

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 8/8/2013

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 ServisFirst Bank Letter of Credit No. 13780 for Hawks Ridge 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.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: Mary C. Cates

Date: 8/2/2013

RESOLUTION NO. 13-_____

WHEREAS, ServisFirst Bank issued a certain letter of credit (No. 13780), 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 ServisFirst Bank Letter of Credit No. 13780, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 8th day of August, 2013.

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

APPROVED this the 8th day of August, 2013.

Mayor of the City of
Huntsville, Alabama

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

S/W
JHT

IRREVOCABLE LETTER OF CREDIT NO. 13780



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

Account Party:
Harris Hill Development, LLC
4245 Balmoral Drive, Suite 201
Huntsville, Alabama 35801

Bank:
ServisFirst Bank
401 Meridian Street, Suite 100
Huntsville, Alabama 35801

Amount: \$34,860.00
Issue Date: August 16, 2011
Expiration Date: August 16, 2013

Subject: Article 5 Sidewalks / Letter of Credit for Hawks Ridge Estates

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective August 16, 2011 for sum not to exceed the aggregate of \$34,860.00 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 ServisFirst Bank.

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 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.

ServisFirst Bank

By: 
David Mathis, Senior Vice President

OK
8/18
8/19/11
OK DB 8/16/11
OK KCA 8/19/11