

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: May 12, 2016

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 Servis 1st Bank Letter of Credit No. ~~1616244~~ for
Preserve at Clayton Pond Phase II Subdivision. 16244

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: 5/6/16

RESOLUTION NO. 16-_____

WHEREAS, Servis 1st Bank issued a certain letter of credit (No. 16244), 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. 16244, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 12th day of May, 2016.

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

APPROVED this the 12th day of May, 2016.

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



EXTENSION OF
IRREVOCABLE LETTER OF CREDIT NO. 16244

Beneficiary:	Account Party:	Bank:
City of Huntsville P.O. Box 308 Huntsville, AL 35804	Prime Link Corporation 809 Shoney Drive, Suite 108 Huntsville, AL 35801	ServisFirst Bank 401 Meridian Street, Suite 100 Huntsville, AL 35801

Subject: Article 5 Sidewalk, Letter of Credit for Article 5 Sidewalk, Letter of Credit for the Preserve at Clayton Pond Phase II, a Resubdivision of Tract 22, Green Mountain Auction Property (Plat Book 33, Page 23) and Lot 3 of Green Mt. Estates Ph II A Resubdivision of Tract 23 of Green Mountain Auction Property (Plat Book 38, Page 63)

Amount: \$55,372.50
Expiration Date: May 21, 2016

Gentlemen:

We hereby extend our Irrevocable Standby Letter of Credit in your favor, effective May 19, 2015, for a sum not to exceed the aggregate of \$55,372.50 (Fifty Five Thousand and Three Hundred Seventy Two Dollars and 50/100) available by your one or more drafts at SIGHT on us.

MJ 5-4-15 DBL-9-15 /pm 6-12-15

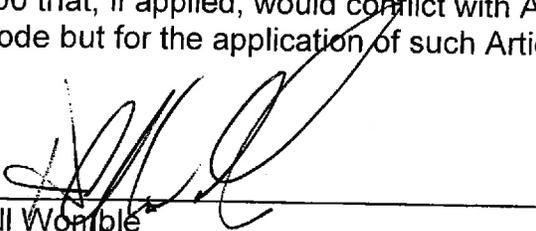
OK
CEB
6/12/15

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.

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.

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.



Hill Worble
Senior Vice President

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Huntsville, Alabama 35804
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servisfirstbank.com



AMENDMENT TO
IRREVOCABLE LETTER OF CREDIT NO. 16244

Beneficiary:	Account Party:	Bank:
City of Huntsville	Prime Link Corporation	ServisFirst Bank
P.O. Box 308	809 Shoney Drive, Suite 108	401 Meridian Street, Suite 100
Huntsville, AL 35804	Huntsville, AL 35801	Huntsville, AL 35801

Subject: Article 5 Sidewalk, Letter of Credit for Article 5 Sidewalk, Letter of Credit for the Preserve at Clayton Pond Phase II, a Resubdivision of Tract 22, Green Mountain Auction Property (Plat Book 33, Page 23) and Lot 3 of Green Mt. Estates Ph II A Resubdivision of Tract 23 of Green Mountain Auction Property (Plat Book 38, Page 63)

Amount: \$55,372.50
Issue Date: May 21, 2014
Expiration Date: May 21, 2015

Gentlemen:

We hereby amend our Irrevocable Standby Letter of Credit in your favor, effective May 21, 2014, for a sum not to exceed the aggregate of \$55,372.50 (Fifty Five Thousand Three Hundred Seventy Two Dollars and 50/100) 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.

MW 6-11-14

DS 6-12-14

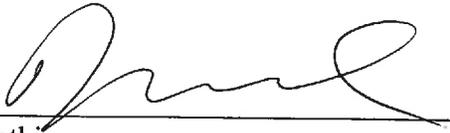
OK
CEK
6/17/14

OK
CEK
6/17/14

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.

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.

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.

A handwritten signature in black ink, appearing to read 'David Mathis', written over a horizontal line.

David Mathis
Senior Vice President

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

AMENDMENT TO
IRREVOCABLE LETTER OF CREDIT NO. 16244



Servis 1st Bank

Beneficiary:

Account Party:

Bank:

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

Prime Link Corporation
809 Shoney Drive, Suite 108
Huntsville, AL 35801

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

Subject: Article 5 Sidewalk, Letter of Credit for Article 5 Sidewalk, Letter of Credit for the Preserve at Clayton Pond Phase II, a Resubdivision of Tract 22, Green Mountain Auction Property (Plat Book 33, Page 23) and Lot 3 of Green Mt. Estates Ph II A Resubdivision of Tract 23 of Green Mountain Auction Property (Plat Book 38, Page 63)

Amount: \$55,372.50
Issue Date: July 3, 2013
Expiration Date: July 3, 2014

Gentlemen:

We hereby amend our Irrevocable Standby Letter of Credit in your favor, effective July 3, 2013, for a sum not to exceed the aggregate of \$55,372.50 (Fifty Five Thousand and Three Hundred Seventy Two Dollars and 50/100) 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.

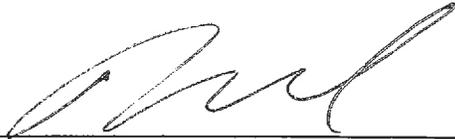
M
W 7-15-13
DS 7-16-13
OR COA 7/19/13

OK
CS/Y
7/22/13

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.

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.

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.

A handwritten signature in black ink, appearing to read 'D. Mathis', is written over a horizontal line.

David Mathis
Senior Vice President

SERVISFIRST BANK
Post Office Box 18127
Huntsville, Alabama 35804
256.722.7663 FAX 256.722.7610
servisfirstbank.com

IRREVOCABLE LETTER OF CREDIT NO. 16244



Beneficiary:

Account Party:

Bank:

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

Prime Link Corporation
809 Shoney Drive, Suite 108
Huntsville, AL 35801

ServisFirst Bank
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Subject: Article 5 Sidewalk, Letter of Credit for Article 5 Sidewalk, Letter of Credit for the Preserve at Clayton Pond Phase II, a Resubdivision of Tract 22, Green Mountain Auction Property (Plat Book 33, Page 23) and Lot 3 of Green Mt. Estates Ph II A Resubdivision of Tract 23 of Green Mountain Auction Property (Plat Book 38, Page 63)

Amount: \$55,372.50
Issue Date: July 23, 2012
Expiration Date: July 23, 2013

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective July 23, 2012, for a sum not to exceed the aggregate of \$55,372.50 (Fifty Five Thousand and Three Hundred Seventy Two Dollars and 50/100) 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.

D8 7-26-12
ImB 7-26-12
7/26/12

OIC
C&D
7/26/12

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.

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.

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.



Mark McIntyre
Vice President