



# Huntsville, Alabama

305 Fountain Circle  
Huntsville, AL 35801

## Cover Memo

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**Meeting Type:** City Council Regular Meeting **Meeting Date:** 2/27/2025

**File ID:** TMP-5213

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**Department:** Legal

**Subject:**

**Type of Action:** Approval/Action

Resolution authorizing the City Clerk to invoke ServisFirst Bank Letter of Credit No. 41586 for the Preserve at Clayton's Pond II Subdivision.

Resolution No.

**Finance Information:**

**Account Number:** TBD

**City Cost Amount:** NA

**Total Cost:** NA

**Special Circumstances:**

**Grant Funded:** NA

**Grant Title - CFDA or granting Agency:** NA

**Resolution #:** NA

**Location: (list below)**

**Address:** Preserve at Clayton's Pond II Subdivision

**District:** District 1  District 2  District 3  District 4  District 5

**Additional Comments:**

**RESOLUTION NO. 25-\_\_\_\_\_**

**WHEREAS**, ServisFirst Bank issued a certain letter of credit (No. 41586) 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 City Clerk be and is hereby authorized to present for payment to ServisFirst Bank Letter of Credit No. 41586, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

**ADOPTED** this the 27th day of February, 2025.

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

**APPROVED** this the 27th day of February, 2025.

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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



**AMENDMENT TO IRREVOCABLE LETTER OF CREDIT NO. 41586**

<u>Beneficiary:</u>	<u>Account Party:</u>	<u>Bank:</u>
City of Huntsville P.O. Box 308 Huntsville, AL 35804	Danesh Foroughi 5016 Dale Road Huntsville, AL 35803	ServisFirst Bank 401 Meridian St., 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 Resubdivision of Tract 23 of Green Mountain Auction Property (Plat Book 38, Page 63) Project.

Amount:	\$23,700.00
Issue Date:	March 17, 2024
Expiration Date:	March 17, 2025

Gentlemen:

We hereby amend our Irrevocable Standby Letter of Credit in your favor, effective March 17, 2024, for a sum not to exceed the aggregate of Twenty Three Thousand and Seven Hundred Dollars 00/100 (\$23,700.00). 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, 401 Meridian Street Suite 100, Huntsville, AL 35801

MM 4/16/24

MW

4-11-24

SB 4/22/24

CR 4-17-24

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.

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 'Stuart Whitaker', written over a horizontal line.

Stuart Whitaker  
Vice President