

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 7/25/2013

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoke letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk Treasurer to Invoke Servis 1st Bank Letter of Credit No. 12020 for Valleybrook Subdivision.

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: 7/18/2013

RESOLUTION NO. 13-_____

WHEREAS, Servis 1st Bank issued a certain letter of credit (No. 12020), 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 Servis 1st Bank Letter of Credit No.12020, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 25th day of July, 2013.

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

APPROVED this the 25th day of July, 2013.

Mayor of the City of
Huntsville, Alabama

SERVISFIRST BANK
Post Office Box 18127
Huntsville, Alabama 35804
T 256.722.7800 F 256.722.7810
servisfirstbank.com

5/100
2

AMENDMENT TO IRREVOCABLE LETTER OF CREDIT NUMBER 12020

DATE: August 3, 2012



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

Account Party:
Concord Development Company, Inc.
1806 University Drive
Huntsville, AL 35801

Subject: Article 5 Sidewalk, Letter of Credit for
Valleybrook Subdivision

Amount: \$78,520.00

Issue Date: August 3, 2012

Expiration Date: August 3, 2013

Place of Expiration: At ServisFirst Bank, 401 Meridian Street, Suite 100 Huntsville, AL 35801

Gentlemen:

(Per prior LOC's): We hereby amend our Irrevocable Standby Letter of Credit in your favor, effective August 3, 2012, for a sum not to exceed the aggregate of US\$78,520.00 (Seventy-Eight Thousand Five Hundred Twenty Dollars and No/100----). Available by your one or more drafts drawn at sight on us, stating "Drawn under ServisFirst Bank Letter of Credit Number 12020."

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 ServisFirst Bank, 401 Meridian Street, Suite 100 Huntsville, AL 35801.

Each draft must be accompanied by a statement purportedly 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."

D/S 8-28-12

MW 8-29-12 on K&A 8/30/12

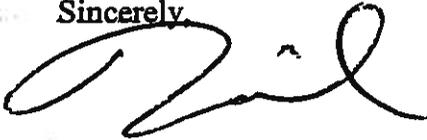
OK
CSH
9/6/12

The original of this Letter of Credit and any amendments must be presented with any drawing.
Page 2 of 2 – Letter of Credit #12020

We hereby engage with you that all drafts drawn under and in compliance with the terms of this credit will be duly honored upon presentation and delivery of the documents as specified if drawn and presented for payment to ServisFirst Bank on or before the expiry date.

This standby letter of credit is subject to and governed by the laws of the State of [Alabama] and UCP 600. For all purposes of this letter of credit, any provision of UCP 600 that, if applied, would conflict with Article 5 of the [Alabama] Uniform Commercial Code but for the application of such Article 5, shall be deemed excluded from UCP 600.

Sincerely,

A handwritten signature in black ink, appearing to read "David Mathis", written in a cursive style.

David Mathis
Senior Vice President

SERVISFIRST BANK
Post Office Box 16127
Huntsville, AL 35804
T 256.722.7600 F 256.722.7610
servisfirstbank.com

51w
LFT

AMENDMENT TO IRREVOCABLE LETTER OF CREDIT NUMBER 12020

DATE: August 16, 2011

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



Account Party:
Concord Development Company, Inc.
1806 University Drive
Huntsville, AL 35801

Subject: Article 5 Sidewalk, Letter of Credit for
Valleybrook Subdivision

Amount: \$100,820.00 (Decreased from \$110,820.00)

Issue Date: August 16, 2011

Expiration Date: August 16, 2012

Place of Expiration: At ServisFirst Bank, 401 Meridian Street, Suite 100 Huntsville, AL 35801

Gentlemen:

We hereby amend our Irrevocable Standby Letter of Credit in your favor, effective August 16, 2011, for a sum not to exceed the aggregate of US\$100,820.00 (One Hundred Thousand Eight Hundred Twenty Dollars and No/100----). Available by your one or more drafts drawn at sight on us, stating "Drawn under ServisFirst Bank Letter of Credit Number 12020."

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 ServisFirst Bank, 401 Meridian Street, Suite 100 Huntsville, AL 35801.

Each draft must be accompanied by a statement purportedly 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 and any amendments must be presented with any drawing.

HK
J
10.22.11
OK
CEK
10/31/11
DJ 10-25-11
MJ 10-25-11

We hereby engage with you that all drafts drawn under and in compliance with the terms of this credit will be duly honored upon presentation and delivery of the documents as specified if drawn and presented for payment to ServisFirst Bank on or before the expiry date.

This Letter of Credit is issued subject to Uniform Customs and Practice for Documentary Credit, ICC Publication No. 600 and 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, which shall prevail in the event of a conflict.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Mathis', written in a cursive style.

David Mathis
Senior Vice President

SERVISFIRST BANK
Post Office Box 18127
Huntsville, AL 35804
T 256.722.7800 F 256.722.7810
servisfirstbank.com

Valley Brook
Sidewalks

9/27/10

IRREVOCABLE LETTER OF CREDIT NUMBER 12020

DATE: September 24, 2010

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



Account Party:
Concord Development Company, Inc.
1806 University Drive
Huntsville, AL 35801

Subject: Article 5 Sidewalk, Letter of Credit for
Valleybrook Subdivision

Amount: \$110,820.00

Issue Date: September 24, 2010

Expiration Date: September 24, 2011

Place of Expiration: At ServisFirst Bank, 401 Meridian Street, Suite 100 Huntsville, AL 35801

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective September 24, 2010, for a sum not to exceed the aggregate of US\$110,820.00 (One Hundred Ten Thousand Eight Hundred Twenty Dollars and No/100----). Available by your one or more drafts drawn at sight on us, stating "Drawn under ServisFirst Bank Letter of Credit Number 12020."

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 ServisFirst Bank, 401 Meridian Street, Suite 100 Huntsville, AL 35801.

Each draft must be accompanied by a statement purportedly 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 and any amendments must be presented with any drawing.

OK OCC 9/28/10

OK IMB 10/9/10

OK KEA 10/7/10

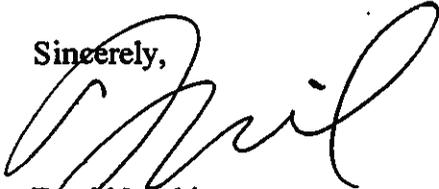
OK
CEK
10/7/10

Page 2 of 2 – Letter of Credit #

We hereby engage with you that all drafts drawn under and in compliance with the terms of this credit will be duly honored upon presentation and delivery of the documents as specified if drawn and presented for payment to ServisFirst Bank on or before the expiry date.

This Letter of Credit is issued subject to Uniform Customs and Practice for Documentary Credit, ICC Publication No. 600 and 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, which shall prevail in the event of a conflict.

Sincerely,

A handwritten signature in black ink, appearing to read "David Mathis", written in a cursive style.

David Mathis
Senior Vice President

OK OLC 9/28/10

SERVISFIRST BANK
Post Office Box 18127
Huntsville, AL 35804
T 258.722.7800 F 258.722.7810
servisfirstbank.com

S/W
[Signature]

IRREVOCABLE LETTER OF CREDIT NUMBER 8781

DATE: November 13, 2008



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

Account Party:
Concord Development Company, Inc.
1806 University Drive
Huntsville, AL 35801

Subject: Article 5 Sidewalk, Letter of Credit for
Valleybrook Subdivision

Amount: \$121,725.00

Issue Date: November 13, 2008

Expiration Date: November 13, 2010

Place of Expiration: At ServisFirst Bank, 401 Meridian Street, Suite 100 Huntsville, AL 35801

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective November 13, 2008, for a sum not to exceed the aggregate of US\$121,725.00 (One Hundred Twenty-One Thousand Seven Hundred Twenty-Five Dollars and No/100----). Available by your one or more drafts drawn at sight on us, stating "Drawn under ServisFirst Bank Letter of Credit Number 8781."

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 ServisFirst Bank, 401 Meridian Street, Suite 100 Huntsville, AL 35801.

Each draft must be accompanied by a statement purportedly 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 and any amendments must be presented with any drawing.

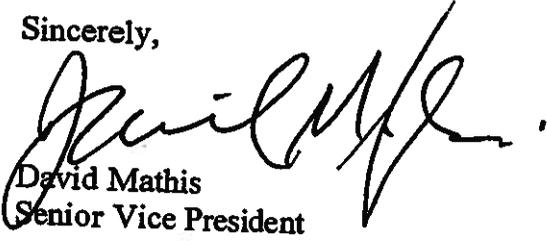
OK 11/10/08
OK 11/10/08
OK 11/10/08

Page 2 of 2 – Letter of Credit #8781

We hereby engage with you that all drafts drawn under and in compliance with the terms of this credit will be duly honored upon presentation and delivery of the documents as specified if drawn and presented for payment to ServisFirst Bank on or before the expiry date.

This Letter of Credit is issued subject to Uniform Customs and Practice for Documentary Credit, ICC Publication No. 600 and 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, which shall prevail in the event of a conflict.

Sincerely,



David Mathis
Senior Vice President

DM 11/15/08
DM 11/18/18