

Town of

P.O. Drawer 519
Department of Planning &
Inland Wetlands

*Gary A. Goeschel II, Director of Planning /
Inland Wetlands Agent*




East Lyme

108 Pennsylvania Ave
Niantic, Connecticut 06357

Phone: (860) 691-4114
Fax: (860) 860-691-0351

MEMORANDUM

To: East Lyme Planning Commission
From: Gary A. Goeschel II, Director of Planning 
Date: January 14, 2025
RE: Orchards Subdivision – Request of J.P. Mereen on behalf of Orchards of East Lyme Development, Inc.; Bond Reduction Request

The Town of East Lyme Planning Commission holds two cash bonds totaling \$243,289.00 and a Letter of Credit in the amount of \$1,482,044.00 for following:

Erosion & Sedimentation Bond	\$125,000.00 CASH
Public Improvement Bond	\$118,289.00 CASH
Public Improvement Bond	\$1,482,044.00 LETTER OF CREDIT
TOTAL	\$1,725,333.00

Upon my review of the Orchards Bond and its status, the Letter of Credit from Liberty Bank was scheduled to expire on August 11, 2022 with the condition it be extended for an additional period of one (1) year from the present or future expiration date, unless the Liberty Bank notifies the Town 60-days prior to the expiration they no longer elect to renew the Letter which, I have not received any such notice. As one (1) year from August 11, 2022 is August 11, 2023, it appears the Letter of Credit in the amount of \$1,482,044.00 dollars is expired. However, the Planning Commission has not received any notice of non-renewal.

On November 25, 2024, J.P. Mereen, L.S. of Gerwick-Mereen, LLC on behalf of The Orchards of East Lyme Development, Inc. requested the Letter of Credit in the amount of \$1,482,044 and a portion of the Public Improvement bond in the amount of \$243,289.00 be released bringing the total Public Improvement Bond to \$430, 919.00 for the completion of Pumpkin Grove and Arbor Crossing.

The Deputy Director of Public Works and Town Engineer, Alex Klose, P.E. has reviewed the proposed plan of development for the above referenced subdivision. In e-mail correspondence from Mr. Klose to myself dated December 3, 2024, Mr. Klose indicates a Public Improvement bond in the amount of \$430,919.00 dollars would be sufficient to cover the public improvements associated with Pumpkin Grove that still remain to be completed by the applicant/developer. This amount would also include the remaining improvements to be completed on Arbor Crossing from the intersection of Plum Hill to the intersection of Partridge Court.

As such, the Orchards of East Lyme Development Inc., posted an additional cash in the amount of \$312,630.00 dollars on December 4, 2024, bringing the Total cash bond to \$430, 919.00 which, is sufficient to cover the remaining public improvements associated with the completion of Pumpkin Grove.

Therefore, the Planning Commission will hold the following bonds for the completion of the Public Improvements associated with Pumkin Grove and the portion of Arbor Crossing extending from the intersection of Plumb Hill to the first intersection of Partridge Court.

Erosion & Sedimentation Bond (cash)	\$125,000.00
Public Improvement Bond (cash)	\$430,919.00
TOTAL	\$555,919.00

PROPOSED MOTION/RESOLUTION:

I hereby move to reduce the Public Improvement Bond by \$1,725, 333.00 dollars thereby releasing the Letter of Credit and bringing the total Public Improvement Bond to \$430, 919.00 dollars.

Cc: Kevin Gervais, Director of Finance
Alex Klose P.E., Deputy Director of Public Works & Town Engineer
Tim Bleasdale, Esq.
J.P. Mereen, L.S., Gerwick Mereen
Tony Carrier, Carrier Enterprises, Inc.
File

11791



CARRIER ENTERPRISES, INC.

117 BIRCH STREET
SOUTHINGTON, CT 06489
860-793-9626

LIBERTY
BANK
51-7028/2111



12/4/2024

Security features. Details on back.

PAY TO THE ORDER OF Town of East Lyme

\$ **312,630.00

Three Hundred Twelve Thousand Six Hundred Thirty and 00/100*****
DOLLARS

Town of East Lyme
PO Box 108
Niantic, CT 06357

VOID AFTER 90 DAYS



[Handwritten Signature]
AUTHORIZED SIGNATURE

MEMO Cash Bond



⑈011791⑈ ⑆211170282⑆ 001 87380 9 ⑈

CARRIER ENTERPRISES, INC.

Town of East Lyme

Public Improvement Bond - Cash bond

12/4/2024

11791

312,630.00

Liberty Bank

Cash Bond

312,630.00

Gerwick - Merein, L.L.C.

Land Surveying & Land Planning

P.O. Box 565

860.442.2201

East Lyme, CT 06333

November 25, 2024

Gary Goeschel, Director of Planning
Town of East Lyme
PO Box 519
108 Pennsylvania Avenue
Niantic, CT. 06357

Alex Kose, P.E., Town Engineer
Town of East Lyme
PO Box 519
108 Pennsylvania Avenue
Niantic, CT 06357

RE: Orchards Bond Estimate

Dear Gary and Alex;

I am writing to confirm our discussions regarding the Bond Estimate for The Orchards at East Lyme to complete the build-out of existing subdivision.

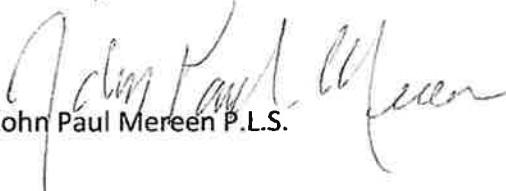
The documents include quantity estimates to complete the remaining section of the project with unit pricing for related work that has been agreed upon by this office as well as the Town.

It is my understanding that the Town is currently holding \$674,208 as a cash bond and an additional \$1,482,044 supplied as a Letter of Credit by the owner.

If you could please, at your earliest convenience, review the attached and let us know if you agree with the numbers presented, it would be appreciated. The owner is requesting the

release of the Letter of Credit Bond of \$1,482,044 as well as a reduction of the cash bond by \$243,289 to \$430,919.

Sincerely,


John Paul Mereen P.L.S.

Town of

P.O. Drawer 519
**Department of Planning &
Inland Wetlands**

*Gary A. Goeschel II, Director of Planning /
Inland Wetlands Agent*



East Lyme

108 Pennsylvania Ave
Niantic, Connecticut 06357

Phone: (860) 691-4114

Fax: (860) 860-691-0351

MEMORANDUM

To: East Lyme Planning Commission

From: Gary A. Goeschel II, Director of Planning 

Date: July 17, 2015

RE: Orchards Subdivision – Request of Attorney Robert Ziegler on behalf of Orchards of East Lyme Development, Inc.; Letter of Credit for Specific Improvements and Release of the Declaration of Restrictions and Covenants regarding Sale or Transfer of Lots

As you know, Attorney Ziegler has requested to provide a Letter of Credit to insure the completion of the public improvements in the amount of \$1,339,364.00 and the Commission execute a Release of the Declaration of Restrictions and Covenants regarding the Sale or Transfer of Subdivision Lots recorded in Volume 674 Page 286 of the East Lyme Land Records.

The Town of East Lyme Planning Commission currently holds three cash bonds totaling \$885,000.00 for the following:

Erosion & Sedimentation Bond	\$340,000.00
Public Improvement Bond	\$370,000.00
Erosion and Remediation Bond	\$175,000.00
TOTAL	\$885,000.00

The Town Engineer, Victor Benni, PE has reviewed the proposed plan of development for the above referenced subdivision. In correspondence from Mr. Benni to myself dated May 9, 2015, Mr. Benni indicates a Public Improvement bond in the amount of \$2,274,364 dollars would be sufficient to cover the public improvements that still remain to be completed by the applicant/developer. In addition, the developer proposes to reduce the Remediation Bond to \$100,000.00 dollars.

With a Letter of Credit in the amount of \$1,830,000.00 dollars the Planning commission would hold well over the \$2,274, 364.00 dollars suggested by the Town Engineer.

Erosion & Sedimentation Bond (cash)	\$340,000.00
Public Improvement Bond (cash)	\$370,000.00
Erosion and Remediation Bond (cash)	\$100,000.00
Letter of Credit	\$1,830,000.00
TOTAL	\$2,640,000.00

As such, in addition to continuing to hold the above referenced cash bonds, with the exception of reducing the Remediation bond to \$100,000.00 dollars, I would recommend the Planning Commission accept a Letter of Credit in the amount of \$1,830,000.00 dollars.

PROPOSED MOTION/RESOLUTION:

Upon submission of a properly executed Letter of Credit in the amount of \$1,830,000.00 in a form satisfactory to the Town Attorney, the Declaration of Covenants and Restrictions recorded in Volume 674, Page 286 of the East Lyme Land Records shall be released.

Cc: Victor Benni, PE, Town Engineer
Ed O'Connell, Esq.
Don Gerwick, PE

June 28, 2017

Gary Goeschel, Director of Planning
Town of East Lyme
PO Box 519
108 Pennsylvania Avenue
Niantic, CT. 06357

Victor Benni, P.E., Town Engineer
Town of East Lyme
PO Box 519
108 Pennsylvania Avenue
Niantic, CT 06357

RE: Orchards Bond Estimate

Dear Gary and Victor;

I am writing to confirm our discussions regarding the Bond Estimate for The Orchards at East Lyme to complete the build out of existing subdivision.

The documents include, quantity estimates to complete the remaining section of the project with unit pricing for related work that has been agreed upon by this office as well as the Town.

The total "basic" bond estimate for the related work was then increased by 15% for any related contingency items and/or work that might be related to the work. The total estimate for the "basic" bond was \$1,861,360.00.

In addition to the "basic" bond estimate, there has been an amount of \$340,000 carried from phase to phase for repair and/or restoration of disturbed areas as an Erosion and Sedimentation Control bond. With the majority of the roads completed and E&S measures in place for remaining roadway construction we are requesting a reduction in the Erosion and Sedimentation Bond to \$70,000. Finally, there has been an additional amount of \$100,000

carried forward for lot remediation, which is to be reduced to \$0 due to the fact that all lots have been remediated to date.

The total bond estimate based on the above should be \$1,861,360 plus the Erosion and Sedimentation Control bond reduction estimate of \$70,000 for a total Bond Estimate of \$1,931,360.

It is my understanding that the Town is currently holding \$885,000 as a cash bond and additional \$1,830,000 supplied as a Letter of Credit by the owner.

If you could please review and let us know if you are in agreement with the above numbers at your earliest convenience. The owner is requesting a reduction in the cash bond of \$783,640.

Sincerely,

John Paul Mereen L.S.

Town of

P.O. Drawer 519

Department of Planning &
Inland Wetlands

*Gary A. Goeschel II, Director of Planning /
Wetlands Enforcement Officer*



East Lyme

108 Pennsylvania Ave
Niantic, Connecticut 06357

Phone: (860) 691-4114

Fax: (860) 860-691-0351

MEMORANDUM

TO: Anna Johnson, Finance Director

FROM: Gary A. Goeschel II, Director of Planning

DATE: October 13, 2017

RE: **The Orchards – Request for Road Acceptance and Partial Bond Release;** Request to release a portion of the Public Improvement Bond in the amount of \$566,711.00 dollars for the completion of public improvements associated with a Holly Lane and a portion of Arbor Crossing extending from the southerly intersection of Peach Lane to its northerly intersection with Peach Lane and to release a portion of the Erosion and Sedimentation Control Bond in the amount of \$ 190,000.00.

The East Lyme Planning Commission, at its regular meeting of Tuesday, October 3, 2017, voted to reduce the Orchards Bonds by \$566,711.00 as follows:

Description	Bond Type	Existing Balance	Reduction	Balance
Public Improvement Bond	Cash	\$370,000.00	\$251,711.00	\$118,289.00
Public Improvement Bond	LOC	\$1,830,000.00	\$0.00	\$1,830,000.00
Erosion & Sedimentation Control	Cash	\$340,000.00	\$215,000.00	\$125,000.00
Remediation (E&S)	Cash	\$100,000.00	\$100,000.00	\$0.00
Totals		\$2,640,000.00	\$566,711.00	\$2,073,289.00

Please provide a bank check in the amount of \$566,711.00 payable to Attorney Robert A. Ziegler, Trustee. As requested by the Orchards of East Lyme Development, Inc., these funds will be sent by bank check, to Attorney Robert A. Ziegler, Trustee, 58 East Main Street, Plainville, CT 06062.

THIS DOCUMENT HAS A COLORED BACKGROUND AND MICROPRINT SIGNATURE LINE • ADDITIONAL SECURITY FEATURES ON BACK • MISSING A FEATURE INDICATES A COPY

	TOWN OF EAST LYME	WEBSTER BANK	No. 557544
	GENERAL FUND	WATERBURY, CT 06702	
	P.O. BOX 810, NIAN TIC, CT 06357	61-7010211	
	DATE	CHECK NO.	AMOUNT
	10/19/17	557544	\$****566,711.00

Five Hundred Sixty Six Thousand Seven Hundred Eleven AND 00/100 Dollars

TO THE ORDER OF

Attorney Robert A. Ziegler,
Trustee,
58 East Main Street
Plainville, CT 06062

Robert E. Ziegler
TREASURER

557544 # 021117028211170282 <<

ENDORSE HERE

FOR DEPOSIT ONLY
ROBERT A. ZIEGLER
ATTORNEY AT LAW
LIBERTY BANK
OLTA ACCOUNT
6574612272

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE

The security features listed below, as well as those not listed, exceed industry guidelines.

Security Features: R, % of dollar, microprint, etc.

Microprint: 100% of the paper

FEDERAL RESERVE BOARD OF GOVERNORS REGULATIONS

Posting Date 2017 Oct 23

Block 7114

Seq 5211454085

Amount \$566,711.00

Account 0000000010373257

Check 000000557544

Orchards Bonds:

Bond #1:

East Lyme Planning Commission Erosion & Restoration Bond – “set a bond for the proposed road construction on Arbor Crossing stations 94+50 to 102+60, including the storm water outlet and pump station area for Phase II and Phase IV”.

This bond amount originally was posted was CASH for \$175,000.00 on May 3, 2011. This amount was reduced by the Planning Commission on July 17, 2015 by \$75,000.00, and its current value is \$100,000.00.

On October 3, 2017 the East Lyme Planning Commission released this bond. The amount was included in a check #557544 dated 10/19/2017 to Attorney Robert Ziegler, Trustee. This check cleared the bank on October 23, 2017. The current bond amount is \$0.00.

Bond #2:

East Lyme Planning Commission Erosion and Sedimentation Control Bond – “set a bond for installation and maintenance of erosion and sediment controls and site restoration associated with the construction of public improvements for said subdivision”.

This bond amount originally was posted for CASH for \$340,000.00 on April 25, 2011. This amount has never been reduced, and the current bond value is \$340,000.00.

As noted in a letter from JP Mereen to V Benni and G Goeschel dated June 28, 2017 this bond is “carried from phase to phase for repair and/or restoration of disturbed areas as an E&S Control bond.

On October 3, 2017 the East Lyme Planning Commission reduced this bond by \$215,000.00. The amount was included in a check #557544 dated 10/19/2017 to Attorney Robert Ziegler, Trustee. This check cleared the bank on October 23, 2017. The remaining bond amount is \$125,000.00.

Bond #3:

East Lyme Planning Commission Completion Bond – Public Improvements – “set a bond for completion of public improvements in said subdivision”.

This bond amount originally was posted for CASH for \$370,000.00 on April 25, 2011. This amount has never been reduced and the current bond value is \$370,000.00.

On October 3, 2017 the East Lyme Planning Commission reduced this bond by \$251,711.00. The amount was included in a check #557544 dated 10/19/2017 to Attorney Robert Ziegler, Trustee. This check cleared the bank on October 23, 2017. The remaining bond amount is \$118,289.00.

Bond #4:

East Lyme Planning Commission Public Improvement Bond – this bond stemmed from a Memo from the Town Engineer to the Planning Director dated May 9, 2015 in which the Town Engineer noted a bond in the amount of \$2,274,364.00 would be sufficient to cover the public improvements that remained to be completed by the developer. With the letter of credit for the public improvements Mr. Benni noted, (\$1,830,000.00) and the Erosion and Restoration Bond (\$100,000.00) and the Public Improvement Bond for completion of the Public Improvements (\$370,000.00) and the E&S/Restoration Bond that carries over from phase to phase (\$340,000.00) this total \$2,640,000.00, exceeds the amount noted in the memo of 2015 by \$365,636.

Further, as noted in a letter dated June 28, 2017 from JP Mereen, LS, to V Benni and G Goeschel, this bond estimate constitutes the “basic” bond for “related work” which includes the “quantity estimates to complete the remaining section of the project with unit pricing for related work that has been agreed upon by this office as well as the Town.”

This bond amount was posted via a Letter of Credit from Simsbury Bank on August 14, 2015. This amount was reduced by the Planning Commission on April 13, 2021 based on acceptance of Partridge Court as a Town Road. The reduction of \$397,956.00 brings this bond amount to \$1,482,044.00.

Based on this reduction, the total bonds held are \$1,725,333.00.



September 30, 2021

Town of East Lyme, Connecticut
108 Pennsylvania Avenue
Niantic, CT 06357

To Whom It May Concern:

On the instructions and for account of The Orchards of East Lyme Development, Inc., we hereby establish our Irrevocable Standby Letter of Credit No. 1876152 in your favor available by your drafts drawn on us at sight, for sum or sums not exceeding the total amount of One Million Four Hundred Eighty Two Thousand Forty-Four and United State Dollars (USD \$1,482,044.00).

Drafts drawn under this credit must be accompanied by the original of this Letter of Credit, and:

1. A statement purportedly signed by the Town Manager or duly acting executive officer of the Town of East Lyme ("Town) stating that The Orchards of East Lyme Development, Inc. has failed to satisfactorily complete the required improvements at The Orchards of East Lyme, Connecticut.

In respect to the written statement above, Liberty Bank is authorized to accept it as binding and correct without investigation or responsibility for the accuracy, veracity, correctness or validity of the same or any part thereof.

Partial Drawings are permitted.

All drafts drawn under this Letter of Credit must bear on their Face the clause "Drawn under Liberty Bank Letter of Credit No. 1876152 dated September 30, 2021."

We engage with you that all draft(s) drawn under and in compliance with the terms and conditions of this credit will be duly honored upon presentation and delivery of documents, as specific, to Liberty Bank, 315 Main Street, Middletown, CT 06457 on or before August 11, 2022, subject to the conditions in the next paragraph.

It is a condition of this credit that it shall be deemed automatically extended and the date set forth in the immediately preceding paragraph shall be extended, without amendment, for additional periods of one (1) year from the present or future expiration date hereof subject to the condition in the next paragraph, unless sixty (60) days prior to the then prevailing expiration date we notify you in writing via express, registered or certified mail to the above address that we elect not to renew this Letter of Credit for such additional period. Upon receipt by you of such notice, you may draw hereunder without having

Jennifer Rodriguez
Vice President, Commercial Real Estate Lending
jrodriguez@liberty-bank.com


LIBERTY
BANK

incurred liability by means of your draft(s) on us at sight accompanied by your written statement that this Letter of Credit has not been extended by the issuer hereof.

However, notwithstanding the above, no extension will be granted beyond August 11, 2022 which is the final expiration date of this credit.

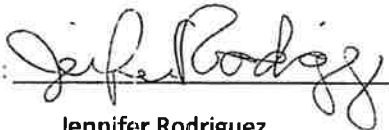
This Letter of Credit sets forth in full the terms of our undertaking, and this undertaking shall not in any way be modified, amended, amplified or limited by reference to any documents instruments or agreements referred to herein or in which this Letter of Credit is referred to or which this Letter of Credit relates, and any such reference shall not be deemed to incorporate herein by reference any documents, instruments or agreements.

Please Note: In the event this Letter of Credit is no longer required or is to be cancelled prior to the present or future expiration date, it must be returned along with any amendments thereto to this office for cancellation.

Except so far as otherwise expressly stated, this documentary credit is subject to the "Uniform Customs and Practice for Documentary Credits (2007 Revision), ICC Publication No. 600."

Very truly yours,

LIBERTY BANK

By: 

Jennifer Rodriguez
Its Vice President

**EAST LYME PLANNING COMMISSION
COMPLETION BOND – PUBLIC IMPROVEMENTS**

KNOW ALL PERSONS BY THESE PRESENTS, THAT, **The Orchards of East Lyme Development Inc**, a Connecticut corporation, as **Principal(s)**, for themselves and their successors and assigns are jointly and severally bound and jointly and severally promise to pay to the order of the TOWN OF EAST LYME, a municipal corporation with an administrative office on Pennsylvania Avenue, Niantic, Connecticut, as **Obligee**, the principal sum of **ONE MILLION, FOUR HUNDRED EIGHTY-TWO THOUSAND, FOURTY-FOUR DOLLARS (\$1,482,044.00)**.

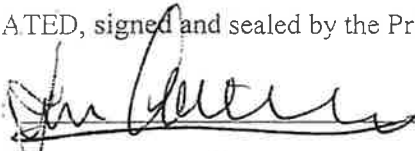
WHEREAS, the East Lyme Planning Commission on **May 18, 1999**, approved a subdivision as shown on a plan entitled: **THE ORCHARDS AT EAST LYME, Boston Post Road, East Lyme, Connecticut**, amended and revised thereafter, all of which has been duly recorded in the Office of the Town Clerk, to which reference may be had, and set a bond for completion of public improvements in said subdivision.

NOW THEREFORE, The Principal shall complete all subdivision improvements shown on said subdivision plan in accordance with the resolutions adopted on the referenced dates and shall perform all of the other obligations imposed by the Connecticut General Statutes and the East Lyme Planning Commission to the reasonable satisfaction of the East Lyme Planning Commission, then this obligation shall be void, otherwise to remain in full force and effect, and

FURTHER, if said work is not well and truly done within the period specified in the vote of said Commission, then the East Lyme Planning Commission may thereupon declare the bond to be in default and require that all improvements be installed regardless of the extent of the building development at the time the bond is declared to be in default.

DATED, signed and sealed by the Principal this 29 day of September 2021.

Principal:



Won Carrier

V. President

Its

Witness





Alexis Carrier

For Office Use Only:

Account Number: _____

Date Opened: _____

Amount Deposited: _____

Initials: _____