



PLANNING DEPARTMENT
County Of Hidalgo

Raul E. Segin, P.E.
Planning Administrator

TO: JUDGE JUAN D. SALINAS, III
COUNTY COMMISSIONER'S COURT

FROM: RAUL E. SESIN, P.E., PLANNING ADMINISTRATOR

DATE: OCTOBER 29, 2008

RE: LOS NARANJOS PHASE 2 SUBDIVISION – PCT. 3

ON APRIL 22, 2008, THE COUNTY COMMISSIONERS COURT GRANTED FINAL APPROVAL WITH FINANCIAL GUARANTEE FOR THE ABOVE REFERENCED SUBDIVISION. LETTER OF CREDIT NO. 50028-24740 WAS USED TO SECURE THE FUNDS FOR THE WATER DISTRIBUTION, STREET PAVING, STORM DRAINAGE IMPROVEMENTS, LAND CLEARING, SEPTIC TANK SYSTEMS AND STREET SIGNS & BARRICADES.

THE DEVELOPER IS REQUESTING A RELEASE OF THE LETTER OF CREDIT IN THE AMOUNT OF \$458,000.00 DOLLARS. THE DEVELOPER HAS COMPLETED ALL OF THE REQUIREMENTS IN ACCORDANCE WITH THE MODEL SUBDIVISION RULES. ATTACHED IS A LETTER FROM HIDALGO COUNTY HEALTH DEPARTMENT STATING THAT SIXTY FIVE (65) SEPTIC TANKS HAVE BEEN INSTALLED, INSPECTED, AND CAN BE EXPECTED TO FUNCTION SATISFACTORILY.

STAFF HAS NO OBJECTION TO A RELEASE OF THE LETTER OF CREDIT IN THE AMOUNT OF \$458,000.00 FOR THE AFOREMENTIONED IMPROVEMENTS.

BORDER CAPITAL BANK NO. 50028-24740

ORIGINAL AMOUNT	\$ 607,500.00
1 ST RELEASE	\$ 149,500.00
2 ND RELEASE	\$ 458,000.00
BALANCE	\$ 0



PLANNING DEPARTMENT

County Of Hidalgo

Raul E. Sesin, P.E.
Planning Administrator

Los Naranjos Phase 2 Subdivision
IRREVOCABLE LETTER OF CREDIT

IRREVOCABLE LETTER OF CREDIT NO. 50028-24740

TO: County Judge (in his or her official capacity) Hidalgo County, Texas

DATE: November 9, 2007

We hereby authorize you to draw at sight on **Border Capital Bank**, for the account of **Los Naranjos No. 2, Ltd.** (the Customer), up to the aggregate amount of SIX HUNDRED SEVEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$607,500.00) (the Stated Amount) available by our draft, accompanied by a certification by the county judge, any county commissioner, or the county treasurer that the following condition exists:

"A Condition of Draw exists under Subdivision Construction Agreement dated November 9, 2007, by and between the Customer and the County of Hidalgo (the Agreement). County is in substantial compliance with the terms of said Agreement and has calculated the amount of this draft in accordance with the terms of the Agreement."

Drafts must be drawn and presented by or on November 9, 2008 by the close of business of the Issuer of this credit and must specify the date and number of this credit. Drafts will be honored within five calendar days of presentment. We hereby engage all drawers that drafts drawn and presented in accordance with this credit shall be duly honored. Partial draws are permitted and the letter of credit shall be reduced by the amount of such partial draws as well as by any reduction letters authorized by the County. The sum of such partial draws shall on no account exceed the Stated Amount of this credit, and upon any draw or reduction letter which exhausts this credit, the original of this credit will be surrendered to us.

Except as expressly stated, this credit shall be subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce (Publication No. 500).

This credit is irrevocable prior to its expiration date unless both parties consent to revocation in writing.

Address of Issuer: 1801 South McColl Road, PO Box 5555, McAllen, Texas 78502-5555

Signature of Issuer's Authorized Officer


Printed Name: Fred Garza
Title: Senior Vice-President



Raul E. Segin, P.E.
Planning Administrator

PLANNING DEPARTMENT

County Of Hidalgo



Hidalgo County Health and Human Services Department

1304 S. 25th Street • Edinburg, Texas 78539
Tel: (956) 383-6221 • Fax: (956) 383-8864

Iván Meléndez, M.D., M.B.A.
Health Authority / Chief Physician

Eduardo Olivarez
Chief Administrative Officer

October 16, 2008

Hidalgo County Planning Department
Mr. Raul E. Segin
1304 S. 25 Th St.
Edinburg, TX 78539

RE: LOS NARANJOS PHASE 2

Dear Mr. Segin:

According to our records the septic tank systems for **LOS NARANJOS PHASE 2** a **65** lot subdivision, located on **FM 107 AND BRUSHLINE ROAD**, have been installed . They have been inspected and can be expected to function satisfactory.

Sincerely,

Charde Ramos,
Asst. Chief Inspector

mm