Road Maintenance Agreement and each draft must state that it is drawn under Irrevocable Letter of Credit Number 806 of Peoples First Community Bank dated May 25, 2004 and the amount thereof endorsed on 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 Road Maintenance Agreement with L.A.M. Development, LLC.

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 Road Maintenance Agreement dated May 10, 2004, and the completion of L.A.M. Development, LLC obligations thereunder, you will return the original Letter of Credit to this Bank marked "Cancelled."

We hereby agree with the drawers, endorsers, and bona fide holders of all drafts drawn under and in compliance with the terms of this Letter of Credit, that such drafts will be duly honored upon presentation to Peoples First Community Bank, 116 E. Altamonte Drive, Orlando, Florida 32701, located in Orange County.

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*We put People first!*

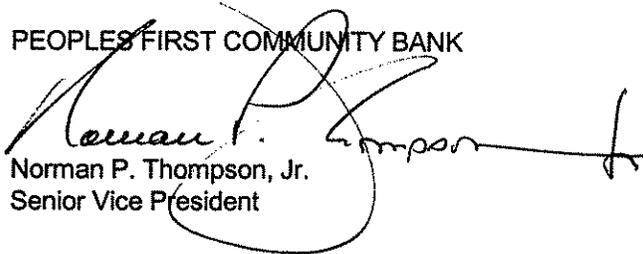
L.A.M. Development, LLC  
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Letter of Credit 806

If the Board of County Commissioners initiated suit under this Letter of Credit, due to the Bank's failure to honor proper demand for payment, the Bank hereby agrees to be responsible for Seminole County's court costs and reasonable attorneys' fees, but Peoples First Community Bank shall not be responsible for any attorneys' fees in excess of fifteen percent (15%) of the aggregate amount of this Letter of Credit.

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 Road Maintenance Agreement dated May 10, 2004, and referenced herein.

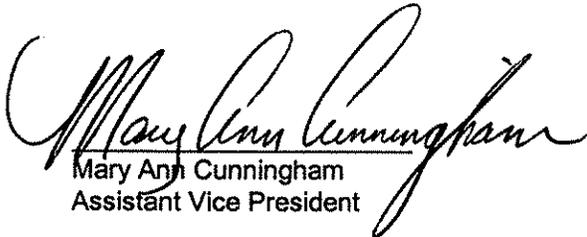
This Irrevocable Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500, and to the provisions of Florida law. If a conflict between the "Uniform Customs and Practice for Documentary Credits" and Florida law should arise, Florida law shall prevail. If a conflict between the law of another state or country and Florida law should arise, Florida law shall prevail.

PEOPLES FIRST COMMUNITY BANK



Norman P. Thompson, Jr.  
Senior Vice President

ATTEST:



Mary Ann Cunningham  
Assistant Vice President