

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: \_\_\_\_\_

Meeting Type: Regular

Meeting Date: Jul 9, 2015

Action Requested By: Legal

Agenda 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. 21748 for The Village of Providence Phase VIII.

**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:



Date: Jun 30, 2015

RESOLUTION NO. 15-\_\_\_\_\_

WHEREAS, ServisFirst Bank issued a certain letter of credit (No. 21748), 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. 21748, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 9th day of July, 2015.

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

APPROVED this the 9th day of July, 2015.

\_\_\_\_\_  
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

IRREVOCABLE LETTER OF CREDIT NO. 21748



Beneficiary:	Account Party:	Bank:
City of Huntsville P.O. Box 308 Huntsville, AL 35804	MREC Placemakers VOP, LLC	ServisFirst Bank 401 Meridian Street, Suite 100 Huntsville, AL 35801

Subject:	Article 5 Improvements/Pre-Acceptance Letter of Credit for The Village of Providence Phase VIII
Amount:	\$192,683.84
Issue Date:	July 18, 2014
Expiration Date:	July 18, 2015

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective July 18, 2014, for a sum not to exceed the aggregate of One Hundred Ninety Two Thousand Six Hundred Eighty Three Dollars and 84/100. 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, 401 Meridian Street, Suite 100, Huntsville, Alabama 35801.

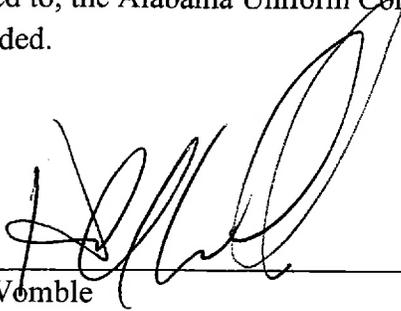
Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

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

H.G. MS OIC  
7/29/14 7/29/14 CCH  
ou cat 8/4/14  
8/1/14

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.

A handwritten signature in black ink, appearing to read 'Hill Womble', is written over a horizontal line. The signature is stylized and cursive.

Hill Womble  
Senior Vice President