

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 1/24/2013

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoking letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk Treasurer to Invoke Progress Bank Letter of Credit No. 8000003510 for South Gate Subdivision Phase I.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

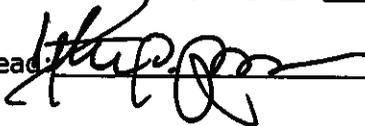
[Empty box for providing details on why the action is required, recommended, and what Council action will provide, allow, and accomplish.]

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: _____



Date: 1-15-13

RESOLUTION NO. 13-_____

WHEREAS, Progress Bank issued a certain letter of credit (No. 800003510), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to Progress Bank Letter of Credit No. 800003510, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 24th day of January, 2013.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 24th day of January, 2013.

Mayor of the City of
Huntsville, Alabama



201 Williams Avenue
Huntsville, Alabama 35801
Phone 256.319.3600

Amendment #2 to IRREVOCABLE LETTER OF CREDIT NO. 8000003510

Beneficiary:

City of Huntsville
P. O. Box 308
Huntsville, AL 35804

Account Party:

JJ&M Properties, LLC
3109 Shoreway Circle
Owens Cross Roads, AL 35763

Bank:

Progress Bank and Trust
201 Williams Avenue
Huntsville, AL 35801

Subject: Sidewalk, Letter of Credit for South Gate Subdivision Phase I

Amount: \$37,500.00
Issue Date: 02/12/2010
Amendment Date: 02/09/2012
Expiration Date: 02/10/2012

Amendment No. 2

We hereby amend our Irrevocable Standby Letter of Credit No. 8000003510 as follows:

- 1) The maturity date is extended from 02/10/2012 to 02/08/2013

The original letter of credit and all amendments must be presented for full and final payment under this letter of credit.

All other terms and conditions remain unchanged.

Sincerely,

Scott Seeley
Senior Vice President
Progress Bank and Trust

Sworn to and subscribed before me the 12 day of February, 2012

Notary Signature Rhonda Klone
My Commission Expires 3/8/2014

DS 2-15-12

MW 2-16-12

AK
TPD
2-17-12

OK
CSH
2/20/12

S/W
9/11



201 Williams Avenue
Huntsville, Alabama 35801
Phone 256.319.3600

Amendment to IRREVOCABLE LETTER OF CREDIT NO, 8000003510

Beneficiary:

City of Huntsville
P. O. Box 308
Huntsville, AL 35804

Account Party:

JJ&M Properties, LLC
3109 Shoreway Circle
Owens Cross Roads, AL 35763

Bank:

Progress Bank and Trust
201 Williams Avenue
Huntsville, AL 35801

Subject: Sidewalk, Letter of Credit for South Gate Subdivision Phase I

Amount: \$37,500
Issue Date: 02/12/2010
Amendment Date: 02/10/2011
Expiration Date: 02/10/2012

Amendment

We hereby amend our Irrevocable Standby Letter of Credit No. 8000003510 as follows:

- 1) The maturity date is extended from 02/12/2011 to 02/10/2012

The original letter of credit and all amendments must be presented for full and final payment under this letter of credit.

All other terms and conditions remain unchanged.

Sincerely,

Scott Seeley
Sr. Vice President
Progress Bank and Trust

* MW 2-15-11 OK
 OK DS 2-15-11 CEH
 OK KCA 2/15/11 2/15/11



201 Williams Avenue
Huntsville, Alabama 35801
Phone 256.319.3600

IRREVOCABLE LETTER OF CREDIT NO. 8000003510

Beneficiary:

City of Huntsville
P. O. Box 308
Huntsville, AL 35804

Account Party:

J J & M Properties LLC
3109 Shoreway Circle
Owens Cross Roads, AL 35763

Bank:

Progress Bank and Trust
201 Williams Avenue
Huntsville, AL 35801

Subject: Sidewalk, Letter of Credit for Southgate Subdivision Phase I
Amount: \$37,500.00
Issue Date: 02/12/2010
Expiration Date: 02/12/2011

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective February 12, 2010, for a sum not to exceed \$37,500. Available by your one or more Drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Progress Bank and Trust.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.



J. E. P. Buchanan
Chief Credit Officer

OK OAC 2/17/10

OK FMB 2/17/10

OK JMB 2/17/10