

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

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Meeting Date:	September 12, 2006	Consent [X] Public Hearing []	Regular []
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Submitted By: Water Utilities Department
Submitted For: Water Utilities Department

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I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to receive and file: a Clean Irrevocable Standby Letter of Credit, No. SM220399W, in the amount of \$438,000 for The BG Group, LLC.

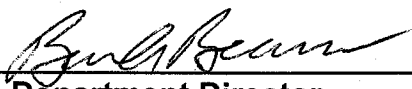

Summary: On June 6, 2006, the Board approved a contract with The BG Group, LLC for demolition of Water Treatment Plant Nos. 1 and 3, and Wastewater Treatment Plant 9N in the amount of \$438,000. The contract was approved subject to receipt of an acceptable public construction bond or line of credit (R2006-1001). This agenda item recommends the Board receive and file the Clean Irrevocable Standby Letter of Credit, No. SM220399W issued by Wachovia Bank, National Association so it may be properly recorded.

Districts 2 and 5 (JM)

Background and Justification: N/A

Attachments:

- 1. One (1) Original of the Letter of Credit

Recommended By:	 Department Director	<u>8/10/06</u> Date
Approved By:	 Assistant County Administrator	<u>8/24/06</u> Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2006	2007	2008	2009	2010
Capital Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
External Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
In-Kind Match County	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET FISCAL IMPACT	<u>0</u>				
# ADDITIONAL FTE POSITIONS (Cumulative)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Budget Account No.:	Fund	Dept	Unit	Object
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Is Item Included in Current Budget? Yes ☐ No ☒ **Reporting Category** N/A

B. Recommended Sources of Funds/Summary of Fiscal Impact:

No Fiscal Impact

C. Department Fiscal Review: Shirley Edwards


III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

Elizabeth Bresh 8/15/06
OFMB
atw 8-15-06
Legal sufficiency:

Dr. J. Jacoby P 11706
Contract Development and Control
8/16/06

B. ~~Legal~~ sufficiency:


Assistant County Attorney

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

CLEAN IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER SM220399W

LETTER OF CREDIT AMOUNT	ISSUE DATE	EXPIRY DATE
USD 438,000.00	06/12/06	04/30/07

BENEFICIARY:
PALM BEACH COUNTY BOARD OF COUNTY
COMMISSIONERS
PALM BEACH COUNTY WATER UTILITIES
DEPARTMENT
6100 FOREST HILL BOULEVARD
WEST PALM BEACH, FL 33413

APPLICANT:
THE BG GROUP, LLC
1140 HOLLAND DRIVE
SUITE 19
BOCA RATON, FL 33487

WE HEREBY OPEN OUR CLEAN IRREVOCABLE STANDBY LETTER OF CREDIT NO. SM220399W
IN FAVOR OF PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS (COUNTY) FOR THE
AMOUNT OF USD FOUR HUNDRED THIRTY EIGHT THOUSAND ONLY US DOLLARS
(USD438,000.00) EFFECTIVE AS OF THIS DATE.

WE ARE ADVISED THIS LETTER OF CREDIT IS ISSUED PURSUANT TO THAT CERTAIN
CONTRACT NO. WUD 05-071 BETWEEN THE BG GROUP, LLC AS CONTRACTOR, AND PALM
BEACH COUNTY, FLORIDA, DATED JUNE 6, 2006 (THE "CONTRACT") HOWEVER, THIS
LETTER OF CREDIT IS INDEPENDENT OF THAT CONTRACT AND REFERENCE HEREIN IS
FOR INFORMATION ONLY.

FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE TO THE COUNTY HEREUNDER NOT
EXCEEDING IN AGGREGATE THE AMOUNT OF THIS CREDIT AGAINST THE COUNTY'S DEMAND
FOR PAYMENT ON US MENTIONING OUR LETTER OF CREDIT NO. SM220399W.

WHEN WE RECEIVE YOUR DEMAND FOR PAYMENT AT WACHOVIA BANK, NATIONAL ASSOCIATION,
401 LINDEN STREET, WINSTON-SALEM, NORTH CAROLINA ATTN: STANDBY LETTER OF CREDIT
DEPT., ON OR PRIOR TO THE EXPIRATION DATE, WE WILL PROMPTLY HONOR THE SAME.

VENUE FOR ANY AND ALL LEGAL ACTIONS NECESSARY TO ENFORCE THE TERMS OF THIS
LETTER OF CREDIT SHALL BE PALM BEACH COUNTY, FLORIDA.

KINDLY ADDRESS ALL CORRESPONDENCE REGARDING THIS LETTER OF CREDIT TO THE
ATTENTION OF THE LETTER OF CREDIT DEPARTMENT, MENTIONING SPECIFICALLY OUR
CREDIT NUMBER.

THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE
FOR DOCUMENTARY CREDIT (1993 REVISION) THE INTERNATIONAL CHAMBER OF
COMMERCE PUBLICATION NO. 500.

SINCERELY,


AUTHORIZED SIGNATURE
DKN

CONTINUED ON NEXT PAGE WHICH FORMS AN INTEGRAL PART OF THIS
LETTER OF CREDIT

WACHOVIA

IRREVOCABLE STANDBY LETTER OF CREDIT NO. SM220399W

PAGE NO. 2

PLEASE DIRECT ANY CORRESPONDENCE INCLUDING DRAWING OR INQUIRY QUOTING OUR REFERENCE NUMBER TO:

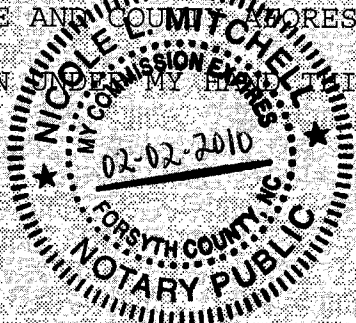
WACHOVIA BANK, NATIONAL ASSOCIATION
401 LINDEN STREET, MAIL CODE NC6034
WINSTON SALEM, NORTH CAROLINA 27101

OUR CUSTOMER CARE PHONE NUMBER FOR ANY QUERIES IS 800-776-3862
OUR FAX NUMBER IS 336-735-0950

STATE OF NORTH CAROLINA
COUNTY OF FORSYTH

I, Nicole L. Mitchell, A NOTARY PUBLIC IN AND FOR THE STATE AND
COUNTY AFORESAID, DO HEREBY CERTIFY THAT Peter Lucarelli WHOSE
NAME IS SIGNED TO THE FOREGOING, THIS DAY PERSONALLY APPEARED BEFORE ME IN MY
STATE AND COUNTY AFORESAID AND ACKNOWLEDGED THE SAME.

GIVEN UNDER MY HAND THIS 12th, DAY OF June, 2006.



Nicole L. Mitchell
NOTARY PUBLIC

MY COMMISSION EXPIRES: 02-02-2010