

CITY COUNCIL AGENDA ITEM COVER MEMO

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

Meeting Type: Regular

Meeting Date: 1/24/2013

Action Requested By:  
Legal

Agenda Item Type  
Resolution

Subject Matter:

Heritage Club Inc. D/B/A Heritage Club.

Exact Wording for the Agenda:

Resolution authorizing the City Attorney to seek a forfeiture of the surety bond issued by Western Surety Company.

**Note: If amendment, please state title and number of the original**

Item to be considered for: Action

Unanimous Consent Required: No

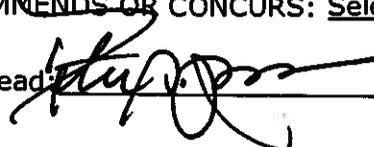
Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

More than thirty (30) days have passed since the issuance of the Notice of Final Assessment to Heritage Club Inc. D/B/A Heritage Club reflecting that Heritage Club Inc. D/B/A Heritage Club is indebted to the City of Huntsville for past-due liquor and sales taxes, interest and penalties in the amount of \$13,392.50 for the period in which said bond was in effect. Heritage Club Inc. D/B/A Heritage Club has not responded to the Notice of Final Assessment.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Select...

Department Head: 

Date: 1-17-13

RESOLUTION NO. 13-\_\_\_\_\_

WHEREAS, Western Surety Company issued a surety bond in the amount of EIGHT THOUSAND AND NO/100 DOLLARS (\$8,000.00) for the payment of liquor and other taxes to Heritage Club Inc. dba Heritage Club.

WHEREAS, the Principal failed to pay taxes in the amount of THIRTEEN THOUSAND THREE HUNDRED NINETY TWO AND 50/100 DOLLARS (\$13,392.50) for the taxing period of December 2011 through July 2012; and

WHEREAS, the City Clerk-Treasurer's Office has made every possible effort to collect the taxes due from the Principal.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Huntsville, Alabama, that the City Attorney's Office is hereby authorized, requested, and directed to seek a forfeiture of the surety bond issued by Western Surety Company; and

BE IT FURTHER RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor, upon payment by Western Surety Company and in accordance with its bond, is hereby authorized, requested, and directed to execute a release and assignment agreement substantially in words and figures as Attachment "A", an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the 24th day of January, 2013.

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

APPROVED this the 24th day of January, 2013.

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

**ATTACHMENT "A"**

KNOW ALL MEN BY THESE PRESENTS that the undersigned, for the sole consideration of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) to be paid by Western Surety Company from the bond of Heritage Club Inc. dba Heritage Club (Bond Number 70104521), to the City of Huntsville, Alabama, releases and discharges Western Surety Company from the obligation of the bond to the extent of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) received for the taxing period of December 2011 through July 2012.

In further consideration of payment of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) of the above noted bond, the City of Huntsville, Alabama, hereby assigns to Western Surety Company any claim the City of Huntsville, Alabama, may have against Heritage Club Inc. dba Heritage Club for delinquent or deficient taxes or license fees to the extent of the remitted amount of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) for the taxing period of December 2011 through July 2012. The City of Huntsville, Alabama, retains any claim it may have against Heritage Club Inc. dba Heritage Club for delinquent or deficient taxes or license fees greater than the amount EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) received from Western Surety Company for the taxing period of December 2011 through July 2012.

IN WITNESS WHEREOF, the City of Huntsville, Alabama, has caused this document to be executed by its duly sworn officer this the 24th day of January, 2013.

**CITY OF HUNTSVILLE, ALABAMA**

BY: \_\_\_\_\_  
Tommy Battle  
Its Mayor

ATTEST:

By: \_\_\_\_\_  
Charles E. Hagood  
Its Clerk -Treasurer