

A RESOLUTION APPROVING A REDUCTION IN LETTERS OF CREDIT AND APPROVING SUBSTITUTE SECURITY FOR SPRUCE ESTATES, PLATS 1 AND 2

WHEREAS, the developer of Spruce Estates Subdivision has requested, and the Consulting Engineer for the Village has approved, a reduction of the security securing construction of public infrastructure with respect to Spruce Estates Subdivision, Plats 1 and 2, to an amount of \$19,900.00, all as outlined in a letter from the developer's engineer and the Village's Consulting Engineer dated November 18, 2013, and attached hereto as Exhibit A;

WHEREAS, the developer of Spruce Estates Subdivision has requested the substitution of a new letter of credit for the existing letters of credit securing the construction of infrastructure for Spruce Estates, Plats 1 and 2;

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

SECTION 1: Letters of Credit Nos. 508 and 509, issued by Illini Bank on June 3, 2009 and June 10, 2009, respectively, which secure the construction of public infrastructure for Spruce Estates Subdivision, Plats 1 and 2, are hereby released.

SECTION 2: New Letter of Credit No. 508 issued by Illini Bank on January 14, 2014, a copy of which is attached as Exhibit B, which is in the amount of \$19,900.00, is hereby accepted as security with respect to the construction of infrastructure for Spruce Estates Subdivision, Plats 1 and 2.

SECTION 3: This Resolution is effective upon the exchange by the Village Attorney and Illini Bank of the original of new Letter of Credit 508 for Old Letter of Credit No. 508 and Letter of Credit No. 509.

PASSED this ____ day of _____, 2014.

Thomas A. Gray

Village President

ATTEST:

Pat Schab

Village Clerk



AYES: _____
NAYS: _____

PASSED: _____
APPROVED: _____

ABSENT: _____

GREENE & BRADFORD, INC.

3501 Constitution Drive
Springfield, Illinois 62711
(217) 793-8844
(217) 793-6227 Fax
www.greeneandbradford.com



November 18, 2013

Mr. Meredith Branham
Village of Chatham
116 East Mulberry
Chatham, IL 62629

Re: Spruce Estates – Plats 1 and 2
G&B# 05-001.07

Dear Mr. Branham:

We are in receipt of a letter from Reynolds, Higginbotham & Associates, Inc. dated October 01, 2013 asking that the existing letter of credit for the referenced subdivision be reduced to **\$19,900.00**. After a field check I agree with the quantities and amounts listed on the attached letter.

The areas highlighted on the attached exhibit are locations where sidewalk is not installed.

Please call if you should have any questions or need additional information.

Sincerely,
GREENE & BRADFORD, INC.

A handwritten signature in blue ink that reads "Don DeFrates".

Don DeFrates

Cc: John Reynolds
Cc: John Myers

J:\05001.07\CORRES\11-18-13 Letter to Branham - Letter of Credit - spruce plat 2.doc

Exhibit
A

RAYNOLDS, HIGGINBOTHAM & Assoc., Inc.

Land Surveying, Planning & Engineering

1025 South Second Street

Springfield, Illinois 62704

(217) 241-3500

Fax: (217) 241-3525

October 1, 2013

Mr. Don Defrates
Greene & Bradford, Inc.
Village of Chatham
3501 Constitution Dr.
Springfield, IL 62707

Dear Don

The sidewalk improvements remaining to be completed in Spruce Estates 1st and 2nd Addition are as follows:

Unit	Item	Original Quantity	Unit Price	Remaining Quantity	Remaining Quantity
S.F.	4' CONCRETE SIDEWALK		\$3.50	4548	\$15,918.00
				Total Remaining	\$15,918.00
				X	1.25
					\$19,897.50

I ask t that the total security for Spruce Estates 1st and 2nd Addition be adjusted to: \$19,900.00

Sincerely,



John Reynolds, PLS
Raynolds, Higginbotham and Assoc., Inc.

IRREVOCABLE LETTER OF CREDIT #508

January 14, 2014

Village of Chatham
Attn: Village Engineer
116 East Mulberry
Chatham, IL 62629

RE: Spruce Estates Subdivision
Plats I and II
Chatham, IL

To Whom It May Concern:

We hereby establish our IRREVOCABLE LETTER OF CREDIT NUMBER 508 in your favor for the account of FTM One Investments, LLC Subdivision for the amount of \$19,900.00, available by your drafts at sight, drawn on the ILLINI BANK, Springfield, Illinois accompanied by:

(a) Copy of final inspection letter from the Municipality to Developer detailing sidewalk work to be completed including cost estimate.

(b) Statement signed by the Engineer of Village of Chatham, Illinois certifying that the public improvements for which this Letter of Credit is security have not been completed as required by Chapter 153 of the code of the Village of Chatham, and releasing ILLINI BANK of liability under this Letter of Credit to the extent of each draw.

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

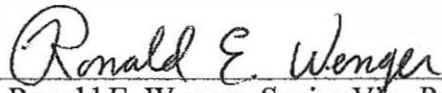
EXHIBIT
B


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Village of Chatham
Attn: Village Engineer
January 14, 2014

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 14, 2015. All parties hereto agree that the outstanding obligation hereunder may be released only upon written authorization of the Engineer of 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 (60) days 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 at the end of said sixty (60) day period, provided however, that nothing contained herein shall be construed to limit the right of Village of Chatham to make drafts against this letter until its initial expiry date or any date to which said letter is automatically extended as described above.

ILLINI BANK

BY: 
Ronald E. Wenger, Senior Vice President

ATTEST: 
Greg Birky, President

