

## CITY COUNCIL AGENDA ITEM COVER MEMO

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

Meeting Type: Regular

Meeting Date: May 28, 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 Bryant Bank Letter of Credit No. 1172 for Heritage Brook Subdivision Phase 1.

**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: May 20, 2015

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

WHEREAS, Bryant Bank issued a certain letter of credit (No. 1172), 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 Bryant Bank Letter of Credit No. 1172, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 28th day of May, 2015.

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

APPROVED this the 28th day of May, 2015.

\_\_\_\_\_  
Mayor of the City of  
Huntsville, Alabama

# BRYANT BANK

## IRREVOCABLE LETTER OF CREDIT NO. 1172

Beneficiary:

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

Account Party:

Concord Land Development, Inc  
Legacy Homes of Alabama, Inc  
1806 University Drive  
Huntsville, AL 35801

Bank:

Bryant Bank  
415-H Church St STE 100  
Huntsville, AL. 35801

Subject: Article 5 Sidewalk, Letter of Credit for  
Heritage Brook Subdivision, Phase One

Amount: \$35,060.00

Issue Date: 06/03/2014

Expiration Date: 06/03/2015

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective 06/03/2014, for a sum not to exceed the aggregate of \$35,060.00 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 Bryant Bank, 415-H Church Street Suite 100, 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 Sub-division 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.

BRYANT BANK

By: 

Kenneth D Watson, President

MW 6-11-14

DB 6-11-14

OK  
CEIT  
6/16/14  
on KCA 6/13/14

*Unbeatable Service. Legendary Results.™*

**CADENCE**  
BANK

PAGE 1

DATE: JUNE 10, 2013

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER: 4647145

*Hum*  
*6/25/13*

ISSUING BANK:

CADENCE BANK, N. A.

2800 POST OAK BLVD; SUITE 3800

HOUSTON, TEXAS 77056

AMOUNT: USD\$51,482.00

EXPIRY: JUNE 10, 2014

RE: ARTILCE 5 SIDEWALK, LETTER OF CREDIT FOR HERITAGE BROOK SUBDIVISON  
PHASE 1

TO: BENEFICIARY

APPLICANT

CITY OF HUNTSVILLE  
308 FOUNTAIN CIRCLE  
HUNTSVILLE, AL 35801

DEWEY H. BRAZELTON  
2021 CLINTON AVE., SUITE C  
HUNTSVILLE, AL 35805

GENTLEMEN:

WE HEREBY ISSUE IN BENEFICIARY'S FAVOR THIS IRREVOCABLE STANDBY LETTER OF CREDIT NO. 4647145 EFFECTIVE JUNE 10, 2013, FOR A SUM NOT TO EXCEED THE AGGREGATE AMOUNT OF US\$51,482.00 (FIFTY ONE THOUSAND FOUR HUNDRED EIGHTY TWO AND 00/00 UNITED STATES DOLLARS) WHICH IS AVAILABLE BY PAYMENT WITH CADENCE BANK, N.A. HOUSTON, TEXAS OFFICE OR CADENCE BANK, N.A. HUNTSVILLE, ALABAMA OFFICE AT 312 CLINTON AVE. W, HUNTSVILLE, ALABAMA 35802, AGAINST PRESENTATION OF BENEFICIARY'S DRAFTS AT SIGHT DRAWN ON CADENCE BANK, N.A. HOUSTON, TEXAS, OR CADENCE BANK, N.A. HUNTSVILLE, ALABAMA, BEARING THE CLAUSE: "DRAWN UNDER CREDIT NO. 4647145 OF CADENCE BANK, N.A., HOUSTON, TEXAS" ACCOMPANIED BY THIS ORIGINAL LETTER OF CREDIT, AMENDMENT(S) HERETO IF ANY.

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

PARTIAL DRAWING ARE ALLOWED.

*MW*  
*6-27-13*  
*OK*  
*7/19/13*

*OK*  
*CE/8*  
*7/11/13*

2800 Post Oak Boulevard, Suite 3800 | Houston, Texas 77056  
713-871-4000



PAGE 2

WE HEREBY ENGAGE WITH YOU THAT DRAFTS DRAWN AND PRESENTED IN CONFORMITY WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON PRESENTATION TO CADENCE BANK, N.A. 2800 POST OAK BOULEVARD, SUITE 3800, HOUSTON, TEXAS 77056 OR CADENCE BANK, N.A. 312 CLINTON AVE. W, HUNTSVILLE, ALABAMA 35802.

THIS STANDBY LETTER OF CREDIT IS SUBJECT THE LAWS OF THE STATE OF ALABAMA WHICH SHALL GOVERN ALL MATTERS WITH RESPECT TO THIS LETTER OF CREDIT INCLUDING BUT NOT LIMITED TO, THE ALABAMA UNIFORM COMMERCIAL CODE, AS THE SAME MAY BE FROM TIME TO TIME AMENDED. AS TO MATTERS NOT COVERED BY THE LAWS OF THE STATE OF ALABAMA THE INTERNATIONAL STANDBY PRACTICES 1998, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 ("ISP98") SHALL APPLY.

WITH RESPECT TO ANY COMMUNICATION REGARDING THIS LETTER OF CREDIT PLEASE CONTACT DEBBIE TRAWEEK, LETTER OF CREDIT SPECIALIST 713 871 4082.

YOURS VERY TRULY,

CADENCE BANK N.A.

BY:

M.G. SHETTY  
SENIOR VICE PRESIDENT  
INTERNATIONAL DEPARTMENT  
CADENCE BANK, N.A.

2800 Post Oak Boulevard, Suite 3800 | Houston, Texas 77056  
713-871-4000

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BANK

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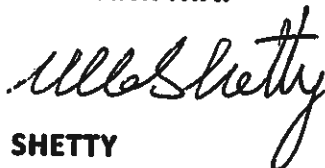
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