



CITY OF MADISON, ALABAMA
MAINTENANCE BOND FOR SUBDIVISION IMPROVEMENTS

Subdivision: Windermere Subdivision Phase 2

Principal: Premium Properties, LLC

Bond No: 555877 Amount: \$124,600.36 LOC X Cash

KNOW ALL MEN BY THESE PRESENTS that the above-referenced PRINCIPAL is held and firmly bound unto the City of Madison, Alabama (the "CITY") in the above stated amount for the payment of which sum the above listed and attached security is irrevocably pledged. Said PRINCIPAL, and its Surety, if applicable, does successively bind itself, its heirs, executors, administrators, successors, and assigns, jointly and severally, by these presents.

WHEREAS, SUBDIVISION IMPROVEMENTS (except water and sewer improvements accepted by the Water and Wastewater Board and sidewalks separately bonded) in the above referenced subdivision constructed by the PRINCIPAL, have been or are expected to be approved for dedication to and acceptance by the City effective as of the above referenced acceptance date; and

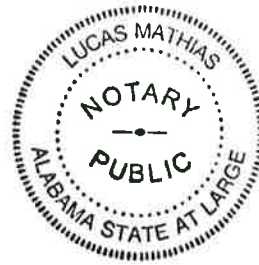
WHEREAS, in consideration of the acceptance of said subdivision improvements by the CITY, the PRINCIPAL hereby guarantees to the CITY for a period of two (2) years after dedication of said improvements that any and all defects or deficiencies arising, occurring, or becoming apparent with respect to said improvements within that period, whether resulting from negligence or defective or inferior materials or workmanship, shall be promptly repaired, replaced, or corrected at the expense of the PRINCIPAL or its Surety.

NOW, THEREFORE, the condition of this obligation is such that if the PRINCIPAL shall replace, repair, or correct any and all defects or deficiencies arising, occurring, or becoming apparent with respect to said subdivision improvements within two (2) years from and after the acceptance date, whether resulting from negligence or defective or inferior materials or workmanship, then the above obligation shall be void, otherwise to remain in full force and effect.

Inspection and acceptance of the subdivision improvements by the CITY shall in no way affect the obligation created by this BOND. In the event of any default by the PRINCIPAL, or its Surety, if applicable, in the performance of the condition of this BOND, after written notice and demand to PRINCIPAL by the City, or in the event that the CITY shall incur any cost, obligation, or fee in performing the condition of this bond after a refusal or failure of PRINCIPAL to do so, then said PRINCIPAL, and Surety if applicable, shall be obligated to the CITY for the amount of such cost, obligation, or fee. Said obligation of the PRINCIPAL IS EXPRESSLY UNDERSTOOD AND AGREED NOT TO BE LIMITED TO THE AMOUNT OF THIS BOND. In the event that any action is commenced by the CITY for the enforcement of the obligations and penalties of this BOND, the PRINCIPAL, and applicable sureties, jointly and severally waive all claims of exemption which they may have or be entitled to under the constitution and laws of the State of Alabama and agree to pay reasonable attorneys' fees for the prosecution of such suit by the City Attorney.

IN WITNESS WHEREOF, we hereunto set our names and seals on this 6th day of June, 2023.


WITNESS



PRINCIPAL
By: 

Its: 

APPROVED:

City Engineer

6/12/2023
Date

ACCEPTED:

CITY OF MADISON

Mayor

Date

ATTEST:

City Clerk - Treasurer

**CITY OF MADISON &
WATER AND WASTEWATER BOARD OF THE CITY OF MADISON
APPLICATION FOR ACCEPTANCE AND DEDICATION OF
SUBDIVISION IMPROVEMENTS**

City of Madison
100 Hughes Road
Madison, Alabama 35758

Madison Utilities
101 Ray Sanderson Drive
Madison, Alabama 35758

Subdivision: Windermere Subdivision, Phase 2

Plat Book: 2023 Page: 171-173 or Document # _____

Probate Records of Madison County, Alabama

The undersigned developer of the above-referenced subdivision hereby applies for acceptance of the subdivision into the maintenance programs of the City of Madison and its Water and Wastewater Board. Applicant hereby dedicates the water and sanitary sewer system of said subdivision to the Water and Wastewater Board of the City of Madison, and all other subdivision improvements to the City of Madison, subject only to final acceptance of same by each of said entities.

The applicant knows of no defects from any cause in these improvements. Applicant certifies that said improvements are free and clear of any encumbrance or loan.

The undersigned developer accepts responsibility for maintenance of said improvements in accordance with maintenance bonds submitted to the City of Madison and its Water and Wastewater Board.

Date: 04/17/2023

Developer: Premium Properties, LLC

Address: 150 Heathrow Drive, Florence, AL 35633

By: 

ENGINEERING CERTIFICATION

This is to certify that the sanitary sewer and water systems, the streets, curbs and gutters, and other required subdivision improvements lying within the above-referenced subdivision, are complete, free from defect, and have been constructed in accordance with approved plans and specifications and applicable construction standards of the City of Madison and its Water and Wastewater Board within dedicated easements and/or rights-of-way.

This certification is based on inspections and investigations of the engineer and shall not constitute an express or implied warranty or guarantee of the improvements.

It is understood by the undersigned consulting engineer that representatives of the City of Madison and its Water and Wastewater Board will rely on this certification in determining whether to recommend acceptance of the above-said improvements into the maintenance programs of the Board and the City.

Date: 04/17/2023

Consulting Engineers: Morell Engineering, Inc.

Address: 4801 University Square, Suite 20, Huntsville, AL 35816

By: 

**CITY OF MADISON &
WATER AND WASTEWATER BOARD OF THE CITY OF MADISON
SUBDIVISION ACCEPTANCE FORM**

Subdivision: Windermere Subdivision, Phase 2

Plat Book: 2023 Page: 171-173 or Document # _____

Probate Records of Madison County, Alabama

The water and sanitary sewer systems of the above-referenced subdivision have passed required tests and inspection and are hereby recommended for acceptance into the maintenance program of the Water and Wastewater Board of the City of Madison.



Board Inspector

All required construction plans, bonds and other documents and certifications have been submitted and the above-referenced water and sanitary sewer systems in the above-referenced subdivision are ready for acceptance by the Board.



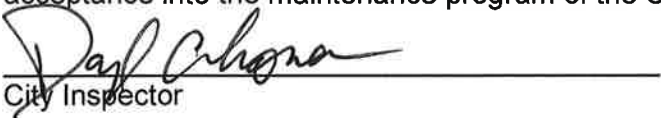
General Manager

Upon affirmative vote of the Water and Wastewater Board on this the 1st day of May, 2023, dedicated water and sanitary sewer systems in the above referenced subdivision are hereby accepted into the maintenance system of the Board, subject only to final acceptance of all other subdivision improvements by the City of Madison.



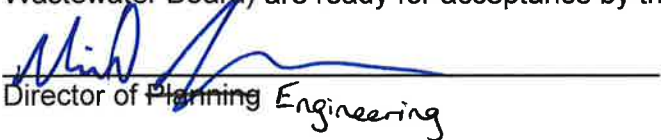
Board Chairman

Subdivision improvements in the above-referenced subdivision (other than water and sanitary sewer systems accepted by the Water and Wastewater Board) have passed inspection and are hereby recommended for acceptance into the maintenance program of the City of Madison.



City Inspector

All required construction plans, bonds, and other documents and certifications have been submitted and the subdivision improvements (other than water and sanitary sewer systems accepted by the Water and Wastewater Board) are ready for acceptance by the City of Madison.



Director of Planning Engineering

Upon affirmative vote of the City Council of the City of Madison on this the _____ day of _____, _____, dedicated subdivision improvements in the above-referenced subdivision are hereby accepted into the maintenance system of the City of Madison.

Council President

Mayor



IRREVOCABLE LETTER OF CREDIT
(FOR SUBDIVISION MAINTENANCE BOND)

Beneficiary:
City of Madison
100 Hughes Road
Madison, AL 35758
(hereinafter "CITY")

Applicant:
Premium Properties, LLC
150 Heathrow Drive
Florence, AL 35633
(hereinafter "DEVELOPER")

Bank:
CB&S Bank
521 Madison Street SE
Huntsville, AL 35801
(hereinafter "BANK")

Subdivision: Windermere Subdivision Phase 2

LOC No.: 555877
Amt: \$124,600.36
Note Date: 06/02/2023
Date: 06/26/2023
Expiration: 07/26/2025
(at least 25 months after date)

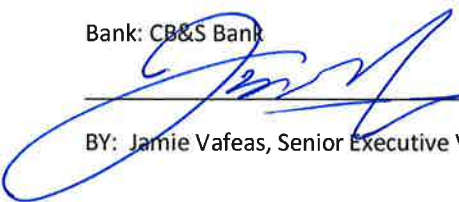
We hereby establish out Standby Irrevocable Letter of Credit ("LOC") in favor of CITY for the account of DEVELOPER for the purpose of securing a Maintenance Bond for Subdivision Improvements submitted by DEVELOPER as a condition for acceptance of the referenced subdivision into the CITY'S Maintenance Program. This LOC shall be valid up to the amount above stated. It shall be available for draft by the CITY at sight drawn to BANK on or before the expiration date.

"This draft is made against the attached LOC submitted to the City of Madison by the referenced DEVELOPER as security for a maintenance bond posted upon application for acceptance of the subdivision improvements referenced therein. We hereby certify that the referenced subdivision improvements are defective or in need of repair, and that DEVELOPER has been given a reasonable opportunity to cure such defects or make such repairs, yet has failed to do so. Funds drawn under the attached LOC and received from BANK will be used to cure defects or make such repairs."

We hereby engage with *bona fide* holders that drafts strictly in compliance with the terms of the LOC and any amendments thereto on or before the close of business on the referenced expiration date shall meet with due honor upon presentation to BANK.

Except as otherwise stated, this LOC is subject to the "Uniform Customs and Practices for Documentary Credit" (2007 Revision), International Chamber of Commerce Publication 600 ("UCP"). As to matters not covered by the UCP, this credit is subject to and governed by the laws of the State of Alabama.

Bank: CB&S Bank


BY: Jamie Vafeas, Senior Executive Vice President