

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, 27 July, 2009.

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

There being a quorum present, Council President Quinn called the meeting to order. The invocation was given by Pastor Ross Johnson, of Redeemer Lutheran Church, and the Pledge of Allegiance was recited. Council President Quinn read two changes for the July 13, 2009 minutes. Councilmember Stankoski then moved to approve minutes of the 13 July 2009, regular meeting with the amendments as read and the 13 July 2009, work session. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

Sherry Sullivan made the following announcements:

- Sun Down Celebration at 7:15 p.m. on July 28, 2009.
- Social Networking Program at 6:00 p.m. on July 28, 2009 to discuss internet and parental controls.
- Alabama Attorney General Troy King will be here on Wednesday, July 29, 2009.

Council President Quinn announced there would be a public hearing on August 4, 2009 in the Civic Center at 6:00 p.m. on "Noise." She also mentioned a meeting with the Eastern Shore Chamber of Commerce and the three cities: Fairhope, Daphne, and Spanish Fort will be held on August 20, 2009 at 6:00 p.m. Congressman Jo Bonner will be there to help the cities work together.

Council President stated the City Council had requested a full cost accounting of the new sewer lines. City Administrator Gregg Mims responded and stated the approximate total cost for Scenic 98 is \$190,000 and the approximate cost for Highway 181 is \$29,000. The labor will be done by the three Utilities. Councilmember Stankoski asked if there would be any additional costs to the City. Mayor Kant replied the owners of the mobilehome park are doing the pipe using a contractor, but we will have to put in a lift station which will also be used for future extension.

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Rose Fogarty, Finance Reporting Manager, and Nancy Wilson, City Treasurer, presented the following PowerPoint presentation no action was taken by City Council.

City of Fairhope
Financial Statement Review
City Council Meeting
July 27, 2009

General Fund Revenues

TAXES	\$3,797,758	\$5,303,168	
LICENSES & PERMITS	\$2,405,600	\$1,938,265	
FINES & FORFEITURES	\$206,640	\$170,320	
INTER-GOVERNMENTAL	\$360,089	\$461,268	Y-T-D June 2008
INTERESTS & RENTS	\$177,417	\$150,957	Y-T-D June 2009
CHARGES FOR SERVICE	\$4,456,641	\$4,209,839	
OTHER REVENUE	\$1,596,349	\$302,868	

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General Fund Expenses

GENERAL GOV'T EXPENDITURES	\$4,325,045	\$4,082,380	
POLICE DEPT	\$3,015,122	\$2,944,291	
FIRE DEPT	\$663,001	\$572,347	
RECREATION DEPT	\$862,741	\$874,365	
STREET DEPT	\$1,723,521	\$1,823,172	Y-T-D June 2008
SANITATION DEPT	\$1,314,833	\$1,081,636	Y-T-D June 2009
GOLF OPERATIONS	\$1,161,059	\$1,765,746	
STAFF AGENCIES & APPROPRIATION	\$855,420	\$659,090	
DEBT SERVICE	\$2,911,270	\$1,531,024	

Gas Income Summary

REVENUE	\$6,410,842	\$7,166,086	
ENERGY COST	-\$3,407,837	-\$2,394,773	Y-T-D June 2008
EXPENSES	-\$1,857,531	-\$1,922,778	Y-T-D June 2009
EARNINGS	\$1,145,474	\$2,848,534	

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Electric Income Summary

REVENUE	\$11,766,663	
	\$12,993,860	
ENERGY COST	-\$7,318,872	Y-T-D June 2008
	-\$7,505,866	
EXPENSES	-\$3,192,741	Y-T-D June 2009
	-\$3,347,581	
EARNINGS	\$1,255,050	
	\$2,140,413	

Water/Sewer Income Summary

REVENUE	\$6,009,740	
	\$5,548,217	
ENERGY COST	-\$481,877	Y-T-D June 2008
	-\$517,778	
EXPENSES	-\$4,264,076	Y-T-D June 2009
	-\$6,329,606	
EARNINGS	\$1,263,788	
	\$700,833	

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Profits/Loss Statement

UTILITIES		As of June 2009
Revenue	\$ 25,708,163	
-Expenses	\$ (20,018,383)	
Total	\$ 5,689,780	
-Transfers	\$ 3,677,083	
UTILITIES EARNINGS	\$ 2,012,697	
GENERAL		
Revenue	\$ 12,536,687	
Transfers	\$ 3,677,083	
-Expenses	\$ 14,834,050	
GENERAL TOTAL	\$ 1,379,720	

City of Fairhope Cash Allocation As of June 2009

COMPASS	\$1,908,240	
	\$1,116,548	
COLONIAL	\$136,109	
	\$573,018	
CITIZENS	\$608,751	COMMITTED
	\$8,263,803	
VISION	\$-	
	\$100,038	
WACHOVIA	\$189,680	NON-COMMITTED
	\$-	
REGIONS	\$1,545,080	
	\$-	
WACHOVIA SECURITIES	\$-	
	\$608,029	
TOTALS	\$4,367,859	
	\$5,661,436	

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TOTAL CASH SUMMARY

COMMITTED	\$5,433,291	
	\$4,367,859	
NON-COMMITTED	\$3,858,388	As of June 2008
	\$5,661,436	As of June 2009
TOTAL	\$9,291,679	
	\$10,029,295	

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Councilmember Stankoski thanked everyone for sticking to the recommended cuts and holding off on expenses. Mayor Kant thanked the Department Heads for their help with all the cuts.

City Treasurer Nancy Wilson stated that there would be no Preliminary Bids for tonight and that Preliminary Bid No. 09-002 was pulled at the request of Dan McCrory, Water & Sewer Supervisor.

Councilmember Ford addressed the City Council and gave an update on garbage. He mentioned the recycling effort of the County and had heard there were issues with the new form of recycling. Mayor Kant stated the recycling system being put in has been used in Canada for years and all garbage will be recyclable. Mayor Kant mentioned that he, Gregg Mims, and Jennifer Fidler would be meeting with the County regarding the new system. Councilmember Ford said we need to wait on service and this type of recycling did not work in Mobile. Mayor Kant replied the system in Mobile was not the same and this new system all garbage is used and recycled. Council President Quinn stated to keep Councilmember Ford in the loop.

Councilmember Ford moved to reappoint Jenny Douglas, Vann Saltz, Derek Thomas, and John Baker to the Recreation Board. The term will end July 2014. Seconded by Councilmember Mixon, motion passed unanimously by voice vote.

Council President Quinn announced Items 5. B., C., and D. are minutes from Special Boards and Commissions being presented and reviewed by the City Council:

- B. Historic Preservation Committee
Review minutes from meeting held July 2, 2009
- C. Recycle Committee
Review minutes from meeting held July 7, 2009
- D. Strategic Planning Steering Committee
Review minutes from meeting held June 25, 2009

John Gutknecht, Chairman of the Strategic Planning Steering Committee, addressed the City Council and gave an update report.

The strategic planning process involves:

1. Defining the mission statement for each department.
2. Conducting a Strengths, Weaknesses, Opportunities, Threats (SWOT) analysis to define the threats or weaknesses that will prevent the effective implementation of each department's mission as well as what strengths and opportunities can be exploited to facilitate the department's effectiveness.

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3. Analysis of SWOT results to determine the most critical issues to consider in implementation of a strategic plan to improve city government effectiveness.
4. Creation of a strategic plan encompassing action plans to establish priorities, required resources and funding, assignment of responsibilities, implementation timeline, etc. to effect resolution of defined critical issues.

Steps one through three have been completed. The critical issues are presented in Appendix A of this report. Additional identified issues requiring resolution are contained in Appendix B. These issues did not meet the critical definition, but are important to the city's ability to operate effectively and efficiently and reduce liabilities.

Chief of Police Bill Press addressed the City Council and requested that the 90 day freeze on lateral transfers be lifted. Councilmember Kingrea moved to rescind the motion to stop all lateral transfers within the Fairhope Police Department, for three months, in order for the new Chief of Police to settle in which was passed on June 22, 2009. Seconded by Stankoski, motion passed unanimously by voice vote.

Councilmember Ford questioned if there was a freeze on hiring when Chief Press appointed Terry Sanders as Assistant Chief of Police. Council President Quinn replied no there was no freeze. Councilmember Mixon stated we outlived the freeze.

Councilmember Mixon introduced in writing, and moved for the adoption of the following resolution, a resolution rejecting all bids and allowing the Purchasing Department to negotiate the purchase for Heavy Duty Commercial Grade Miniature Lights for Christmas Decorations for the Electric Department (Bid No. 019-09). Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

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RESOLUTION NO. 1548-09

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

[1] That the City of Fairhope did request, receive, and open bids for Heavy Duty Commercial Grade Miniature Lights for Christmas Decorations for the Electric Department (Bid Number 019-09) at 555 South Section Street in the City of Fairhope offices, Fairhope, Alabama.

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

Please see attached Bid Tabulation for Heavy Duty Commercial
Grade Miniature Lights for Christmas Decorations for
the Electric Department

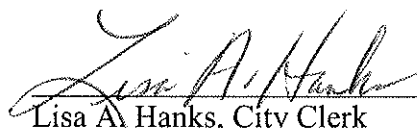
[3] After evaluating the bid proposals with the required bid specifications, no bids were acceptable and we request that all bids be rejected for Bid No. 019-09; and to allow the Purchasing Department to negotiate the purchase of the above describe Christmas Lights with an estimated cost of \$24,000, pursuant to the Code of Alabama 1975, Section 41-16-50(a).

Adopted on this 27th day of July, 2009



Timothy M. Kant, Mayor

Attest:



Lisa A. Hanks, City Clerk

Councilmember Kingrea explained the amendments to Ordinance No. 1371 that were proposed. Council President Quinn questioned where the Council Comments would be and suggested after Report of the Mayor. Councilmember Mixon introduced in writing Ordinance No. 1395, an Ordinance to amend the Rules of Procedures in all instances for Meetings of the City Council, Section IV: the order of business of each council meeting.

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In order to take immediate action, Councilmember Ford moved for immediate consideration. Seconded by Councilmember Stankoski, motion for immediate consideration passed unanimously by the following votes: AYE – Quinn, Stankoski, Mixon, Ford, and Kingrea. NAY – None. Councilmember Stankoski then moved for final adoption of Ordinance No. 1395 with the minor change of moving the Council Comments after Report of the Mayor. Seconded by Councilmember Mixon, motion for final adoption passed unanimously by the following votes AYE – Quinn, Stankoski, Mixon, Ford, and Kingrea. NAY – None.

Chief Press explained the ordinance to provide for the protection of animals in unattended vehicles; and the need to change the fine amount of \$1,000 to not to exceed \$500.00 which is the maximum amount allowed per the Code of Alabama for this type of offense. Councilmember Stankoski introduced in writing Ordinance No. 1396, an Ordinance to provide for the protection of animals in unattended vehicles. In order to take immediate action, Councilmember Mixon moved for immediate consideration. Seconded by Councilmember Ford, motion for immediate consideration passed unanimously by the following votes: AYE – Quinn, Stankoski, Mixon, Ford, and Kingrea. NAY – None. Councilmember Mixon then moved for final adoption of Ordinance No. 1396 with the amendment from \$1,000 to \$500. Seconded by Councilmember Stankoski, motion for final adoption passed unanimously by the following votes: AYE – Quinn, Stankoski, Mixon, Ford, and Kingrea. NAY – None.

Councilmember Kingrea introduced in writing Ordinance No. 1397, an Ordinance declaring a Moratorium on the enforcement of noise and on the hours of sale for alcohol; Sections 4-2, 12-3, 12-4, 12-5.1, 12-5.2, and 12-5.3 of the Code of Ordinances, City of Fairhope, Alabama. In order to take immediate action, Councilmember Mixon moved for immediate consideration. Seconded by Councilmember Kingrea, motion for immediate consideration passed by the following voice votes: AYE – Quinn, Mixon, Ford, and Kingrea. ABSTAIN – Stankoski. NAY - None. Councilmember Mixon then moved for final adoption of Ordinance No. 1397. Seconded by Councilmember Ford, motion for final adoption passed by the following voice votes: AYE – Quinn, Mixon, Ford, and Kingrea. ABSTAIN – Stankoski. NAY - None.

Chief Press stated he wanted a 30 day moratorium on the two-hour parking. Mayor Kant stated he has the authority to put signs up or take them down. City Clerk Lisa Hanks stated that there was not set ordinances specifying the two-hour parking or a fee which is being enforced. Therefore, the motion made at the last City Council giving a grace period for 30 days was sufficient. Chief Press requested an additional 15 days added to the previous motion which would give him 30 days from this meeting. Councilmember Kingrea mentioned there would be a meeting to discuss hours, fines, angled parking, etc. This would be a comprehensive meeting to address all issues.

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After further discussion, Councilmember Mixon moved to grant the request of an additional 15 days to the motion made at the July 13, 2009 City Council meeting. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

Council President Quinn mentioned at the last meeting the City Council discussed the new Franchise Agreement for Use of City parks, right-of-Ways, buildings, etc. and needed to vote on the document and suggested changing the application fee to \$50. Councilmember Mixon said he felt the \$100 was suitable. After further discussion, Councilmember Mixon moved to approve and adopt the new Franchise Agreement with the \$100 application fee. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

Council President Quinn stated the City Council needed to vote on the request of Stephanie Friedman, Jason Gandy, and Stephen Quinnelly.

Councilmember Mixon moved to grant the request of Stephanie Friedman requesting to place two bird feeders in Fairhope Municipal Park. Seconded by Councilmember Ford, motion passed unanimously by voice vote.

Councilmember Mixon moved to grant the request of Jason Gandy and Megan Bossard requesting permission to set up a commissary cart down at the pier from 10:00 a.m. until 2:00 p.m. Monday through Friday. Seconded by Councilmember Kingrea and Council President Quinn asked if there was any discussion.

Councilmember Mixon said he felt that these requests should go through the Chief of Police's office and the Mayor's office before presenting to the City Council. Mayor Kant mentioned that if you give one type of franchise to one person, then you would have to approve all franchises of that type. The City cannot be exclusive with approving these franchises; the State law says all or none. Sherry Sullivan said that she and Officer Davis had defined a route for Mr. Quinnelly's request. Councilmember Kingrea stated the Council needed more information on these items. Councilmember Stankoski said if State law gives all a franchise then we have no authority to stop item if we approve one. Councilmember Kingrea said we don't have enough information to vote. Councilmember Mixon stated we need the Chief of Police to say okay and we need the Mayor to say okay. Mayor Kant said the bird feeder request has been checked out with our staff.

After further discussion, Councilmember Mixon withdrew his previous motion to grant the request of Jason Gandy and Megan Bossard. Councilmember Kingrea withdrew his second to the motion of the same request.

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Councilmember Mixon then moved to pass Items 7. e.) 2) and 7. e.) 3) until the City Council meeting on August 10, 2009 and all franchise agreement requests must go through the Mayor's office, the Chief of Police's office, and Sherry Sullivan. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

City Council reviewed an application for a Restaurant Liquor License by Frank R. Smith, III, member of The Terrace Grill, LLC, d/b/a The Terrace Grill located at 17107 Tennis Club Drive, Fairhope, Alabama. Councilmember Ford moved to approve the issuance of the license. Seconded by Councilmember Mixon, motion passed unanimously by voice vote.

Councilmember Mixon moved to authorize the expenditure for the construction of a sidewalk along Manley Road immediately adjacent to Fairhope Middle School with an approximate cost of \$8,000. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote. This purchase will be funded by the Capital Improvement Fund.

Council President Quinn discussed in detail the proposed policy of recording public meetings. She stated these recordings would be used as an aid in preparing the minutes and then erased. Councilmember Kingrea questioned why we would erase these; and didn't want to destroy the tapes. Mayor Kant mentioned the cost factor and these should only be used as an aid for preparing the minutes. Councilmember Ford said we don't need to change the way we are doing the minutes. Mayor Kant said we need to look at all factors. Councilmember Mixon said there are pros and cons of taping the meetings. Council President Quinn then responded that the recordings were for transparency. Councilmember Mixon replied first you said the recordings would be help for City Clerk Lisa Hanks to prepare the minutes and now you are saying for transparency. He said we also need the pros and cons for keeping the tapings.

After further discussion, Councilmember Kingrea moved to request Mayor Kant, Lisa Hanks, and Jason Colee to look at taping the meetings and bring back in two weeks to the City Council; and find the statute citing whether these recordings would be permanent or not. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

Council President Quinn stated that Councilmember Ford requested to be heard on the water well behind the fire station. Councilmember Mixon moved to allow Councilmember Ford to be heard on the water well issue. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

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Councilmember Ford addressed the City Council and stated there are two 50 foot lots behind the fire station up for sale; and Ack Moore has looked at the property and says it is good water. Ack Moore addressed the City Council and said this is a deep well and we would need to put a test well in to check the strata water levels. Mr. Moore said the City could purchase the lots subject to the condition of the water. Councilmember Ford stated we need to get back with the property owners. Councilmember Mixon questioned how much will the well cost. Mr. Moore replied approximately \$700,000 which is a total treatment plant with two wells. Mayor Kant said we need to at least purchase the land because it will be used either for the iron and/or the water. Council President Quinn stated we need a little more information on the land and well.

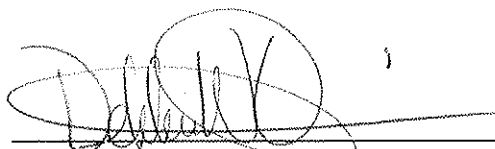
After further discussion, Councilmember Mixon moved to authorize Mayor Kant and Councilmember Ford to negotiate a price, make the property owners an offer, and bring back to the City Council. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

Hop Allen, resident of Fairhope, addressed the City Council and questioned the rules and regulations on putting up a tower in the City limits. Council President Quinn replied if you are talking about the windmill, the Board of Adjustments approved this at their last meeting.

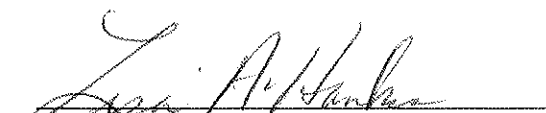
Councilmember Stankoski stated he had received several comments and e-mails pertaining to red clay. City Administrator Gregg Mims responded by first stating that he was aware of the comments. He said that the City's Building Official Barry Fulford went to the Fly Creek Café on Saturday and gave them a shutdown order. The red clay was checked and did not exceed the limits; and Mr. Fulford said the site was secure and the road would be paved and all areas sodded by the end of the day on Monday.

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 7:56 p.m.



Debbie W. Quinn, Council President



Lisa A. Hanks, City Clerk