

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 3/12/2015

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Huntsville Brewery, Inc.

Exact Wording for the Agenda:

Resolution authorizing the City Attorney to seek a forfeiture of the surety bond issued by Travelers Casualty and Surety Company of America.

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.

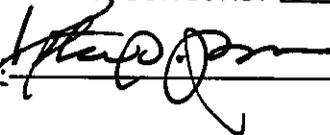
More than thirty (30) days have passed since the issuance of the Notice of Final Assessment to Huntsville Brewery, Inc. reflecting that Huntsville Brewery, Inc. is indebted to the City of Huntsville for past-due liquor and sales taxes, interest and penalties in the amount of \$8,136.33 for the period in which said bond was in effect. Huntsville Brewery, Inc. has not responded to the Notice of Final Assessment.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Select...

Department Head



Date: 2-23-15

RESOLUTION NO. 15-_____

WHEREAS, Travelers Casualty and Surety Company of America issued a surety bond in the amount of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) for the payment of liquor and other taxes to Huntsville Brewery, Inc.

WHEREAS, the Principal failed to pay taxes in the amount of EIGHT THOUSAND ONE HUNDRED THIRTY SIX AND 33/100 DOLLARS (\$8,136.33) for the taxing period of February through August 2014 and interest through December 2014; 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 Travelers Casualty and Surety Company of America; and

BE IT FURTHER RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor, upon payment by Travelers Casualty and Surety Company of America 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 12th day of March, 2015.

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

APPROVED this the 12th day of March, 2015.

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 Travelers Casualty and Surety Company of America from the bond of Huntsville Brewery, Inc. (Bond Number 105992902), to the City of Huntsville, Alabama, releases and discharges Travelers Casualty and Surety Company of America 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 February through August 2014 and interest through December 2014.

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 Travelers Casualty and Surety Company of America any claim the City of Huntsville, Alabama, may have against Huntsville Brewery Inc., 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 February through August 2014 and interest through December 2014. The City of Huntsville, Alabama, retains any claim it may have against Huntsville Brewery, Inc., for delinquent or deficient taxes or license fees greater than the amount of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) received from Travelers Casualty and Surety Company of America for the taxing period of February through August 2014 and interest through December 2014.

IN WITNESS WHEREOF, the City of Huntsville, Alabama, has caused this document to be executed by its duly sworn officer this the 12th day of March, 2015.

CITY OF HUNTSVILLE, ALABAMA

BY: _____
Tommy Battle
Its Mayor

ATTEST:

By: _____
Charles E. Hagood
Its Clerk -Treasurer