

June 27, 2016

STATE OF ALABAMA,
LIMESTONE COUNTY,
CITY OF ATHENS.

The City Council of the City of Athens, Alabama met in regular session at the Athens Municipal Building, 200 Hobbs Street West in the said City on June 27, 2016, at 5:30 p.m. The meeting was called to order by Councilman Wayne Harper, President of the Council. Upon roll call the following were found to be present: Councilmember Harold Wales, Joseph Cannon and Wayne Harper. Councilmember Chris Seibert was absent. Mayor Marks led the Pledge of Allegiance. Annette Barnes, City Clerk, was present and recorded the minutes of the meeting. Harold Wales offered the invocation. The Chairperson stated that a quorum was present and that the meeting was open for transaction of business.

The Chairperson stated that the Minutes of the June 6, 2016 City Council Meeting had been submitted for approval. Councilman Cannon moved that the reading of the Minutes be suspended and that the Minutes be approved as recorded. The motion was seconded by Councilman Wales and was unanimously carried. The Chairperson stated that the Minutes of the June 6, 2016 City Council Work Session Meeting had been submitted for approval. Councilman Cannon moved that the reading of the Minutes be suspended and that the Minutes be approved as recorded. The motion was seconded by Councilman Wales and was unanimously carried.

A public hearing was held to hear comments on the sale of alcohol for Raceway located at 1523 Highway 72 East. No one spoke in favor of or against.

The public hearing was closed.

A public hearing was held to hear comments on an unsafe structure located at 207 5th Avenue. No one spoke in favor of or against.

The public hearing was closed.

Ralph Diggins, 100 Willow Street, Athens, addressed the Council concerning the new high school construction project. He distributed and discussed a handout which contained comments from his recent letter to the editor concerning the management and oversight of the project.

Jack McDaniel, 1403 Woodside Drive, Athens, also addressed the Council concerning the new high school construction project, specifically responding to assertions in Mr. Diggins concerning the project's construction manager.

Mark Gibson, 18046 Ellis Drive, Athens, addressed the Council concerning the mosquito problem in the Vestavia Subdivision and inquired about the City's mosquito eradication program.

Travis Vines, 1116 E. Pryor Street, Athens, expressed his concerns about traffic congestion on Pryor Street due to construction of the new high school and requested the City consider other options for traffic flow other than access from Pryor Street.

Councilman Cannon introduced the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, that the travel expenses in the following amount be approved for Electric Department personnel.

Will Adams	TVPPA Engineering Training Nashville, TN	\$182.42
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The motion was seconded by Councilman Wales and was unanimously carried.

Councilman Cannon introduced the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, to set a Public Hearing for the regular meeting of July 25, 2016 to review the request from Athens City Schools to rezone approximately 73 acres of undeveloped land under their ownership plus rights of way located on the west side of US Highway 31 north of Pryor Street from the B-3 (Highway Business) District and R-2-1 (Residential) District to the INST (Institutional) District.

The motion was seconded by Councilman Wales and was unanimously carried.

Councilman Cannon introduced the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, to set a Public Hearing for the regular meeting of July 25, 2016 to review the request from Clyde Cantor-Gregg to rezone property located at 106 Madison Street North from the B-4 Central Business District to the R-2-1 Residential District.

The motion was seconded by Councilman Wales and was unanimously carried.

Councilman Cannon introduced the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, to change the regular scheduled City Council meeting on Monday, July 11th to Friday, July 15th at 8:30 a.m.

The motion was seconded by Councilman Wales and was unanimously carried.

Councilman Cannon introduced the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, to re-appoint Jerold Blaxton to the Zoning Board of Adjustments for a three year term ending June 30, 2019.

The motion was seconded by Councilman Wales and was unanimously carried.

Councilman Wales introduced the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, to re-appoint Tonya Alexander to the Houston Memorial Library Board of Directors for a four year term ending June 29, 2020.

The motion was seconded by Councilman Cannon and was unanimously carried.

Councilman Cannon introduced the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, to re-appoint Mona Aycock to the Houston Memorial Library Board of Directors for a four year term ending June 29, 2020.

The motion was seconded by Councilman Wales and was unanimously carried.

Councilman Cannon introduced the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, to re-appoint Martha Chandler to the Houston Memorial Library Board of Directors for a four year term ending June 29, 2020.

The motion was seconded by Councilman Wales and was unanimously carried.

Councilman Wales introduced the following resolution:

RESOLUTION NUMBER 2016-1475

BE IT RESOLVED, by the City Council of Athens, Alabama as follows:

1. That the City of Athens, Alabama, enter in to an agreement with the State of Alabama, acting by and through the Alabama Department of Transportation for: maintenance of the passive warning devices by the City of Athens for the project at DOT crossing number 352081Y on Roy Long Road in Athens, Alabama.

Which Agreement is before this Council:

2. That the agreement be executed in the name of the City, by its Mayor for and on its behalf;

3. That the signature of the Mayor be attested by the City Clerk and that the seal of the City be affixed to the agreement.

BE IT FURTHER RESOLVED, that upon the completion of the execution of the Agreement by all parties, that a copy of such Agreement be kept on record by the City Clerk.

Passed, adopted, and approved this 27th day of June, 2016.

WITNESS BY:

City Clerk

Mayor

I, the undersigned qualified and acting clerk of the City of Athens, Alabama do hereby certify that the above and foregoing is a true copy of a resolution passed and adopted by the City Council named therein, at a regular meeting of such Council held on the 27th day of June, 2016, and that such resolution is of record in the office of the City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City on this _____ day of _____, 2016.

City Clerk

The motion was seconded by Councilman Cannon and was unanimously carried.

Councilman Cannon introduced the following resolution:

RESOLUTION

**WATER DEPT.
PROPOSED MID-YEAR 2016**

REVENUES:

Metered Sales	\$ 6,276,251.00
Miscellaneous Revenue	\$ 146,100.00
Aid to Construction	\$ 38,640.00
Capital Reserve Funds	\$ 95,000.00
Tank Maintenance Fund	\$ 35,000.00
General Fund Appropriation	\$ 202,529.00
Total Regular	\$ 6,793,520.00
Capital Infrastructure Account	\$ 100,000.00
Grand Total Revenue	\$ 6,893,520.00

EXPENSES:

Transfer to Wastewater	\$ 1,064,568.00
Salaries and Fringes	\$ 1,540,867.00
Water Production Expenses	\$ 671,500.00
Annual Consumer Confidence Report (Fed Mandate)	\$ 1,526.00
Transmission and Distribution Expenses	\$ 353,500.00
Tank Maintenance Expenses	\$ 155,000.00
Administrative Expenses	\$ 294,895.00
LCEDA	\$ 28,430.00
Allocation to Finance Department	\$ 98,574.00
Allocation to Customer Services (New Line FY 2007)	\$ 304,805.00
Uncollectible Accounts	\$ 8,000.00
Vehicle and Equipment Operation & Maint	\$ 72,000.00
Appropriation to General Fund	\$ 313,813.00
Debt Service Expense	\$ 692,609.00
SRF Loan Debt Service	\$ 251,731.00
ARM Loan Debt Service (Proposed)	\$ -
General Fund Salaried & Expenses	\$ 90,672.00
Capital Expenditures	\$ 293,721.00
Const Mtls, Dist Sys Imp Fund, & Capt EqpRep	\$ 257,400.00
Other Capital (Equipment, tools, etc)	\$ 36,321.00
Totals	\$ 6,236,210.00

Net Proposed Budget \$ 557,310.00

Bond Coverage=
20% of Debt Service Exp. \$ 138,522.00

Available Bond Coverage	\$871,123
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Capital infrastructure Fund (Authorized Expenditures)	\$ 50,000.00
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Net Capital Infrastructure	\$ 50,000.00
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**WASTEWATER DEPT.
PROPOSED MID-YEAR FY 2016**

REVENUES: Regular

Metered Sales	\$ 4,748,658.00
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Miscellaneous Revenues	\$ 224,000.00
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Sale of Surplus Equipment	\$ 45,000.00
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Capital Reserve Funds	\$ 150,000.00
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Transfer from Water	\$ 1,064,568.00
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Aid to Construction	\$ 40,000.00
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Transfer from Water	\$ 1,064,568.00
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Total - Regular	\$ 6,272,226.00
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Capital Infrastructure Account	\$ 210,000.00
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Combined Totals	\$ 6,482,226.00
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EXPENSES:

Salaries and Fringes *	\$ 1,813,217.00
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Treatment Plant Operation & Maint	\$ 472,950.00
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Collection System Operation & Maint	\$ 317,250.00
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Administrative	\$ 283,981.00
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Allocation to Finance Dept.	\$ 72,893.00
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Allocation to Customer Services	\$ 200,192.00
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Uncollectible Accounts	\$ 5,000.00
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Vehicle and Equipment Operation & Maint	\$ 65,000.00
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Appropriation to General Fund	\$ 118,716.00
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Bond Debt Service	\$ 496,828.00
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SRF Loan Debt Service	\$ 1,976,878.00
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SRF Loan Debt Service (French Mill/Piney Creek Sewer)	\$ 2,863.00
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General Fund Salaries and Expenses (New Line-FY 1994)	\$ 90,155.00
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Capital Expenditures	\$ 114,844.00
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Construction Materials & Capitalized Equip Repair	\$ 50,000.00
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Other Capital (Equipment, tools, etc.)	\$ 64,844.00
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Totals:	\$ 6,030,767.00
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Net Budget:	\$ 241,459.00
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Required Bond Coverage=20% of Debt Service	\$	99,366.00
Available Bond Coverage	\$	360,176.00

The motion was seconded by Councilman Wales and was unanimously carried.

Councilman Wales introduced the following resolution:

RESOLUTION

PROPOSED FY 2017 ELECTRIC DEPT. BUDGET

REVENUES:

Metered Electric Sales	\$	103,800,000.00
Miscellaneous Revenue	\$	2,470,000.00
Reserve Funds	\$	-
Draw from Reserves for District Substation and Roof for HQ Bldg.	\$	600,000.00
Aid to Construction	\$	2,650,000.00
TOTAL REVENUE	\$	109,520,000.00

EXPENSES:

Salaries and Fringes	\$	5,811,026.00
3% COLA (If Approved)	\$	84,320.00
Electricity Purchases (TVA)	\$	86,703,644.00
System Operation and Maint Expenses	\$	3,061,363.00
Maint. Contracts - Tree Trimming & Pole Insp/Repair	\$	1,300,000.00
Righth of Way - Herbicides, Supplies and Expenses	\$	300,000.00
Severe Storm Expenses	\$	-
Customer Accounting and Billing Expenses	\$	-
Uncollectable Account Expenses	\$	125,000.00
Administrative Expenses	\$	880,080.00
Administrative Expenses (Lightning Damage)	\$	-
Vehicle Operation and Maint Expenses	\$	400,000.00
Equivalent Tax payments	\$	2,220,000.00
Debt Service Expenses	\$	3,405,065.00
1995 Construction Fund	\$	210,000.00
Capital Expenditures	\$	4,819,000.00
Construction Work Orders	\$	2,350,000.00
Transformers and Meters	\$	640,000.00
Vehicles and Construction Equipment	\$	1,313,000.00
Other Capital (Equipment, etc.)	\$	516,000.00
General Fund & Human Resources Salaries & Exp	\$	115,000.00
TOTALS	\$	109,434,498.00
Net Budget	\$	85,502.00
Equipment Purchase/Rebuild Obligations	\$	-

Councilmember Cannon moved that unanimous consent be given for immediate consideration of and action on said resolution, which motion was seconded by Councilmember Wales, and upon the said motion being put to vote the following vote was recorded: YEAS: Councilmembers Wales, Cannon and Harper; NAYS: None. The President thereupon declared that the motion for unanimous consent for immediate consideration of and action on the said resolution had been unanimously carried. Councilmember Wales thereupon moved that the resolution be finally adopted, which motion was seconded by Councilmember Cannon and upon the said motion being put to vote the following vote was recorded: YEAS: Councilmembers Wales, Cannon and Harper; NAYS: None. The President thereupon announced that the motion for the adoption of the said resolution had been unanimously carried.

Councilman Cannon introduced the following resolution:

RESOLUTION NUMBER 2016-1476

**A RESOLUTION CONCERNING AN AMENDMENT TO THE PROJECT AGREEMENT INVOLVING
CARPENTER TECHNOLOGY CORPORATION**

WHEREAS, the City is a party to that certain Project Agreement made effective on February 10, 2012 (the “Agreement”), and which involves Carpenter Technology Corporation (“Carpenter”);

WHEREAS, through that Agreement, the City (by and through Athens Utilities) provided certain economic incentives to Carpenter related to Carpenter’s use of Athens Utilities’ electrical and natural gas service;

WHEREAS, Carpenter constructed and now operates the specialty steel manufacturing facility described in the Agreement, and Athens Utilities provides electrical and natural gas service to Carpenter as contemplated by the Agreement;

WHEREAS, other public entities provided additional and different economic incentives to Carpenter that were linked to Carpenter attaining a certain level of employment, and all of these were described in the Agreement;

WHEREAS, due to various economic circumstances affecting the United States steel industry, Carpenter will employ 177 employees at the facility rather than the 200 employees targeted by the agreement, although it remains committed to the Limestone County community;

WHEREAS, these employment targets did not impact and were not tied to the Athens Utilities’ incentives set forth in the Agreement;

WHEREAS, the other parties to the Agreement desire to amend the Agreement to extend the employment target as an inducement to Carpenter to continue increasing its employment at the facility; and

WHEREAS, the amendment discussed herein has no impact on the terms of the Agreement as they relate to Athens Utilities.

THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA while in regular session on June 27, 2016 at 5:30 p.m., as follows:

1. The Mayor is authorized to enter into the "First Amendment to Project Agreement", in substantially the same form as set forth in Exhibit A hereto, and to take all such actions as may be necessary to carry out and enforce the terms of the same.

2. The Mayor and/or the General Manager of Athens Utilities are authorized to take actions and execute such other and further documents as may be necessary to effect and carry out the transactions contemplated by this Resolution.

ADOPTED this the 27th day of June, 2016.

/s/ Wayne Harper
PRESIDENT, CITY COUNCIL,
CITY OF ATHENS, ALABAMA

/s/ William R. Marks
MAYOR, CITY OF ATHENS, ALABAMA

ATTEST:

/s/ Annette Barnes
CITY CLERK, CITY OF ATHENS, ALABAMA

CERTIFICATION OF CITY CLERK

STATE OF ALABAMA)
LIMESTONE COUNTY)

I, Annette Barnes, City Clerk of the City of Athens, Alabama, do hereby certify that the above and foregoing is a true and correct copy of a Resolution duly adopted by the City Council of the City of Athens, Alabama, on the ____ day of _____, 2016.

Witness my hand and seal of office this ____ day of _____, 2016.

Annette Barnes, City Clerk

The motion was seconded by Councilman Wales and was unanimously carried.

EXHIBIT A

FIRST AMENDMENT TO PROJECT AGREEMENT

This **FIRST AMENDMENT TO PROJECT AGREEMENT** (this "Amendment") is made by and among the **STATE OF ALABAMA** (the "State"), **AIDT** ("AIDT"), **LIMESTONE COUNTY, ALABAMA** (the "County"), the **CITY OF ATHENS, ALABAMA** (by and through its utility operations referred to as "Athens Utilities") (the "City"), **LIMESTONE COUNTY WATER AND SEWER AUTHORITY** ("LCWSA"), **LIMESTONE COUNTY ECONOMIC DEVELOPMENT ASSOCIATION, INC.** ("LCEDA," and together with the State, AIDT, the County, the City, and LCWSA, the "Public Authorities"), and **CARPENTER TECHNOLOGY CORPORATION** (the "Company"), and entered into as of the date on which all of the Parties shall have signed this Amendment and is effective as of February 10, 2012. The State, AIDT, the County, the City, LCWSA, LCEDA, and the Company are each a "Party" to this Amendment and are collectively referred to herein as the "Parties." Capitalized terms not herein otherwise defined shall have the meanings ascribed to them in that certain Project Agreement by and among the Parties dated February 10, 2012 (the "Agreement").

RECITALS:

WHEREAS, under the Agreement, the Public Authorities committed to provide certain incentives to the Company as inducements for the Company to construct and equip a new Facility and employ at least 200 new Full-Time Employees at the Facility by July 1, 2016; and

WHEREAS, the Company has achieved its Capital Commitment by spending approximately \$560 million as of March 31, 2016; and

WHEREAS, due to various economic circumstances affecting the entire U.S. steel industry, the Company has been forced to operate the Facility at only 20% of capacity and has employed 177 Full-Time Employees at the Facility as of March 31, 2016; and

WHEREAS, due to such circumstances, the Company will not employ at least 200 Full-Time Employees by the July 1, 2016 Final Jobs Target Date, but remains committed to Alabama, Limestone County, the City of Athens, and the surrounding community; and

WHEREAS, the Parties desire to enter into this Amendment to extend the Final Jobs Target Date under the Agreement from July 1, 2016 to January 1, 2018 as an inducement for the Company to continue increasing its employment at the Facility.

NOW, THEREFORE, in consideration of the respective agreements on the part of the Parties contained in the Agreement and this Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Amendment.** The Agreement shall be amended as follows:

Section 1.3 of the Agreement regarding the Company's employment commitment shall be amended by deleting "July 1, 2016" and inserting "January 1, 2018" in lieu thereof.

2. **Full Force and Effect.** Except as expressly amended hereby, all other terms of the Agreement shall continue in full force and effect.

3. **Captions.** The titles and captions contained in this Amendment are inserted only as a matter of convenience and for reference and in no way define, limit, extend, or describe the scope or intent of this Amendment.

4. **Controlling Law.** This Amendment will be governed by and construed and enforced in accordance with the laws of the State of Alabama without giving effect to principles of conflict of laws.

5. **Counterparts.** This Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single document.

[Followed by Signature Lines]

Councilman Wales introduced the following resolution:

RESOLUTION NUMBER 2016-1477

WHEREAS, the Alabama community Development Block Grant Program has been established to assist local governments in meeting community development and housing needs consistent with the objectives as set forth in Title I of the Housing and Community Development Act of 1974, as amended; and

WHEREAS, the City of Athens, acting by and through its City Council proposes to apply for Community Development Block Grant (CDBG) funds for the purpose of performing eligible community development activities that will benefit low and moderate income residents in the City of Athens; and

WILLIAM R. MARKS, MAYOR, is hereby authorized to execute and submit an application with appropriate assurances to the State of Alabama, Department of Economic and Community Affairs, requesting Fiscal Year 2016 Community Development Block Grant Funds in the amount of \$450,000.00 to implement the First Avenue Drainage Improvement Project; and

THAT, THE CITY OF ATHENS will provide a local cash match of \$159,560.00 in support of this project.

READ AND ADOPTED this the **27th** day of **June 2016**.

/s/ Wayne Harper
PRESIDENT, CITY COUNCIL,
CITY OF ATHENS, ALABAMA

/s/ William R. Marks
MAYOR, CITY OF ATHENS, ALABAMA

ATTEST:

/s/ Annette Barnes
CITY CLERK, CITY OF ATHENS, ALABAMA

The motion was seconded by Councilman Cannon and was unanimously carried.

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There being no further business to come before the meeting, the same was, upon motion by Councilman Wales and second by Councilman Cannon, duly and properly adjourned.

/s/ Wayne Harper
PRESIDENT, CITY COUNCIL

ATTEST:

/s/ Annette Barnes
CITY CLERK