

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, 23 March 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 Pastor William Parson, of Redeemer Lutheran Church, and the Pledge of Allegiance was recited. Councilmember Kingrea moved to approve minutes of the March 9, 2009, regular meeting. Seconded by Councilmember Mixon, motion passed unanimously by voice vote.

Council President Quinn stated there was an emergency add on item and Scott Sligh, Electric Department Supervisor, would be placed on the agenda at the end of Other Business to discuss the Substation Transformer.

Councilmember Mixon stated that for the past 25 years he has been a Trustee in the Bankruptcy Court and is concerned with the financial situation of Fairhope. He said the City of Fairhope was in debt for \$34 million and would take approximately nine years to get out of debt without getting new loans. We give \$500,000 plus maintenance to the Fairhope Public Library and \$400,000 to the Fairhope Airport Authority each year. The utilities are the main source of income for the City.

Scott Sligh, Electric Department Supervisor, addressed the City Council and gave a brief synopsis of the condition of his department. He said the Electric Department has 40 vehicles with the newest being 20 years old and the transformers were from the late 1960s and 1970s. The inventory levels are low and substations are not even in stock. The fleet is very old and we need to get on a schedule for replacing. He mentioned a transformer crashed after warning of the condition of transformers within 48 hours. We have limited switches and transformers. He said that fire clothing is required, but we do not have this clothing. A pole inspection program should be in place. He said his staff is the strongest point of the department. Capital projects are essential to the City and adequate maintenance of what we have, but the budget does not have the funding.

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Dan McCrory, Water & Sewer Department Supervisor, addressed the City Council and discussed several items within his department:

1. 13 trucks with 160,000 average miles per truck
2. The trucks are an average of 11 years old
3. Major portion of sewer lines need replacing – the Fruit & Nut section is an example where proactive replacing of these lines needs to be done.
4. New sewer plant - \$12 million estimate
5. Old plant needs upgrade
6. Generators – 7 year project
7. Renovate 150 manholes (\$250,000 per year) – 5 year project
8. Has best staff in a Water & Sewer Department

Steve Seay, Gas Department Supervisor, addressed the City Council and stated the equipment in his department is doing okay. The Gas Department was put in the 1950s. Our lines run from Bay Minette South to Highway 1 then to the River and the Bay. All of the vehicles are between 10 to 17 years old. The cast iron pipe in the Fruit & Nut section needs to be taken out of service. This would be handled by replacing one mile a year. We have almost 500 miles of gas main and are required to wear hazmat clothing.

Councilmember Mixon said we have been taking advantage of the Utilities. We will be \$900,000 to \$1.0 million in the red by the end of the year.

Nancy Wilson, City Treasurer, addressed the City Council and stated her job was to provide sound financial management and health of the City of Fairhope. This year we have a deficit in the General Fund. We had to use the loan for over \$900,000 without a hurricane. It is good to have a plan for substantial reserves. We have \$1.17 million in the General Fund at this time. By June or July, these reserves will be gone. We have made budgeting cuts and also cut overtime. We are as lean as we can get. The General Fund needs a new revenue source: an ordinance for a 2% Sales Tax and use half of the Utility Fund transfers for upgrades. The Sales Tax would give the City an estimated \$7.0 million a year. \$380,000 per month after the Utilities gets their money. This is a win-win situation.

Councilmember Mixon stated in order to keep services for the citizens of Fairhope; a Sales Tax is the only option left to adopt.

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Mayor Kant said in general terms tell them what you will be spending on and the true numbers. Citizens should have input on the Sales Tax. The Downtown Merchants want money to go downtown. You need to know what you are trying to do. The Sales Tax is running about fifty-fifty (50/50). We are scheduled next Monday night to discuss this issue again. There are three ways to raise revenue: utilities, fees, and taxes. We need to be concerned with the environment and would this put citizens on top.

Council President Quinn opened the Public Hearing at 6:30 p.m.

1) Nancy Myrick, 551 So. Mobile Street, said she was impressed with the need and did not want the health of employees in danger. Sales taxes tend to be permanent. This is a temporary problem and we do not need a permanent solution. We need to ride through until revenue is available. A Sales Tax is not Fairhope.

2) A. J. Cooper, 720 So. Mobile Street, told the City Council that this is not an easy task in front of you all. The impact on a Sales Tax will be disproportionate for those well off and the minorities. There has been no change for minorities in the City; for example, appointments to boards and committees. Make sure across our City that there are appointments from all sectors. You say we have cut expenses and I disagree.

3) Richard Mazur, 7 Call Street, said he was in favor of the 2% Sales Tax only if all proceeds go to debt reduction for three years. If we don't have money, don't spend it. He told the City Council to stop spending money you don't have.

4) Sammy Bishop, 1 Fox Run, said in 2003 the Lodging Tax was passed. The burden of tax would be on the citizens of the City. Mr. Bishop stated he was in favor of the Sales Tax. We need to look at expenditures and annexations. You have to have a plan and decide who is going to be administrator over the Sales Tax.

5) Chris Warner, 115 Bonham Lane, stated that this is a regressive tax in nature. You need a bare bones budget and to reduce spending. You also need to whittle down the scope. We need an efficient government and to change ours. Take the dead weight without job descriptions and get rid of them.

6) Debra Green, 415 Maple, said she totally opposed the 2% Sales Tax. We have Police and Fire protection outside the City Limits. You gave a 4% increase for all employees this year. We need to look at the spending on flowers. Unless every avenue is looked at for cuts, we do not want a Sales Tax.

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7) Calvin Hunt, Melvin Lane, discussed again Fairhope and No Hope. He did not address the Sales Tax issue. There are blacks in the City of Fairhope living like animals and reap no benefits. You support a Dog Park, but have no money to spend on black children.

8) Steve Thomas, 318 Nichols Street, stated he looked over the budget and if you just cut the \$2.0 million you would be okay at the end. He applauded the City Council and Mayor that their projection is only \$1.0 million short. Legally we only have three sources of revenue. Any method is going to be harsh whether you cut the budget or pass a Sales Tax.

9) Paul Ripp, 22985 High Ridge Road, stated that this deficit didn't happen last year, but happened over years. This is panic button politics. You gave a 4% raise to all employees. The 2% Sales Tax is going to backfire.

10) Vince Valentim, 203 Perdido Avenue, said this should have been talked about when we lost the electrical accounts. Mr. Valentim said he would be in favor of a 3% Sales Tax and reduce Gross Receipts Tax for utility customers: 1% the first year, 2% the second year, and 3% the third year.

11) Jim Horner, 117 Volanta Avenue, said you delayed or hid the money to upgrade the three utility departments. This is far more expensive for an emergency. Mr. Horner stated he was in favor of the Sales Tax.

12) Sally Burns, 200 Pecan Avenue, said she understood the financial problems. We are a Colony that has a premise we don't have taxes. Once we start raising taxes, we lose Colony status. You need to consider what you are doing. This would be a loss of a way of life for Fairhope. The City of Fairhope should pay as you go and cash only. No Sales Tax is one of the biggest fundamental treasures of Fairhope. We don't pay Sales Tax. Ms. Burns said; "I feel like I have been let down."

The Public Hearing closed at 7:03 p.m.

Councilmember Kingrea announced there would be another Public Hearing next Monday, March 30, 2009 at 6:00 p.m. Councilmember Kingrea said he trust the Mayor that we have cut to the bare bones. He said the citizens against the Sales Tax say we need to think logically and we cannot be trusted. If this was true, then we would go down with the ship. We want you to come to the Public Hearing and if you are against the Sales Tax, tell us how we can raise money without a Sales Tax. We are trying to maintain the quality of life Fairhope citizens are used to.

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Councilmember Ford stated he ran campaign on no Sales Tax unless it is absolutely necessary. He said I will object to suspend the rules to push the Sales Tax ordinance. If it comes, it better be ear-marked for spending. It was stated that we had paid off the lines of credit, there is money in the Impact Fee Fund as well as in the Recreation Funds. We are all in the same boat and looking for Government to bail them out. He said make sure it is ear-marked debt reduction and infrastructure monies, but not frivolous programs. We need to hear from the citizens of Fairhope. All of the utilities are not paying for their selves.

Councilmember Stankoski stated the people make Fairhope. People move here for the quality of life, not for no Sales Tax. This all started back in 2003. In 2006, Councilmember Stankoski proposed a 2% Sales Tax or come up with another source of revenue. You want transparency, we are giving you transparency. We cannot continue to drain our utilities, our so-called "Golden Goose."

Councilmember Mixon announced that by placing an ordinance on the agenda does not mean it is a done deal.

Council President Quinn stated that she missed the Finance Committee meeting because of a NLC Conference and that the 2% Sales Tax ordinance will layover to the next City Council meeting. If the final adoption of this ordinance takes place on April 13, 2009, I will not be there for the vote. Council President Quinn read the following statement:

This council has known since last year that I would not be in town on the date they chose for the Finance Committee last week due to the National League of Cities meeting, in which I'm on the Board of Directors. The Council has also known that I'll miss that first meeting in April due to a personal vacation....I hope that they will hold this vote until I return, but according to Roberts Rules of Order they don't have to.

STATEMENT: I believe the elected officials of this city have certain obligations to the residents of Fairhope. The City of Fairhope, like the United States is in a difficult economic condition. However, before the City Council imposes a sales tax, it is incumbent upon us as elected officials to clearly, tangibly demonstrate that we have looked at all facets of the budget, eliminated waste, consolidated where appropriate, identified non-performing assets for sale, renegotiated terms of contracts and purchases where we can and taken every possible step before asking the residents to bear more of a fiscal burden. Our residents have already in the past few years had to bear significant increases in property taxes and insurance. To date, I do not feel we have taken all these steps.

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If the Council does decide to pass a sales tax, it is my hope that we be accountable and thoughtful in the approach to the new funds. I don't believe in earmarking all the funds, but we need to have well defined procedures and policies in place to manage the new monies.

Instead I propose the Council and the Mayor take the following steps:

- Identify all non-performing assets for possible sale (e.g. Quail Creek Golf Course). The golf course has consistently lost money and is a drain on the City's resources.
- Move forward with the annexation plans. Businesses located outside Fairhope city limits pay half of what the businesses located within the city limits. Annexation would extend one mile from X point in a 360 degree circle.
- Establish a city vehicle management program.
- Establish a city fuel management program.
- Review and restructure the wage scale for public employees. Ensure the wages for city positions are in alignment with wage scales of other communities of similar size and cost of living in Alabama.
- Contain overtime for public employees.
- Move to a once a week garbage pick up.
- Review all existing contracts and purchasing agreements to consolidate or renegotiate terms.
- Look at every department to identify waste and inefficiency and contain costs.

CONCLUDING STATEMENT: The citizens of this country were outraged that their federal elected representatives did not take a thoughtful, well considered approach to the bailout. Because the elected representatives pushed through legislation not containing provisions for effective oversight, banks receiving bail out money were not required to tell the federal government and the taxpayers what they spent the money on; AIG paid out millions of dollars (tax payer financed dollars) in bonuses; and many of these institutions are holding out their hands for more.

The City of Fairhope is growing and changing. Mobile County, Baldwin County and the Eastern Shore are identified as areas poised to weather these present economic times better than most parts of the country. This area is attracting industry and investment. The City Council and Mayor must be accountable for building Fairhope's infrastructure, in a thoughtful, deliberate, considered manner not just for the present, but for the future.

Council President Quinn announced a three minute break at 7:18 p.m. and the City Council meeting resumed at 7:21 p.m.

Terry Sanders, Chief of Police, announced that Sgt. Curtis Sullivan received the Baldwin County Police Officer of the Year award.

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Sherry Sullivan made the following announcements:

- State of the City Address will be March 29, 2009 at 2:00 p.m.
- On March 26, 2009 from 2:00 p.m. to 5:00 p.m., the League of Women’s Voters will hold a seminar on Critical Water Issues.
- The Visitor Guide is now complete and a great collaborate effort

Dennis Sherrin and Earl Blackmon briefly went over Comprehensive Annual Financial Report “CAFR” for the year ending September 30, 2008. Mr. Sherrin stated that the City of Fairhope, once again, will receive an unqualified opinion which is the highest level of opinion. Mayor Kant said the advalorem taxes came in late and we took out a \$900,000 loan for the short fall and asked Mr. Sherrin to explain how it appeared in the report. Mr. Sherrin replied that the \$900,000 is reflected as a liability and used the line of credit for operating expenses. After further discussion, Councilmember Mixon moved to accept the Comprehensive Annual Financial Report. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

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

Revenues	
TAXES	\$2,876,589
	\$9,185,813
LICENSES & PERMITS	\$1,921,143
	\$1,648,990
FINES & FORFEITURES	\$104,879
	\$101,748
INTER-GOVERNMENTAL	\$182,674
	\$27,595
INTERESTS & RENTS	\$115,242
	\$74,274
CHARGES FOR SERVICE	\$2,401,595
	\$2,361,017
OTHER REVENUE	\$164,661
	\$152,684

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Expenses	
GENERAL GOVT EXPENDITURES	\$2,264,512
	\$2,489,869
POLICE DEPT	\$1,581,819
	\$1,607,378
FIRE DEPT	\$427,394
	\$320,112
RECREATION DEPT	\$483,292
	\$481,774
STREET DEPT	\$921,109
	\$1,053,950
SANITATION DEPT	\$582,485
	\$572,572
GOLF OPERATIONS	\$576,029
	\$915,326
STAFF AGENCIES & APPROPRIATION	\$481,567
	\$413,806
DEBT SERVICE	\$1,097,780
	\$630,259

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Gas Income Summary

REVENUE		\$3,778,490	
		\$4,529,246	
ENERGY COST	-\$2,091,897		Y-T-D Feb 2008
	-\$1,804,392		
EXPENSES	-\$947,191		Y-T-D Feb 2009
	-\$1,015,349		
EARNINGS		\$739,401	
		\$1,619,505	

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Electric Income Summary

REVENUE		\$6,801,678	
		\$7,397,208	
ENERGY COST	-\$3,707,595		Y-T-D Feb 2008
	-\$3,995,813		
EXPENSES	-\$1,705,425		Y-T-D Feb 2009
	-\$1,885,960		
EARNINGS		\$1,388,659	
		\$1,515,435	

Slide 4

Water/Sewer Income Summary

REVENUE		\$3,477,624	
		\$2,795,376	
ENERGY COST	-\$267,613		Y-T-D Feb 2008
	-\$284,306		
EXPENSES	-\$2,296,563		Y-T-D Feb 2009
	-\$2,390,461		
EARNINGS		\$913,448	
		\$160,609	

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Profits/Loss Statement

UTILITIES		Y-T-D Feb 2009
Revenue		\$ 14,721,831
-Expenses		\$ (11,426,282)
Total		\$ 3,295,549
-Transfers		\$ 1,466,666
UTILITIES EARNINGS		\$ 1,828,883
GENERAL		
Revenue		\$ 7,547,119
Transfers		\$ 1,466,666
-Expenses		\$ 8,513,432
GENERAL TOTAL		\$ 500,354

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City of Fairhope Cash Allocation As of February 2009

COMPASS	\$1,456,015	
	\$1,387,628	
CITIZENS	\$770,914	
	\$2,587,294	Restricted Funds
WACHOVIA	\$190,363	
	\$-	Unrestricted Funds
WACHOVIA SECURITIES	\$-	
	\$606,821	
COLONIAL	\$89,071	
	\$212,082	
REGIONS	\$1,660,250	
	\$-	
TOTALS	\$4,166,613	
	\$4,793,825	

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TOTAL CASH SUMMARY

RESTRICTED		\$4,062,979	
		\$4,166,613	
UNRESTRICTED		\$7,749,705	Y-T-D Feb 2008
		\$4,716,196	Y-T-D Feb 2009
TOTAL		\$11,812,684	
		\$8,882,809	

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23 March 2009

Councilmember Mixon moved to have a Public Hearing on March 30, 2009 at 6:00 p.m. and Rick Kingrea to moderate. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

Council President Quinn said the Finance Committee agreed to extend our sewer service three miles down the road and we need to discuss further. A contract is needed from the RV owner and the engineering firm. How many taps are required to pay this off?

Councilmember Stankoski announced that the Library is having problems with their air conditioning unit and computers. The sensors are not hooked up.

Councilmember Ford stated that time is of the essence on that sewer extension because another group also wants to come in. Dan McCrory said the assessment will be charged per our ordinance. Mayor Kant said the tap fees are going to pay for the pipe. The RV owner is going to pay \$175,000 up front.

Council President Quinn announced 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 February 17, 2009
- B. Fairhope Economic and Industrial Development Board
Review minutes from meeting held November 13, 2008
- C. Library Board
Review minutes from meeting held February 18, 2009
- D. Historic Preservation Committee
Review minutes from meeting held February 5, 2009
- E. Strategic Planning Committee
Review minutes from meeting held February 12, 2009

John Saraceno, Fire Chief of the Fairhope Volunteer Fire Department, presented the following PowerPoint presentation no action was taken by City Council.

23 March 2009

Get to know your Fire Department

All statistics gathered from The American Fire Department Agency's IFMAA survey project on the needs of the fire service.

Slide 1

Fairhope Volunteer Fire Department

- currently has 39 active members.
- We should be pushing 50 plus by May (based on applications submitted for membership)
- We maintain an ISO rating of 4 (less than 6.9% of the nations fire departments maintain a four or better.)
- Your Fire Department currently owns three stations and a training center.
- We are in the designing stages of building station four.
- Station four will also be purchased by your fire department, at no cost to the city.

Slide 2

Training Attended By Your Firefighters

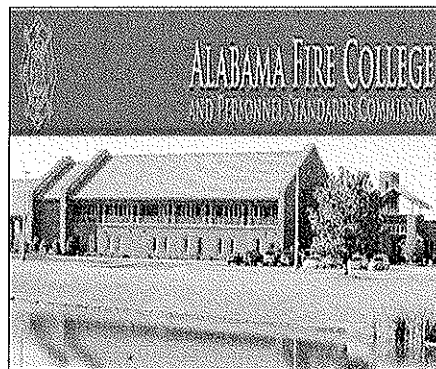
- Definitions
- National pro board certifications
- These certifications are nationally recognized.
- These certifications are the same for career and volunteer.
- 160 certification (Volunteer Certification)
- Difference between (paid certification) an additional four weeks of practical training. Volunteers learn out of the same book and take the same test by the same instructors as paid firefighters.
- To obtain the paid firefighters certification all we would have to do is attend an additional 4 week bridge program.
- The fact of the matter is the only training offered that is different between paid and volunteer firefighters is the 160.
- All other training, we train together side by side.

Slide 3

Fact

- The State of Alabama has very strict standards to be a firefighter.
- In the State of Georgia most of our firefighters meet the minimum standards for career firefighters.

Slide 4



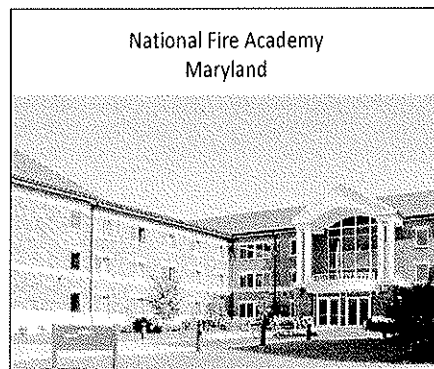
Slide 5

Most of our training is done at the Alabama State Fire college

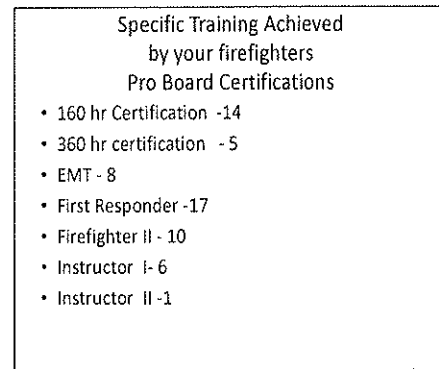
- Dually accredited
- National Board On Fire Service Professional Qualifications (Pro Board) accredited for twenty five years.
- International Fire Service Accreditation (IFSAC)

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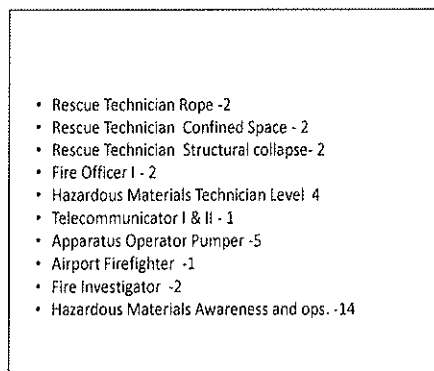
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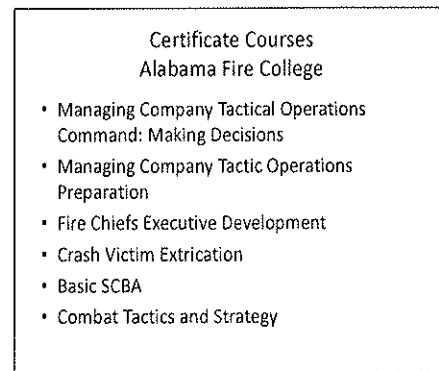
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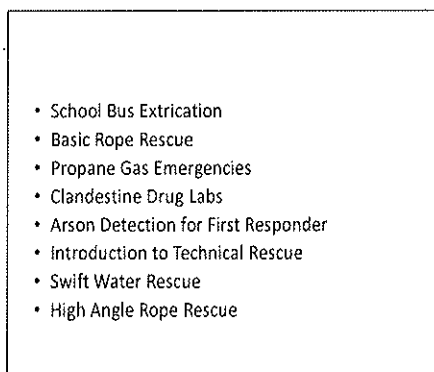
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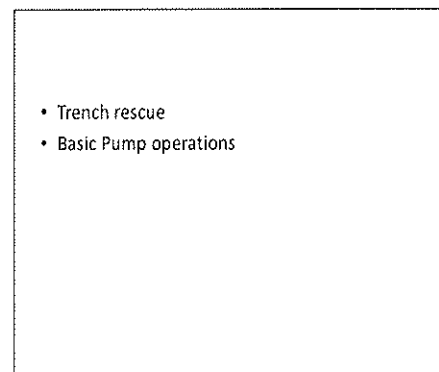
Slide 9



Slide 10



Slide 11



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**Certificate Courses
National Fire Academy/ Misc.**

- FBI Emergency Response to Terrorism
- FBI Introduction to Explosives
- FBI Package Bombs
- Boaters Safety
- FEMA Haz Mat
- Emergency Vehicle Operators Class
- AST Bomb Threat and Explosives Recognition

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- NFA Leadership I
- NFA Leadership II
- Skid Car Training
- CPR Instructor
- FEMA ICS 100/200/700/800
- NFA Building Construction for Fire Suppression Forces
- NFA Building Construction Noncombustible

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Alabama Statistics

- 82 % of fire departments are involved in structural firefighting but have not formally trained all their firefighters in those duties
- 100% of our firefighters are trained in structural firefighting
- 89% of fire departments have no fitness or health program
- Your fire department is in the process of establishing a fitness program

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- An estimated 21 % of total fire stations in the state are at least 40 years old
- Our oldest fire station was totally remodeled in 1992
- Our other two fire stations are between 10 and 15 years old
- We are in the planning stages of a fourth fire station on the North End of Fairhope(At no cost to the City)

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- An estimated 21% of all fire engines are 15-19 years old. Another 21 % are 20-29 years old and 16% are at least 30 years old.
- Our oldest fire engines are 20 years old but were completely refurbished in 2007. Our other fire engines are 10 years old or less.

Slide 17

- An estimated 44% of fire departments do not have enough SCBAs to equip their firefighters
- We have enough SCBAs to equip our firefighters and spares to meet ISO standards
- In the near future we need upgrade 6 SCBAs to meet NFPA standards

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- An estimated 46% of fire departments do not have enough PASS Devices
- The new NFPA standard mandates that PASS devices are integrated into the SCBA
- This is the reason why we need to purchase 6 SCBAs to bring all of our SCBAs up to NFPA standards

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- An estimated 20% of fire departments do not have enough Personal Protective Clothing (Turnout Gear)
- Thanks to the support of our city ALL our firefighters have safe turnout gear

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National Statistics

- In 2007 1,114,800 firefighters in the United States
- Of these 323,350 or 28% were career
- 825,450 or 72% were volunteer
- Most of the career firefighters are in communities that protect 25,000 people or more
- Most of the volunteer fire departments protect from 2,500 to 25,000 people

Slide 21

Firefighter Fatalities and Injuries in 2007

- 103 were fatally injured while on duty
- Of these 42 were career and 53 were volunteer
- 80,100 firefighters were injured in the line of duty
- 35,340 occurred on the fire ground
- There were an estimated 14,650 collisions involving fire department emergency vehicles while responding to or returning from incidents
- Resulting in 915 firefighter injuries

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- Your department in its history has had no firefighter deaths.
- Also in the history of this fire department there has been only 1 injury while responding to or returning from the fire ground.
- Because of the nature of what we do we have had injuries but we investigate them and implement steps into our training to prevent future reoccurrences

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Changes for the betterment of the Fairhope Volunteer Fire Department

- We maintain a Zero Tolerance on Alcohol and Illegal Substance Abuse
- New recruits are required to take a drug test and have a full physical
- Our firefighters are randomly drug tested annually
- The next one will occur before the end of the fiscal year

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- We now have an Venture program through the Boy Scouts of America. This program offers boys and girls ages 14-21 many opportunities.
- In the near future we will be starting a community fire auxiliary open to all citizens wishing to help us during our many functions.

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Need for next years fiscal budget for the new fire station



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We would like to thank the
City of Fairhope and its
citizens for their continued
support

Slide 27

Fire Chief Saraceno mentioned the need for a contract with the City of Fairhope and that City Attorney Marion E. Wynne was working on one.

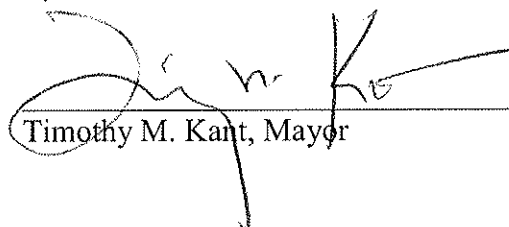
Councilmember Ford introduced in writing, and moved for the adoption of the following resolution, a resolution authorizing Mayor Kant to execute a ground lease between the City of Fairhope, Alabama and the Baldwin County Board of Education, for use of the premises solely and exclusively for municipal recreational purposes – Fairhoper's Community Park. Seconded by Councilmember Mixon, motion passed unanimously by voice vote.

23 March 2009

RESOLUTION NO. 1494-09

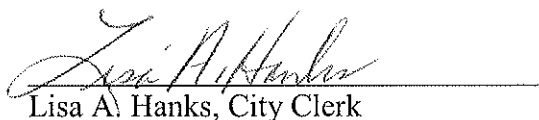
BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, that Timothy M. Kant is hereby authorized to execute a ground lease between the City of Fairhope, Alabama and the Baldwin County Board of Education, for use of the premises solely and exclusively for municipal recreational purposes. The parcel is located on the Northeast corner of Church Street and Morphy Avenue and it has been used, since February 23, 1993, as Fairhoper's Community Park.

Adopted on this 23rd day of March, 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 utilize Thompson Engineering or Goodwyn, Mills and Cawood, Inc. for professional services in conjunction with third party reviews for wetland permits. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

RESOLUTION NO. 1495-09

WHEREAS, the City of Fairhope has recently adopted an Ordinance No. 1370, otherwise known as the City of Fairhope Wetlands Ordinance; and

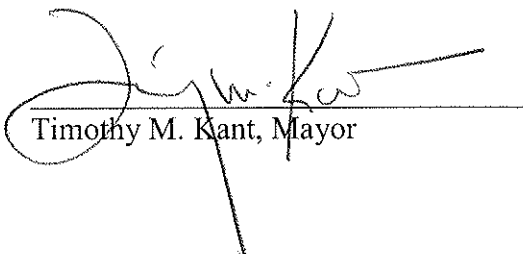
WHEREAS, in this ordinance, the City of Fairhope may engage a third party to review the request for a wetlands permit and the complete cost of the third party review is the responsibility of the applicant; and

WHEREAS, based on the adoption of this ordinance and the establishment of the policy that the City Council must approve all professional services. Three engineering firms were contacted and the ordinance was discussed to gage their level of interest and to judge their expertise in the area of environmental issues.

23 March 2009

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, FAIRHOPE, ALABAMA, that Mayor Timothy M. Kant is hereby authorized to utilize Thompson Engineering or Goodwyn, Mills and Cawood, Inc. for professional services in conjunction with third party reviews for wetlands permits.

Adopted on this 23rd day of March, 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 will receive an updated Organizational Chart and job descriptions for each employee before any policy regarding employees will be made, to include lateral transfers, job and/or office changes. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

RESOLUTION NO. 1496-09

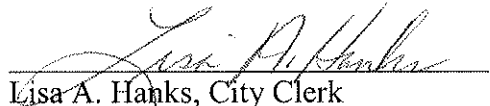
BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that the City Council will receive an updated Organizational Chart and job descriptions for each employee before any policy regarding employees will be made, to include lateral transfers, job and/or office changes.

Adopted on this 23rd day of March, 2009



Timothy M. Kant, Mayor

Attest:



Lisa A. Hanks, City Clerk

23 March 2009

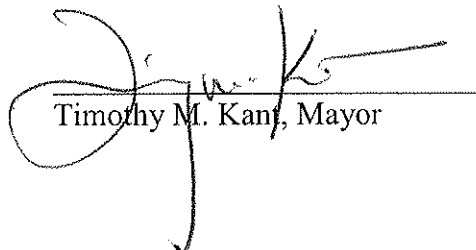
Mayor Kant stated he was currently making changes to cut costs and while the Building and Planning Departments are slow he was moving people around to help. Mayor Kant said he would make a list of changes for the next meeting. He also said this was a gray area for moving employees around and that the Executive Branch makes the move. Councilmember Stankoski questioned that those are temporary moves to help other departments. Mayor Kant replied yes.

Councilmember Stankoski introduced in writing, and moved for the adoption of the following resolution, a resolution stating that any member of the Council may consult with any attorney representing the City of Fairhope regarding possible legislation and/or possible lawsuits. The City's attorney is authorized to discuss these matters with said Councilmember. Such consultations shall not exceed a total of 1 hour per Councilmember per week. The motion was seconded by Councilmember Nixon. Councilmember Ford said there was a change in the verbiage of the resolution. Councilmember Kingrea as why are we limiting access to attorneys if only pertaining to Committee assignments. Council President Quinn replied the Alabama League of Municipalities suggested limiting. Mayor Kant stated that this could add up to a couple of thousand dollars. You should know up front the fees for the Finance Committee to okay. At this time, employees call City Clerk Lisa Hanks to consult with counsel. After further discussion, Councilmember Stankoski amended the motion to change pending to possible and to remove the verbiage within and pertaining to their committee assignments. Seconded by Councilmember Nixon, motion passed unanimously by voice vote.

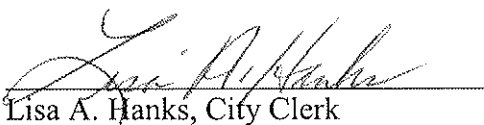
RESOLUTION NO. 1497-09

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that any member of the Council may consult with any attorney representing the City of Fairhope regarding possible legislation and/or possible lawsuits. The City's attorney is authorized to discuss these matters with said Councilmember. Such consultations shall not exceed a total of 1 hour per Councilmember per week.

Adopted on this 23rd day of March, 2009


 Timothy M. Kant, Mayor

Attest:


 Lisa A. Hanks, City Clerk

23 March 2009

Council President Quinn announced that item number e) a Resolution requiring the Department of Revenue to administer and collect Sales, Use, and Lodgings Taxes levied by the City of Fairhope would be tabled until the passage of the Sales Tax Ordinance.

Councilmember Mixon introduced in writing, and moved for the adoption of the following resolution, a resolution complying with the requirements of Section 8.2(b) of the Trust Indenture between the City of Fairhope, Alabama and Regions Bank dated as of November 1, 1996. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

RESOLUTION NO. 1498-09

A RESOLUTION COMPLYING WITH THE
REQUIREMENTS OF SECTION 8.2(b) OF THE
TRUST INDENTURE BETWEEN THE CITY OF
FAIRHOPE, ALABAMA, AND REGIONS BANK
DATED AS OF NOVEMBER 1, 1996,
AS SUPPLEMENTED

BE IT RESOLVED by the Mayor and City Council (herein together called the "Council") of the City of Fairhope (herein called the "City"), in the State of Alabama, as follows:

In order to comply with the requirements of Section 8.2(b) of that certain Trust Indenture between the City and Regions Bank, dated as of November 1, 1996 (herein called the "1996 Indenture"), so that \$1,250,000 aggregate principal amount of Utilities Revenue Warrants, Series 2009, dated April 2, 2009 (herein called the "Series 2009 Warrants"), of the City may be issued as additional securities under the provisions of the 1996 Indenture, the Council does hereby adopt this resolution, request that Regions Bank, as trustee, authenticate and deliver the Series 2009 Warrants to the purchaser thereof, and make the following recitals preliminary to the issuance of the Series 2009 Warrants:

- (1) the City is not at this time in default under the 1996 Indenture and no such default is imminent;
- (2) the person to whom the Series 2009 Warrants have been sold and shall be delivered is Hancock Bank of Alabama;

23 March 2009

(3) the Series 2009 Warrants are to be issued by sale and none thereof is to be issued by exchange;

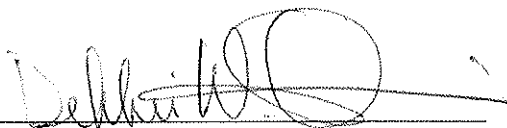
(4) the sale price of the Series 2009 Warrants is the par amount thereof, \$1,250,000;

(5) no securities have previously been issued by the City under the 1996 Indenture or under any indenture supplemental thereto other than \$4,195,000 aggregate principal amount of Utilities Revenue Warrants, Series 1996, dated November 1, 1996, which were issued under the 1996 Indenture and which were refunded simultaneously with the issuance of the Series 2005 Warrants; \$7,735,000 aggregate principal amount of Utilities Revenue Warrants, Series 1997, dated March 1, 1997, which were issued under the First Supplemental Indenture dated as of March 1, 1997, and which were refunded simultaneously with the issuance of the Series 2005 Warrants; \$1,905,000 aggregate principal amount of Utilities Revenue Warrants, Series 1999, dated June 1, 1999, which were issued under the Second Supplemental Indenture dated as of June 1, 1999, and which are now outstanding in the aggregate principal amount of \$1,260,000; \$6,720,000 aggregate principal amount of Utilities Revenue Warrants, Series 2002, dated September 1, 2002, which were issued under the Third Supplemental Indenture dated as of September 1, 2002, and all of which are now outstanding; \$2,300,000 aggregate principal amount of Utilities Revenue Warrants, Series 2003, dated September 1, 2003, which were issued under the Fourth Supplemental Indenture dated as of September 1, 2003, and which are now outstanding in the aggregate principal amount of \$280,000; and \$8,455,000 aggregate principal amount of Utilities Revenue Warrants, Series 2005, which were issued under the Fifth Supplemental Indenture dated as of March 1, 2005, and which are now outstanding in the aggregate principal amount of \$7,985,000; and

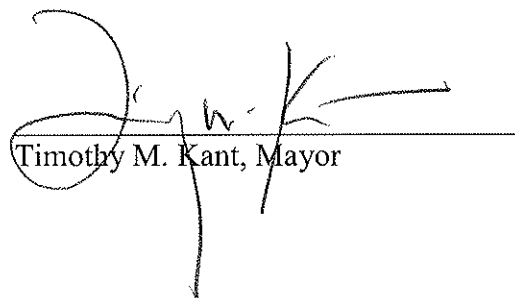
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(6) the Series 2009 Warrants are to be issued for the purpose of (a) refunding (on a current basis) the said Series 1999 Warrants, and (b) paying the costs related to the issuance of the Series 2009 Warrants.

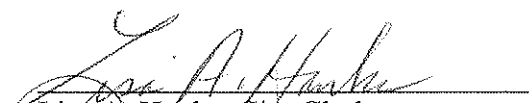
ADOPTED this 23rd day of March, 2009.


Debbie W. Quinn, Council President

APPROVED:


Timothy M. Kant, Mayor

ATTEST:


Lisa A. Hanks, City Clerk

Councilmember Mixon introduced in writing Ordinance No. 1381, an ordinance to authorize the issuance of the City's Utility Revenue Warrants in the principal amount of \$1,250,000. In order to take immediate action, Councilmember Mixon moved for immediate consideration. Seconded by Councilmember Kingrea, 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. 1381. Seconded by Councilmember Mixon, motion for final adoption passed unanimously by the following votes: AYE – Quinn, Stankoski, Mixon, Ford, and Kingrea. NAY - None.

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Councilmember Stankoski introduced in writing Ordinance No. 1382, an ordinance to authorize the issuance of the City's General Obligation Warrant in the principal amount of \$3,430,000. In order to take immediate action, Councilmember Mixon moved for immediate consideration. Seconded by Councilmember Kingrea, motion for immediate consideration passed unanimously by the following votes: AYE- AYE – Quinn, Stankoski, Mixon, Ford, and Kingrea. NAY - None. Councilmember Mixon then moved for final adoption of Ordinance No. 1382. 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. 1383, an ordinance to establish water and wastewater (sewer) rates for all customers of the City of Fairhope water and wastewater systems; amending Ordinance No. 953 and repeals Ordinance No. 1122. In order to take immediate action, Councilmember Mixon 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 Kingrea then moved for final adoption of Ordinance No. 1383, with the following addition, The City Council will be notified prior to the rate change. Seconded by Councilmember Mixon, motion for final adoption passed unanimously by the following votes: AYE – Quinn, Stankoski, Mixon, Ford, and Kingrea. NAY - None.

Councilmember Mixon introduced in writing an Ordinance to levy a privilege, license or excise tax against persons, firms, or corporations storing, using, or otherwise consuming or engaged in the business of selling at retail tangible personal property or conducting places of amusement in the City of Fairhope, Alabama, and its Police Jurisdiction. This ordinance will layover for final adoption at the next regular City Council meeting.

Casi Callaway, Executive Director of Mobile Baykeeper, addressed the City Council regarding requests that were heard on the March 9, 2009 City Council meeting. Ms. Callaway was to meet with Council President Quinn, Ms. Sullivan, Mayor Kant, and Chief Sanders to negotiate the race and bring back to the City Council. She said they discussed the City donating \$1,000, closing the Rose Garden from 11:00 p.m. to 11:00 a.m., that Mobile Baykeeper will pay all fees and security costs, and they have to post notices for one week prior to event. Ms. Sullivan stated that Ms. Callaway needed to get with Bob Pope and stated the South Park would be a better location for serving alcohol. Ms. Callaway mentioned that they would be preparing another Economic Study after the event.

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Councilmember Mixon stated he would okay the Rose Garden closing and the serving of alcohol if the Police agree, but is against the \$1,000 donation since they profit \$60,000. Ms. Callaway said that was an inaccurate number. Councilmember Stankoski asked; how much did they actually donate. Ms. Callaway replied \$1,000 to the Baldwin County Trailblazers and \$1,000 to Camp Rap-a-Hope. Ms. Callaway mentioned they did not calculate employees in the final amount.

Councilmember Mixon stated if Police Officers were working overtime, they should be paid overtime. Council President Quinn said we cannot pay overtime unless the City pays the officers. Sgt. Jimmy Davis stated that officers normally make \$30.00 per hour with a minimum of three hours for off-duty security. Ms. Sullivan said this is an alternative for not subsidizing the 14 officers. Chief Sanders said this is a way to pay the reserve officers who normally do not get paid. Mayor Kant stated we did our own Economic Impact Study. Councilmember Ford said maybe we should do this time and get better figures for next year. Ms. Callaway stated that she has 148 registered racers for the event and the event will go on.

After further discussion, Councilmember Mixon moved to grant the request as follows: permission to close the Rose Garden at 11:00 p.m. on Friday and reopen by 11:00 a.m. on Saturday or sooner; the City of Fairhope will donate \$1,000 to the event; they have to post notices for one week prior to the event, communicate with Bob Pope at The Yardarm, and pay all fees and security costs; and permission to serve alcohol on the Southside with the area barricaded and proper security. Seconded by Councilmember Kingrea, motion passed by the following voice vote: AYE – Quinn, Stankoski, Ford, and Kingrea. NAY – Mixon.

Mayor Kant stated these items need to be addressed at the next Finance Committee meeting. Councilmember Kingrea said a Special Event permit was discussed with a graduated scale if there is alcohol. Also, the permit fee would have enough money in it to cover officers and Public Works employees. Councilmember Kingrea said an example discussed was the Spring Fever Chase and non-profit groups will have a fee from now on. Councilmember Stankoski stated that we need consistency with these things and that the taxpayer is footing the bill for them.

City Council reviewed an application for a Restaurant Liquor License by Tamara Wintzell, d/b/a Tamara's Cucina! Cucina! located at 104 North Section Street, Fairhope, Alabama. Councilmember Mixon moved to approve the issuance of the license. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

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City Council reviewed an application for a Beer/Wine On/Off Premises License by Jay Goff, d/b/a Wahoo's LLC, located at 319 Fairhope Avenue, Fairhope, Alabama. Councilmember Kingrea moved to approve the issuance of the license. Seconded by Councilmember Ford, motion passed unanimously by voice vote.

Ginny Stimpson, Co-Chairman, Fairhope Public Library Board of Trustees, addressed the City Council and announced that they could pay for the full amount for the police officers because they received \$1,500 in sponsorship and the request for the City of Fairhope to pay half of the cost for the police officers was no longer needed. Sgt. Jimmy Davis is looking into changing the race course, but Ms. Stimpson said her desire was to have at least one lane in the downtown area for the race. Ms. Stimpson said they wanted to barricade part of the street in front of My Place until 10:00 p.m. on Bancroft and there is a letter attached that the alcohol license will be covered by My Place Downtown. Ms. Stimpson stated that they would sell jambalaya plates with a beverage for \$10.00 and all proceeds going to pay off debt. Her other two requests were not addressed due to the letter from My Place Downtown.

After further discussion, Councilmember Stankoski moved for Ginny Stimpson to work with Sgt Jimmy Davis on redoing the race course, permission to barricade Bancroft, and work out the Special Event License. Seconded by Councilmember Ford, motion passed unanimously by voice vote.

Stephanie Friedman addressed the City Council requesting to place two bird feeders in Fairhope Municipal Park. Council President Quinn told Ms. Friedman to get with Jennifer Fidler, Public Works Director, and work out the details for the next meeting. Councilmember Mixon asked City Attorney Wynne if a private business could be on City property. City Attorney Wynne replied he would check into the legality of this request.

Councilmember Mixon moved to grant Change Order Number 3; a change order by Summit Industries for the Greeno Road Pedestrian Improvements Project at Fairhope Avenue and at Morphy Avenue, Fairhope, Alabama, increasing the contract by \$4,960.00. Seconded by Councilmember Ford, motion passed unanimously by voice vote.

Council President Quinn addressed the City Council regarding Young Street Park and that Mr. Hunt wanted the Park cleaned up. She asked Jennifer Fidler to go and check out the condition of the park. Ms. Fidler stated she checked out the equipment and it had been painted. She said the Park was in good condition and grass had also been planted. Ms. Fidler mentioned she heard that Rock Creek wanted to upgrade their park and she asked for the equipment.

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Mayor Kant stated his only concern was if they are going to stay at Young Street or move to the Alternative School. The Community wants someone from within the area to be over the club and they want to be involved. Mayor Kant said a sidewalk is needed and will look for funding. He stated that the Community does not want a sign and wants to leave the name as is.

Scott Sligh, Electric Department Supervisor, addressed the City Council regarding the need for an emergency bid for the Substation replacement on Church Street. Mr. Sligh stated that the transformer went down and three other transformers in the loop system are now picking up the load. He said this is dangerous to the other transformers as well as to the whole system due to the size of the load this Substation carried. At this time, the cause of what made the transformer to burn up is unknown. The Electric Department will install the Substation. Mr. Sligh stated that the whole Substation could be replaced or just the items necessary to get it back in the loop. Councilmember Mixon said we need to look ahead and get the entire package. Mayor Kant said this Substation was next on the list to replace. After further discussion, Councilmember Mixon moved to declare an emergency for the replacement of the Substation on Church Street. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

Mr. Sligh asked if he needed to go out on bid or could use the quotes he had already obtained. City Attorney Wynne stated that the safest way is to go out on bid and declare it an emergency. Due to it being declared an emergency waves the requirement for advertising. City Attorney Wynne also stated that for a special-called meeting you would only have to give a 24 hour notice.

Calvin Hunt and Chris Warner addressed the City Council at the Public Hearing that was held for the Sales Tax issue.

Paul Ripp addressed the City Council on the Publix site again stated it was a black hole. The buffer was removed. He said the landscape plan was never sent to Planning & Zoning or the City Council. Mr. Ripp stated any major change in a plan must go back to Planning & Zoning and then to Council.

Councilmember Mixon stated he wanted all Department Heads at the Public Hearing, especially the three (3) Utilities, Public Works, and Finance Supervisors. He also asked City Attorney Wynne to prepare a resolution or ordinance for conduct of citizens at meetings.

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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 and possible settlement options regarding said pending litigation. The approximate time to be in Executive Session is minutes. Councilmember Kingrea moved to go into Executive Session. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

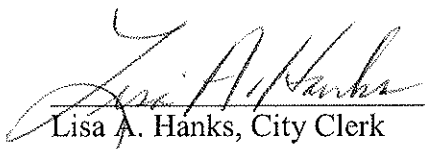
Exited the dais at 9:54 p.m. Returned at 10:00 p.m.

Councilmember Mixon moved to accept the settlement offer. The motion was seconded by Councilmember Stankoski. Councilmember Kingrea said he had a problem with the agreement and at the conclusion of the work the City is doing; someone should sign off on the completion as acceptable to the plaintiffs. Their engineer should sign off on after the work is completed, Plaintiff will look at work and if accepted, their engineer will sign off or certify the work is accepted. After further discussion, Councilmember Mixon moved to amend the motion with the wording in the agreement to have someone (i.e. plaintiffs' engineer) sign off and certify that the work is completed and accepted. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

Councilmember Mixon moved to adjourn the meeting. Seconded by Councilmember Kingrea, motion passed unanimously by voice vote.

There being no further business to come before the City Council, the meeting was duly adjourned at 10:06 p.m.


Debbie W. Quinn, Council President


Lisa A. Hanks, City Clerk