

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, 22 September 2008.

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 City Clerk Lisa A. Hanks.

There being a quorum present, Council President Gentle called the meeting to order. The invocation was given by George Yeend, Deacon at St. Lawrence Catholic Church and the Pledge of Allegiance was recited. Councilmember Quinn moved to approve minutes of the September 8, 2008, regular meeting. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote.

Sherry Sullivan made the following announcements:

- Walk Your Child to School Day will be October 8, 2008.
- We will be celebrating Public Power Week on Thursday, October 9, 2008, from 4:00 p.m. to 6:00 p.m. at the Fairhope Municipal Pier South End Park.
- Rose Fogarty, Finance Director, was presented with The Certificate of Achievement for Excellence in Financial Reporting that was awarded to the City of Fairhope by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.
- Council President Gentle announced that Councilmember Quinn was appointed to the Nominating Committee for the National League of Cities.

Mayor's Comments and Staff Reports:

- Mayor Kant thanked Rose Fogarty and her department for all of their hard work in obtaining The Certificate of Achievement for Excellence in Financial Reporting.
- Rose Fogarty, Finance Director, and Nancy Wilson, City Treasurer, presented the following PowerPoint presentation no action was taken by City Council.

22 September 2008

**CITY OF FAIRHOPE
CITY COUNCIL MEETING
SEPTEMBER 22, 2008**

**SUMMARY
FINANCIAL REPORTS
ELEVEN MONTHS ENDED
8/31/2008**

Slide 1

<u>GENERAL FUND</u>					
	AUGUST 2008	AUGUST 2007	YTD 8/31/08 11 MONTHS	YTD 8/31/07 11 MONTHS	YTD INCREASE (DECREASE)
REVENUES	1,349,448	1,663,201	17,665,473	19,258,130	(1,592,657)
EXPENSES	2,081,022	1,805,068	19,058,766	19,072,490	(13,724)
EXCESS REV. OVER (UNDER) EXP.	(731,574)	(141,867)	(1,393,293)	185,640	(1,578,933)

Slide 2

<u>GENERAL FUND-AFTER ADJUSTMENT, WITH PROPERTY TAXES</u>			
	YTD 8/31/08 11 MONTHS	YTD 8/31/07 11 MONTHS	YTD INCREASE (DECREASE)
REVENUES	17,359,910	19,258,130	(1,898,220)
EXPENSES	19,058,766	19,072,490	(13,724)
EXCESS REV. OVER (UNDER) EXP.	(1,698,856)	185,640	(1,884,496)
OUTSTANDING PROPERTY TAXES	1,500,000		
EXCESS REV. OVER (UNDER) EXP. AFTER PROP TAXES RECVD	(198,856)	185,640	(384,496)

Slide 3

<u>GAS FUND</u>					
	AUGUST 2008	AUGUST 2007	YTD 8/31/08 11 MONTHS	YTD 8/31/07 11 MONTHS	YTD INCREASE (DECREASE)
REVENUES	470,367	373,292	7,348,309	7,058,840	289,469
COST OF ENERGY	231,240	139,676	3,952,392	3,397,024	555,368
EXPENSES	297,181	524,242	3,183,714	2,979,741	183,973
EXCESS REV. OVER (UNDER) EXP.	(58,057)	(290,626)	232,203	682,075	(449,872)

Slide 4

<u>GAS FUND AFTER ADJUSTMENT</u>			
	YTD 8/31/08 11 MONTHS	YTD 8/31/07 11 MONTHS	YTD INCREASE (DECREASE)
REVENUES	7,348,309	7,058,840	289,469
COST OF ENERGY	3,952,392	3,397,024	555,368
EXPENSES	3,138,521	2,979,741	158,780
EXCESS REV. OVER (UNDER) EXP.	257,396	682,075	(424,679)

Slide 5

<u>ELECTRIC FUND</u>					
	AUGUST 2008	AUGUST 2007	YTD 8/31/08 11 MONTHS	YTD 8/31/07 11 MONTHS	YTD INCREASE (DECREASE)
REVENUES	1,903,602	1,890,563	15,908,779	14,758,700	1,148,079
COST OF ENERGY	1,375,572	1,450,289	10,211,041	8,788,044	1,421,997
EXPENSES	536,619	434,960	5,484,312	5,070,984	413,328
EXCESS REV. OVER (UNDER) EXP.	(8,389)	5,314	211,426	898,672	(687,246)

Slide 6

22 September 2008

<u>ELECTRIC FUND AFTER ADJUSTMENT</u>			
	YTD 8/31/08 11 MONTHS	YTD 8/31/07 11 MONTHS	YTD INCREASE (DECREASE)
REVENUES	15,906,779	14,758,700	1,148,079
COST OF ENERGY	10,211,041	8,789,044	1,421,997
EXPENSES	<u>5,203,342</u>	<u>5,070,984</u>	132,358
EXCESS REV. OVER (UNDER)EXP.	491,796	898,672	(406,876)

Slide 7

<u>WATER FUND</u>					
	AUGUST 2008	AUGUST 2007	YTD 8/31/08 11 MONTHS	YTD 8/31/07 11 MONTHS	YTD INCREASE (DECREASE)
REVENUES	713,715	688,197	7,521,248	7,901,160	(379,912)
COST OF ENERGY	58,124	60,098	602,476	583,775	18,701
EXPENSES	<u>657,700</u>	<u>987,292</u>	<u>6,973,034</u>	<u>6,948,618</u>	24,416
EXCESS REV. OVER (UNDER)EXP.	(2,109)	(359,163)	(54,262)	368,767	(423,029)

Slide 8

<u>GOLF FUND</u>					
	AUGUST 2008	AUGUST 2007	YTD 8/31/08 11 MONTHS	YTD 8/31/07 11 MONTHS	YTD INCREASE (DECREASE)
REVENUES	112,939	121,145	1,353,257	1,373,346	(20,089)
EXPENSES	<u>158,834</u>	<u>135,321</u>	<u>1,473,823</u>	<u>1,379,452</u>	94,371
EXCESS REV. OVER (UNDER)EXP.	(45,895)	(14,176)	(120,566)	(6,106)	(114,460)

Slide 9

<u>ALL FUNDS</u>					
	AUGUST 2008	AUGUST 2007	YTD 8/31/08 11 MONTHS	YTD 8/31/07 11 MONTHS	YTD INCREASE (DECREASE)
REVENUES	4,550,071	4,738,398	49,795,066	50,350,176	(555,110)
EXPENSES	<u>5,395,795</u>	<u>5,536,918</u>	<u>50,919,559</u>	<u>48,221,128</u>	2,698,430
EXCESS REV. OVER (UNDER)EXP.	(845,724)	(800,520)	(1,124,492)	2,129,048	

Slide 10

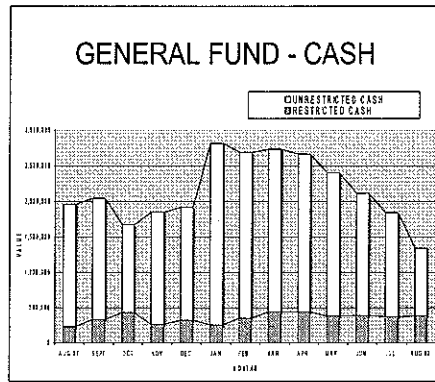
<u>ALL FUNDS WITH PROPERTY TAXES RCYBLE</u>					
	AUGUST 2008	AUGUST 2007	YTD 8/31/08 11 MONTHS	YTD 8/31/07 11 MONTHS	YTD INCREASE (DECREASE)
REVENUES	4,550,071	4,736,398	49,795,066	50,350,176	(555,110)
EXPENSES	<u>5,395,795</u>	<u>5,536,918</u>	<u>50,919,559</u>	<u>48,221,128</u>	2,698,430
EXCESS REV. OVER (UNDER)EXP.	(845,724)	(800,520)	(1,124,492)	2,129,048	
PROPERTY TAX TO BE RECVD			<u>1,500,000</u>		
EXCESS REV. OVER (UNDER) EXP WITH PROP TAX RECVD.			375,508		

Slide 11

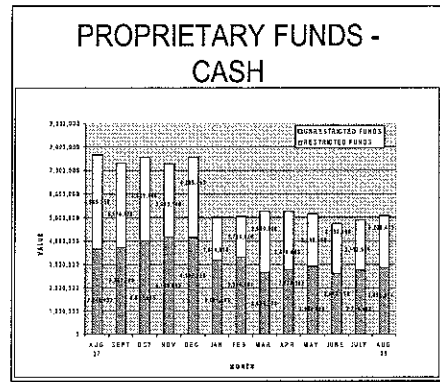
<u>CASH BALANCES</u>			
	BALANCE @ 8/31/2008	BALANCE @ 7/31/2008	BALANCE @ 8/31/2007
GENERAL FUND	1,344,488	1,839,627	1,950,135
GAS FUND	296,849	305,739	682,022
ELECTRIC FUND	1,389,565	1,275,695	2,097,646
WATER FUND	3,313,739	3,226,340	4,204,662
GOLF FUND	65,531	84,957	96,603
GAS TAX FUND	63,226	111,505	329,714
CAPITAL PROJECTS	2,250,075	2,331,197	3,883,616
CAP PROJ-LIBRARY	12,709	12,701	92,761
TOTALS	8,745,884	9,197,761	13,347,089
LESS WARRANTS	(1,910,053)	(1,869,394)	(4,384,933)
LESS SINKING	(1,970,045)	(1,856,937)	(1,970,665)
CASH AVAILABLE	4,865,886	5,431,430	6,991,501

Slide 12

22 September 2008

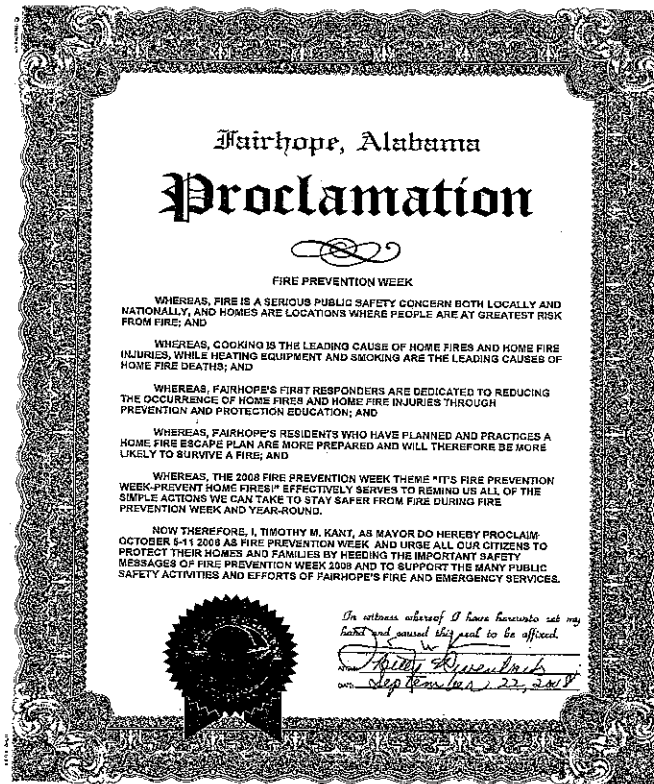


Slide 13



Slide 14

- The following proclamation was presented by Mayor Kant Proclaiming October 5 thru October 11, 2008 as National Fire Prevention Week. Kevin Hempfleng, Fire Chief recognized the members of the Fairhope Volunteer Fire Department.



22 September 2008

Councilmember Christenberry introduced in writing Ordinance No. 1368, the Flood Damage Prevention Ordinance, an ordinance repealing Ordinance Number 1165 as adopted by the Fairhope City Council on March 13, 2003. Barry Fulford, Building Official, addressed the City Council and explained the changes in the new ordinance. Mr. Fulford stated that this was house cleaning of the ordinance. In order to take immediate action, Councilmember Quinn moved for immediate consideration. Seconded by Councilmember Stankoski, motion for immediate consideration passed unanimously by the following votes: AYE - Quinn, Stankoski, Christenberry, Ford and Gentle. NAY - none. Councilmember Christenberry then moved for final adoption of Ordinance No. 1368. Seconded by Councilmember Stankoski, motion for final adoption passed unanimously by the following votes: AYE - Quinn, Stankoski, Christenberry, Ford and Gentle. NAY - none.

Jennifer Fidler, Public Works Director, addressed the City Council and explained the MS-4 Permit agreement. Ms. Fidler stated that they wrote ADEM to act with Baldwin County and the Eastern Shore Cities. The City of Fairhope used to be on the same permit with Mobile County and now want to be separate. Therefore, we will not be fined for violations not caused by us. Each City will be liable for its own actions.

After further discussion, Councilmember Ford introduced in writing, and moved for the adoption of the following resolution, a resolution authorizing Mayor Kant to execute the Interjurisdictional Agreement for Stormwater Management by and among Baldwin County, Alabama, the Alabama Department of Transportation, the City of Spanish Fort, the City of Daphne, and the City of Fairhope. Seconded by Councilmember Quinn, motion passed unanimously by voice vote.

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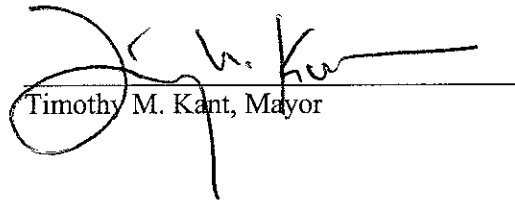
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22 September 2008

RESOLUTION NO. 1462-08

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that Mayor Timothy M. Kant is authorized to execute the Interjurisdictional Agreement for Stormwater Management by and among Baldwin County, Alabama, the Alabama Department of Transportation, the City of Spanish Fort, the City of Daphne, and the City of Fairhope.

Adopted on this 22nd day of September, 2008.



Timothy M. Kant, Mayor

Attest:



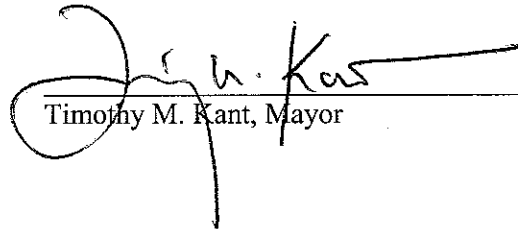
Lisa A. Hanks, City Clerk

Councilmember Quinn introduced in writing, and moved for the adoption of the following resolution, a resolution approving and adopting the amended budget for FY 2007-2008. Seconded by Councilmember Ford, motion passed unanimously by voice vote.

RESOLUTION NO. 1463-08

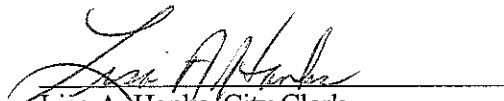
BE IT FURTHER RESOLVED by the Mayor and Council of the City of Fairhope, Alabama, that the Amended Budget presented and reviewed at the Finance Meeting on the 2nd day of September 2008, be hereby approved and adopted for FY 2007-2008.

ADOPTED THIS 22ND DAY OF SEPTEMBER, 2008.



Timothy M. Kant, Mayor

ATTEST:



Lisa A. Hanks, City Clerk

22 September 2008

Councilmember Stankoski introduced in writing, and moved for the adoption of the following resolution, a resolution authorizing Mayor Kant to enter into an agreement with the State of Alabama Department of Transportation, acting by and through its Transportation Director, for relocation of utility facilities on private or public right-of-way work to be performed by state contractor – Project No. STPAA-0181 (500). Seconded by Councilmember Christenberry, motion passed unanimously by voice vote.

RESOLUTION NO. 1464-08

WHEREAS, The City of Fairhope shall enter into an agreement with the State of Alabama Department of Transportation, hereinafter referred to as the STATE, acting by and through its Transportation Director, for relocation of utility facilities on private or public right-of-way work to be performed by state contractor; and

WHEREAS, the STATE proposes a project of certain highway improvements in Baldwin County, Alabama, said project being designated as Project No. STPAA-0181 (500) and consisting approximately of the following: Additional lanes on SR-181 from CR-64 to near SR-16 (US-90). Grade, drain, base, pave, and signals; and

WHEREAS, the City of Fairhope is the owner of certain facilities located on private or public right-of-way, as applicable, at places where they will interfere with the construction of said project unless said facilities are relocated; and

WHEREAS, the Transportation Director has determined that the relocation of the facilities hereinafter referred to is necessitated by the construction of said project and has requested or ordered, as applicable, the City of Fairhope to relocate same; and

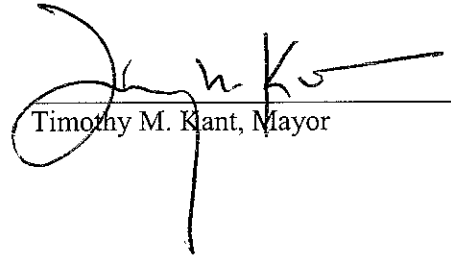
WHEREAS, under the laws of Alabama, the STATE is required to compensate the City of Fairhope for all or part of such relocation; and

WHEREAS, the City of Fairhope not being staffed or equipped to perform the relocation, requests that the relocation work be included in the STATE'S Highway Construction Contract. The estimated cost of the "In-Kind" relocation including engineering is \$1,355,136.54. The actual cost of relocation will not be reimbursed to the City of Fairhope but will be paid directly to the STATE'S contractor by the STATE as part of its contract.

22 September 2008

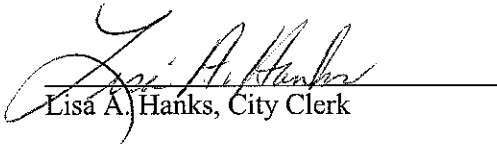
BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that Mayor Timothy M. Kant is authorized to execute an agreement between The City of Fairhope and State of Alabama Department of Transportation, hereinafter referred to as the STATE, acting by and through its Transportation Director, for relocation of utility facilities on private or public right-of-way work to be performed by state contractor.

Adopted on this 22nd day of September, 2008.



Timothy M. Kant, Mayor

Attest:



Lisa A. Hanks, City Clerk

Chuck Zunk, Chairman of the Airport Authority, addressed the City Council and read the following letter which stated that on September 16, 2008, the Fairhope Airport Authority unanimously passed a resolution requesting the City of Fairhope to make a one-time reduction of \$45,000 in its next monthly appropriation paid to the Fairhope Airport Authority.

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22 September 2008

Charles R. Zunk, Chairman
Fairhope Airport Authority
161 N. Section Street
Fairhope, Alabama 36532

Phone: 251-929-3966 Cell: 251-404-0628 E-mail: Z4Bicycle@aol.com

September 16, 2008

Honorable Timothy M. Kant, Mayor
City of Fairhope
161 N. Section St.
Fairhope, AL 36532

Dear Mayor Kant:

The Fairhope Airport Authority, in its regularly scheduled meeting of September 16, 2008, unanimously passed a resolution requesting the City of Fairhope to make a one-time reduction of \$45,000 in its next monthly appropriation paid to the Fairhope Airport Authority. In discussion before the vote upon the resolution, members of the Authority noted that falling interest rates are the primary reason that these excess funds are available. Given the many other pressing financial needs of the City at this time, the Authority wishes to make this savings available back to the City before the end of this fiscal year.

Members of the Authority will review the interest rate situation again during the first half of the next fiscal year to determine if additional reductions of interest expense are being realized, which may also be passed back to the City.

Sincerely,



Charles R. Zunk
Chairman, Fairhope Airport Authority

CC: City Councilmember Mike Ford
City Treasurer Nancy Wilson
City Council President Bob Gentile
City Clerk Lisa Hanks

Councilmember Stankoski asked Mr. Zunk to explain the recent activity at the Fairhope Airport. Mr. Zunk said that due to Hurricane Ike heliports in the gulf were severely damaged. The Fairhope Airport has up to 25 helicopters daily. We are helping out the oil rigs; this is good for the community and our country. There are several hundred crew members at the Airport at any one time.

22 September 2008

Councilmember Stankoski moved to approve HMR Engineering, LLC as consultant for the engineering services for gas line relocation project on State Road 181, from County Road 64 to just south of U. S. 90; ALDOT Project No. STPAA-0101 (500). Seconded by Councilmember Christenberry, motion passed unanimously by voice vote.

Council President Gentle announced that item #11, the bid for one (1) 1000 KVA Transformer for the Fairhope Elementary School has been pulled from the agenda, at the request of Dan Ames, Purchasing Manager.

Dan Ames, Purchasing Manager, addressed the City Council and requested to have the award of Bid No. 016-08 rescinded due to the awarded vendor's failure to meet the bid delivery requirements. Pursuant to Act No. 2008-379, Mr. Ames requested that the City Council award the bid to the second lowest responsible bidder.

After further discussion, Councilmember Quinn moved to rescind the award of Bid No. 016-08, Combination Pole and Reel Trailer for \$24,989 from Commercial Van Specialists, and award the bid to the second lowest responsible bidder, Sauber Manufacturing Company, for their bid price of \$25,117. Seconded by Councilmember Christenberry, motion passed unanimously by voice vote.

Council President Gentle stated that Don Gordon Construction was hired as the construction manager at risk for the new Fairhope Recreation Center and solicited bids for the project.

Bid Tabulation Aluminum Storefront

<u>Contractor</u>	<u>Base Bid</u>
Port City Glass & Mirror.....	\$ 156,460.00
Mobile Glass, Inc.	\$ 160,858.00

After further discussion, Councilmember Christenberry moved to accept the low bid of Port City Glass & Mirror, provided all specifications are met, for the aluminum storefront work at the Fairhope Recreation Center. Seconded by Councilmember Ford, motion passed unanimously by voice vote. This purchase will be funded by the 2007 GOW.

22 September 2008

Bid Tabulation Gym Equipment

<u>Contractor</u>	<u>Base Bid</u>
Alabama Contract Sales, Inc.	\$ 26,380.00
Covington Flooring, Inc.	\$ 29,928.00

Councilmember Ford moved to accept the low bid of Alabama Contract Sales, Inc., provided all specifications are met, for the gym equipment at the Fairhope Recreation Center. Seconded by Councilmember Christenberry, motion passed unanimously by voice vote. This purchase will be funded by the 2007 GOW.

Bid Tabulation Painting

<u>Contractor</u>	<u>Base Bid</u>
Melvin Pierce Painting, Inc.	\$ 60,375.00
MCP Painting, Inc.	\$ 60,900.00
Horton Painting, Inc.	\$ 67,223.00

Councilmember Quinn moved to accept the low bid of Melvin Pierce Painting, Inc., provided all specifications are met, for the painting work at the Fairhope Recreation Center. Seconded by Councilmember Christenberry, motion passed unanimously by voice vote. This purchase will be funded by the 2007 GOW.

Bid Tabulation Stucco

<u>Contractor</u>	<u>Base Bid</u>
Derek J. Boothe Construction	\$ 38,500.00
Coastal Stucco	\$ 42,848.00

Councilmember Christenberry moved to accept the low bid of Derek J. Boothe Construction, provided all specifications are met, for the stucco work at the Fairhope Recreation Center. Seconded by Councilmember Stankoski, motion passed unanimously by voice vote. This purchase will be funded by the 2007 GOW.

22 September 2008

Bid Tabulation
Masonry

<u>Contractor</u>	<u>Base Bid</u>
Structural Masonry, Inc.	\$ 50,946.00
Superior Masonry, Inc.	\$ 52,419.00
Mas-Co, Inc.	\$ 61,352.00

Councilmember Quinn moved to accept the low bid of Structural Masonry, Inc., provided all specifications are met, for the masonry work at the Fairhope Recreation Center. Seconded by Councilmember Christenberry, motion passed unanimously by voice vote. This purchase will be funded by the 2007 GOW.

Bid Tabulation
Acoustical Ceiling & Drywall

<u>Contractor</u>	<u>Base Bid</u>
Jim Boothe Contracting & Supply Company, Inc.	\$ 138,458.00
Hammer, Inc.	\$ 155,970.00

Councilmember Ford moved to accept the low bid of Jim Boothe Contracting & Supply Company, Inc., provided all specifications are met, for the acoustical ceiling & drywall work at the Fairhope Recreation Center. Seconded by Councilmember Christenberry, motion passed unanimously by voice vote. This purchase will be funded by the 2007 GOW.

Hop Allen addressed the City Council and asked if the work was for a new building or for repairs. Council President replied a new building; the new Fairhope Recreation Center.

Council President Gentle asked the City Council if he could be heard and passed the gavel to Council President Pro Tempore Ford to preside over the meeting.

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

22 September 2008

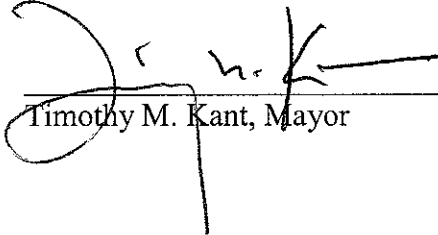
Council President Gentle addressed the City Council and gave an update on the agreement between the City of Fairhope and Green Nurseries and Landscape Design, Inc. and Robert M. Green, Jr. He stated that on Friday, September 19, 2008, that Mayor Kant signed the agreement and this issue was settled. Summit Industries will do the work with Volkert and ALDOT overlooking the project. There will be no additional cost to the City of Fairhope. The cost for the access to Hoyle Avenue will be part of the Greeno Road Median Project. Council President Gentle stated the City Council needed to pass a resolution stating the City Council authorized Mayor Kant to execute the agreement with the Greens during the last Executive Session.

After further discussion, Councilmember Stankoski moved for the adoption of the following resolution, a resolution authorizing Mayor Timothy M. Kant to execute an agreement between the City of Fairhope and Green Nurseries and Landscape Design, Inc. and Robert M. Green, Jr. which was agreed to during the last Executive Session. Seconded by Councilmember Quinn, motion passed unanimously by voice vote.

RESOLUTION NO. 1465-08

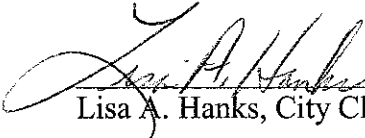
BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF FAIRHOPE, ALABAMA, that Mayor Timothy M. Kant was authorized to execute an agreement between The City of Fairhope and Green Nurseries and Landscape Design, Inc. and Robert M. Green, Jr. during the last Executive Session, which was held on September 8, 2008.

Adopted on this 22nd day of September, 2008



Timothy M. Kant, Mayor

Attest:



Lisa A. Hanks, City Clerk

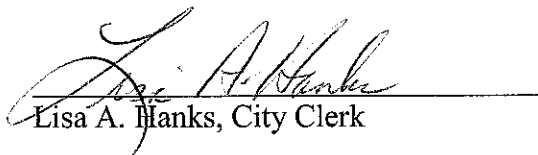
22 September 2008

Gary Gover addressed the City Council and gave an update on Alabama's Coastal Clean-up that was held this past Saturday, September 20, 2008. Mr. Gover stated that 15 miles of beach was cleaned-up, over 400 people helped, and it was a success.

There being no further business to come before the City Council, the meeting was duly adjourned at 6:30 p.m.

A handwritten signature in black ink, appearing to read "Robert C. Gentle", written over a horizontal line.

Robert C. Gentle, Council President

A handwritten signature in black ink, appearing to read "Lisa A. Hanks", written over a horizontal line.

Lisa A. Hanks, City Clerk