



Legislation Text

File #: 24-1079, **Version:** 1

Interoffice Memorandum

DATE: July 11, 2024

TO: Mayor Jerry L. Demings and County Commissioners

THROUGH: N/A

FROM: Ed Torres, M.S., P.E., LEED AP, Director, Utilities Department

CONTACT: Lindy Wolfe, P.E., LEED AP, Utilities Manager

PHONE: 407-254-9918

DIVISION: Utilities Engineering Division

ACTION REQUESTED:

Approval and release of Irrevocable Standby Letter of Credit No. 70003075 on behalf of Morrow Construction Company in favor of Orange County in the amount of \$438,833.36 for the required security to guarantee compliance with the terms of the Adara World Gateway Apartment Complex Water and Wastewater Capacity Adjustment Agreement from SunTrust Bank, Amendment 1 revising the expiry date, and Amendment 2 from Truist Bank. District 1. (Engineering Division)

PROJECT: N/A

PURPOSE: Letter of Credit (LOC) No. 70003075 was issued in the amount of \$438,833.36 by SunTrust Bank on behalf of Morrow Construction Company as the required security to guarantee compliance with the terms of the Adara World Gateway Apartment Complex Water and Wastewater Capacity Adjustment Agreement (Agreement). The Agreement and original LOC were approved by the Board on April 10, 2018. The First Amendment to the LOC was approved by the Board on December 4, 2018, and revised the expiry date to August 17, 2023. The Second Amendment to the LOC was approved by the Board on February 11, 2020, and revised the issuing bank to Truist Bank.

The terms of the Agreement were satisfied on August 17, 2023, and the LOC as amended is expired, no longer in effect, and no longer needed, and Morrow Construction Company requested the LOC be released. This LOC pre-dates Resolution No. 2018-M-21 which delegates the authority to release letters of credit to the Utilities Director or Deputy Director; therefore, this LOC cannot be released under the Resolution and would need to be released by the Board.

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The County Attorney's Office and Comptroller's Office reviewed the LOC request and have no objections to releasing the LOC. Utilities Department staff recommends approval.

BUDGET: N/A