

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, 9 February 2009.

Present were Council President Debbie W. Quinn, Councilmembers: Daniel Stankoski, Lonnie L. Mixon, 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 Quinn called the meeting to order. The invocation was given by Rev. Brent Shaw, Minister of Education at First Baptist Church, and the Pledge of Allegiance was recited.

Council President Quinn announced that they needed to add the following eight items to the agenda: Bob Callahan from the Baldwin County Board of Education, Councilmember Stankoski regarding the Chief of Police Search Committee, Terry Sanders, Interim Chief of Police, with a brief report, Councilmember Mixon regarding the Finance Committee, Merchant Capital, LLC, The Fairhope Rotary Boys & Girls Club, a resolution to engage Moore Engineering for services and contract for drinking water on Highway 181 and County Road 13, Council President Quinn regarding Publix Development, and Executive Session regarding pending litigation.

Councilmember Stankoski moved to amend the agenda by adding the above mentioned items. Seconded by Councilmember Mixon, motion passed unanimously by voice vote.

Councilmember Mixon moved to approve minutes of the January 22, 2009, special meeting and the minutes of the January 26, 2009, regular meeting. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

Mike Carter and other members of the KOER addressed the City Council and presented Mayor Kant and the City Council with a framed copy of their 25th Anniversary Mardi Gras print. Mr. Carter thanked the City for all they had done over the years. He mentioned how the City had gone out of its way to help them. The Police Department, Fire Department, and the Fairhope Public Utilities were thanked separately.

Darrellyn Bender, Eastern Shore Chamber of Commerce, addressed the City Council and presented a Power Point presentation on the highlights of the Public Transportation Plan. She thanked the City of Fairhope for its support for Blueprint for Tomorrow.

9 February 2009

Jonne Thornton of Theatre 98 addressed the City Council and presented a Power Point presentation on the History of the Theatre. The presentation included pictures from as far back as 1922. Theatre 98 has been called The Little Theatre of Fairhope and Fairhope Little Theatre. It was in the late 1950s when its name changed to Theatre 98. Mr. Thornton stated Theatre is the people with artistic opportunities in all areas. Theatre 98 supports itself by season tickets and donations.

Bob Callahan, Baldwin County Board of Education, addressed the City Council and reported on the budget for the school system and reductions. He stated that there will be a 10 million reduction this year and 115 jobs will be eliminated. There will be an additional cut of 7.5 million. This reduction puts the school system back at the 2004-2005 funding level. The State Funding Formula is the problem. There may even be 300 to 400 employees to be cut and activities may not be offered. Mr. Callahan said he wanted the Board of Education to have dialogue with the Mayor and City Council to help with school tax initiative for Fairhope schools.

Councilmember Stankoski asked; what is the fix to correct the cost of education in other cities in the formula. Mr. Callahan replied you have the ability to pay and we need someone to address the formula. Legislative representatives will not change. The likeliness to change the formula is remote. This is hard to take in when you lose 20% of your employees. Councilmember Ford asked; how much goes back to the State. Mr. Callahan replied over 40 million.

Council President Quinn announced there were no Reports of Standing Committees and Items A, C, D, F, H and I are minutes from Special Boards and Commissions being presented and reviewed by the City Council:

- A. Fairhope Airport Authority
Review minutes from meeting held January 20, 2009
- C. Environmental Advisory Board
Review minutes from meeting held January 14, 2009
- D. Recycling Committee
Review minutes from meeting held January 6, 2009
- F. Fairhope Tree Committee
Review minutes from meeting held January 15, 2009
- H. Strategic Planning Committee
Review minutes from meeting held January 8, 2009
Review minutes from meeting held January 22, 2009
- I. Growth & Sustainability Study Group
Review minutes from meeting held January 15, 2009
Review minutes from meeting held January 29, 2009

9 February 2009

Martin Lanaux, Library Board Chairman, gave a brief summary of Ms. Hendricks' qualifications: Degrees in Communication and English, professional background in advertising account management and product brand management, account executive, Community Relations Director, Chairwoman for library volunteers as well as Chairwoman for live auctions, so she knows fundraising. Ms. Hendricks thanked the Mayor and City Council for considering her for the position.

After further discussion, Councilmember Stankoski moved to appoint Erin Upton Hendricks, to replace Sherry McNally who resigned in January 2009, to the Library Board. This term will end July 2001. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

Councilmember Mixon moved to appoint K Marriott, Catherine Sherman, Alan Samry, Paul Mozley, Dale Mozley, Jeanne Raggio, Planning Department Staff, and Sherry Sullivan and to reappoint Gary Gover, Harriet Gutknecht, Eve Doherty, Suzanne Winston, Jim Huggins, and Linda Jones to the Historic Preservation Committee. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

Councilmember Mixon announced to the City Council, Mayor, and City staff that if they had recommendations for the Personnel Policies and Procedures Manual to get them to either Lisa Hanks or myself by the end of the month. Mr. Mixon said he would meet with the Personnel Board and then bring back to the City Council.

Councilmember Mixon moved to appoint Jason Colee, CIS Manager, to the Strategic Planning Committee. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

Councilmember Stankoski moved to appoint Dr. John Meyer to the Growth & Sustainability Study Group. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

Councilmember Stankoski addressed the City Council regarding the Chief of Police Search Committee and stated Vann Saltz was appointed Chairman. He then asked Mr. Saltz to give a brief report on the status of the committee. Mr. Saltz said the committee has updated the job description and brought it to the City Council for approval. He thanked Rhonda White, Mayor Kant, and Councilmember Stankoski for their help in the process. He also said the deadline on for the applications would be March 6, 2009.

9 February 2009

Councilmember Stankoski mentioned that City Attorney Wynne spoke to him regarding some wording that may need to be added to the application and job description. He said these documents are considered public records. In order for these documents to not be public, the following information may need to be added: 1) the applicant states that he or she wants the application to be confidential, 2) you keep all applications confidential, 3) information is personal and sensitive in nature, or 4) information could be detrimental to the public. City Attorney Wynne stated that the announcement and/or application can be confidential. He said the applicant should state he or she wants it marked confidential and why it needs to be confidential. The state law presumption is that all are public records and leaves the burden of proof on the applicant. Mike Odom, reporter for the Fairhope Courier, stated to City Attorney Wynne, giving the applicant the burden does not make it public record. He said you might be doing what the City did on the Electric Superintendent and make public after you choose the main candidates.

City Attorney Wynne said a good reason would be the applicant has a job and does not want the current employer to know he or she is looking. This could be considered personal and sensitive material. Mayor Kant stated these documents could be confidential until finalists are announced. The City Clerk has the last word to whether or not these are public records. The City has a good relationship with the press and they will only write the ones that are finalist. City Attorney Wynne said you could put in the notice "Do you want your application to be confidential and why?" The City is held liable for the decision of whether or not it is public record. He said in a case regarding applications being confidential, the administrative body was wrong in holding the applications. This was because nothing was on the applications stating these were to be held confidential.

Councilmember Stankoski moved to approve the updated Chief of Police job description and to add the clause to both the job posting and job description, "Do you want your application to be confidential and state the reason why." Council President Quinn asked; can we mandate they live inside the City limits. Mayor Kant stated that all key supervisor positions can have that requirement. After further discussion, Councilmember Mixon seconded the motion which passed unanimously by voice vote.

Councilmember Stankoski moved to approve the opening date for the posting of the Chief of Police job announcement to be February 10, 2009 and the closing date to be March 6, 2009 at 5:00 p.m. Councilmember Kingrea asked; why is it just a month and do you feel comfortable with the time limit? Mayor Kant replied normally we give four weeks and extend the time if necessary. Councilmember Stankoski said we are just pushing it along and you get into time-frame of appointment if you extend time. Seconded by Councilmember Ford, motion passed unanimously by voice vote.

9 February 2009

Terry Sanders, Interim Chief of Police, addressed the City Council and gave a brief report on the status of the Police Department. Chief Sanders said he has met with each principal from the Fairhope schools. He held his first staff meeting and everyone seems to be onboard. He extended appreciation to all department heads for being so helpful.

Council President Quinn addressed the City Council and asked Ken Funderburk from Merchant Capital, LLC to briefly go over the refunding bond opportunity. Mr. Funderburk stated we could refund our 1999 General Obligation Warrants and 1999 Utility Revenue Warrants and possibly save \$250,000 to \$260,000. Councilmember Mixon asked; if the City would have any obligation to Merchant Capital if we did not like the figures. Mr. Funderburk replied unless the City would earn at least 3% Merchant would not move forward. Councilmember Mixon reiterated that means "no cost." Mr. Funderburk replied that is right no cost and it is your decision to move forward. Council President Quinn said the citizens are not sure about the market. We need to go forward and seek bond refunding.

Councilmember Kingrea said he had a problem with moving forward. It appears to me we do things too quickly. Other groups out there may be able to do it for less. He said; I feel uncomfortable that we have not solicited other bids. Mr. Funderburk responded by saying, we are here tonight and others are not. Council President Quinn stated we will lower cost for other bond issues. Mr. Funderburk said we are lower at the expense side. We will work for a fee that meets or exceeds what you are paying now. Councilmember Ford asked; what is the bottom line we would save. Mr. Funderburk replied \$250,000 to \$260,000 net; this includes legal, underwriting, and other fees.

Councilmember Mixon asked about Bob Young and his company. Mayor Kant replied he had spoken to Mr. Young about the Utilities Revenue Warrants and projects coming up, but you decide as a whole which group you choose. The City Council decided four years ago to go with Bob Young and Frazer Lanier. Mayor Kant also said this is the first time I heard of this refunding was when I got to the work session from Debbie Quinn and Ken Funderburk. Councilmember Stankoski responded to the Mayor and said this is the first you heard of this with Merchant Capital and this is the first I heard of your meeting with Bob Young. This is a two-way street.

Councilmember Mixon stated we were moving in the right direction. Council President Quinn said the bonding company we have could have come back to us last year and could have saved us money. Councilmember Kingrea said he wants to go out and get the best deal we can for the City of Fairhope. Mayor Kant stated they would be here if asked to be here. Councilmember Ford stated we spent years working with Frazer Lanier and should give them the opportunity to propose their opinion for the GOW and URW.

9 February 2009

Councilmember Mixon stated we do have the option to stop with Merchant Capital. Councilmember Stankoski asked the Mayor; can you get someone here from Frazer Lanier? Mayor Kant replied we can have them all down here; one side says this and the other side says that..... Council President Quinn said we will have less and less opportunity due to the economic strain. This is a refunding of our bonds.

Councilmember Stankoski moved to reserve voting on this resolution until two weeks and get someone from Frazer Lanier to come forward. Councilmember Kingrea said he didn't want to be limited to just these two companies. Councilmember Stankoski said he would amend the motion to add any bond company and bank that wanted to come forward and present to the City Council. Mr. Funderburk said the interest rate at the end of 30 days would be unknown, but in professional services the fees are the issue. After further discussion, Councilmember Ford seconded the motion which passed by the following voice votes: AYE – Stankoski, Mixon, Ford, and Kingrea. NAY – Quinn.

Councilmember Ford moved to donate \$2,500 to The Rotary Boys & Girls Club of Fairhope to pay current salaries and keep the doors open. Seconded by Councilmember Mixon, motion passed unanimously by voice vote.

Councilmember Ford stated that he had met with Jennifer Fidler, Public Works Director, regarding the garbage issue and was working on setting up a committee. He said there would be old Fairhope, new Fairhope, citizens from this area and from that area, and young people to make up this committee.

Councilmember Mixon announced there would be a Finance Committee meeting on March 16, 2009 at 6:00 p.m. in the Delchamps Room.

Councilmember Ford introduced in writing, and moved for the adoption of the following resolution, a resolution authorizing Mayor Kant to execute and deliver the Agreement for Assignment of Responsibility for Compliance with Certain Mandatory Reliability Standards Between Alabama Municipal Electric Authority and The City of Fairhope. Scott Sligh, Electric Department Supervisor explained briefly the reason for the agreement and requesting the City Council to approve it. Seconded by Councilmember Mixon, motion passed unanimously by voice vote.

*

*

9 February 2009

RESOLUTION NO. 1489-09

WHEREAS, The City of Fairhope (“Member”) is engaged in the retail sale and/or distribution of electric power through its municipal electric utility; and

WHEREAS, the Alabama Municipal Electric Authority (“AMEA”) is engaged in the wholesale and transmission of electric power; and

WHEREAS, Member obtains electric power, transmission, and other electric-power related services from or through its contractual agreement(s) with AMEA; and

WHEREAS, in 2005 the United States Congress adopted the Energy Policy Act of 2005 (“the Act”) providing for mandatory electric reliability standards applicable to all owners, users, and operators of the bulk power system, including AMEA and Member; and

WHEREAS, on March 16, 2006, the Federal Energy Regulatory Commission (“FERC”) approved 83 mandatory reliability standards filed with it by the North American Electric Reliability Corporation (“NERC”), which has been certified as the industry self-regulating entity responsible for the development and oversight of such reliability standards subject to FERC oversight and regulation in the United States; and

WHEREAS, the FERC approved reliability standards took effect June 18, 2007, at which time individual electric systems became subject to sanctions and penalties for failure to comply with such standards; and

WHEREAS, AMEA and Member expect that NERC over the next few years will be engaged in a comprehensive effort to modify and clarify its existing standards, develop additional reliability standards and potentially modify the applicability of such standards; and

WHEREAS, the Member expects that SERC Corporation (“SERC”), the Regional Entity in Member’s region (the “RE”) will engage in an effort to develop mandatory regional reliability standards that may be applicable to Member; and

WHEREAS, enforcement and compliance responsibility for FERC-approved NERC reliability standards has been delegated to certain regional entities, including SERC; and

WHEREAS, NERC has established Registration Criteria to be used to register all entities that may have a material impact on the reliability of the bulk power system and to which FERC-approved NERC reliability standards may be applicable (the “Registration Criteria”); and

WHEREAS, Member would, absent assignment of responsibility for its compliance with the mandatory reliability standards to AMEA, be directly responsible for complying with certain reliability standards established, administered, and/or enforced by NERC and SERC, subject to the approval and/or oversight of the FERC pursuant to Section 215 of the Federal Power Act (“FPA”) as amended by Section 1211 of the Act; and

9 February 2009

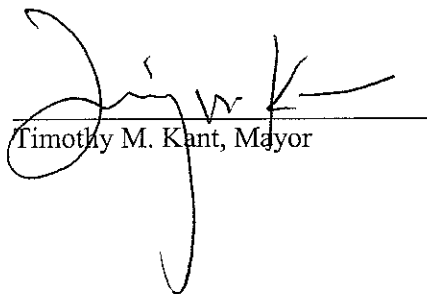
WHEREAS, FERC has approved Joint Registration Organizations ("JRO") to allow a JRO and its members or related entities to enter into a written agreement as to which of them will be responsible for one or more reliability standards applicable to a particular function and/or for one or more requirements within particular reliability standards applicable to a particular function, FERC's purpose for the joint registration being to assure that there is no overlap or gap between decision-making and implementation functions of reliability standards compliance, and has allowed entities flexibility to determine how best to accomplish this goal; and

WHEREAS, Member desires to delegate to AMEA, and AMEA is willing to accept assignment of responsibility for performance of certain of Member's compliance activities for specific requirements of various reliability standards applicable to Loan Serving Entities ("LSE") on the terms specified here;

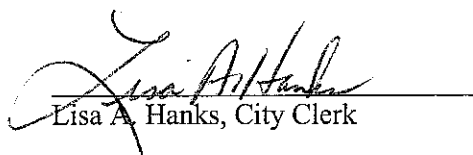
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fairhope, Alabama, as follows:

1. A copy of the Agreement for Assignment of Responsibility for Compliance with Certain Mandatory Reliability Standards Between Alabama Municipal Electric Authority and Member ("Agreement") be inserted in the minutes of the meeting at which this Resolution is adopted at the end thereof.
2. The City Council does hereby find and determine that it is in the best interest of the City to enter into the Agreement with AMEA.
3. The City Council does hereby adopt and approve the Agreement.
4. The Mayor is hereby authorized and directed to sign the Agreement in the name and on behalf of the City, and the City Clerk is hereby authorized and directed to affix thereto the official seal of the City and to attest the same. The Mayor is hereby authorized and directed to deliver the Agreement to AMEA.
5. The officers of the City and each of them are hereby authorized and directed to take all action necessary or desirable to carry out the provisions of this Resolution and the Agreement.
6. The provisions of this Resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED THIS 9TH DAY OF FEBRUARY, 2009


 Timothy M. Kant, Mayor

Attest:


 Lisa A. Hanks, City Clerk

9 February 2009

Council President Quinn announced that the City Council would take a five minute break. Exited the dais at 7:48 p.m. Returned at 7:53 p.m.

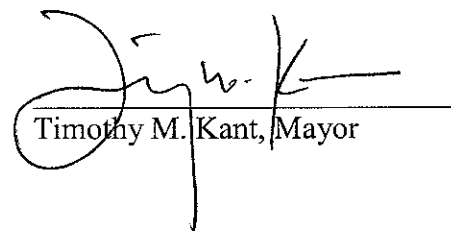
Councilmember Ford exited the meeting at 7:50 p.m.

Councilmember Mixon introduced in writing, and moved for the adoption of the following resolution, a resolution stating that no pay increases will be given without the City Council's knowledge and approval. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

RESOLUTION NO. 1490-09

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that no pay increases will be given without the City Council's knowledge and approval.

Adopted on this 9th day of February, 2009



Timothy M. Kant, Mayor

Attest:



Lisa A. Hanks, City Clerk

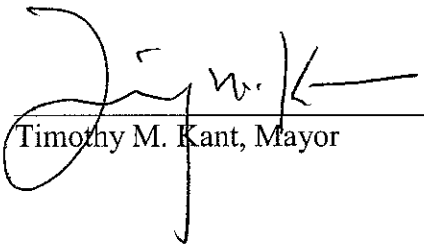
Councilmember Mixon introduced in writing, and moved for the adoption of the following resolution, a resolution stating that the City Council deems that financially we are unable to continue the Education Assistance Program for employees until further notice is given by the City Council. Any participant who was currently registered and obligated for tuition and books as of January 2, 2009 will be reimbursed for those prior obligated expenses. Any expense for courses registered later than January 2, 2009 will not be reimbursed.

Councilmember Stankoski stated as soon as we are able to reinstate this program we will because we support employees with their education. City Attorney Wynne said he spoke with Councilmember Stankoski regarding the agreement and whether or not there was a possible breach, and agreed with the conclusion that this is only an agreement and the City Council has authority over its continuance. After further discussion, Councilmember Kingrea seconded the motion which passed unanimously by voice vote.

9 February 2009

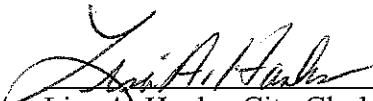
RESOLUTION NO. 1491-09

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that the City Council deems that financially we are unable to continue the Education Assistance Program for employees until further notice is given by the City Council. Any participant who was currently registered and obligated for tuition and books as of January 2, 2009 will be reimbursed for those prior obligated expenses. Any expense for courses registered later than January 2, 2009 will not be reimbursed.

Adopted on this 9th day of February, 2009

Timothy M. Kant, Mayor

Attest:



Lisa A. Hanks, City Clerk

Councilmember Mixon introduced in writing, and moved for the adoption of the following resolution, a resolution stating that any Councilmember can obtain information that is necessary for their Committee or Liaison position that he or she is appointed to by the City Council; and that the Council President may obtain any information he or she deems important for current and future Work Sessions or City Council agenda items. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

*

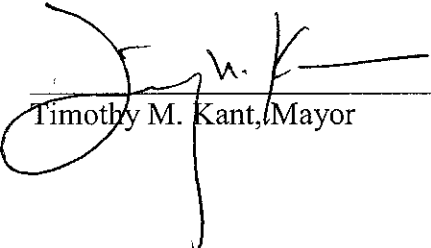
*

9 February 2009

RESOLUTION NO. 1492-09

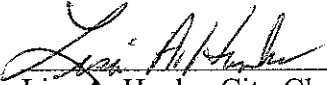
BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that any Councilmember can obtain information that is necessary for their Committee or Liaison position that he or she is appointed to by the City Council; and that the Council President may obtain any information that he or she deems important for current and future Work Sessions or City Council agenda items.

Adopted on this 9th day of February, 2009



Timothy M. Kant, Mayor

Attest:



Lisa A. Hanks, City Clerk

Councilmember Mixon introduced in writing, and moved for the adoption of the following resolution, a resolution authorizing Mayor Kant to engage the services of Moore Engineering Company to obtain permits for waterline projects at County Road 13 and State Highway 181 and, when funds become available, to negotiate and execute the contract for that work with Moore Engineering Company. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

*

*

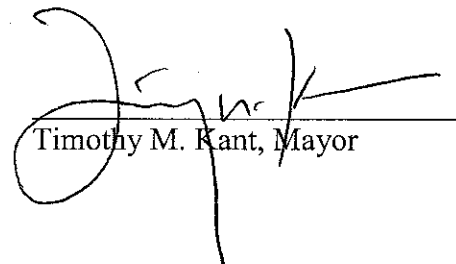
*

9 February 2009

RESOLUTION NO. 1493-09

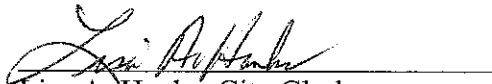
BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that Mayor Timothy M. Kant is hereby authorized to engage the services of Moore Engineering Company to obtain permits for water line projects at County Road 13 and State Highway 181 and, when funds become available, to negotiate and execute the contract for that work with Moore Engineering Company.

DULY ADOPTED THIS 9TH DAY OF FEBRUARY, 2009.



Timothy M. Kant, Mayor

Attest:



Lisa A. Hanks, City Clerk

Council President Quinn announced there were no Reports of Officers.

Council President Quinn announced that #7.a.), an Ordinance to amend Ordinance No. 1371, Section III., was being pulled and would be discussed before being brought back to the City Council. She said some staff would be here four weeks in a row and others for three weeks if we pass this ordinance for a work session to be held on the third Monday of each month.

Councilmember Kingrea said he didn't mind pulling ordinance and open up the process here. We need to make sure process is open in order to comment. Councilmember Mixon said that is an excellent point, and we had a work session with only a few people showing up. Council President Quinn said the Council meeting is for the business of the City. We need to put more thought into the meetings and work sessions.

9 February 2009

Mayor Kant said for the City Council to think about their meetings and staff who provide the information to you. The City Clerk would love to have a deadline and have information provided ahead of time. Councilmember Stankoski said he has to agree with Councilmember Kingrea, we had meetings for a while. We need to put on the agenda and vote on them. If we need more information and time, then move to discussion.

Council President Quinn announced that #7.a.) under Other Business, was being pulled by Gregg Mims, General Superintendent, and would be put on the February 26, 2009 City Council agenda.

Councilmember Ford returned to the meeting at 8:07 p.m.

Councilmember Mixon moved to grant the request of Sherry Sullivan, Gayle Phillips, and others requesting that the City Council designates the area behind Julwin's Restaurant as handicap parking during the arts and crafts festival. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

Councilmember Mixon moved to grant Change Order #1, a change order by the City of Fairhope to contractor, Nall Printing, for City Sketches Magazine for the omission of the July 2009 publication. Dan Ames, Purchasing Manager, stated that Nall Printing is in agreement with the Change Order and this does not change the contract price by any dollar amount. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

Councilmember Stankoski moved to pay bills as presented. Seconded by Councilmember Ford, motion passed unanimously by voice vote.

Council President Quinn addressed the City Council and read the following comments on Publix Development:

*

*

*

9 February 2009

* *Revised in consultation w/ legal staff, Mayor's office & Planning Dept*
City of Fairhope Statement Regarding Status of Publix/Parker Road Project

As you may be aware, several members of the public have recently spoke at City Council meetings and Planning and Zoning Commission meetings to voice their concerns about the Publix shopping center development that is part of the Fly Creek Planned Unit Development and which is located at the southeast corner of U.S. Highway 98 and Parker Road. These same individuals have also presented the City of Fairhope with written summaries of what they perceive as violations of various City ordinances by the developer of this project.

Before I address these complaints, I think it is important to understand the backdrop against which this matter must be reviewed. The Fly Creek PUD was reviewed by the staff of the Planning Department of the City of Fairhope for compliance with the City's planning and zoning ordinances. From there, the Fly Creek PUD was presented at a public hearing before the Fairhope Planning and Zoning Commission. Following that public hearing, the Fairhope Planning and Zoning Commission recommended the Fly Creek PUD for adoption by the City Council. The Fly Creek PUD was again presented at a public hearing, this time at a City Council meeting. The City Council subsequently approved the Fly Creek PUD. Since the approval of the Fly Creek PUD by the City Council, there have been numerous additional public hearings for this project involving the subdivision and site plan approvals that this project has received.

This project was thoroughly reviewed by the City's planning department staff prior to its approval. The written allegations of ordinance violations that have been submitted to the City have been provided to and investigated by the appropriate staff members of the City of Fairhope Planning Department and Public Works Department. The City Council and the Mayor have the utmost confidence in the abilities of the staff of both the Planning Department and the Public Works Department, and trust that the City staff is closely monitoring the construction and development of this project to insure compliance by the developer with the approved plan of development.

To date, the staff of the city has investigated each written allegation provided to the City. The staff has advised the Mayor and this Council that all written allegations that have been provided to the City relative to the Publix project are either inapplicable or are false and incorrect. For example, the majority of the alleged violations contained within the written materials provided to the City are alleged zoning ordinance violations. However, the zoning ordinance sections that are cited by the party submitting the complaint are with respect to perceived violations of the 1992 version of the City of Fairhope's zoning ordinance. This ordinance was repealed long ago and does not constitute the current zoning regulations of the City of Fairhope. The sections cited by the complaining party no longer have any application.

The staff of the City of Fairhope will continue to monitor the progress of this project, just as it monitors the progress of all projects within the City's jurisdiction. If any issues arise in the future, the City will investigate and determine whether any violation of a city ordinance has occurred. If a violation has occurred, the City will take the appropriate steps necessary to insure compliance.

9 February 2009

Calvin Hunt, Fairhope resident, addressed the City Council regarding annexations. He stated that Young Street residents are predominantly black. In 2009 we need to incorporate the black community. We need to set up districts, so someone will represent this area. The City Council needs to vote to annex the black community into the City of Fairhope. He said it is a slap in the face; we pay fees to the City of Fairhope and you just let them alone. The park on Young Street is an eye sore. If 10 black guys were jogging near the park in Fairhope, the Police Department would be called to check it out. We should have a choice for the Chief of Police. If the world can change, the City of Fairhope can change. Mr. Hunt said, "I am not a racist, but a realist."

Councilmember Ford stated we had tried to get people to clean up and I clean up my property on Ingleside. He said the City cannot come on private property to clean.

Paul Ripp, resident of High Ridge Road, addressed the City Council regarding the Publix project again. Mr. Ripp stated he feels like he has no hope. He said you can just look at the project and see that they have not done what they said they would do. The buffer has been removed. He said Regency Centers lied, Arthur Corte lied and Gregg Mims lied. He said a local planner called this the "I told you so project." Mr. Ripp said the only reason he was here tonight is because of the buffer and right-of-way. This is the same cast of characters as our lawsuit had. Yes, I was lied to and for three years have been lied to. He said, "You are forcing another lawsuit."

Chris Warner, 115 Bonham Lane, addressed the City Council and stated that this does not jive and we have collected all the information to file a lawsuit. He said you will be sued and no attorney or city judge will rule in your favor. Mr. Warner said, "I will be back and you do not follow the rules."

Council President Quinn said we do not appreciate you demeaning City staff and that he had said enough.

At the request of the City Attorney, Marion E. Wynne, the City Council will rise from the meeting to go into Executive Session based on Section 36-25A-7(a)(3) to discuss pending litigation and possible settlement options regarding said pending litigation. The approximate time to be in Executive Session is 20 minutes. Councilmember Stankoski moved to go into Executive Session. Seconded by Councilmember Mixon, motion passed unanimously by voice vote.

Exited the dais at 8:32 p.m. Returned at 8:55 p.m.

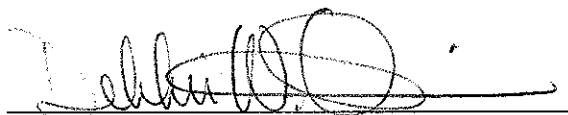
9 February 2009

Council President Quinn announced this was a possible mediation of a lawsuit. City Attorney Wynne said you have heard the facts and claim involved and asked; what does City Council want to do settle case or finish litigation?

Councilmember Mixon moved to get more information together and bring back to the next City Council meeting.

Councilmember Mixon moved to adjourn the meeting. 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 8:58 p.m.



Debbie W. Quinn, Council President



Lisa A. Hanks, City Clerk

9 February 2009

1 **Agreement for Assignment of Responsibility for Compliance**
2 **with Certain Mandatory Reliability Standards**
3 **Between**
4 **Alabama Municipal Electric Authority**
5 **City of Fairhope**
6

7 This Agreement for Assignment of Responsibility for Compliance with Mandatory Reliability
8 Standards ("Agreement") is made between (a) Alabama Municipal Electric Authority (AMEA),
9 a public corporation of the State of Alabama, with its business address at 804 South Perry Street,
10 Montgomery, Alabama 36104 and (b) City of Fairhope ("Member"), having its principal office
11 at 555 South Section Street, P.O. Drawer 429, Fairhope, Alabama 36533-0429 effective as of
12 March 1, 2009. The Member and the AMEA are hereinafter referred to individually as a
13 "Party" and collectively as the "Parties."

14 WITNESSETH:

15 WHEREAS, Member is engaged in the retail sale and/or distribution of electric power
16 through its municipal electric utility or its utility board; and

17 WHEREAS, AMEA is engaged in the wholesale sale and transmission of electric
18 power; and

19 WHEREAS, Member obtains electric power, transmission, and other electric-power
20 related services from or through its contractual agreement(s) with AMEA; and

21 WHEREAS, in 2005 the United States Congress adopted the Energy Policy Act of 2005
22 ("the Act") providing for mandatory electric reliability standards applicable to all owners, users
23 and operators of the bulk power system, including AMEA and the Member; and

24 WHEREAS, on March 16, 2006, the Federal Energy Regulatory Commission ("FERC")
25 approved 83 mandatory reliability standards filed with it by the North American Electric
26 Reliability Corporation ("NERC"), which has been certified as the industry self-regulating

9 February 2009

1 entity responsible for the development and oversight of such reliability standards subject to
2 FERC oversight and regulation in the United States; and

3 WHEREAS, the FERC approved reliability standards took effect June 18, 2007, at
4 which time individual electric systems became subject to sanctions and penalties for failure to
5 comply with such standards; and

6 WHEREAS, AMEA and the Member expect that NERC over the next few years will be
7 engaged in a comprehensive effort to modify and clarify its existing standards, develop
8 additional reliability standards and potentially modify the applicability of such standards; and

9 WHEREAS, the Parties expect that SERC Corporation ("*SERC*"), the Regional Entity in
10 Member's region (the "RE") will engage in an effort to develop mandatory regional reliability
11 standards that may be applicable to Member; and

12 WHEREAS, enforcement and compliance responsibility for FERC-approved NERC
13 reliability standards has been delegated to certain regional entities, including SERC; and

14 WHEREAS, NERC has established Registration Criteria to be used to register all
15 entities that may have a material impact on the reliability of the bulk power system and to
16 which FERC-approved NERC reliability standards may be applicable (the "Registration
17 Criteria"); and

18 WHEREAS, Member would, absent this Agreement, be directly responsible for
19 complying with certain reliability standards established, administered, and/or enforced by
20 NERC and SERC, subject to the approval and/or oversight of the FERC pursuant to Section 215
21 of the Federal Power Act ("*FPA*") as amended by Section 1211 of the Act; and

22 WHEREAS, FERC has approved Joint Registration Organizations ("*JRO*") to allow a
23 JRO and its members or related entities to enter into a written agreement as to which of them

9 February 2009

1 will be responsible for one or more reliability standards applicable to a particular function
2 and/or for one or more requirements within particular reliability standards applicable to a
3 particular function and/or for one or more requirements within particular reliability standards,
4 FERC's purpose for the joint registration being to assure that there is no overlap or gap between
5 decision-making and implementation functions of reliability standards compliance, and has
6 allowed entities flexibility to determine how best to accomplish this goal; and

7
8 WHEREAS, Member desires to delegate to AMEA, and AMEA is willing to accept
9 assignment of, responsibility for performance of certain of Member's compliance activities for
10 specific requirements of various reliability standards applicable to Load Serving Entities
11 ("LSE") on the terms specified herein;

12 NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the
13 Parties hereby agree as follows:

14 **1. Definitions**

15 Except as defined below, terms and expressions used in this Agreement shall have the
16 same meanings as those contained in the FPA, the Registration Criteria, and other agreements
17 to which AMEA and Member are both parties, including any power supply agreements. In the
18 event such definitions are not consistent, such inconsistencies shall be resolved by reference to
19 the following in priority order: (1) the FPA; (2) the Registration Criteria; (3) this Agreement;
20 and (4) other agreements to which AMEA and Member are both a Party, including any power
21 supply agreements. For purposes of this Agreement, "FERC-approved NERC reliability
22 standards" shall include applicable regional reliability standards approved by NERC.

23

24

9 February 2009

1 **2. Registration and Compliance**

2 AMEA and the Member agree that AMEA shall register as having responsibility for the
3 LSE function and shall be responsible for compliance, including payment of duly imposed
4 sanctions and penalties for non-compliance, with the specific FERC-approved NERC reliability
5 standards and specific requirements within such standards applicable to the LSE function for
6 which AMEA has taken responsibility under Exhibit A, as the same may be revised as herein
7 provided from time to time, and only the specific FERC-approved NERC reliability standards
8 and specific requirements within such standards applicable to the LSE function for which
9 AMEA has taken responsibility under Exhibit A, as the same may be revised as herein provided
10 from time to time, and not any standard applicable to the LSE function for which AMEA has
11 not taken responsibility or standards under any other function. Notwithstanding AMEA's
12 assumption of responsibility for compliance, including payment of duly imposed sanctions and
13 penalties for non-compliance, with the specific FERC-approved NERC reliability standards and
14 specific requirements within such standards applicable to the LSE function for which AMEA
15 has taken responsibility under Exhibit A, as the same may be revised as herein provided from
16 time to time, Member acknowledges that any sanction or penalty for non-compliance so
17 incurred and paid by AMEA by virtue of its assumption of responsibilities under this
18 Agreement or any substantially similar agreement which AMEA has entered into with other
19 Participating Members shall constitute an "[a]dditional amount not specified in the other items
20 of [the] definition [of Revenue Requirements] which must be paid by [AMEA] relating to . . .
21 the provision of services to Participating Members . . . which are not otherwise included in any
22 of the costs specified [in the definition of Revenue Requirements]" under paragraph (8) of the
23 definition of Revenue Requirements in Section 1 of the Amended and Restated Power Sales

9 February 2009

1 Contract between AMEA and the Member dated as of May 1, 1986, as amended (the "PSA"),
2 and waives any argument or contention that Member might otherwise have or make that the
3 amount of any sanction or penalty so incurred is not properly includable in the Revenue
4 Requirements or AMEA's cost of service under the PSA. The Member and AMEA agree to
5 cooperate fully in order to achieve compliance with all reliability standards and specific
6 requirements for which each has undertaken compliance responsibility under Exhibit A, as the
7 same may be revised as herein provided from time to time. In the event that NERC or *SERC*
8 directs AMEA to take specific actions, or requires AMEA to adopt or implement a mitigation
9 plan, with respect to non-compliance with any standard, or requirements within any standard for
10 which AMEA has taken responsibility on behalf of the Member as set forth in Exhibit A, as the
11 same may be revised as herein provided from time to time, the Member shall fully cooperate
12 with AMEA in complying with any such directive or mitigation plan. Should any measures
13 more formal than entry into this Agreement be or become necessary, required or appropriate to
14 authorize or enable AMEA to serve as JRO for Member for the LSE function as provided
15 herein, the Parties will cooperate in taking such measures as may be necessary, required or
16 appropriate.

17 **3. Revisions, Amendments and Modifications to Comply with NERC Standards**
18 **Modifications.**

19 AMEA and the Members recognize that the Registration Criteria, including the criteria
20 for Joint Registration, may be modified from time to time, and agree to promptly amend this
21 Agreement to be consistent with any such changes. Similarly, AMEA and the Member
22 recognize that FERC-approved NERC reliability standards, and requirements included therein,
23 applicable to the LSE function may be changed from time to time and new standards and

9 February 2009

1 requirements may be added that are applicable to the Parties. In order that AMEA may
2 promptly assume responsibility for compliance with new or additional FERC-approved NERC
3 reliability standards and specific requirements within such standards applicable to the LSE
4 function, whenever FERC approves new or additional NERC reliability standards or specific
5 requirements with such standards applicable to the LSE function, AMEA may assume
6 responsibility for compliance with the new or additional standard or requirement within a
7 standard on the Member's behalf by revising Exhibit A to reflect the addition of the standard or
8 the requirement within the standard and causing notice in writing of the revision or revisions
9 (including a copy of Exhibit A as so revised) to be given to the Member with the effective date
10 thereof, which shall be not less than thirty (30) days after the date of the notice. Unless the
11 Member gives AMEA written notice of objection to the revised Exhibit A within thirty (30)
12 days of the date of AMEA's notice, the revised Exhibit A shall become effective on the date
13 stated in AMEA's notice. If the event that the Member gives AMEA written notice of objection
14 to the revised Exhibit A within thirty (30) days of the date of AMEA's notice, the revised
15 Exhibit A shall only become effective upon execution of an amendment incorporating it by
16 AMEA and the Member. AMEA shall file the information concerning the allocation of
17 responsibility for compliance with FERC-approved NERC reliability standards applicable to the
18 LSE function as contained in Exhibit A, as the same may be revised as herein provided from
19 time to time, with *SERC* on behalf of AMEA and the Member and shall update such filing
20 periodically as necessary and appropriate in accordance with this Agreement, as amended.
21 AMEA shall provide the Member with a copy of each such filing. If NERC adopts and FERC
22 approves a new or modified standard applicable to the Member as an LSE, the Member shall be
23 responsible for compliance with such standard unless and until AMEA assumes some or all of

9 February 2009

1 such responsibility for such compliance by revision of Exhibit A of this Agreement as provided
2 above, and filing of the revision with *SERC*. Notwithstanding any other provision of this
3 Agreement, nothing in this Agreement obligates AMEA, or constitutes a commitment or
4 undertaking on AMEA's part, to assume responsibility for compliance with standards
5 applicable to the Member promulgated or imposed after the date of execution of this
6 Agreement, and any assumption of responsibility by AMEA for compliance with such a new
7 standard applicable to the Member shall be wholly within AMEA's discretion, and in order to
8 be effective, must be evidenced by a revision or amendment to Exhibit A as provided above.

9 **4. Designation of Representative.**

10 AMEA shall designate, in writing, an employee of AMEA responsible for NERC and *SERC* for
11 standards monitoring and compliance under this Agreement and for communication with the
12 Member on issues under this Agreement. Similarly, the Member shall designate, in writing, an
13 employee of the Member who is responsible for NERC and *SERC* monitoring and compliance
14 under this Agreement and communications related to this Agreement, and an alternate, *i.e.*, who
15 will act for the designated representative when the designated representative is unable to attend
16 meetings with AMEA to review NERC and *SERC* compliance responsibilities, activities, and
17 related issues. The Member agrees to send its designated representative to any meetings held
18 by AMEA to review NERC and *SERC* compliance responsibilities, activities and related issues.
19 In the event that the Member's designated representative is unable to attend a meeting held by
20 AMEA to review NERC or *SERC* compliance responsibilities, activities, and related issues, the
21 Member's alternate shall attend. In the event that the Member's designated representative shall
22 be unable to attend three (3) consecutive meetings held by AMEA, unless AMEA and the
23 Member otherwise agree in writing, the Member's alternate shall become the Member's

9 February 2009

1 designated representative (i.e., automatically, upon the designated representative's third
2 consecutive absence from a meeting), and the Member shall designate a new alternate in
3 writing. Notwithstanding any other provision of this Agreement, in the event that neither
4 Member's designated representative nor alternate shall be in attendance at three (3) consecutive
5 meetings held by AMEA, AMEA may terminate this Agreement on twenty (20) days written
6 notice to the Member.

7 **5. Limitation of Liabilities and Indemnification.**

8 Subject to the obligation of AMEA and the Member to fully cooperate with each other
9 to achieve and maintain compliance with all standards and requirements, AMEA and the
10 Member, respectively, each shall be solely responsible for compliance with all standards and
11 requirements within standards for which it has taken responsibility pursuant to Exhibit A of this
12 Agreement, including penalties and sanctions for noncompliance.

13 The Member recognizes, and AMEA acknowledges, that the assumption by AMEA of
14 compliance responsibility for FERC-approved NERC reliability standards under this Agreement
15 as specified on Exhibit A, as the same may be revised as herein provided from time to time, on
16 behalf of the Member, as well as AMEA's efforts to monitor the NERC standards development
17 process, interpretations and compliance activities, are being undertaken at no charge to the
18 Member. Therefore, except for payment of duly imposed sanctions and penalties imposed by
19 FERC for non-compliance with the specific FERC-approved NERC reliability standards and
20 specific requirements within such standards applicable to the LSE function for which AMEA
21 has taken responsibility under Exhibit A, as the same may be revised as herein provided from
22 time to time, AMEA SHALL NOT BE RESPONSIBLE TO THE MEMBER FOR DAMAGES
23 OF ANY NATURE, INCLUDING BUT NOT LIMITED TO CONSEQUENTIAL,

9 February 2009

1 INCIDENTAL, SPECIAL, INDIRECT, PUNITIVE OR OTHER DAMAGES, WHETHER
2 BASED UPON CONTRACT, TORT, OR OTHER CLAIM, UNLESS THOSE DAMAGES
3 ARISE FROM AMEA'S INTENTIONAL OR WILLFUL MISCONDUCT UNDER THIS
4 AGREEMENT. NOTWITHSTANDING THE FOREGOING, AMEA WILL NOT BE
5 RESPONSIBLE FOR SANCTIONS AND PENALTIES WHICH ARE IMPOSED DUE TO
6 ERRONEOUS INFORMATION BEING FURNISHED BY MEMBER, REQUESTED
7 INFORMATION NOT BEING FURNISHED BY MEMBER IN A TIMELY MANNER,
8 OTHER FAILURE OF COOPERATION BY MEMBER, OR OTHER ACTIONS OR
9 INACTIONS OF MEMBER WHICH HAVE RESULTED IN IMPOSITION OF THE
10 SANCTION OR PENALTY DESPITE AMEA'S HAVING USED ITS BEST EFFORTS TO
11 COMPLY WITH THE RELEVANT RELIABILITY STANDARD OR STANDARDS OR
12 REQUIREMENTS WITHIN A STANDARD, AND MEMBER WILL, AND HEREBY
13 UNDERTAKES TO, INDEMNIFY AMEA AND HOLD AMEA HARMLESS FOR ANY
14 SANCTIONS OR PENALTIES IMPOSED UPON AMEA FOR THE FOREGOING
15 REASONS OR IN THE FOREGOING CIRCUMSTANCES.

16 **6. Terms and Termination.**

17 This Agreement shall take effect upon the later of November 1, 2008, or its being
18 executed by both parties and shall remain in effect from the effective date until October 31,
19 2009, and, unless terminated pursuant to another provision of this Agreement, year to year
20 thereafter until terminated by either Party on written notice to the other Party given sixty (60)
21 days in advance of the date of termination specified in such notice.

22 Termination shall be effective only when NERC and/or *SERC* recognizes the
23 termination through modification of its compliance registry or other means evidencing

9 February 2009

1 recognition. Upon termination, each Party shall be directly responsible to NERC and SERC for
2 compliance with all FERC-approved NERC reliability standards applicable to it.

3 **7. Survival of Obligations**

4 Except as AMEA and Member may otherwise agree in writing, and subject to the
5 limitation of liabilities and indemnification contained in paragraph 5, the obligations, duties,
6 and powers specified in Paragraph 2 shall survive termination of this Agreement for events
7 occurring prior to termination.

8 **8. Dispute Resolution**

9 If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the
10 dispute cannot be settled through negotiation, the Parties shall, upon request of either Party, first
11 try in good faith to settle the dispute by mediation administered by the American Arbitration
12 Association under its Commercial Mediation Procedures before resorting to litigation, or some
13 other dispute resolution procedure mutually agreed to by the Parties.

14 **9. Representations and Covenants**

15 Each Party represents and covenants to the other Party that it is and shall remain during
16 the term of this Agreement validly existing that execution of this Agreement by its duly-
17 authorized officers or representatives has been authorized by the appropriate governing board,
18 boards, body or bodies and it has undertaken all other actions, if any, required to enter into this
19 Agreement, that it is subject to no restrictions that prevent it from entering into and performing
20 under and pursuant to this Agreement, and that it will use prudent utility practice to remedy any
21 future matters that might otherwise restrict it from performing under and pursuant to this
22 Agreement in the future.

9 February 2009

1 **10. Compliance With FERC, NERC and SERC Confidentiality Policies**

2 It is possible that, by virtue of AMEA's assumption of responsibility for performance of
3 certain of Member's compliance activities for specific requirements of various reliability
4 standards applicable to LSEs hereunder, that AMEA may share with Member information
5 which under FERC, NERC or SERC policies, standards or procedures are confidential.
6 Regardless whether Member has, or has not, registered as a LSE, therefore, Member will
7 comply with all FERC, NERC and SERC policies governing confidentiality of information
8 applicable or relevant to the subject of this Agreement.

9 **11. No Rights Created for the Benefit of Third Party Beneficiaries**

10 Except as expressly provided herein, nothing in this Agreement shall be construed or
11 deemed to confer any right or benefit on, or create any duty to, or standard of care with
12 reference to, any third party.

13 **12. Assignment**

14 Neither Party to this Agreement may assign its obligations under this Agreement
15 without the other Party's prior written consent, which consent may be withheld in the other
16 Party's sole discretion. No authorized or valid assignment of this Agreement shall relieve the
17 assigning Party from any obligation or liability under this Agreement arising or accruing prior
18 to the date of assignment.

19 **13. Notices**

20 Any notice, demand, or request which may be given to or made upon either Party
21 regarding this Agreement shall be made in writing and shall be deemed properly served, given,
22 or made: (a) upon delivery if delivered in person, (b) five (5) days after deposit in the mail if
23 sent by first class United States mail, postage prepaid, or (d) upon delivery if delivered by

9 February 2009

1 prepaid commercial courier service. The initial addresses for the Parties are the addresses
2 specified in the first clause of this Agreement. A Party may update the information relating to
3 its address as that information changes by providing notice to the other Party pursuant to this
4 provision, and such changes shall not constitute amendments to this Agreement.

5 **14. Waivers**

6
7 Any waiver at any time by either Party of its rights with respect to any default under this
8 Agreement, or with respect to any other matter arising in connection with this Agreement, shall
9 not constitute or be deemed a waiver with respect to any subsequent default or matter arising in
10 connection with this Agreement. Any delay short of the statutory period of limitations in
11 asserting or enforcing any right under this Agreement shall not constitute or be deemed a
12 waiver of such right.

13 **15. Governing Law and Forum**

14 This Agreement shall be deemed to be a contract made under and, except to the extent,
15 if any, that this Agreement is governed by or preempted by federal law, including, if applicable,
16 determinations relating to the construction of the FERC-approved NERC reliability standards
17 by the NERC, the RE, or FERC, for all purposes shall be governed by and construed in
18 accordance with the laws of the State of Alabama. The Parties irrevocably consent that any
19 legal action or proceeding arising under or relating to this Agreement, *i.e.*, which is not within
20 the exclusive jurisdiction of SERC, NERC or FERC, shall be brought by the Parties in a state or
21 federal court having competent jurisdiction in Alabama. Neither Party waives any right to
22 protest, or contend in any manner, that this Agreement, or any action or proceeding arising
23 hereunder, is subject to the exclusive jurisdiction of the SERC, NERC or FERC. No dispute
24 arising under this Agreement shall be subject to trial before a jury, and the Parties hereby waive

9 February 2009

1 any and all rights to a jury trial for disputes arising under this Agreement that they otherwise
2 may have.

3 **16. Consistency with Federal Laws and Regulations**

4 Nothing in this Agreement shall compel either Party to violate federal statutes,
5 regulations, or orders, including the FERC-approved NERC reliability standards. If any
6 provision of this Agreement is inconsistent with any obligation imposed on either Party by
7 federal law, regulation, or order, or if either Party's performance of its obligations under any
8 provision of this Agreement is prohibited by or would conflict with any federal law, regulation,
9 or order, to the extent of the prohibition or conflict such provision shall be inapplicable to that
10 Party. Neither Party shall incur any liability by failing to comply with any such prohibited or
11 conflicting provision; provided, however, that such Party shall use prudent utility practice to
12 comply with this Agreement to the extent that applicable federal laws, regulations, and orders
13 lawfully promulgated thereunder permit it to do so.

14 **17. Severability**

15 If any term, covenant, or condition of this Agreement or the application or effect of any
16 such term, covenant, or condition is held invalid as to any person, entity, or circumstance, then
17 such term, covenant, or condition shall remain in force and effect to the maximum extent
18 permitted by law, and all other terms, covenants, and conditions of this Agreement and their
19 application shall not be affected thereby, but shall remain in force and effect, unless a court or
20 governmental agency of competent jurisdiction holds that such provisions are not separable
21 from the provisions of this Agreement which have been held to be invalid.

9 February 2009

1 **18. Section Headings**

2 Section headings provided in this Agreement are for ease of reference and are not meant
3 to interpret the text in each Section.

4 **19. Meaning of Herein and Hereunder**

5 As used in this Agreement, "herein" and "hereunder" refer to this Agreement in its
6 entirety, and not any individual article, section, paragraph, sentence, or other portion.

7 **20. Entire Agreement**

8 This Agreement constitutes the entire agreement between the Parties, and supersedes all
9 prior agreements and understandings, both written and oral, among the Parties with respect to
10 the subject matter of this Agreement.

11 **21. Amendments**

12 This Agreement and any Exhibits may be amended from time to time by the mutual
13 agreement of the Parties in writing.

14 **22. Counterparts**

15 This Agreement may be executed in one or more counterparts at different times, each of
16 which shall be regarded as an original and all of which, taken together, shall constitute one and
17 the same Agreement.

18

19

20

The Remainder of this Page Intentionally Left Blank.

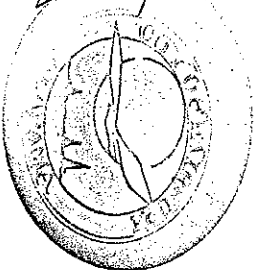
9 February 2009

1 IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be
2 duly executed on its behalf by and through its duly-authorized officer or representative in each
3 instance on the date indicated below.

| | |
|------------------------------|-------------------------------|
| Member | AMEA |
| By: <u>[Signature]</u> | By: <u>[Signature]</u> |
| Name: <u>Timothy M. Kant</u> | Name: <u>FRED D. CLARK JR</u> |
| Title: <u>Mayor</u> | Title: <u>PRESIDENT</u> |
| Date: <u>2/10/09</u> | Date: <u>1-17-09</u> |

Attest:

[Signature]
Lisa A. Hanks, City Clerk



9 February 2009

ORIGINAL1
2
3
4
5
6

Exhibit A

Allocation of Compliance Responsibility for Standards and Requirements
Applicable to a Load Serving Entity (LSE)
Revision 0 - March 1, 2009

| AMEA | | Member | |
|----------|--------------|--|---|
| Standard | Requirements | Responsibility | |
| 1 | BAL-005-0 | R1, R1.3 | All Other NERC/RFC Standards/Requirements that apply to a LSE that are not listed under the columns titled "AMEA" |
| 2 | CIP-001-1 | R1, R2, R3, R4 | |
| 3 | CIP-002-1 | All Requirements | |
| 4 | EOP-002-2 | R9.1 | |
| 5 | EOP-004-1 | R2, R3, R3.1, R3.2, R3.3, R3.4, R4 | |
| 6 | FAC-002-0 | R1, R1.1, R1.2, R1.3 R1.4, R1.5, R2 | |
| 7 | IRO-001-1 | R3, R8 | |
| 8 | IRO-004-1 | R4 | |
| 9 | IRO-005-2 | R4, R13 | |
| 10 | MOD-017-0 | R1, R1.1, R1.2, R1.3, R1.4 | |
| 11 | MOD-018-0 | R1, R1.1, R1.2, R1.3, R2 | |
| 12 | MOD-019-0 | R1 | |
| 13 | MOD-020-0 | R1 | |
| 14 | MOD-021-0 | R1, R2, R3 | |
| 15 | PRC-007-0 | R2 | |
| 16 | PRC-009-0 | R1, R2 | |
| 17 | PRC-010-0 | R1, R1.1.1, R1.1.2, R1.1.3, R2 | |
| 18 | PRC-022-1 | R1, R1.1, R1.2, R1.3, R1.4, R1.5, R2 | |
| 19 | NUC-001-1 | R2, R3, R4, R4.1, R4.2, R4.3, R6, R8, R9, R9.1, R9.1.1, R9.1.2, R9.1.3, R9.1.4, R9.2, R9.2.1, R9.2.2, R9.2.3, R9.3, R9.3.1, R9.3.2, R9.3.3, R9.3.4, R9.3.5, R9.3.6, R9.3.7, R9.4, R9.4.1, R9.4.2, R9.4.3, R9.4.4, R9.4.5 | |
| 20 | TOP-001-0 | R4 | |
| 21 | TOP-002-2 | R3, R18 | |

7