

STATE OF ALABAMA)
 :
COUNTY OF BALDWIN)

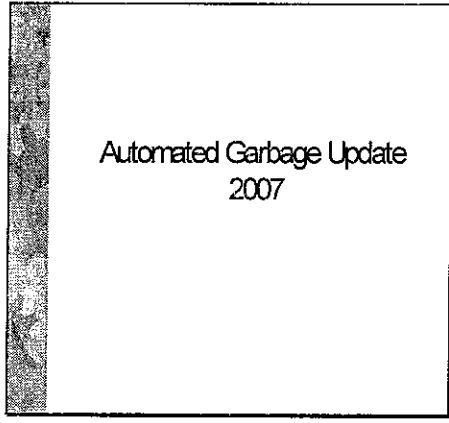
The City Council, City of Fairhope, met in regular session at 5:30 p.m., Fairhope Municipal Complex Council Chamber, 161 North Section Street, Fairhope, Alabama 36532, on Monday, 8 October 2007.

Present were Council President Robert C. Gentle, Councilmembers: Debbie W. Quinn, Daniel Stankoski, Cecil Christenberry, and Michael A. Ford, Mayor Timothy M. Kant, City Attorney Marion E. Wynne, and Assistant City Clerk Lisa A. Hanks. City Clerk Geniece W. Johnson was absent.

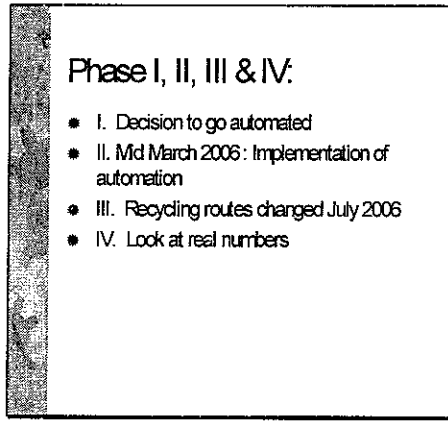
There being a quorum present, Council President Gentle called the meeting to order. The Pledge of Allegiance was recited, and Council President Gentle gave the invocation. Councilmember Stankoski moved to approve minutes of the September 24, 2007, regular meeting. Seconded by Councilmember Christenberry, motion passed unanimously by voice vote.

Mayor's Comments and Staff Reports:

- Public Works Director Jennifer Fidler presented the following PowerPoint presentation on Automated Garbage Update 2007; no action was taken by City Council.



Slide 1



Slide 2

08 October 2007

Estimated Annual Costs(2005)

ITEM	2/Wk Manual	OnceWk Auto	2/Wk Auto
Veh. Amortization	\$65,000	90,000	107,000
Veh. Maintenance	80,000	90,000	110,000
Drivers (1 spare)	290,000	232,000	290,000
Helpers	360,000	N/a	90,000
WC claims & Ins.	94,000	25,000	54,300
Containers Amor.	N/a	65,000	65,000
TOTALS	\$889,000	502,000	716,300

Slide 3

Actual Annual Costs

ITEM	2/Wk Auto
Veh. and cars	159,984.73
Veh. Maintenance	(Under warranty), expected: \$10,000
Drivers & helpers	\$308,000
WC claims & Ins.	\$26,511.
TOTALS	\$504,495.

Slide 4

Additional Needs Now

•Automated Garbage Truck– \$190,000 (that will make 4 trucks)	
•One driver – \$50,000	
•Total	\$240,000.

Slide 5

Ms. Fidler stated that, as of today, there are 7,724 garbage pickups. The additional automated garbage truck, included in this year's budget, should help with the present garbage issues and possibly for the next two years.

- Mayor Kant presented the following Proclamation to the Electric Department, proclaiming the week of October 7-13, 2007 as Public Power Week.

08 October 2007

PUBLIC POWER WEEK

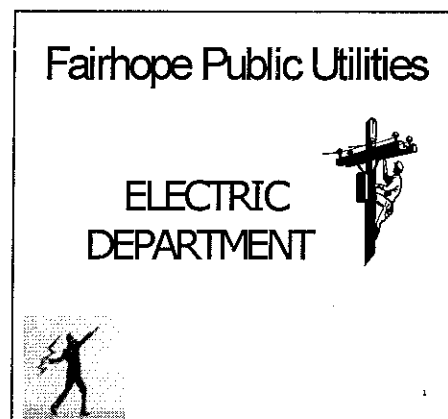
WHEREAS, MANY RESIDENTS IN THE STATE OF ALABAMA ENJOY THE BENEFITS OF CONSUMER-OWNED NOT-FOR-PROFIT PUBLIC POWER IN THIS STATE; AND THESE CONSUMER-OWNED-ELECTRIC UTILITIES ARE VALUABLE COMMUNITY ASSETS THAT CONTRIBUTE SUBSTANTIALLY TO THE WELL-BEING OF THEIR LOCAL RESIDENTS THROUGH ENERGY EFFICIENCY, CUSTOMER SERVICE AND ECONOMIC DEVELOPMENT; AND

WHEREAS, ALABAMA'S PUBLIC POWER UTILITIES SERVE OVER TWO MILLION ALABAMIANS AND ARE PART OF MORE THAN 2,000 PUBLIC POWER SYSTEMS IN THE UNITED STATES THAT ENSURE COST-CUTTING COMPETITION IN THE ELECTRIC UTILITY INDUSTRY, THROUGH CONSUMER-OWNERSHIP, TO THE BENEFIT OF ELECTRIC CONSUMER EVERYWHERE; AND

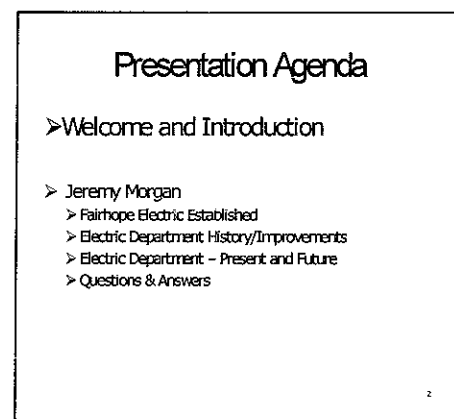
WHEREAS, 2007 MARKS THE NINTH YEAR ALABAMA HAS CELEBRATED PUBLIC POWER WEEK AND THAT INITIATIVE HAS PROVEN TO BE A HIGHLY SUCCESSFUL MEANS TO EDUCATE LOCAL CONSUMERS AND THE PUBLIC ABOUT PUBLIC POWER'S SERVICE MISSION AND COMMUNITY BETTERMENT GOALS.

NOW THEREFORE, I, TIMOTHY M. KANT, AS MAYOR, DO HEREBY PROCLAIM OCTOBER 7-13, 2007 AS **PUBLIC POWER WEEK** IN RECOGNITION OF OUR ELECTRIC EMPLOYEES WHO WORK TOGETHER TO PROVIDE THE BEST POSSIBLE ELECTRIC SERVICE FOR OUR CITIZENS AND COMMUNITY.

Jeremy Morgan, Electric Department, presented the following PowerPoint presentation on the Fairhope Public Utilities – Electric Department; no action was taken by City Council.



Slide 1



Slide 2

08 October 2007

Fairhope Electric Established

- **April 30, 1915**
Mayor Berglin expresses favor for a light and water plant, but a consensus states that town can't afford it.
- **August 6, 1915**
Mr. LaFlame moved to Fairhope from Foley where he installed and operated a lighting plant there.

Slide 3

Fairhope Electric Established

- **August 13, 1915**
Mr. LaFlame's proposal at the council meeting, was an electric light plant with a 1000 light capacity at a cost of \$1,000.00 with a cost to the resident of \$1.00 per month.
The Mayor stated that this would get rid of kerosene cans and oil lamps, and would put Fairhope on the map.

Slide 4

Fairhope Electric Established

- **December 24, 1915**
Election for a Bond for \$5,000 to construct an electric system within the corporate limits consisting of two 25 horse power crude oil engines driving a 20kva 2200 volt ac generator for electric lighting, to be located where the welcome center is today.

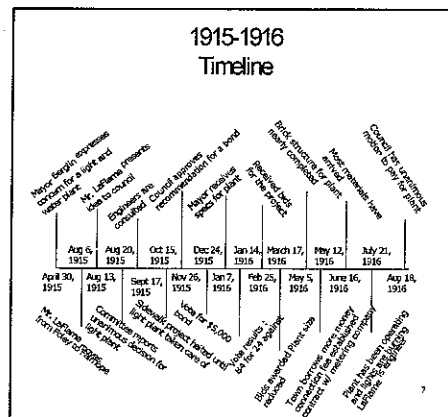
➤ Results of the Vote on January 14, 1916:
84 For & 24 Against
➤ Population: **700**

Slide 5

Fairhope Electric Established

- **May 12, 1916 – July 21, 1916**
- Electric connection fee was established for \$1.00 at .12 cents a kilowatt hour.
- Mr. LaFlame became the engineer at the lighting plant.
- Electric Department was established the summer of 1916

Slide 6



Slide 7

Fairhope Electric History / Improvements

- Electric Department 1920's
- At this time all of the gas lanterns downtown was replaced with electric lights that were fed from underground.

Slide 8

08 October 2007

**Fairhope Electric
History / Improvements**

- Electric Department 1940's
 - Fairhope purchased power from Riviera Utilities which allowed for the removal of the generator.
- Electric Department 1950's
 - Twin Beech 44 Kv Delivery point was built for the capability of buying power from Alabama Power Company.

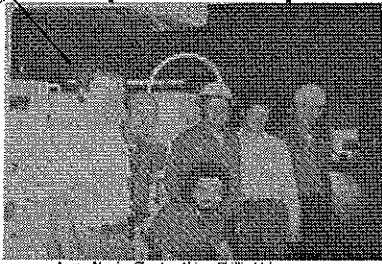
Slide 9

**Fairhope Electric
History / Improvements**

- Electric Department 1970's
 - March 18, 1974 Twin Beech Delivery Point upgraded from 46 Kv to 115 Kv
 - 4 Substations (Twin Beech, Nichols, Church, and Volanta) with redundant feed.
 - 1300 Customers
 - 7 Employees
 - 1 Bucket Truck (Still in the Fleet #280)

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Fairhope Electric Dept. 1974



Aaron Norris, Chester Akins, Phillip Holman, Ralph Keller, Kenny Malone, and Bob Morgan.
Not Pictured: Bill Lewis

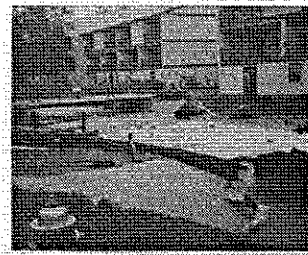
Slide 11

**Fairhope Electric
History / Improvements**

- Electric Department 1978
 - On September 27th, Fairhope had 16" of rain in 4 hours.
 - Roads were washed out at Fairhope Avenue and North Section Street.

Slide 12

Fairhope Electric



September 27th 1978: The electric department lost 3 transformers at Magnolia Beach Townhomes

Slide 13

**Fairhope Electric
History / Improvements**

- Electric Department 1979
 - Hurricane Fredrick visited Fairhope Alabama.
 - 50 % of the electrical system was damaged.
 - 7 out of town crews came to help restore the power.
 - With the help of all utilities, electric was fully restored in 10 days.

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08 October 2007

Fairhope Electric History / Improvements

➤ **As of December 31, 1996**

- Total Capacity for Transmission:
 - Twin Beech = 40,000 Kva
 - Load = 32,362 Kva
 - This represents 81% of the base capacity
- Total Capacity for Distribution:
 - Twin Beech-9375 Kva
 - Nichols-12500 Kva
 - Church- 1250 Kva
 - Volanta- 9375 Kva

Approximately 5,000 Electric Meters.

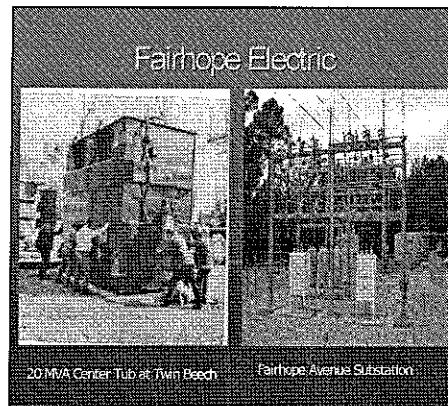
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Fairhope Electric History / Improvements

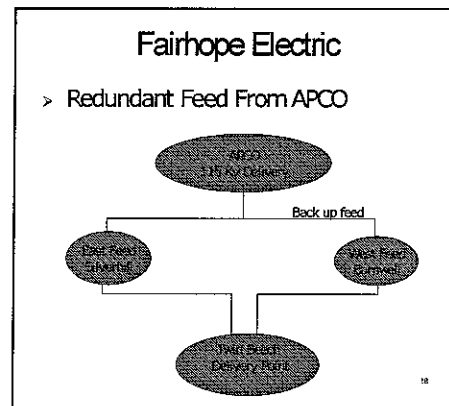
➤ **As of December 31, 1997**

- Installation of Fairhope Avenue Substation
- New 20 Mva Transformer at Twin Beech
- Approximately 735 New Electric Connections
- 5,735 Total Electric Connections

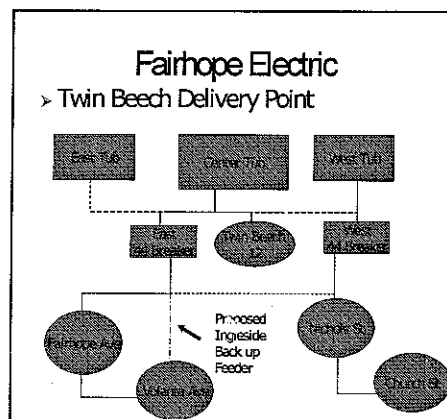
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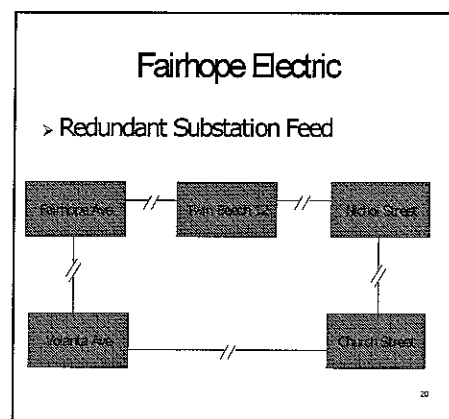
Slide 17



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Slide 19



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08 October 2007

Fairhope Electric

- Load as of present day, 2007
- Transmission Substation Detail:
 - Twin Beech = 60,000 Kva (without fans)
 - 86,634 Kva (with fans)
 - Load = 41,220 Kva
- This represents 69% of capacity without fans and 48% of capacity with fans

Slide 21

Fairhope Electric

- Distribution Substation Detail:
 - Twin Beech Substation:
 - Capacity = 12,000 Kva (without fans)
 - = 20,000 Kva (with fans)
 - Load = 8,770 Kva

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Fairhope Electric

- Continue Substation Detail:
 - Church Street Substation:
 - Base Capacity = 10,000 Kva (without fans)
 - = 12,500 Kva (with fans)
 - Load = 11,424 Kva
 - Nichols Avenue Substation:
 - Base Capacity = 10,000 Kva (without fans)
 - = 12,500 Kva (with fans)
 - Load = 11,037 Kva

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Fairhope Electric

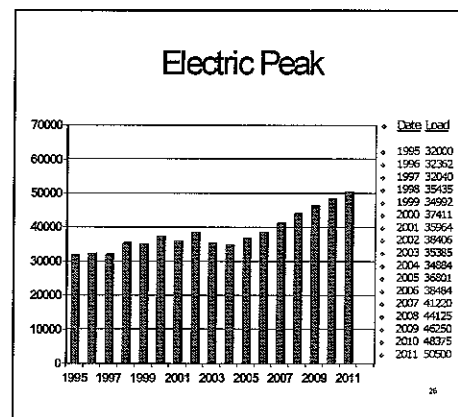
- Continue Substation Detail:
 - Volanta Avenue Substation:
 - Base Capacity = 7,500 Kva (without fans)
 - = 9,375 Kva (with fans)
 - Load = 4,483 Kva
 - Fairhope Avenue Substation:
 - Base Capacity = 10,000 Kva (without fans)
 - = 14,000 Kva (with fans)
 - Load = 10,368 Kva

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Fairhope Electric

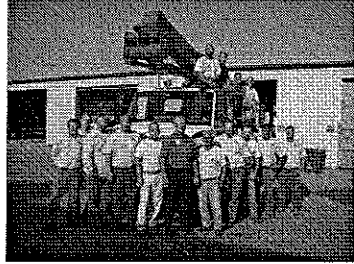
- Total Distribution Load
- Capacity of all Substations:
 - = 49,500 Kva (without fans)
 - = 68,375 kva (with fans)
- Total Load of all Substations:
 - = 46,082 Kva
- This represents 93% of capacity without fans and 67% with fans.

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08 October 2007



The Fairhope Public Utilities Electric Department is committed to providing safe and reliable services. Our goal is to deliver these essential services in a manner that is efficient, cost effective, prompt, and sensitive to the needs of our customers. We strive to be the leading public utility by being committed to our number one priority, 100% customer satisfaction!

The Electric department is widely known for restoring power to the citizens of Fairhope as quickly as possible. It is also our purpose to ensure the safety of our employees and the public during our daily operations. As a whole this is achieved in part by the electric departments' valuable employees, which is staffed with talented men that appreciate, enjoy and take pride in the job they perform to the highest degree.

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Fairhope Electric

- Today the Electric Department has:
 - 16 employees, 8 Bucket Trucks,
 - 2 Line Trucks, 6 pick-up trucks,
 - 3 Flat beds, 1 Back Hoe, 1 Trencher,
 - 2 Boring Rigs

- Approximately 6,355 Electric Meters

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Fairhope Electric

- Current Events
 - Recreation Department Projects:
 - Barnwell softball and youth football fields
 - New tennis courts
 - New gym

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Fairhope Electric

- Current Events
 - Thomas Hospital project
 - New Hotel
 - Fairhope Museum

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Fairhope Electric

Underground Crew




Slide 31

Fairhope Electric



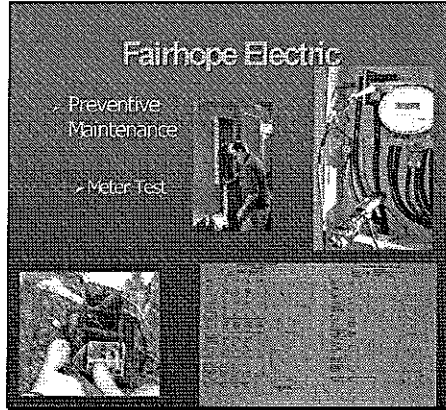
Load Control Relays (LCR'S)



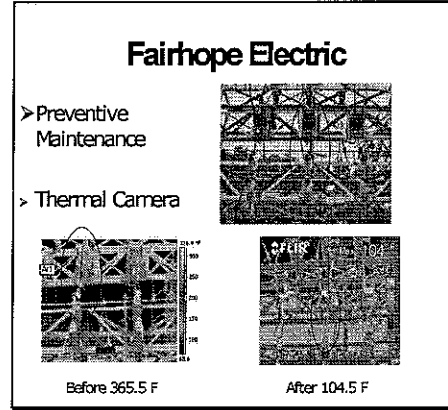
Automatic Meter Reader (AMR)

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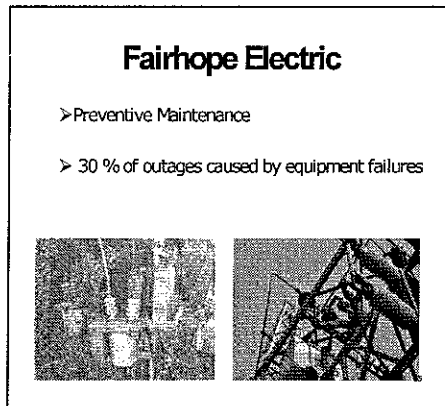
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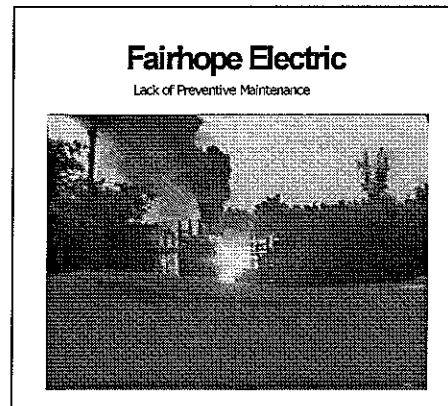
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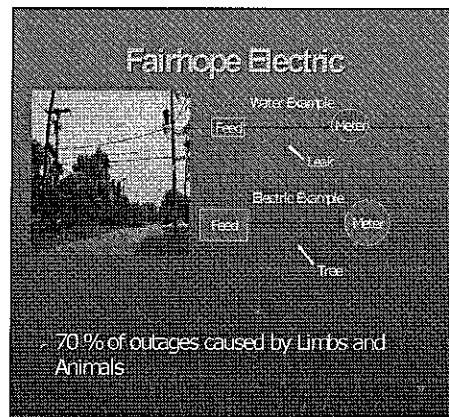
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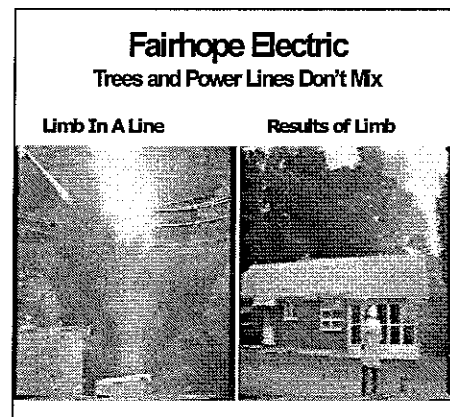
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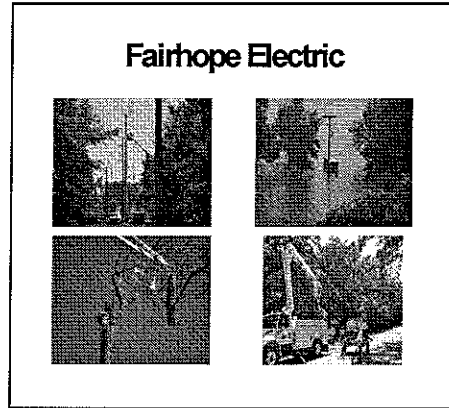


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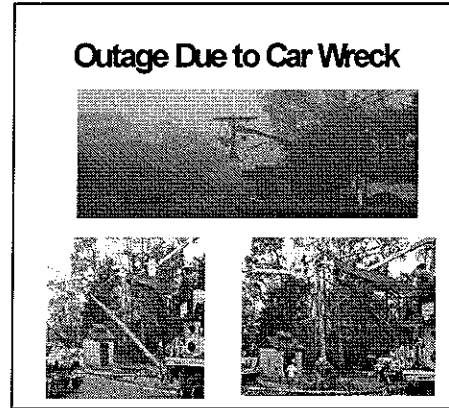


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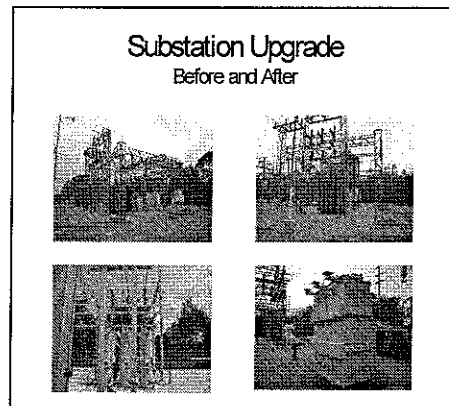
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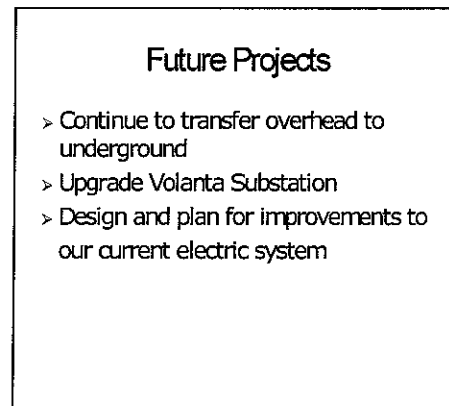
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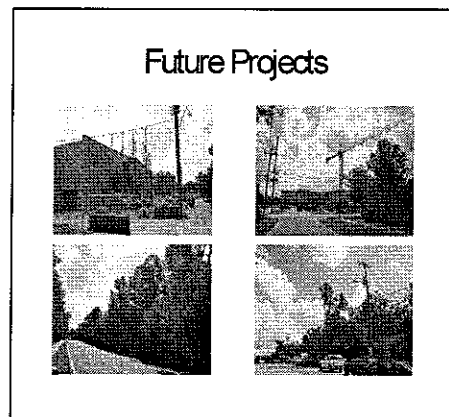
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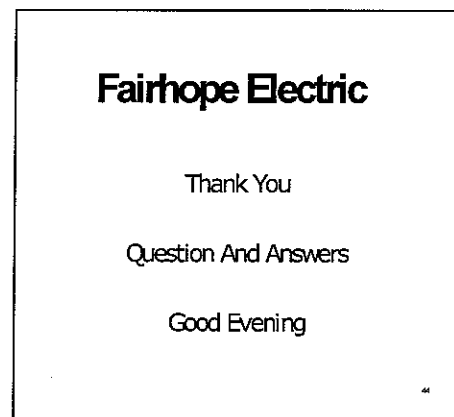
Slide 41



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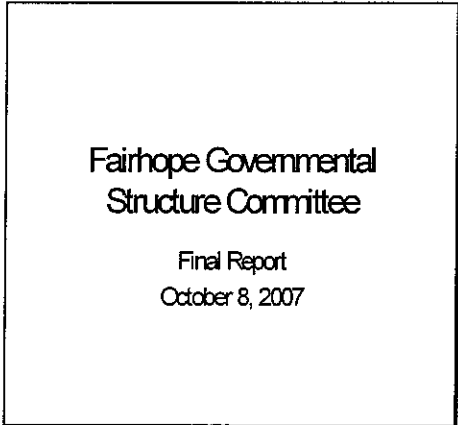
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08 October 2007

Council President Gentle announced that item #4, a public hearing to amend Zoning Ordinance No. 1253 by rezoning the property William C. Carrigan from B-2 General Business to PUD Planned Unit Development has been pulled from the agenda, at the request of Mr. Carrigan. The property is located at 198 Autumn Drive Fairhope, Alabama.

Councilmember Stankoski moved to reschedule the November 12th Regular Council meeting to Thursday, November 8th due to Veterans Day. The deadline date for submitting items for the November 8th agenda will be Thursday, November 1st. Seconded by Councilmember Quinn, motion passed unanimously by voice vote.

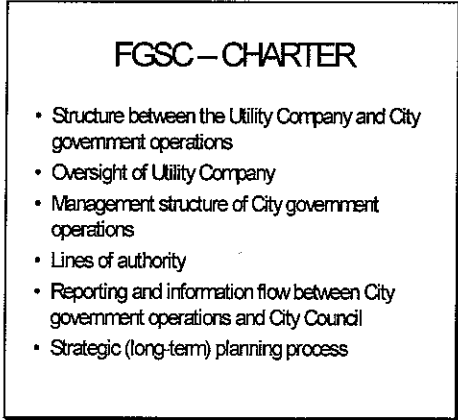
Chuck Zunk, Chairperson of the Governmental Structure Committee, presented the following PowerPoint presentation on the final report of the Committee; no action was taken by City Council.



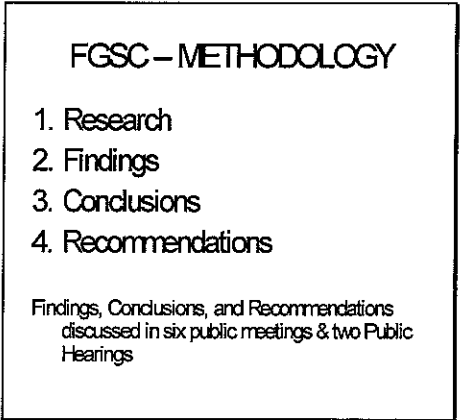
Slide 1



Slide 2



Slide 3



Slide 4

08 October 2007

FGSC – RESEARCH

- More than 30 cities and utilities
- All Fairhope elected officials
- Most department heads
- About 30 other professionals and leaders
- Major organizations (AMEA, APPA, etc.)
- "Best Practices" of Government Finance Officers Association, and others

Slide 5

KEY RECOMMENDATIONS

{A}

Develop summarized, easy to read financial reports emphasizing graphs, trends, and Key Performance Indicators instead of traditional line-by-line detail.

Slide 6

KEY RECOMMENDATIONS

{B}

Develop a 36-48 month projection of Revenues, Expenses, Capital Requirements and Priorities, and Sources/Uses of Cash.

Slide 7

KEY RECOMMENDATIONS

{C}

Initiate a Strategic Planning Process, using a consultant if necessary to get started. Follow GFOA "Best Practice" Guidelines.

Slide 8

KEY RECOMMENDATIONS

{D}

Initiate all large requests for capital through the Strategic Planning Process, and defer all large requests until a 36-month financial projection is done.

Slide 9

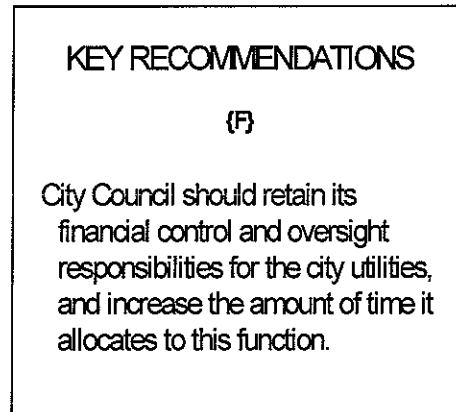
KEY RECOMMENDATIONS

{E}

Separate the positions of Mayor and Utilities Superintendent in 2012, to be enacted after the 2008 municipal elections.

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08 October 2007



Slide 11

Mr. Zunk stated that Treasurer Nancy Wilson used graphs in her last two reports, which were easy to read and understand. Mr. Zunk emphasized Key Performance Indicators should be used when preparing financial reports. The example given was “How much do we have in the Rainy Day Fund?” Mr. Zunk reported that the Committee recommended that the City of Fairhope prepare a Strategic Plan that will include a budget for at least five years. Each year the Strategic Plan will be updated, so it will always be a five-year plan.

The Committee also recommended that all requests for Large Capital Expenditures be processed through the Strategic Plan. Mr. Zunk stated that we are planning for the future. A Transitional Management Plan was recommended where management will pass on their knowledge before retiring or leaving the City of Fairhope.

Councilmember Stankoski thanked the Committee for their time and hard work put into preparing this report. Change is always difficult, but the City of Fairhope needs to be proactive and keep moving forward.

Councilmember Christenberry said he was amazed at the detail and manner that this report was presented. He also thanked the Committee for their work.

Councilmember Quinn reiterated thank you to the Committee.

Council President Gentle mentioned that local people prepared this report and I salute you regarding the purity of the report. The Committee went into financial issues that will be good for the City. This is a good step forward.

08 October 2007

TABULATION / RECOMMENDATIONIdentification: **"FOUNTAIN AERATORS – GOLF COURSE"**Bids open on: **Sept. 25, 2007**at: **11:00 a.m.**

For: Fountain Aerators located in the pond at Quail Creek Golf Course.

VENDOR:	MANUFACTURER:	TOTAL PRICE:	DELIVERY TIME:
BEARD EQUIPMENT CO. Mobile, AL	Aqua Master	\$8,340.92	10-Days
EWING IRRIGATION Theodore, AL	Aqua Master	\$9,841.58	Less than 14-Days
TIECO Mobile, AL	Aqua Master	\$10,630.00	10-Working Days
STOVALL Foley, AL	<i>SPECIFICATIONS NOT MET</i>		
STOVALL (ALTERNATE BID) Foley, AL	<i>SPECIFICATIONS NOT MET</i>		
JERRY PATE TURF Pensacola, FL	<i>NO RESPONSE</i>		

It is recommended to accept the bid from **BEARD EQUIPMENT COMPANY**, Mobile, Alabama.
All specifications have been met.

Harold Childres,
Grounds Supt.
Quail Creek Golf Course

Clint Steadham,
Assistant Purchasing Agent

STOVALL, Foley, AL

Vendor failed to have both bids notarized, therefore not meeting guidelines set fourth by the City of Fairhope.

Councilmember Stankoski moved to accept the low bid of Beard Equipment Company, Mobile, Alabama, provided all specifications are met, for fountain aerators for Quail Creek Golf Course. Seconded by Councilmember Christenberry, motion passed unanimously by voice vote. This purchase will be funded by the Golf Operating Fund.

08 October 2007

TABULATION / RECOMMENDATION

Identification: "WWTP AERATION TANK CLEANING"

Bids open on: Sept. 25, 2007

at: 11:00 a.m.

For: Waste Water Treatment Plant Aeration Tank Cleaning.

VENDOR:	PRICE PER TON:	EQUIPMENT MOBILIZATION FEE:	DATE WORK CAN BEGIN:	APPROXIMATE WORK TIME:
JAMES BROTHERS Daphne, AL	\$48.00	\$3,500.00	1-Week after notification	1-Week
PROTECT GULF STATES ENVIRONMENTAL Spanish Fort, AL	\$45.00	\$12,500.00	Week of Oct. 1, 2007	1-Week
SIS - SMITH INDUSTRIAL SERVICE Mobile, AL	<i>NO BID</i>			
VEOLIA ENVIRONMENTAL SERVICES Theodore, AL	<i>NO RESPONSE</i>			
MERRELL BROTHERS Kokoma, IN	<i>NO RESPONSE</i>			
J & P CONSTRUCTION Birmingham, AL	<i>NO RESPONSE</i>			
CLEAN RITE Mobile, AL	<i>BID RECEIVED LATE</i>			
MANSFIELD INDUSTRIAL Pensacola, FL	<i>NO RESPONSE</i>			
ROBERT HARRISON Elberta, AL	<i>NO RESPONSE</i>			
SHEPPARD COMPANY Theodore, AL	<i>NO RESPONSE</i>			

It is recommended to accept the bid from **JAMES BROTHERS CONSTRUCTION COMPANY**, Daphne, AL. All specifications have been met.

Dan McCrory
Water & Sewer Superintendent

Clint Steadham,
Assistant Purchasing Agent

Councilmember Stankoski moved to accept the low bid of James Brothers, Daphne, Alabama, provided all specifications are met, for the Waste Water Treatment Plant aeration tank cleaning. Seconded by Councilmember Ford, motion passed unanimously by voice vote. This purchase will be funded by the Water Operating Fund.

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

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

08 October 2007

Councilmember Quinn introduced in writing, and moved for the adoption of the following resolution, a resolution accepting the public streets, public right-of-way, and all of Fairhope's public utilities within Quail Creek Estates Unit V Subdivision for maintenance. Seconded by Councilmember Christenberry, motion passed unanimously by voice vote.

RESOLUTION NO. 1424-07

WHEREAS, the Owners of Quail Creek Estates, Unit V desire to have all public streets and public right-of-ways dedicated on the plat filed for record in the Probate Records of Baldwin County, Alabama, on Slide 2337A & 2337B, and all Fairhope public utilities located in public right-of-ways accepted for maintenance by the City of Fairhope, Alabama, and;

WHEREAS, the City of Fairhope, Alabama, has received notice from the engineers of the project that the design and capacity of the public improvements have been designed in conformance with City requirements as indicated on the recorded plat, and;

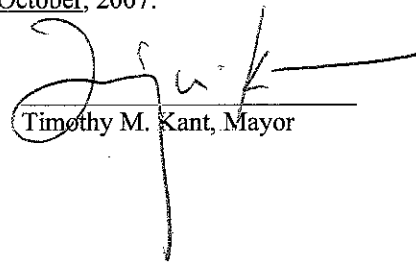
WHEREAS, the Public Works Director has indicated that the improvements meet City requirements, and;

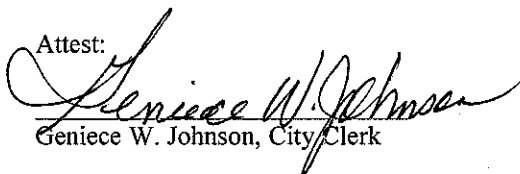
WHEREAS, the City of Fairhope, Alabama, is not and in no manner will be responsible for the maintenance of common areas in the subdivision as indicated on the recorded plat, and;

WHEREAS, the City of Fairhope, Alabama, has received from the owners of Quail Creek Estates, Unit V maintenance bonds for the public improvements constructed for a period of 2 years, and;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIRHOPE, ALABAMA that the public improvements indicated herein for Quail Creek Estates, Unit V are hereby accepted for public maintenance subject to the bond posted.

Adopted, this 8th day of October, 2007.


Timothy M. Kant, Mayor

Attest:

Geniece W. Johnson, City Clerk

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

Councilmember Ford introduced in writing, and moved for the adoption of the following resolution, a resolution accepting the public streets, public right-of-way, and all of Fairhope's public utilities within Quail Creek Villas Unit VI Subdivision for maintenance. Seconded by Councilmember Christenberry, motion passed unanimously by voice vote.

08 October 2007

RESOLUTION NO. 1425-07

WHEREAS, the Owners of Quail Creek Villas, Unit VI desire to have all public streets and public right-of-ways dedicated on the plat filed for record in the Probate Records of Baldwin County, Alabama, on Slide 2363D, and all Fairhope public utilities located in public right-of-ways accepted for maintenance by the City of Fairhope, Alabama, and;

WHEREAS, the City of Fairhope, Alabama, has received notice from the engineers of the project that the design and capacity of the public improvements have been designed in conformance with City requirements as indicated on the recorded plat, and;

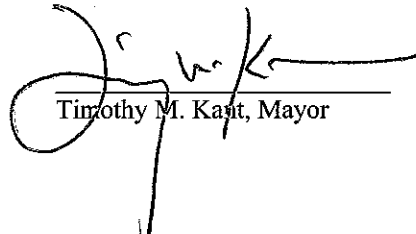
WHEREAS, the Public Works Director has indicated that the improvements meet City requirements, and;

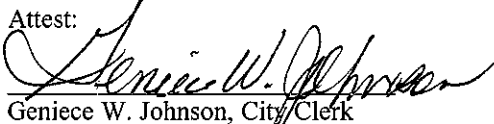
WHEREAS, the City of Fairhope, Alabama, is not and in no manner will be responsible for the maintenance of common areas in the subdivision as indicated on the recorded plat, and;

WHEREAS, the City of Fairhope, Alabama, has received from the owners of Quail Creek Villas, Unit VI maintenance bonds for the public improvements constructed for a period of 2 years, and;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIRHOPE, ALABAMA that the public improvements indicated herein for Quail Creek Villas, Unit VI are hereby accepted for public maintenance subject to the bond posted.

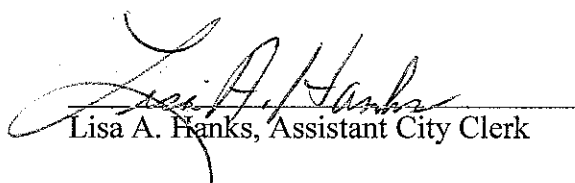
Adopted, this 8th day of October, 2007.


 Timothy M. Kast, Mayor

Attest:

 Geniece W. Johnson, City Clerk

There being no further business to come before the City Council, the meeting was duly adjourned at 6:55 p.m.


 Robert C. Gentle, Council President


 Lisa A. Hanks, Assistant City Clerk