

Resolution No. 19-05

**A RESOLUTION AUTHORIZING LETTER OF CREDIT
REDUCTION AND SUBSTITUTION PERTAINING TO
BRECKENRIDGE MANOR SUBDIVISION, PLAT 1**

WHEREAS, on January 28, 2003, Illinois National Bank provided the Village of Chatham with Letter Of Credit No. 03-00002 the amount of \$52,000 to secure the construction of public improvements in Plat1, Breckenridge Manor Subdivision;

WHEREAS, the developer of Breckenridge Manor Subdivision requested a reduction in the amount of the letter of credit securing performance with respect to Breckenridge Manor Subdivision to the sum of \$14,100, as outlined in a letter from the Village's Consulting Engineer dated May 17, 2005 attached hereto as Exhibit A;

WHEREAS, Illinois National Bank has proposed to provide a new Letter Of Credit No. 05-00009 in the amount of \$14,100 in substitution of Letter Of Credit No. 03-00002; a copy of Letter Of Credit No. 05-00009 is attached hereto as Exhibit B;

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

SECTION 1: As soon as Illinois National Bank delivers to the Village Attorney the original of Letter of Credit 05-00009, Letter of Credit No. 03-00002 is released, and the Village Attorney shall return the original of Letter of Credit No. 03-00002 to Illinois National Bank. Letter of Credit No. 05-00009 is approved as security for all remaining public improvements in Plat 1 of Breckenridge Manor Subdivision.

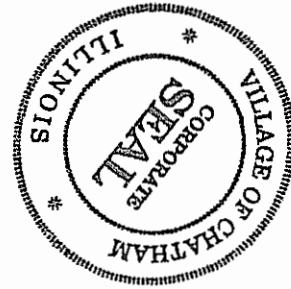
SECTION 2: This Resolution is effective immediately.

PASSED this 24 day of MAY, 2005.

Thomas J Gray
Village President

ATTEST:

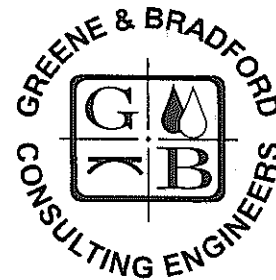
[Signature]
Village Clerk



AYES: 5 HERR SCHATTENMAN MCCARTHY MCGRATH KAUNAGH
NAYS: 0

PASSED: 5-24-05
APPROVED: 5-24-05

ABSENT: 1 Boyle



GREENE & BRADFORD, INC.

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

May 17, 2005

✓ John Myers

John Reynolds
1025 South Second Street
Springfield, IL 62703

RE: Breckenridge Manor – Plat 1
G&B# 02029

Dear John:

I am in receipt of your May 12, 2005 letter and recommend approval of the reduction in security from \$52,000 to \$14,100 for the above plat.

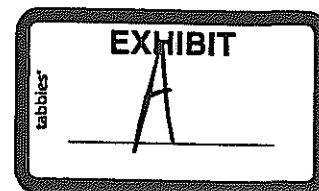
Respectfully,
GREENE & BRADFORD, INC.

A handwritten signature in cursive script that reads "Jay Jessen".

Jay Jessen, P.E.

cc: Meredith Branham, Village of Chatham
Al Young, Remax Professionals

J:\02029\CORRES\ltr to Reynolds- 5-17-05.doc



JOHN RAYNOLDS, INC.

Land Surveying, Planning and Engineering

1025 South Second Street
Springfield, Illinois 62704-3004
Ph. (217)-241-3500
Fax (217)-241-3525

FAX TRANSMITTAL

JOB NUMBER: _____

TO : Jay Jessen
Greene & Bradford, Inc.

FAX # : 793-6227

PHONE : _____

FROM : Jason Jacobs

DATE : May 12, 2005

TOTAL PAGES : 2

RE : Breckenridge Manor, 1st - Security Reduction

MESSAGE:

Original security was \$52,000⁰⁰

JOHN L. RAYNOLDS, INC.

Land Surveying, Planning, & Engineering
1025 South Second Street
Springfield, Illinois 62704-3004
(217) 241-3500
Fax: (217) 241-3525
May 12, 2005

Mr. Jay Jesson, P.E.
Greene & Bradford, Inc.
3501 Constitution Dr.
Springfield, Illinois 62707

re: Breckenridge Manor 1st Add. Security

Dear Jay:

The improvements remaining to complete construction for Breckenridge Manor 1st Addition are as follows:

UNIT	ITEM	QUANTITY	UNIT PRICE	AMOUNT
				REMAINING
S.F.	4" CONCRETE SIDEWALK	4,304	2.38	\$10,243.52
L.S.	PUNCH LIST ITEMS	1	1,000.00	\$1,000.00
TOTAL REMAINING				\$11,243.52

TOTAL SECURITY REQUIRED: \$11,243.52
X 1.25
\$14,054.40

I recommend the security for items remaining to be adjusted to \$14,100.00

Sincerely,



Jason J. Jacobs, P.E.
John L. Reynolds, Inc.



Illinois National Bank
322 E. Capitol • Springfield, IL 62701 • (217) 747-5500

IRREVOCABLE STANDBY LETTER OF CREDIT

Illinois National Bank
322 E. Capitol
Springfield, IL 62701

To: Village of Chatham
c/o Mr. John Myers
1300 South 8th Street
Springfield, IL 62703

Date: May 24, 2005

Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit No. 05 00009 in your favor for the account of **Breckenridge Development Corporation** for a sum not exceeding Fourteen Thousand One Hundred and No/100---Dollars (\$14,100.00) available by your draft or drafts on **Illinois National Bank** at sight when accompanied by the following documents:

A copy of the final inspection letter from the Village of Chatham to the subdeveloper detailing work to be completed including cost estimates.

A copy of this Letter and your signed statement certifying you are entitled to draw under this letter.

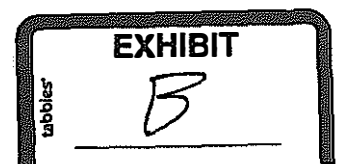
A statement signed by the Village Engineer and Mayor of the Village of Chatham, Illinois, certifying that the improvements pertaining to Breckenridge Manor Subdivision, Plat 1, for which this Letter of Credit is security have not been completed as required by the code of the Village of Chatham, and releasing Illinois National Bank of liability under this credit to the extent of each draw.

This Letter of Credit shall replace Letter of Credit 03 00002 dated January 28, 2003 in the amount of \$52,000.00.

All sight drafts drawn under this Credit must be marked "Drawn under Illinois National Bank Irrevocable Standby Letter of Credit No. 05 00009 dated May 24, 2005".

This credit shall be governed by the Uniform Commercial Code as enacted in Illinois from time to time, and to the extent not modified by said law, the Uniform Customs and Practice for Documentary Credits as most recently published by the International Chamber of Commerce.

The original of this Letter of Credit must be submitted to us whenever a partial draw or cancellation of this Credit is requested. In every case of partial draw the Letter of Credit shall be promptly returned and remain valid for the balance unused.



We hereby agree with bona fide holders that all sight drafts drawn under and in compliance with the terms of this Credit shall meet with due honor upon presentation and delivery of the documents as specified if negotiated at our offices on or before May 24, 2006. This Letter of Credit shall be automatically extended for additional periods of one year from the expiration date unless sixty (60) days prior to such date the Bank shall notify the Village of Chatham, in writing and by registered mail at the above address, that we elect not to renew this Letter of Credit for such additional period.

The Letter of Credit shall by its terms secure payment not only of the construction of the public improvements for which it is intended but also of any additional review and inspection fees charged by the Village engineer and imposed by the Village pursuant to Section 155.02 of the Chatham Code of Ordinances.

Very truly yours,

By: TERRY A. SCHAD
Its: SENIOR VICE PRESIDENT

CERTIFICATE

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

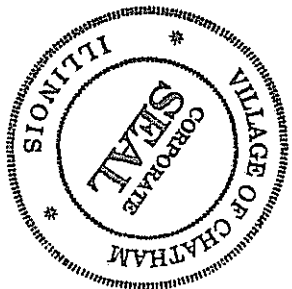
I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the resolution attached hereto is a full, true, and exact copy of Resolution No. 19-05, adopted by the President and Board of Trustees of said Village on the 24 day of MAY, 2005, said resolution being entitled:

**A RESOLUTION AUTHORIZING LETTER OF CREDIT
REDUCTION AND SUBSTITUTION PERTAINING TO
BRECKENRIDGE MANOR SUBDIVISION, PLAT 1**

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 24 day of MAY, 2005.



Pat Schrad
Village Clerk