

Board of County Commissioners

Agenda Request

Date of Meeting: June 2, 2009

Date Submitted: May 15, 2009

To: Honorable Chairman and Members of the Board

From: Benjamin H. Pingree, County Administrator
Cleve Fleming, Public Works Director

Subject: Request Board Approval to Release Claim on Irrevocable Letter of Credit -
#265, Tallahassee State Bank, Southern Realty & Development Co., LLC
for the Flowers Subdivision Phase I

Statement of Issue:

This agenda item requests the Board approval to release the claim upon the Irrevocable Letter of Credit from Tallahassee State Bank for the Flowers Subdivision Phase 1.

Background:

At the February 6, 2006 public hearing of the Wakulla County Board of County Commissioners, the Board voted to approve the Final Plat application for Southern Realty and Development Co., LLC's (the "Developer") Flowers Subdivision Phase 1. Section 7-23 of the Land Development Code requires that either a Certificate of Completion or a Certificate of Bond be provided by the developer in order for a final plat to be approved. A Certificate of Completion verifies that all the necessary infrastructure improvements were completed by the time of plat approval. A Certificate of Bond acknowledges that all of the necessary infrastructure improvements have not been completed at the time of final plat approval yet verifies that a financial institution will supply the County with the funds needed to complete these improvements should the developer fail to do so within a reasonable time period. Typically, developers have presented the County with a Certificate of Bond and related Irrevocable Letter of Credit (LOC) to meet the obligations of Section 7-23, Wakulla County Land Development Code.

In conjunction with the Flowers Subdivision Phase 1 final plat, a Certificate of Bond and related Irrevocable Letter of Credit were provided to satisfy this requirement. On January 30, 2006, Tallahassee State Bank issued the LOC in the amount of \$648,124.00 to cover the required improvements that were incomplete at the final plat approval phase.

On January 29, 2009, the County Administrator drew upon the LOC to obtain the funds necessary to complete the subdivision's vital infrastructure. The County Administrator acted upon staff's recommendation on January 30, 2009. The administrator's actions were ratified by the Board at the February 3, 2009 meeting.

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Analysis:

Shortly after the LOC was called in, the developer met with County staff and requested the County to allow him to complete the remaining sewer infrastructure under the County's direction and supervision. By entering this agreement with the developer, County staff was able to insure the completion of the lift station before the expiration date of the DEP permit.

The infrastructure was completed by March 19, 2009. The request for approval to place a domestic wastewater collection / transmission system into operation was submitted to the Florida Department of Environmental Protection (FDEP) and was approved by FDEP on April 2, 2009.

Options:

1. Release the claim to LOC #265, Tallahassee State Bank, Southern Realty & Development Co., LLC for the Flowers Subdivision Phase I.
2. Do not release the claim to LOC #265, Tallahassee State Bank, Southern Realty & Development Co., LLC for the Flowers Subdivision Phase I.
3. Board Direction.

Recommendation:

Option #1

Attachment(s):

1. FDEP approval

[CF/bp]