STATE OF ALABAMA	) (
	:
COUNTY OF BALDWIN	)(

The City Council met in a Work Session at 4:30 p.m., Fairhope Municipal Complex Council Chamber, 161 North Section Street, Fairhope, Alabama 36532, on Monday, 25 February 2019.

Present were Council President Jack Burrell, Councilmembers: Jay Robinson, Jimmy Conyers, Robert Brown, Mayor Karin Wilson, City Attorney Marcus E. McDowell and City Clerk Lisa A. Hanks. Councilmember Kevin Boone was absent.

Council President Burrell called the meeting to order at 4:30 p.m.

### The following topics were discussed:

- Operations Director Richard Peterson addressed the City Council regarding Side Stream Storage Project; Storage Facilities at South Section Street, Twin Beech, Quail Creek, and the Woodlands. He mentioned a grant application through Gulf of Mexico Energy Security Act (GOMESA). Mr. Peterson explained the lift stations and collection basins; and vessels to help the lift stations. He said that the vessel would aid in hydraulic equalization and pretreatment; and possibly minimize upgrades to lift stations. Mr. Peterson's recommendation is the epoxy coated steel vessels. (See attached the "Sidestream Storage Plan") Council President Burrell requested to see the financial plan for the project.
- The Discussion of School Tax Overlay District was discussed next on the agenda by Councilmember Brown. He discussed the timeline for the Baldwin County Board of Education: resolution by Council, petition signed by 200 electors, present to BCBE, and then present to Baldwin County Commission. The City Council needs to decide millage, determine date of referendum, and how long millage will last.

Mayor Wilson presented a Power Point Presentation on her Equitable School Funding Plan. She mentioned reimbursement for sports/recreational expenses from BCBE, Baldwin County Commission imposing an Impact Fee, using 10 percent from sales tax, using profits from Water Utility Fund, and continue City appropriation which would give us \$1,980,000.00 funding for schools. (See attached Power Point Presentation)

Councilmember Robinson commented the 10 percent from sales tax is not permanent; and the 3 mills would be for years. Council President Burrell stated the sales tax has been used for other things other than debt service; and supports referendum for people to get a vote for the 3 mill tax. Mayor Wilson asked the City Council to put her plan in place first. Councilmember Brown said the Education Advisory Committee recommends a 3 mill tax and keep it 30 years in place. Councilmember Conyers agreed to look at sales tax and the profits from utility. Councilmember Robinson stated the vote may be for or against the 3 mill tax. The consensus of the City Council was to move forward with referendum for a 3 mill tax for 30 years around October.

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• Council President Burrell said to put the Repairs at the Welcome Center on the next agenda.

There being no further business to come before the City Council, the meeting was duly adjourned at 5:59 p.m.

Jack Burrell Council President

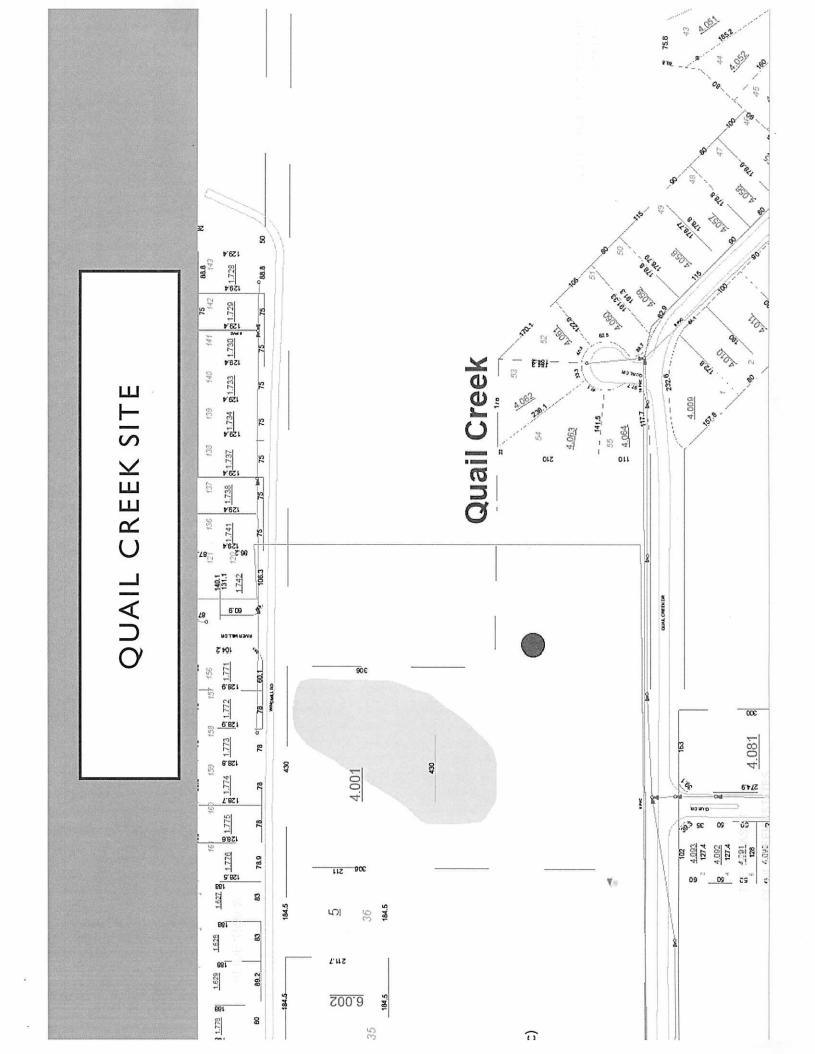
Lisa A. Hanks, MMC

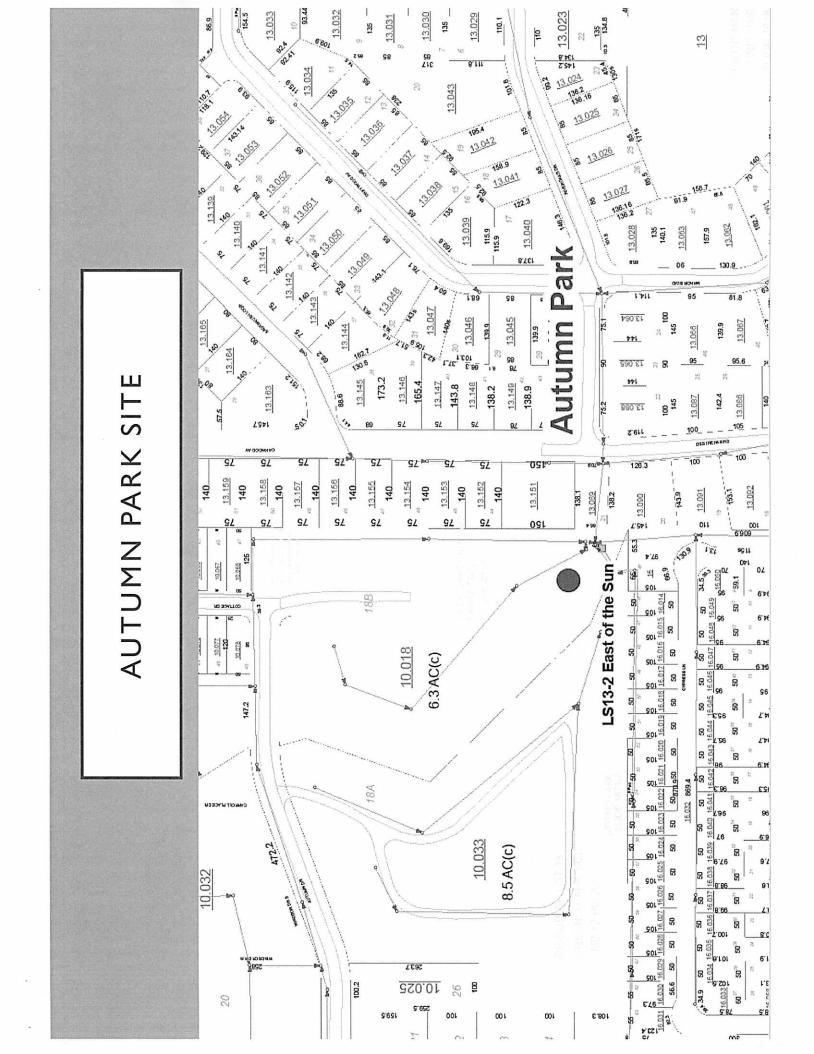
City Clerk

# SIDESTREAM STORAGE PLAN

Fairhope Wastewater System mprovement Z Z Phase I - 150,000 - 250,000 Gallon Side Stream Storage Tanks 50' Diameter (12' - 18' High) Phase II - As needed Side Stream Storage Tanks 三星

# SIDESTREAM STORAGE TAN

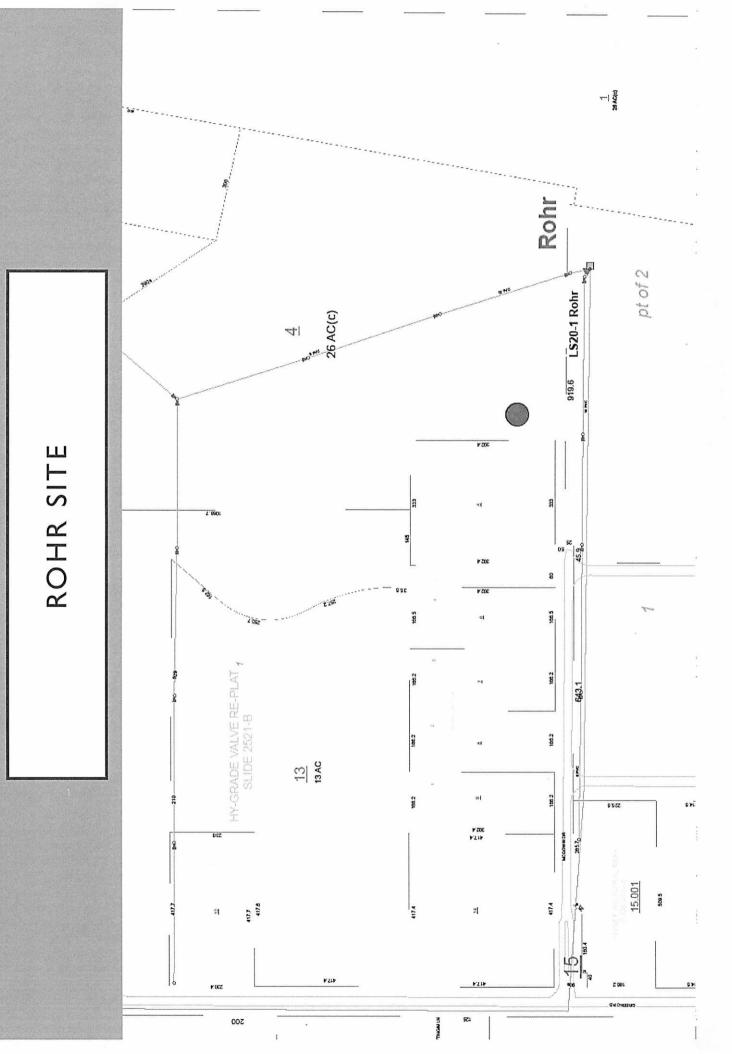


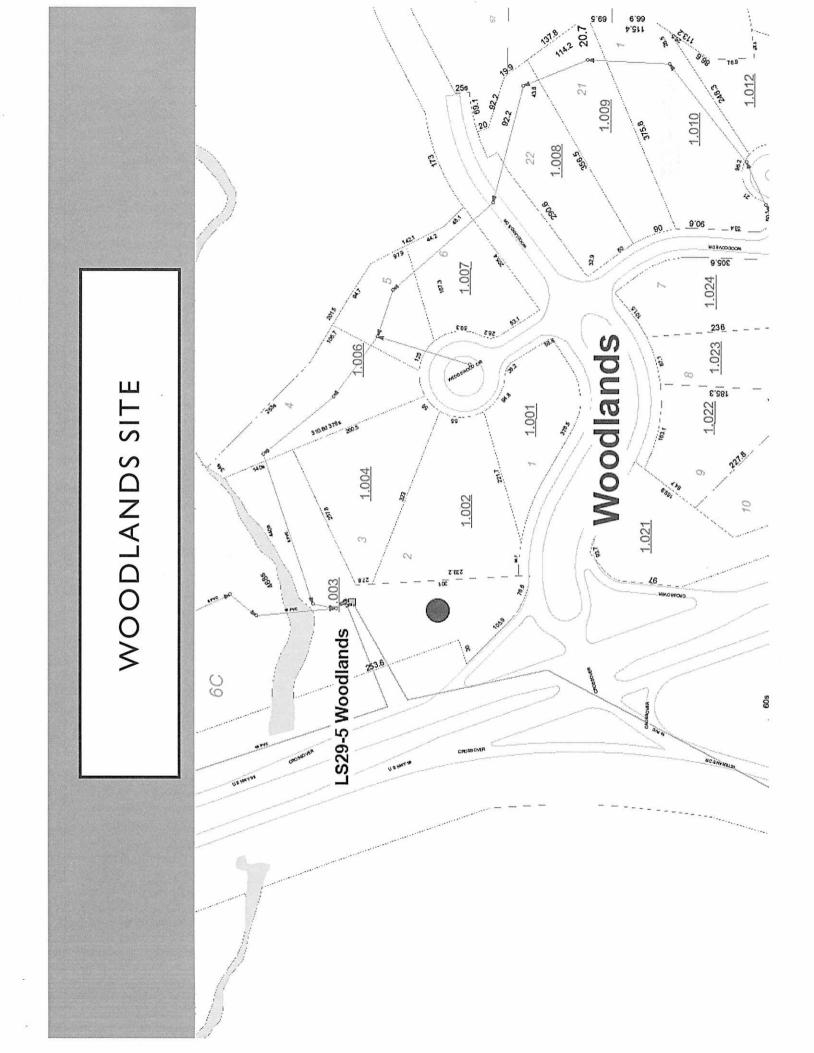


### 2.504 8.1 Ac(c) 2.501 8 Ac(c) 1.168 179(5) 1.604 NATURE PARK SITE 위 1.005 39 Ac(c) Nature Park LS38-2 Fairfield 2.001 3.082 3.081 A 3.082 3.056 3.058 % 왕 3.057 왕 A 3.060 3.004 3.003 3.010 ki . sr 3.009 sr 301 88 3.008 rs 3.005 33 048 3.0067 33.007 E 114.0 1.537 1.538 1.539 1.542 1.540 1.541 503 R 1.504 B 1.505 P 31.083 1.532 1.531 1.529

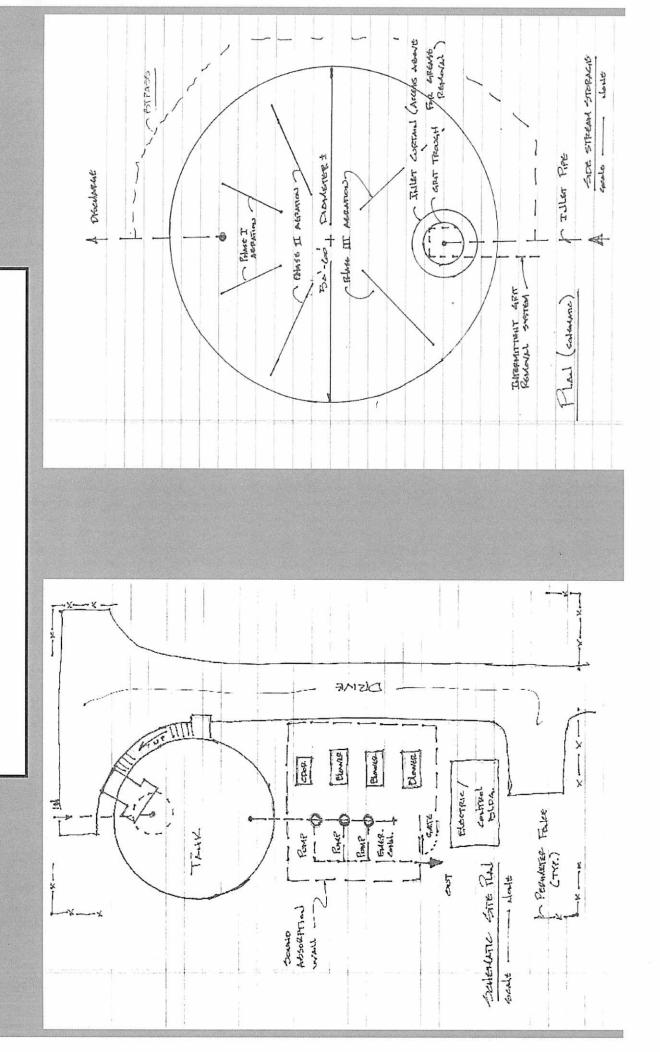
### 5.004 7.1 AC(d) 6.7 AQ(e) Public Works 165 PUBLIC WORKS SITE 22 13.AC(c) 5.9 AC(c) 161 001 \$53 6 081 213 104 LS3-1 South Section 175.003 175 ss 5.1 AC(c) 174 272.002 1 5.7 AC(c) 172 001 172.003 17.8

### ţ 23 22.001 2 2 37.003 60 AC(c) TWIN BEECH SITE 24 26.001 67 27.5 25 26 Twin Beech Rd 18 029 • ezz 18.73 37.013 37.012 373.4 272 Ħ 37.005 88 28.001 떩 LS2-1 Twin Beech 172.4 28:043 34.003 34.001 27.001 27.002 27.003 27 28.745 31.002 31.001 53

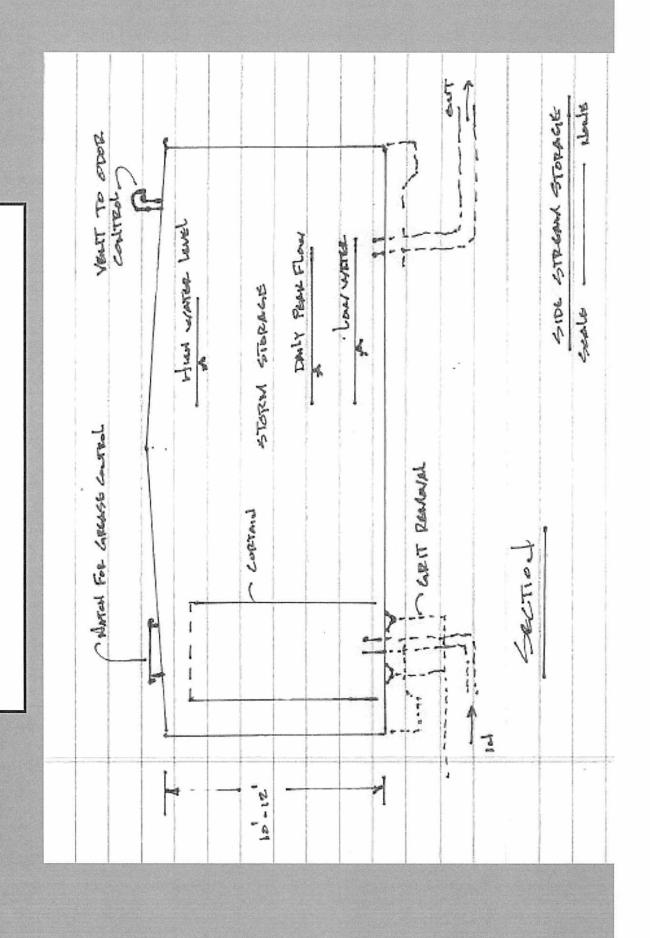




# SCHEMATIC VESSEL DESIGN

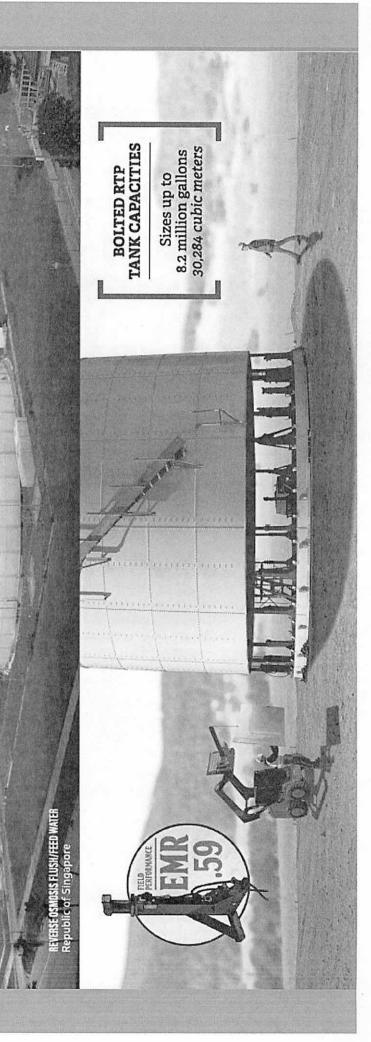


# SCHEMATIC VESSEL DESIGN



# QUALITY & SAFETY DEFINES OUR PERFORMANCE

At Tank Connection, quality and safety are second nature. Tank Connection's field installation utilizes a synchronized jack process, which allows field crews to install tanks at grade level. This process receives the highest industry ratings for quality control and safety in the field.



### SEVERE WEATHER ATTENUATION TANKS 2019 GOMESA APPLICATION FOR THE CITY OF FARHOPE, ALABAMA

### RCE MAIN IMPROVEMENTS

E	ITEM DESCRIPTION	5	UNIT PRICE	1-1	TOTAL PRICE
1	Mobilitation	w	50,000,00	vs	50,000,00
02.2	10" D.L. Ct. 250 Force Main Pipe w/ Bends and Fittings	v	43,00	us	53,750,00
6.	12" D.I. Cl. 250 Force Main Pipe w/ Bends and Fittings	w	53.00	ŝ	31,800.00
12.0	16" D.I. Cl. 250 Force Main Pipe w/ Bends and Fittings	s	68,00	s	34,000.00
	2" Combination Air/Nacuum Valve Assembly	s	2,000.00	vs	8,000.00
	Fresion Control Measures	v	5,000.00	vs	00'000'5
	Cleanup, Grassing & Landscaping	v	5,600,00	vs	2,000,00
	SUBTOTAL FOR LIFT STATION AND FORCE MAIN IMPROVEME	EMENTS	(ITEMS 1-7)	s	187,550.00

### TENUATION TANKS

2	Mobilization/Bonds/Insurance	vs	50,000,00	vs	50,000.00
ផ	200,000 Gallon Ground Storage Tank	us	265,000.00	w	265,000.00
ស	Pumps, Yard Figing, Including Overflow Piping, Bypass Piping, Fittings, Connections, Drain Line and Headwall	v	150,000.00	w	150,000.00
ম	Stework including Ste Grading, Tank Foundation, Drainage Ditches, Colverts, rip rap, Paving, Fencing, Retaining, Walts, Cleanup and Grassing	v	75,000.00	s	75,000.00
ស	Bactrical - Including Control Panel, Lightning Protection, Tank Lighting, Sarvice Pole, Lighting, Conduits and Writing, and other related work	vs	125,000.00	vs	125,000.00
2	SCADA	s	30,000,00	v	30,000.00
21	Aeration System	s	75,000.00	w	75,000.00
ম	Odor Control System	vs	40,000.00	v	40,000.00
កា	Frosion Control	s	5,000.00	vs	00'000'5
	SUBTOTAL FOR TWIN BEECH ATTENUATION TANK (ITEMS 8-16)	NK .	TEMS 8-16)	, 	815,000.00
2	Mobilization/Bonds/Insurance	v	50,000,00	v>	30,000,00
3	300,000 Gallon Ground Storage Tank	s	450,000,00	s	450,000.00
ž	Pumps, Yard Piping, Including Overflow Piping, Bypass Piping, Fittings, Connections, Deals Line and Headwall	v	150,000,00	v	150 000 00
1					
2	Stework Including Site Grading, Tank Foundation, Drainage Distries, Culverts, rip rap, Paving, Fencing, Retaining Walts, Cleanup and Grassing	w.	75,000.00	vs	75,000.00
	Electrical - Including Lightning Protection, Tank Lighting, Service Pole, Lighting,			-	
2	Conduits and Wiring, and other related work.	s	125,000.00	S	125,000.00
51	SCADA	s	30,000.00	s	30,000.00
2	Aeration System	s	75,000.00	s	75,000.00
2	Odor Control System	s	40,000.00	v	40,000.00
ย	Fresion Control	s	5,000.00	w	00'000'5
	SUBTOTAL FOR SOUTH SECTION STREET ATTENUATION TANK (ITEMS 19-27)	E E	EMS 19-27)	s	1,000,000.00
	TOTAL CONSTRUCTION SUBTOTAL	CTION	SUBTOTAL	s	2,002,550.00

200,255.00 160,000.00 75,000.00

CONSTRUCTION ENGINEERING

GRANT ADMINISTRATION

VVICES (MATERIALS TESTING, GEOTECHNICAL ENGINEERING, CONSTRUCTION STAKING, PERMITTING)

CONTINGENCY (10%) DESIGN ENGINEERING 75,000.00

\$ 2,537,805.00

TOTAL PROJECT COST:

# ESTIMATED PROJECT COST

rector of Operations

City of Faithogo Utilities Department.

Fairliope, AL 36532 Fax: 251-990-0197

and madelling@ine

te for a Wastewater Storage Tank in Fairbope, Alabama

portunity to provide you with a budgetary quote for the subject project. Based on your ve calculated the following tank to meet your needs. eter x 20.671 high tank of 304-stainless steel, with a working capacity of 250,000 gallens at ifeet, an embedded starter ring, a reinforced concrete foundation and floor of  $4.000\,\mathrm{psi}$  abar, an aluminum dome and the following appartenances:

ess steel side manway n dome roof

n toof vent

n roof top liatch

ss steel, single, 150% flanged/myzles ss steel, single, 150% flanged nozzle Structures, Inc. Tank Logo

job site is included

r the State of Alabama the tank is included

crete labor and foundation design is included (2,500 psf soil bearing capacity will be ass a Gentled Report is provided)

e-year warranty on the lank and appentenances, only mannactived

d on a non-prevailing wage

7. deliver and erect the above-described cank and appurtenances, for a total of \$285,385.00.

valid for 30 days from the date of this quote, due to the potential for steel prices

# **BUDGETARY QUOTE**

up some budget numbers per your request. See below for the details...

Size: 58.46' Diameter X 14.18' Height 12" free board

Jesic Dome Roof with manway and vent - 10' aluminum guardrail

ssories - 24" shell manway, (3) 6" nozzles, ladder

on Steel Epoxy Coated Option - Tank materials - \$95,783 / Tank Installation - \$30,709

Stainless Steel Option - Tank materials - \$201,993 / Tank Installation - \$30,709

tanks would be estimated 8 to 9 day builds

nore information please just let me know. Again, these are very budget numbers, I look rorking through this with you.

CHORES DI GALGES

LIEPOXI CONTOD = 126,492 Loss Stout = \$232,702 \*EESLE 11 Cost = \$102,210 CO DAMATER 15 Hay

ESTIMATED BUDGET NUMBEF

### (To Consider Before a 3-mill Overlay Vote) Equitable School Funding Plan

## Benefits

- No Special Election Needed (or the expense of an election)
- Proportionately Fair
- No Additional Cost to Citizens
- Diversified Funding. City options approved by permanent ordinance.
- Almost 70% of the Proposed Funding Requires Council Approval (\$1,350,000) - by Permanent Ordinance
- Does not prevent consideration for a tax overlay after the equitable sources have been put in place first.

### MUNICIPALITY

BAY MINETTE	12.5
DAPHNE	15.0
ELBERTA	5.0
FAIRHOPE	15.0
FOLEY	5.0
	R

## GULF SHORES LOXLEY

### ROBERTSDALE SILVERHILL

SPANISH FORT	SUMMERDALE	

<b>VGE BEACH</b>	<b>NOLIA SPRINGS</b>	
<b>JRANGE</b>	MAGNOL	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \

# 0.00 0.00 0.00 0.00 0.00 0.00 0.00 PERDIDO BEACH

# Fairhope Voters Pay

## Millage Tax

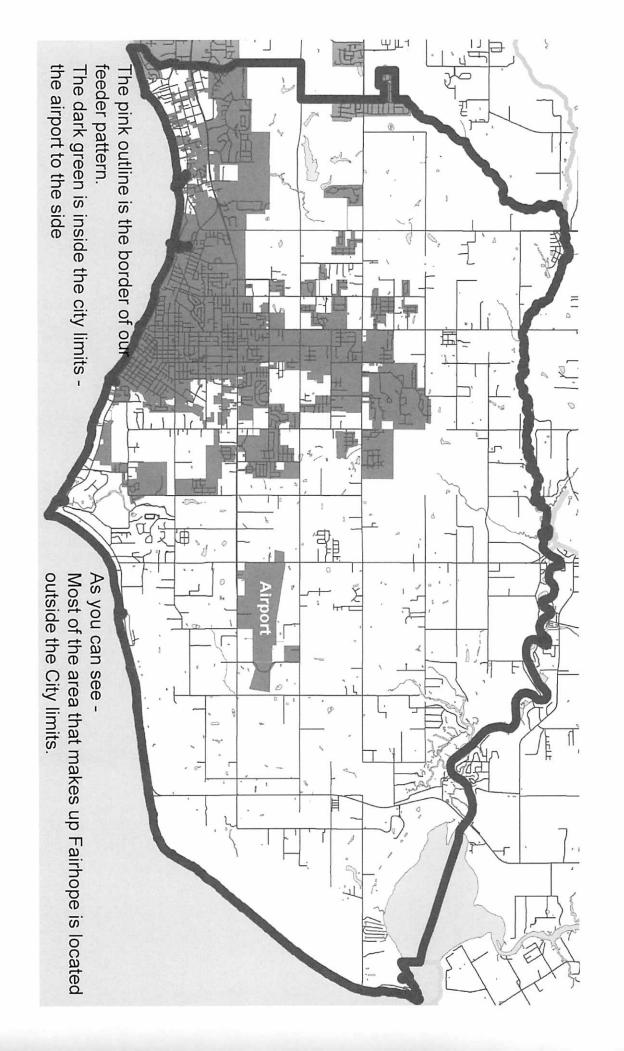
The Highest Municipal

## In The County

Millage Paid

nside		Ouside	
	Millage		Millage
state	6.5	State	6.5
County	9.5	County	7.6
3CBE	12	BCBE	71
City	15	City	
[otal	43	Total	28

Fairhope
Voters Pay a
total of
43-mills
0-mill to the
City for a total
of 28-mills



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Opt Out	36		26	32	26	39.	23	24		Opt Out	24	25	24	23	23	33	20	14
  % 	48.7%	46.5%	46.8%	45.7%	45.9%	46.5%	45.1%	46.2%		%	51.3%	53.5%	53.2%	54.3%	54.1%	53.5%	54.9%	53.8%
Outside City	2,448	2,272	2,193	2,114	2,074	2,036	1,954	1,986		Inside City	2,582	2,613	2,489	2,512	2,444	2,338	2,376	2,309
Total Enrolled	5,030	4,885	4,682	4,626	4,518	4,374	4,330	4,295		<b>Total Enrolled</b>	5,030	4,885	4,682	4,626	4,518	4,374	4,330	4,295
Year	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10		Year	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10

Students from outside the City Limits is increasing every year while the % of students coming from inside the City limits is decreasing.

Figures from 2016-2017

# City Property Tax = 15-Mills = \$4,895,000 (2018)

- City Property Taxes Makes Up Almost 19% of total revenue in the budget which equals \$326,333 per mill in 2018
- appropriation for our schools in 2018 and projected \$1.32M. ~\$530k of this \*City Paid a Conservative Estimate of \$1.18M in expenses, services and total is paid for sports - an expense BCBE pays for all other schools.
- Essentially this total equals just over 4-mills. An expense not being shared by all in the feeder pattern.
- How is it fair to ask municipal voters then to pay an additional 3-mills in a proposed overlay when they're already paying the equivalent of 4-mills?

\* the total before adding all departments

### City Sales Tax (around 39%) City Property Tax (almost 19%)

- Almost half of City revenue comes from two funding sources
- 25% of the total sales tax was used to pay City Debt which will be paid in full June 2019
- taking profits from our utilities, we can afford to appropriate 10% for While we need sales tax income for operating expense without school.
- reason it's been edited recently is because city debt will be paid off in ordinance to pay city debt has been in place for 3 terms. The only This would be an ordinance permanent in nature. The sales tax June 2019.

# **Equitable Funding Opportunities** for Fairhope Schools

Use a % of Sales Tax: Propose using just 10% \$900k/yr.

City Reimbursement by BCBE: Fairhope pays recreational expense for which BCBE pays for every other school in the county. A very conservative breakdown from 2018. ls **\$5**30k.

50% to around 5%, we can afford to give \$100k/year (possibly more) in addition to the Use a % of Utility Profits: The only utility paid by most in our feeder pattern is water. Now that the amount of utility profits to pay city services has been reduced from over 5-year upgrades needed for this one utility.

# Impact Fees Inside City Limits

### City Impact Fees

The last 3 years the City has collected over \$1M/yr (which includes a 9-month moratorium in 2018). The 1% impact fee is divided among:

	Fire	Police	Parks & Rec	Transp & Streets
Single Family (R-3)	15%	13%	51%	21%

# If the County Imposed an Impact Fee

### Just for our Schools

The last County Impact fee was done in 2008 and was never imposed. As the fastest growing County in the state and ranked 13th in the nation, now this the time to consider imposing impact fees. If the county imposed an impact fee just for schools, only the cities and areas affected impact fee from outside our city limits, but we could include a % for our schools inside the City limits. Something we could not do before because our impact structure is for by rapid growth would be impacted. For many of the cities in the county, there would be no or little impact. For the three municipalities in the county currently imposing an impact fee (Fairhope, Gulf Shores & Orange Beach), we would not only receive an the city only and we have county schools.

# **Conservative Estimates from Each Funding Source**

Annual Funding Sources	Estimate	Approval
*BCBE Reimburse City for School Sports	\$530,000	BCBE
County Impose an Impact Fee Schools	\$100,000	County Commission
Use % of Water Utility Profits	\$100,000	City Council - Ordinance
Use 10% of sales tax funds	000'006\$	City Council - Ordinance
Total Equitable Funding for Schools	\$1,630,000	
Continue City Appropriation	\$350,000	City Council - Ordinance
Total Funding for Fairhope Schools	\$1,980,000	

<sup>\*</sup> An expense paid by BCBE for all other schools but the City of Fairhope has always paid.

## Benefits

- No Special Election Needed (or the expense of an election)
- Proportionately Fair
- No Additional Cost to Citizens
- Diversified Funding. City options approved by permanent ordinance.
- Almost 70% of the Proposed Funding Requires Council Approval (\$1,350,000) - by Permanent Ordinance
- Does not prevent consideration for a tax overlay after the equitable sources have been put in place first.

# Lowering Sales Tax?

The suggestion to consider lowering sales tax now that city debt will be paid off would put us back where we started with robbing utility profits should be used for economic and community development profits to subsidize government expenses. A percentage of utility not to subsidize the City because we refuse to be fiscally responsible.

- This income is needed to operate the City
- Utility profits must be used for infrastructure upgrades and maintenance.
- Most of sales tax is generated from people outside the city limits.
- The burden to make this shortage up would fall directly on the backs of our constituents.