

STATE OF ALABAMA)
 :
 COUNTY OF BALDWIN)(

The City Council, City of Fairhope, met in regular session at 6:00 p.m., Fairhope Municipal Complex Council Chamber, 161 North Section Street, Fairhope, Alabama 36532, on Monday, 26 July 2010.

Present were Council President Lonnie L. Mixon, Councilmembers: Debbie W. Quinn, Daniel Stankoski, Michael A. Ford, and Rick Kingrea, Mayor Timothy M. Kant, City Attorney Marion E. Wynne, and City Clerk Lisa A. Hanks.

There being a quorum present, Council President Mixon called the meeting to order. The invocation was given by Reverend Donald M. Smith, Priest at St. James Episcopal Church and the Pledge of Allegiance was recited. Council President Mixon asked if there were any corrections to the minutes from the 12 July 2010, regular meeting. He then stated if there are no corrections, the minutes stand approved as written.

Councilmember Ford moved to address the following item **not** on the printed agenda. Seconded by Councilmember Quinn, motion passed unanimously by voice vote.

Councilmember Ford introduced in writing, and moved for the adoption of the following resolution, a resolution to Cancel Contract with Ducky Johnson House Movers, Inc. for the Fairhope Municipal Stadium Upgrade (Bid Number 026-10) and Award Bid to East Coast Contracting, Inc. (Bid Number 028-10). Seconded by Councilmember Quinn, motion passed unanimously by voice vote.

RESOLUTION NO. 1673-10

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, as follows:

[1] That the City of Fairhope did award the Fairhope Municipal Stadium Upgrade (Bid Number 026-10) to Ducky Johnson House Movers, Inc., with the total bid proposal of \$107,450.00 on July 12, 2010.

[2] After further review of the contractor's state licensing documentation, it has been discovered that the contractor does not have all of the correct licensing to perform this project as the general contractor; and recommend that the contract for the Fairhope Stadium Upgrades with Ducky Johnson House Movers, Inc. be terminated.

[3] That the City of Fairhope did rebid the Fairhope Municipal Stadium Upgrade (Bid Number 028-10) and on July 26, 2010 did receive and open emergency bids for the Fairhope Municipal Stadium Upgrade at 555 South Section Street in the City of Fairhope offices, Fairhope, Alabama.

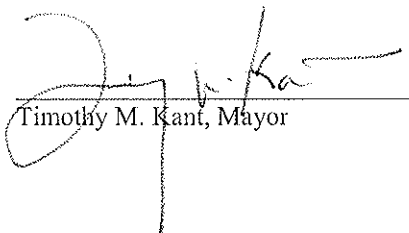
[4] At the appointed time and place, the following bids were opened and tabulated as follows:

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Please see attached Bid Tabulation for the
Fairhope Municipal Stadium Upgrade

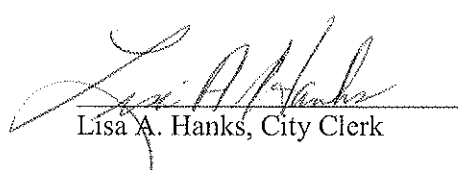
[5] After evaluating the bid proposals with the bid specifications, East Coast Contracting, Inc., with the total bid proposal of \$137,400.00, is now awarded the bid for the Fairhope Municipal Stadium Upgrade for the City of Fairhope.

Adopted on this 26th day of July, 2010



Timothy M. Kant, Mayor

Attest:



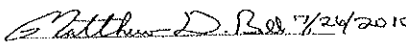
Lisa A. Hanks, City Clerk

CITY OF FAIRHOPE
BID TABULATION AND RECOMMENDATION
BID NO.: 028-10
BID NAME: FAIRHOPE STADIUM UPGRADE
BID OPENING: 07-26-2010
Note: Bid Bond waived.

VENDOR	Bid Proposal Executed / Signed	Bid Total	Comments
Ducky Johnson House Movers, Inc.	NO BID	NO BID	
East Coast Contracting, Inc.	YES	\$137,400.00	
Fauver House Movers	NO BID	NO BID	
Mike Kerr Construction	NO BID	NO BID	
MW Rogers Construction Co.	YES	\$100,070.00	
Pope Contracting, Inc.	YES	\$137,070.00	
Remedial Services, Inc.	NO BID	NO BID	

Recommendation: Award bid to East Coast Contracting, Inc. for bid #10 of \$137,400.

To the best of my knowledge this is an accurate bid tabulation

 7/24/2010
Matthew D. Bell, P.E., Volkart, Inc.

 7/26/2010
Daniel P. Amis, Purchasing Manager

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Councilmember Kingrea addressed the City Council regarding “Where Do We Stand” with the following issues:

- 1) Nichols Street Deck. City Attorney Wynne stated that the preliminary hearing had been moved to August 10, 2010. He explained that a preliminary injunction is when an action is taken and someone objects and files an injunction. The Judge has the right to put a Temporary Restraining Order (“TRO”) on the action until the preliminary injunction hearing. At that time the TRO either is removed or stays in place. All parties have the right to speak at this hearing. A trial on merits would be held later down the road.
- 2) Flower beds – Jennifer Fidler stated the new paint was tested on Magnolia and this did not work; repainted on Fairhope Avenue with white paint, but did not work; but will probably use a solid stripe around curb.
- 3) Sidewalk extension for Meadowbrook and Bishop Road – Jennifer Fidler stated she would add to her list which is an ongoing list and three pages long. There are no funds at this time to put sidewalks in. Councilmember Quinn mentioned she had met with Larry Thomas from Fairhope Single Tax Corporation and Gregg Mims regarding Volanta.
- 4) Letter received regarding Summer Lake Subdivision and street lights – Mayor Kant stated the City was not going to write a check for \$14,000 plus. He said they never came forward to ask for reimbursement and we are not setting a precedent to do this unless Council wants to do this.
- 5) FEAB questioned meter readings – Mayor Kant explained that the majority of the Gas and Electric customers are being read via computer (ERTs) and we are working on Water customers. He also mentioned that Scott Sligh is working on a possible new system.

Mayor Kant addressed the City Council and reported of the following items:

- 1) The City did not have any problems with Tropical Storm Bonnie. Vessels of Opportunity were put on hold and would now be moving to Seacliff from Pier Street. He stated environmental issues are what we are now faced with; and there have been 79 within the City limits of Fairhope.
- 2) Mayor said that we need to charge fees to everyone who uses our facilities. If you use our facilities, you should pay for the usage.
- 3) Mayor said that he hoped the City Council would uphold the hiring freeze which was passed earlier this year and asked Department Heads to look within for hires. Since the hiring freeze, 21 people have been authorized by the City Council.

Council President Mixon asked the Mayor if the \$500,000 from BP was still in our bank account. Mayor Kant replied we are going to file claims and use the \$500,000 before sending back to BP. The contract with Pittman was an emergency contract which did not have to be advertised and bids were received. This was paid with BP money.

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Council President Mixon mentioned our request to the Baldwin County Commission regarding "No Thru Trucks" in the Montrose area. He stated the City received a letter from the Commission stating they would put up signs from North Winding Brook to Veterans Drive; and the Fairhope Police Department would monitor the traffic.

Councilmember Quinn addressed the City Council regarding the Fairhope School Feasibility Study Committee:

The Committee has not seen or heard any final analysis of the Fairhope School Feasibility study and we are all looking forward to discussing the study and its findings with Dr. Harvey and the council. The Baldwin County School System is still in dire financial condition....the future of our community's children depends on us being knowledgeable and deliberative in coming to conclusions about what is good for all of Fairhope.

When the study was not completed by the end of the school year...first part of May...due to the shortage of county staff to gather the information needed, correct discrepancies in some of the county reports and some technical/legal questions, we asked Dr. Harvey not to rush his conclusions. With school out, families on vacation, the Oil Crisis in the Gulf, the statewide elections and subsequent run-off elections, and a new BCBE Superintendent, we felt it would be better to wait than to release a report that no one listened to. We are looking forward to hearing from Dr. Harvey within the next month.

Councilmember Stankoski addressed the City Council regarding the Fairhope Public Library. In the City Sketches, the Library was mentioned as a wonderful jewel. The usage is tremendous at this time. There are 14,951 cardholders in Fairhope and a total of 25,500 cardholders. He thanked the FAC on their recommendation to the budget for the Library. Without the "Bridge Loan," the Library would not have been built. He presented City Treasurer Nancy Wilson with a \$5,000 check from the Fairhope Public Library Foundation and stated that the Fairhope Single Tax Corporation would be sending \$60,000 of their pledge to the City of Fairhope. Both of these payments will used toward the "Bridge Loan."

Councilmember Ford addressed the City Council and mentioned the Equitable Use of Recreation Facilities Study Group had been meeting and working on projects for next year. He thought good things were happening and very productive.

Council President Mixon announced that Item #6 has been pulled since Dr. Alan Lee was introduces at the previously held Work Session.

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Councilmember Kingrea moved to grant the request of Councilmember Quinn requesting permission to attend the Alabama League of Municipalities Finance, Administration and Intergovernmental Relations Committee meeting on August 17, 2010 in Montgomery, Alabama. Seconded by Councilmember Ford, motion passed by the following voice votes: AYE – Quinn, Mixon, Ford, and Kingrea. NAY - Stankoski.

Councilmember Ford moved to grant the request of Councilmember Quinn requesting permission to attend the Alabama League of Municipalities Legislative Committee meeting on January 13, 2011 in Montgomery, Alabama. The motion was seconded by Councilmember Kingrea who asked if this could wait until the next fiscal year. Councilmember Quinn stated she was Chairman of this Committee. After further discussion, the motion failed by the following voice votes: AYE – Quinn and Ford. NAY – Stankoski, Mixon, and Kingrea.

Council President Mixon announced that Item #9 has been pulled for further discussion and revision on the Fee Waiver Resolution.

Councilmember Kingrea introduced in writing, and moved for the adoption of the following resolution, a resolution that the City of Fairhope will limit transfers from the Utility Funds to the General Fund to Fifty Percent (50%) of excess revenue from the prior month no later than the start of the 2013 fiscal year; and the Utility expenses are to be limited to the direct operating expenses of that Utility. The motion was seconded by Councilmember Quinn.

Councilmember Kingrea stated he appreciated where we are in the budgeting process and questioned how 50% would affect the City. Council President Mixon replied the Utilities are putting money in Reserve Funds, City services would be cut, and possibly reduction in force. We are accomplishing what we need to do at this 60%. Councilmember Stankoski stated every time the budget gets tight we look to the Utilities for money and we discussed this issue for two years about not transferring more. We also looked at once-a-week garbage, reducing legal fees, and fee waivers for possible cost reductions. He said “at some point it is time to say no.” Council President Mixon removed himself as President of the Council and would address the City Council as the Finance Chairman. He said when the Sales Tax was passed a lot of thought was not given to this percentage of transfer in depth. Fifty or sixty percent is what we should be taking from the Utilities to run the City. Councilmember Quinn stated we should keep it at 60% after reading comment from the Budget Committee and even at 60% it will be difficult with the recession. Councilmember Stankoski stated the Utilities pay a large portion of the operations of the City, but we need to put money back into the Utilities to do upgrades in order to continue to generate money for the City. Councilmember Ford said the Utilities were given to the City years ago by the Fairhope Single Tax Corporation; and stated he has no problem putting cap at 60% for transfers. Councilmember Kingrea said he was tempted to say 55% and

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appreciated what Councilmember Stankoski said and believes this is the appropriate way to go. He also has spoken to the Budget Committee and sees the need for the transfers. He suggested that we go to 55% this year and then 50% next year; and thought the City Council was going to continue the 5% reduction. Council President Mixon said the budget being worked on it based on 60% and we would have to go back to the drawing board if we changed this.

Councilmember Kingrea moved to amend the resolution by changing the date from 2013 to 2012. Seconded by Councilmember Quinn, motion passed by the following voice votes: AYE – Quinn, Mixon, and Kingrea. NAY – Stankoski and Ford.

Councilmember Quinn moved for the adoption of the resolution that the City of Fairhope will limit transfers from the Utility Funds to the General Fund to Fifty Percent (50%) of excess revenue from the prior month no later than the start of the 2012 fiscal year as amended. Seconded by Councilmember Kingrea, motion passed by the following voice votes: AYE – Quinn, Mixon, and Kingrea. NAY – Stankoski and Ford.

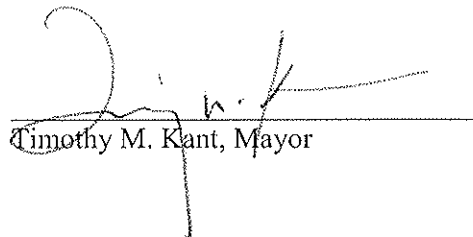
RESOLUTION NO. 1674-10

WHEREAS, the City Council passed Resolution No. 1530-09 on May 26, 2009 to limit transfers from the Utility Funds to the General Fund to Fifty Percent (50%) of excess revenue from prior month no later than the start of the 2011 fiscal year;

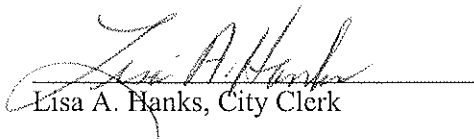
WHEREAS, the City of Fairhope needs to extend this requirement to limit transfers from the Utility Funds to the General Fund to the 2012 fiscal year due to prevailing economy.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that the City of Fairhope will limit transfers from the Utility Funds to the General Fund to Fifty Percent (50%) of excess revenue from the prior month no later than the start of the 2012 fiscal year; and the Utility expenses are to be limited to the direct operating expenses of that Utility.

DULY ADOPTED THIS 26TH DAY OF JULY, 2010


 Timothy M. Kant, Mayor

ATTEST:


 Lisa A. Hanks, City Clerk

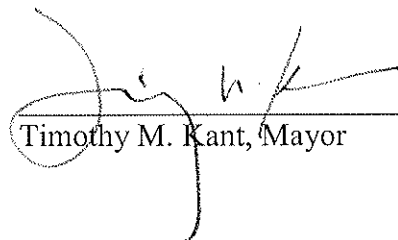
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Councilmember Ford introduced in writing, and moved for the adoption of the following resolution, a resolution to Authorize Mayor Timothy M. Kant to accept \$47,500 as a Voluntary Payment from the Airport Authority. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

RESOLUTION NO. 1675-10

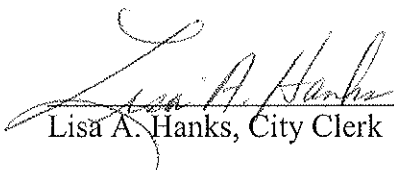
BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that Mayor Timothy M. Kant is hereby authorized to accept \$47,500 from the Airport Authority as a voluntary financial payment. Said payment is equal to the net value of the Esfeller Construction, Inc. v. The City of Fairhope settlement. Payment shall be made to the City of Fairhope on or before September 30, 2010.

Adopted on this 26th day of July, 2010



 Timothy M. Kant, Mayor

Attest:



 Lisa A. Hanks, City Clerk

Council President Mixon questioned if this was a replacement position and reminded Chief Press to pursue in-house advertisement before going outside for filling this position. Councilmember Quinn moved to grant the request of Chief Press requesting permission to hire a Police and Fire Dispatcher for the Police Department. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

Council President Mixon announced that Item #13 has been pulled until the Fee Waiver Resolution issue has been resolved. Rod Platt, President of Point Clear Rotary Club, addressed the City Council and stated the funds raised, for the most part, stay within Fairhope. We have given over the last few years \$30,000 to the Fairhope-Point Clear Rotary Youth Club out of the funds we raised from this event. We also help support Outward Bound and the Ecumenical Ministries.


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At the request of the City Attorney, Marion E. Wynne, the City Council will rise from the meeting to go into Executive Session to discuss Pending Litigation. The approximate time to be in Executive Session is 30 minutes. Councilmember Kingrea moved to go into Executive Session. Seconded by Councilmember Ford, motion passed unanimously by voice vote.

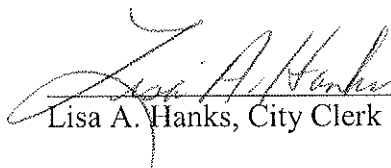
Exited the dais at 6:44 p.m. Returned at 7:39 p.m.

Councilmember Quinn moved to Designate Councilmember Kingrea with full authority to speak at and settle the litigation at the July 28, 2010 scheduled Mediation at 9:00 a.m. on behalf of the City Council. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

There being no further business to come before the City Council, the meeting was duly adjourned at 7:42 p.m.



Lonnie L. Mixon, Council President



Lisa A. Hanks, City Clerk