

Resolution No. 22-94

**A RESOLUTION AUTHORIZING LETTER OF CREDIT REDUCTIONS
PERTAINING TO FOXX CREEK ESTATES, PLATS 1, 2 AND 3**

WHEREAS, on October 20, 1994, Marine Bank provided the Village of Chatham with a letter of credit in the amount of \$240,000, to secure the construction of public improvements in Plat 1 of Foxx Creek Estates Subdivision;

WHEREAS, on April 17, 1995, Marine Bank provided the Village of Chatham with a letter of credit in the amount of \$648,000, to secure the construction of public improvements in Plat 2 of Foxx Creek Estates Subdivision;

WHEREAS, on January 9, 1996, Marine Bank provided the Village of Chatham with a letter of credit in the amount of \$415,000, to secure the construction of public improvements in Plat 3 of Foxx Creek Estates Subdivision;

WHEREAS, security for Plats 1, and 2 has subsequently been reduced, and the developer requested a further reductions in the amounts of the letters of credit securing performance with respect to Plats 1 and 2 and a reduction in the letter of credit securing performance with respect to Plat 3;

WHEREAS, the public improvements for Plats 1, 2, and 3 are partially complete;

WHEREAS, security in the amounts of \$75,000, \$60,000 and \$255,000 is sufficient to secure construction of the remaining public improvements for Plats 1, 2 and 3, respectively, and as reflected in correspondence from the Consulting Engineer for the Village dated August 27, 1996 attached to this resolution as Exhibit A, the Consulting Engineer for the Village has recommended reduction of the letters of credit to such amounts;

WHEREAS, Marine Bank has provided three new letters of credit, all bearing the date September 6, 1996, to secure construction of the remaining public improvements in Plats 1, 2, and 3 of Foxx Creek Estates Subdivision, copies of which are attached hereto as Exhibits B, C, and D;

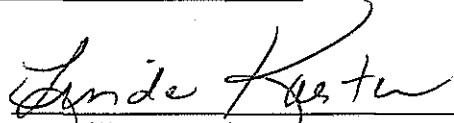
NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, SANGAMON COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: The letters of credit dated September 6, 1996 in the amounts of \$60,000, \$75,000 and \$255,000 securing construction of public improvements with respect to Plat 1, 2, and 3, respectively, of Foxx Creek Estates Subdivision, are hereby approved.

SECTION 2: All previous letters of credit securing construction of public improvements with respect to Plat 1, 2 and 3 of Foxx Creek Estates Subdivision are hereby released.

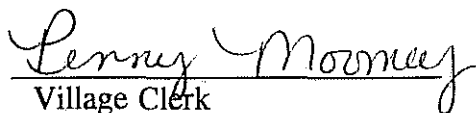
SECTION 3: This Resolution is effective immediately.

PASSED this 10 day of September, 1996.



Village President

ATTEST:



Village Clerk

AYES: 5
NAYS: 0
ABSENT 1

RAPPS

ENGINEERING & APPLIED SCIENCE

ESTABLISHED IN 1978

ENVIRONMENTAL • CIVIL • MUNICIPAL • GEOTECHNICAL • GROUNDWATER

August 27, 1996

Mr. John Myers, Village Attorney
Village of Chatham
Rabin, Myers, Hanken
1300 South 8th
Springfield, IL 62703

Re: ~~Foxx~~ Creek Estates Plat No. 1, 2, & 3
Reduction in Letter of Credit

Dear John:

The attached letters from Mr. Jay Jessen has requested that the Letter of Credit for ~~Foxx~~ Creek Estates be reduced. A final inspection was held on August 23, 1996, and everything appears to be built according to the approved plans.

Plat 1

Mr. Jessen letter of August 21, 1996 covers the remaining sidewalk. The \$75,000 would probably cover the sidewalks within Plat 1, therefore the request to lower the Letter of Credit from \$150,000 to \$75,000 appears to be acceptable.

Plat 2

Mr. Jessen letter of August 21, 1996 covers the remaining sidewalk and punch list items. The \$60,000 appears adequate to cover the cost of these items. Therefore the request to lower the letter of credit from \$95,000 to \$60,000 appears to be acceptable.

Page 2
John Myers
August 27, 1996

Plat 3

Mr. Jessen letter of August 21, 1996 covers the remaining sidewalk and punch list items. The \$255,000 appears adequate to cover the cost of these items. Therefore the request to lower the letter of credit from \$415,000 to \$255,000 appears to be acceptable.

If you have any questions, please feel free to contact me at 787-2118.

Sincerely;


Terry Burke, P.E.

cc: Jay Jessen, Greene & Bradford, Inc.
Mike Williamsen
Del McCord, Village of Chatham

CVI100-261202

MARINE BANK

— SPRINGFIELD —

3050 West Wabash Avenue
Springfield, IL 62704
Telephone: (217) 726-0600
Fax: (217)726-0619

2136 East Cook Street
Springfield, IL 62703
Telephone: (217) 525-8800
Fax: (217) 525-8806

September 6, 1996

IRREVOCABLE LETTER OF CREDIT

BENEFICIARY:

Village of Chatham
Attn: Village Engineer
Department of Streets &
Public Improvements
Municipal Building
116 E. Mulberry
Chatham, Illinois 62629

ACCOUNT PARTY:

Fox Creek Estates
Plat 1
Chatham, Illinois

AMOUNT: Sixty Thousand Dollars and No/100
(U.S. \$60,000.00)

EXPIRATION DATE: November 24, 1996

Gentlemen:

We hereby establish our Irrevocable Letter of Credit in your favor for account of Fox Creek Estates for the amount of \$60,000.00 (Sixty Thousand and No/100 Dollars) available by your drafts at sight drawn on the Marine Bank of Springfield, Springfield, Illinois, accompanied by:

- a. Copy of letter from village to R.L.P. Development Co. designated by the Village as a final inspection letter and detailing work to be completed including cost estimates.
- b. Statement signed by the Village Engineer of the Village of Chatham, Chatham, Illinois as follows: "The public improvements for which this credit is security have not been completed as required by the code of the Village of Chatham, and Marine Bank of Springfield is hereby released of liability under this credit to the extent of each draw under the credit."

Except as otherwise expressly stated herein, this credit is subject to the Uniform Commercial Code as adopted in the State of Illinois.

We hereby agree with the drawers, endorsers, and bona fide holders of drafts drawn under and in compliance with the terms of this debt, that such drafts will be duly honored on due presentation to the drawee on or before November 24, 1996. All parties hereto agree that the outstanding obligation hereunder may be released only upon the written authorization of the Village Engineer and said Village of Chatham. This letter of credit shall be automatically extended for additional periods of one year from the expiration date or each future expiration date unless sixty days (60) prior to such date, the Bank shall notify you in writing, by registered mail at the above address, that we elect not to renew this letter of credit for such additional period. If we shall make such election, the Village Engineer of the Village of Chatham shall release Marine Bank, Springfield, of all further obligation under this letter of credit at the end of said sixty-day period, provided, however, that nothing contained herein shall be construed to limit the right of the Village of Chatham to make drafts against this letter until its initial expiration date or any date to which said letter is automatically extended as described above.

Attest:

By: _____

Vice President *

By: _____

Phillip L. Maton, Jr.
Chairman and C.E.O.

Marine Bank, Springfield

MARINE BANK

— SPRINGFIELD —

3050 West Wabash Avenue
Springfield, IL 62704
Telephone: (217) 726-0600
Fax: (217)726-0619

2136 East Cook Street
Springfield, IL 62703
Telephone: (217) 525-8800
Fax: (217) 525-8806

September 6, 1996

IRREVOCABLE LETTER OF CREDIT

BENEFICIARY:

**Village of Chatham
Attn: Village Engineer
Department of Streets &
Public Improvements
Municipal Building
116 E. Mulberry
Chatham, Illinois 62629**

ACCOUNT PARTY:

**Fox Creek Estates
Plat 2
Chatham, Illinois**

AMOUNT: **Seventy-Five Thousand Dollars and No/100
(U.S. \$75,000.00)**

EXPIRATION DATE: **April 17, 1997**

Gentlemen:

We hereby establish our Irrevocable Letter of Credit in your favor for account of Fox Creek Estates for the amount of \$75,000.00 (Seventy-Five Thousand and No/100 Dollars) available by your drafts at sight drawn on the Marine Bank of Springfield, Springfield, Illinois, accompanied by:

- a. Copy of letter from village to R.L.P. Development Co. designated by the Village as a final inspection letter and detailing work to be completed including cost estimates.
- b. Statement signed by the Village Engineer of the Village of Chatham, Chatham, Illinois as follows: "The public improvements for which this credit is security have not been completed as required by the code of the Village of Chatham, and Marine Bank of Springfield is hereby released of liability under this credit to the extent of each draw under the credit."

Except as otherwise expressly stated herein, this credit is subject to the Uniform Commercial Code as adopted in the State of Illinois.

We hereby agree with the drawers, endorsers, and bona fide holders of drafts drawn under and in compliance with the terms of this debt, that such drafts will be duly honored on due presentation to the drawee on or before April 17, 1997. All parties hereto agree that the outstanding obligation hereunder may be released only upon the written authorization of the Village Engineer and said Village of Chatham. This letter of credit shall be automatically extended for additional periods of one year from the expiration date or each future expiration date unless sixty days (60) prior to such date, the Bank shall notify you in writing, by registered mail at the above address, that we elect not to renew this letter of credit for such additional period. If we shall make such election, the Village Engineer of the Village of Chatham shall release Marine Bank, Springfield, of all further obligation under this letter of credit at the end of said sixty-day period, provided, however, that nothing contained herein shall be construed to limit the right of the Village of Chatham to make drafts against this letter until its initial expiration date or any date to which said letter is automatically extended as described above.

Attest:

Marine Bank, Springfield

By: _____

Vice President

By: _____

Phillip L. Maton, Jr.
Chairman and C.E.O.

MARINE BANK

— SPRINGFIELD —

3050 West Wabash Avenue
Springfield, IL 62704
Telephone: (217) 726-0600
Fax: (217)726-0619

2136 East Cook Street
Springfield, IL 62703
Telephone: (217) 525-8800
Fax: (217) 525-8806

September 6, 1996

IRREVOCABLE LETTER OF CREDIT

BENEFICIARY:

Village of Chatham
Attn: Village Engineer
Department of Streets &
Public Improvements
Municipal Building
116 E. Mulberry
Chatham, Illinois 62629

ACCOUNT PARTY:

Fox Creek Estates
Plat 3
Chatham, Illinois

AMOUNT: Two Hundred Fifty-Five Thousand Dollars and No/100
(U.S. \$255,000.00)

EXPIRATION DATE: January 19, 1997

Gentlemen:

We hereby establish our Irrevocable Letter of Credit in your favor for account of Fox Creek Estates for the amount of \$255,000.00 (Two Hundred Fifty-Five Thousand and No/100 Dollars) available by your drafts at sight drawn on the Marine Bank of Springfield, Springfield, Illinois, accompanied by:

- a. Copy of letter from village to R.L.P. Development Co. designated by the Village as a final inspection letter and detailing work to be completed including cost estimates.
- b. Statement signed by the Village Engineer of the Village of Chatham, Chatham, Illinois as follows: "The public improvements for which this credit is security have not been completed as required by the code of the Village of Chatham, and Marine Bank of Springfield is hereby released of liability under this credit to the extent of

EXHIBIT D

Except as otherwise expressly stated herein, this credit is subject to the Uniform Commercial Code as adopted in the State of Illinois.

We hereby agree with the drawers, endorsers, and bona fide holders of drafts drawn under and in compliance with the terms of this debt, that such drafts will be duly honored on due presentation to the drawee on or before January 19, 1997. All parties hereto agree that the outstanding obligation hereunder may be released only upon the written authorization of the Village Engineer and said Village of Chatham. This letter of credit shall be automatically extended for additional periods of one year from the expiration date or each future expiration date unless sixty days (60) prior to such date, the Bank shall notify you in writing, by registered mail at the above address, that we elect not to renew this letter of credit for such additional period. If we shall make such election, the Village Engineer of the Village of Chatham shall release Marine Bank, Springfield, of all further obligation under this letter of credit at the end of said sixty-day period, provided, however, that nothing contained herein shall be construed to limit the right of the Village of Chatham to make drafts against this letter until its initial expiration date or any date to which said letter is automatically extended as described above.

Attest:

Marine Bank, Springfield

By: _____

Vice President

By: _____

Phillip L. Maton, Jr.
Chairman and C.E.O.

RESOLUTION CERTIFICATE

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the Resolution attached hereto is a full, true, and exact copy of Resolution No. 2296 by the President and Board of Trustees of said Village on the 10 day of September, 1996, said Resolution being entitled:

**A RESOLUTION AUTHORIZING LETTER OF CREDIT REDUCTIONS
PERTAINING TO FOXX CREEK ESTATES, PLATS 1, 2 AND 3**

I do further certify that prior to the making of this certificate, the said Resolution was spread at length upon the permanent records of said Village, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 10 day of Sept, 1996.

Penny Morrey
Village Clerk

PASSED: 9/10/96
APPROVED: 9/10/96

ABSENT: 1