



Interoffice Memorandum

APPROVED BY ORANGE
COUNTY BOARD OF COUNTY
COMMISSIONERS

BCC Mtg. Date: Apr. 5, 2016

March 21, 2016

TO: Mayor Teresa Jacobs
and Board of County Commissioners

FROM: Raymond E. Hanson, P. E., Director
Utilities Department

A handwritten signature in black ink, appearing to read "R. Hanson", is written over the "FROM" field.

**SUBJECT: BCC AGENDA ITEM - Consent Agenda
April 5, 2016 BCC Meeting
Irrevocable Standby Letter of Credit No. 50209100, Disposall, Inc.
Contact Person: James Becker, Manager
Utilities Solid Waste Division
407-254-9660**

Orange County requires Utilities Solid Waste Division credit customers to maintain a deposit in the amount of three (3) times the average monthly charge for the previous twelve (12) months history at all times. The acceptable forms of deposit are cash, bond or letter of credit. The customer, Disposall, Inc., has done business with Orange County in the past and the amount of the surety instrument represents the required deposit.

This Irrevocable Standby Letter of Credit No. 50209100, dated March 3, 2016, from Floridian Bank on behalf of Disposall, Inc., serves as a deposit and surety for payment for Solid Waste hauling charges at the Orange County Landfill in the event of non-payment. The letter of credit is issued by Floridian Bank, an approved bank, at 519 N. Magnolia Avenue, Orlando, Florida, 32801, and all required verification procedures have been performed. The letter of credit is effective March 3, 2016, and expires one year from the date of the letter ending March 3, 2017.

Orange County Attorney's Office staff has reviewed the document and finds it acceptable as to form. Utilities Department staff recommends approval.

Action Requested: Approval of Irrevocable Standby Letter of Credit No. 50209100, dated March 3, 2016, from Floridian Bank on behalf of Disposall, Inc., in favor of Orange County, for payment surety in the amount of \$250,000.

All Districts.



IRREVOCABLE STANDBY LETTER OF CREDIT NO. 50209100

DATE: MARCH 3, 2016

BENEFICIARY:
ORANGE COUNTY, FLORIDA
C/O ORANGE COUNTY UTILITIES
9150 CURRY FORD ROAD
ORLANDO, FLORIDA 32825
ATTN: CHARLES GRIFFIN

APPLICANT:
DISPOSALL, INC.
540 DOUGLAS AVENUE
ALTAMONTE, SPRINGS, FL 32714
ATTN: PAULA CALABRESE

AMOUNT: \$250,000.00 (TWO HUNDRED FIFTY THOUSAND AND 00/100 U.S. DOLLARS)

DATE OF EXPIRY: MARCH 3, 2017

AT THE REQUEST AND FOR THE ACCOUNT OF APPLICANT, WE, FLORIDIAN BANK ("ISSUER"), HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. 50209100, IN FAVOR OF ORANGE COUNTY, A CHARTER COUNTY AND POLITICAL SUBDIVISION OF THE STATE OF FLORIDA ("BENEFICIARY"), AND AUTHORIZE YOU TO DRAW ON ISSUER, IN THE MAXIMUM AGGREGATE AMOUNT OF \$250,000.00 (TWO HUNDRED FIFTY THOUSAND AND 00/100 U.S. DOLLARS), IN UNITED STATES FUNDS, WHICH IS PAYABLE AT SIGHT AGAINST PRESENTATION OF YOUR DEMAND, WHEN ACCOMPANIED BY THIS LETTER OF CREDIT AND ANY OF THE FOLLOWING DOCUMENTS:

1. A STATEMENT SIGNED BY THE ORANGE COUNTY MAYOR OR AUTHORIZED REPRESENTATIVE READING AS FOLLOWS: "THE PERFORMANCE OF APPLICANT'S OBLIGATION REQUIRING THE PAYMENT OF CHARGES HAS NOT BEEN FULFILLED AND THE LETTER OF CREDIT WILL EXPIRE WITHIN 30 DAYS FROM THE DATE OF THE DRAWING WITHOUT BEING EXTENDED OR REPLACED TO THE COUNTY'S SATISFACTION;" OR
2. A STATEMENT SIGNED BY THE ORANGE COUNTY MAYOR OR AUTHORIZED REPRESENTATIVE READING AS FOLLOWS: "FLORIDIAN BANK HAS LOST ITS DESIGNATION AS A "QUALIFIED PUBLIC DEPOSITORY" PURSUANT TO FLORIDA STATUTES, CHAPTER 280, AND AN ACCEPTABLE REPLACEMENT LETTER OF CREDIT HAS NOT BEEN RECEIVED BY THE COUNTY FOLLOWING NOTICE TO APPLICANT;" OR
3. A STATEMENT SIGNED BY THE ORANGE COUNTY MAYOR OR AUTHORIZED REPRESENTATIVE READING AS FOLLOWS: THE DRAWING IS DUE TO APPLICANT'S FAILURE TO PAY SUMS OR PERFORM APPLICANT'S OBLIGATIONS AS AGREED UPON BY AND BETWEEN ORANGE COUNTY AND DISPOSALL, INC. AND AS REQUIRED IN SECTION 32-21 OF THE ORANGE COUNTY CODE. THIS LETTER OF CREDIT WAS DELIVERED TO ORANGE COUNTY TO COMPLY WITH DISPOSALL, INC.'S OBLIGATIONS UNDER THE ABOVE CITED COUNTY CODE PROVISIONS AND SPECIFICALLY APPLICANT'S OBLIGATION TO TIMELY PAY ORANGE COUNTY'S PERIODIC WASTE DISPOSAL CHARGES.

"Our People Make the Difference"



A SUM NOT TO EXCEED \$250,000.00 (TWO HUNDRED FIFTY THOUSAND AND 00/100 U.S. DOLLARS) SHALL BE AVAILABLE FOR PARTIAL OR FULL DRAW BY PRESENTATION OF YOUR DEMAND AT SIGHT IF ACCOMPANIED BY A WRITTEN STATEMENT AS DESCRIBED IN THE PRECEDING PARAGRAPHS.

THIS LETTER OF CREDIT SHALL BE IN FULL FORCE AND EFFECT UNTIL MARCH 3, 2017 AND WILL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR SUCCESSIVE PERIODS OF ONE-YEAR EACH, NOT TO EXCEED A TOTAL OF THREE (3) SUCH ONE-YEAR PERIODS, UNLESS WE PROVIDE THE BENEFICIARY WITH WRITTEN NOTICE OF OUR INTENT TO TERMINATE THE CREDIT HEREIN EXTENDED, WHICH NOTICE MUST BE PROVIDED AT LEAST THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE OF THE ORIGINAL TERM HEREOF OR ANY EXTENDED TERM.

DRAWS MUST BE PRESENTED NO LATER THAN MARCH 3, 2017 OR ANY EXTENDED EXPIRATION DATE AND MUST BEAR THE CLAUSE: "DRAWN UNDER LETTER OF CREDIT NO. 50209100 OF FLORIDIAN BANK, DATED MARCH 3, 2016."

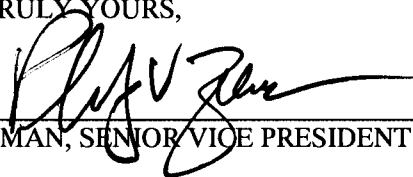
PARTIAL AND MULTIPLE DRAWINGS ARE PERMITTED; PROVIDED, HOWEVER, THAT ANY PAYMENT MADE UNDER THIS LETTER OF CREDIT SHALL REDUCE THE AMOUNT AVAILABLE UNDER IT.

WE, ISSUER, HEREBY AGREE THAT ALL DRAWS PRESENTED UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT SHALL BE DULY HONORED UPON PRESENTATION TO FLORIDIAN BANK 519 N. MAGNOLIA AVENUE, ORLANDO, FL 32801.

THIS LETTER OF CREDIT WILL BE CONSIDERED AS CANCELLED UPON RECEIPT BY US OF THE ORIGINAL LETTER OF CREDIT OR UPON ANY PRESENT OR FUTURE EXPIRY DATE HEREUNDER, WHICHEVER SHALL OCCUR FIRST.

THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES 1998 (ISP98) (INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590) AND TO THE PROVISIONS OF FLORIDA LAW. IF A CONFLICT BETWEEN THE ISP98 AND FLORIDA LAW SHOULD ARISE, FLORIDA LAW SHALL PREVAIL. IF A CONFLICT BETWEEN FLORIDA LAW AND THE LAW OF ANY OTHER STATE OR COUNTRY SHALL ARISE, FLORIDA LAW SHALL PREVAIL.

VERY TRULY YOURS,



PHIL ZEMAN, SENIOR VICE PRESIDENT OF FLORIDIAN BANK