

REPORT TO THE BOARD OF MAYOR & ALDERMEN

DATE: September 8, 2025

FROM: Dale Perryman, P.E., Town Engineer

SUBJECT: Release of Letters of Credit for the Villages of Porter Farms, Phases 22, 23, and 24, Case #221005

INTRODUCTION:

The Board of Mayor and Aldermen (BMA) are being asked to approve the release of the Letters of Credit for The Villages of Porter Farms P. D., Phases 22, 23, and 24.

BACKGROUND:

Phase 22

- On April 23, 2018, the Board of Mayor and Aldermen (BMA) approved the Development Agreement.
- On January 14, 2019, the BMA approved the conversion of the Letter of Credit from \$100,00.00 to \$289,000.00.
- The plat was recorded on April 5, 2019, signifying the initial acceptance, beginning the one-year warranty period.
- The BMA approved the first reduction on April 13, 2020, from \$289,000.00 to \$96,000.00.
- The final surface asphalt was installed November 14, 2022, initiating the one-year warranty for the final surface asphalt.
- The BMA approved the second reduction on January 9, 2023, from \$96,000.00 to \$36,000.00.
- An End of Warranty (release) Punch List was provided to the Developer on November 6, 2023. This Punch List was prepared by the original inspector.
- An updated End of Warranty Punch List was provided to the Developer on August 13, 2024.
- After the June 23, 2025, meeting, a final Punch List was created and provided to Developer on July 3, 2025.

Phase 23

- The Development Agreement for Phase 23 was approved April 23, 2018.
- On January 14, 2019, the BMA approved a conversion of the Letter of Credit from \$100,000.00 to \$243,000.00.
- The plat was recorded on January 25, 2019, signifying the initial acceptance beginning the one-year warranty period.
- The BMA approved the first reduction on June 22, 2020, from \$243,000.00 to \$52,000.00.
- The final surface asphalt was installed November 14, 2022, initiating the one-year warranty for the final surface asphalt.
- The BMA approved the second reduction on June 12, 2023, from \$52,000.00 to \$24,000.00.
- An End of Warranty (release) Punch List was provided to the Developer on November 6, 2023.
- After the June 23, 2025, meeting, a final Punch List was created and provided to Developer on July 3, 2025.

Phase 24

- The Development Agreement for Phase 24 was approved August 26, 2019.
- The BMA approved the conversion of the Letter of Credit on November 9, 2020, from \$100,000.00 to \$110,000.00.
- The plat was recorded on November 13, 2020, signifying the initial acceptance beginning the one-year warranty period of the infrastructure.
- The final asphalt was installed on November 14, 2022, initiating the one-year warranty for the final surface asphalt.
- The BMA approved a reduction on January 9, 2023, from \$110,000.00 to \$28,000.00. The Developer has never changed out the Letter of Credit.
- An End of Warranty (release) Punch List was provided to the Developer on November 6, 2023.
- After the June 23, 2025, meeting, a final Punch List was created and provided to Developer on July 3, 2025.

DISCUSSION:

The Developer is requesting release of the Letters of Credit for The Villages of Porter Farms, Phases 22 (Bank of Tennessee LOC #3372246400-2 for \$36,000), 23 (Bank of 1905 LOC #191115502 for \$24,000), and 24 (Bank of Tennessee LOC #3372766600 for \$28,000).

At the June 23, 2025, BMA meeting, the BMA tabled the release due to incomplete items on the Punch Lists. The Developer has since completed the 33 items on the July 3, 2025, Punch List.

STAFF RECOMMENDATION:

Staff recommends approval of the release of the above-mentioned Letters of Credit for the Villages of Porter Farms, Phases 22, 23, and 24, finding all conditions outlined in the July 3rd Punch List have been completely satisfied.

BUDGET IMPACT:

There is no impact to the budget.

ATTACHMENTS:

[Vicinity Map.pdf](#)

PROPOSED MOTION:

To approve the release of the Letters of Credit for Phase 22 (Bank of Tennessee LOC #3372246400-2 for \$36,000); Phase 23 (Bank of 1905 LOC #191115502 for \$24,000); and Phase 24 (Bank of Tennessee LOC #3372766600 for \$28,000).

Board Action: Motion By _____ Seconded By _____

Vote Total	Hall	Jordan	Robbins	Marshall	Stamps	Fraser
Yes						
No						
Abstain						