



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 12/5/2024

File ID: TMP-4920

Department: Legal

Subject:

Type of Action: Approval/Action

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

Resolution No.

Finance Information:

Account Number: N/A

City Cost Amount: N/A

Total Cost: N/A

Special Circumstances:

Grant Funded: N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location: (list below)

Address: N/A

District: District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

Additional Comments: N/A

RESOLUTION NO. 24-____

WHEREAS, Western Surety 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 a certain taxpayer.

WHEREAS, the Principal failed to pay taxes in the amount of SEVENTY SEVEN THOUSAND SEVEN HUNDRED AND 01/100 DOLLARS (\$77,700.01) for the taxing period of March 2023 through February 2024 and interest through September 2024; and

WHEREAS, the Finance Department 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 of the City of Huntsville, Alabama.

ADOPTED this the 5th day of December, 2024.

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

APPROVED this 5th day of December, 2024.

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 Case No. 403 (Bond Number 66242044), 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) for the taxing period of March 2023 through February 2024 and interest through September 2024.

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 Case No. 403, 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 March 2023 through February 2024 and interest through September 2024. The City of Huntsville, Alabama, retains any claim it may have against Case No. 403 for delinquent or deficient taxes or license fees greater than the amount of EIGHT THOUSAND AND 00/100 DOLLARS (\$8,000.00) received from Western Surety Company for the taxing period of March 2023 through February 2024 and interest through September 2024.

IN WITNESS WHEREOF, the City of Huntsville, Alabama, has caused this document to be executed by its duly sworn officer this the 5th day of December, 2024.

CITY OF HUNTSVILLE, ALABAMA

BY: _____
Tommy Battle
Its Mayor

ATTEST:

By: _____
Shaundrika Edwards
Its City Clerk