

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: 15.

Meeting Type: Regular

Meeting Date: Sep 8, 2016

Action Requested By: Legal

Agenda Type: Resolution

Subject Matter:

Invoking Letter of Credit.

Exact Wording for the Agenda:

Resolution authorizing the City Clerk-Treasurer to invoke Bank Independent Letter of Credit No. 20894709 for Stratford Phase 2 at McMullen Cove.

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: Aug 31, 2016

RESOLUTION NO. 16-_____

WHEREAS, Bank Independent issued a certain letter of credit (No.20894709), 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 Bank Independent Letter of Credit No. 20894709, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 8th day of September, 2016.

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

APPROVED this the 8th day of September, 2016.

Mayor of the City of
Huntsville, Alabama

Radically Original™

IRREVOCABLE LETTER OF CREDIT NO. 20894709

<u>Beneficiary:</u> City of Huntsville P.O. Box 308 Huntsville, AL 35804	<u>Account Party:</u> JWE Properties, LLC 8624 South Memorial Parkway Huntsville, AL 35802	<u>Bank:</u> Bank Independent P.O. Box 5000 Sheffield, AL 35660
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Subject: Article 5 Sidewalk Letter of Credit for
Stratford Phase 2 at McMullen Cove
Amount: \$70,750.00
Issue Date: September 14, 2015
Expiration Date: September 14, 2016

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective **September 14, 2015**, for a sum not to exceed the aggregate of Seventy thousand seven hundred fifty dollars and no/100's (\$70,750.00). Available by your one or more drafts at SIGHT on us.

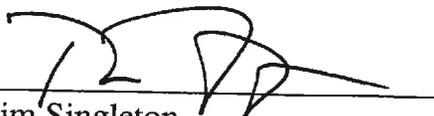
All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to 203 Greene Street, Suite 300 Huntsville, AL 35801.

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.

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.



Tim Singleton
Bank Independent

DB 9-15-15
OK KCA 9/30/15
OK CE 18
9/21/15