

# CITY COUNCIL AGENDA ITEM COVER MEMO

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

Meeting Type: Regular

Meeting Date: 12/17/2015

Action Requested By:  
Legal

Agenda Item Type  
Resolution

Subject Matter:

La Bomba Restaurante Inc. D/B/A La Bomba Mexican Restaurant & Bar.

Exact Wording for the Agenda:

Resolution authorizing the City Attorney to seek a forfeiture of the surety bond issued by American Southern Insurance Company.

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

Item to be considered for: Action

Unanimous Consent Required: No

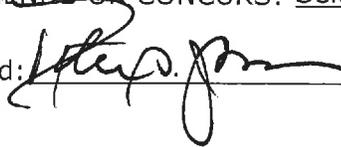
Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

More than thirty (30) days have passed since the issuance of the Notice of Final Assessment to La Bomba Mexican Restaurant & Bar reflecting that La Bomba Mexican Restaurant & Bar is indebted to the City of Huntsville for past-due liquor and sales taxes, interest and penalties in the amount of \$2,220.39 for the period in which said bond was in effect. La Bomba Mexican Restaurant & Bar has not responded to the Notice of Final Assessment.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Select...

Department Head: 

Date: 12-10-15

**RESOLUTION NO. 15-\_\_\_\_\_**

**WHEREAS**, American Southern Insurance Company 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 La Bomba Restaurante, Inc. DBA La Bomba Mexican Restaurant & Bar.

**WHEREAS**, the Principal failed to pay taxes in the amount of TWO THOUSAND TWO HUNDRED TWENTY AND 39/100 DOLLARS (\$2,220.39) for the taxing period of February through June 2015 and interest through October 2015; 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 American Southern Insurance Company; and

**BE IT FURTHER RESOLVED** by the City Council of the City of Huntsville, Alabama, that the Mayor, upon payment by American Southern Insurance 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 17<sup>th</sup> day of December, 2015.

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

**APPROVED** this the 17<sup>th</sup> day of December, 2015.

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

**ATTACHMENT "A"**

KNOW ALL MEN BY THESE PRESENTS that the undersigned, for the sole consideration of TWO THOUSAND TWO HUNDRED TWENTY AND 39/100 DOLLARS (\$2,220.39) to be paid by American Southern Insurance Company from the bond of La Bomba Restaurante, Inc. DBA La Bomba Mexican Restaurant & Bar (Bond Number 52634), to the City of Huntsville, Alabama, releases and discharges American Southern Insurance Company from the obligation of the bond to the extent of TWO THOUSAND TWO HUNDRED TWENTY AND 39/100 DOLLARS (\$2,220.39) received for the taxing period of February through June 2015 and interest through October 2015.

In further consideration of payment of TWO THOUSAND TWO HUNDRED TWENTY AND 39/100 DOLLARS (\$2,220.39) of the above noted bond, the City of Huntsville, Alabama, hereby assigns to American Southern Insurance Company any claim the City of Huntsville, Alabama, may have against La Bomba Restaurante, Inc. DBA La Bomba Mexican Restaurant & Bar, for delinquent or deficient taxes or license fees to the extent of the remitted amount of TWO THOUSAND TWO HUNDRED TWENTY AND 39/100 DOLLARS (\$2,220.39) for the taxing period of February through June 2015 and interest through October 2015. The City of Huntsville, Alabama, retains any claim it may have against La Bomba Restaurante, Inc. DBA La Bomba Mexican Restaurant & Bar for delinquent or deficient taxes or license fees greater than the amount of TWO THOUSAND TWO HUNDRED TWENTY AND 39/100 DOLLARS (\$2,220.39) received from American Southern Insurance Company for the taxing period of February through June 2015 and interest through October 2015.

**IN WITNESS WHEREOF**, the City of Huntsville, Alabama, has caused this document to be executed by its duly sworn officer this the 17th day of December, 2015.

**CITY OF HUNTSVILLE, ALABAMA**

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

ATTEST:

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