

City Hall
Fayette, Alabama
June 13, 2017

A regular meeting of the City Council of the City of Fayette met at 5:00 o'clock, p.m. on June 13, 2017, in the Council Chambers of the City Hall.

Upon roll call the following were found to be present: Mayor Ray Nelson, Councilmembers Linda McCraw, Eddy Campbell, Cedric Wilson and Jerry Nichols. Also present were Police Chief Danny Jenkins, City Attorney Dale Lawrence, City Clerk Dawn Clapp and Fire Chief Tony Ellis. Councilmember Jason Cowart and City Engineer Dewayne Roby was absent.

The opening prayer was given by Councilmember Eddy Campbell.

Mayor Nelson announced a quorum was present and the meeting was open for the transaction of business.

GUEST APPEARING BEFORE COUNCIL

1. REPRESENTATIVE KYLE SOUTH.

Representative Kyle South stated he and Senator Greg Reed were in town visiting the Phifer Wire facility and the new ALDOT building. Representative South told the Council he would try to help the City in any way he could and would like input from the Council on issues that concerned the City.

Mayor Nelson thanked Representative South and Senator Reed for their efforts in restoring the Historical Tax Credits. Senator Reed said the Historical Tax Credits help promote economic development.

2. SENATOR GREG REED.

Senator Greg Reed is currently the Senate Majority Leader. He thanked Representative South for the work he does for the District. Senator Reed stated the collaborated efforts between the City and Fayette County have led to a new ALDOT building and other economic development projects. He congratulated the Council on their collaborated efforts and the success that has come from it.

Senator Reed represents 5 counties and 24 municipalities in his District. He updated the Council on the following: (1) Historical Tax Credit - he stated it has a requirement that some of the money be spent in rural Alabama. (2) Education budget – he stated the Legislature passed a great education budget with a pay raise for educators; (3) Sales tax on internet sales - he stated sales tax on internet sales was not required by federal law; however, the Alabama Department of Revenue had gotten some of the largest internet retailers to collect sales tax on items sold in Alabama; (4) Prison Reform – he stated the Legislature will have to address prison reform soon. Senator Reed stated there are currently 22,000 prisoners in the State prison system and the State spends \$100 Million on their healthcare annually.

APPROVAL OF MINUTES

Councilmember Wilson moved the minutes of the regular meeting held on May 30, 2017, be approved. Upon the motion being seconded by Councilmember Campbell, the same was unanimously approved.

POLICE DEPARTMENT REPORT

Police Chief Danny Jenkins presented the police report for the month of May 2017. The report was as follows: 45 incidents investigated; 15 accidents; 60 traffic citations; and 43 arrests.

FIRE DEPARTMENT REPORT

Fire Chief Tony Ellis presented the fire report for the month of May 2017. The Fire Department received 22 total calls. He stated there was one fire.

REPORT ON AIRPORT PROJECTS

Mr. Paul Burchfield of Goodwyn, Mills and Cawood presented to the Council the following report on the projects at the Airport.

“SUMMARY OF ONGOING FAA AIRPORT IMPROVEMENT PROGRAM (AIP)
PROJECTS

Richard Arthur Field

June 13, 2017

2015 Airport Layout Plan (ALP)

The ALP is a set of drawings showing the current and future conditions for the airport. The ALP should be updated every 5-10 years or with any large project. The current approved ALP for the airport is dated 1996.

The ALP Project is currently at 90% complete. Current 90% draft set has been provided for City's review. This 90% will be sent for ALDOT and FAA review.

Grant amount:	Current spent to date (90%)
\$120,036 FAA	\$110,630 FAA
\$ 6,669 ALDOT	\$ 6,146 ALDOT
<u>\$ 6,668 CITY</u>	<u>\$ 6,146 CITY</u>
\$133,373 Total	\$122,922 Total to date

The City portion to date is \$6,146 with approximately \$500 additional expected.

2016 Runway Rehabilitation Project (Design)

The design of the runway rehabilitation was done under the 2016 FAA AIP grant. The design is complete and the grant is currently being closed out.

Original Grant amount:	Final grant amount:
\$108,000 90% FAA	\$ 97,937 90% FAA
\$ 6,000 5% ALDOT	\$ 5,441 5% ALDOT
<u>\$ 6,000 5% CITY</u>	<u>\$ 5,441 5% CITY</u>
\$120,000 Total	\$108,819 Total

Total final cost to the City was \$5,441

2017 Runway Rehabilitation Project (Construction)

The construction of the runway rehabilitation will be funded with the 2017 FAA AIP grant.

Bids were opened on June 9th. One bid was received from S.T. Bunn for \$1,729,137.47.

GMC's contract for approval is \$114,885. This includes Construction Administration, Construction Survey, Construction Testing and Project Inspection.

Tentative schedule as follows:

June – Submit FAA application for Construction Grant

August – Receive grant offer/funding approval from FAA

September – Begin Construction of Runway Rehabilitation Project

Estimated Project costs for 2017 Construction Grant will be:

\$1,664,121	90% FAA
\$ 92,451	5% ALDOT
<u>\$ 92,451</u>	<u>5% City of Fayette</u>
\$1,849,023	Estimated Project Total

The estimated grant match for the City will be \$92,451. The City pays project costs after receiving the 95% funding check from ALDOT/FAA. Project costs will begin being invoiced in September 2017 and be finished in first quarter of 2018.

Mr. Burchfield reported S. T. Bunn was the only bidder on the 2017 Runway Rehabilitation Project and their bid was higher than expected. He stated they were currently negotiating with S. T. Bunn to see if they could get the cost of the project lowered.

RESOLUTION 2017-08

Mayor Nelson presented Resolution 2017-08 to the Council for their consideration. Resolution 2017-08 is as follows:

RESOLUTION 2017-08
A RESOLUTION AUTHORIZING CONTRACT WITH GOODWYN MILLS &
CAWOOD, INC. FOR PROFESSIONAL SERVICES RELATED TO THE AIRPORT
IMPROVEMENT PLAN PROGRAM

AIP Project No. 3-01-0030-007-2017
At Richard Arthur Field Airport

RUNWAY REHABILITATIONPROJECT

BE IT RESOLVED BY THE CITY COUNCIL OF FAYETTE AS FOLLOWS:

That the Mayor is authorized to execute a contract with Goodwyn, Mills & Cawood, Inc. in the amount not exceed \$114,885 for Professional Engineering and related services associated with the Airport Improvement Project 3-01-0030-007-2017 RUNWAY REHABILITATION PROJECT (Construction) at Richard Arthur Field, by and as an act for, and on the behalf of the City of Fayette, and the City Clerk is authorized to attest the same.

Adopted this the ____ day of June, 2017.

THE CITY OF FAYETTE

By: _____
Its Mayor

Attest:

By: _____
Its City Clerk

Councilmember Campbell moved the Council adopt Resolution 2017-08. Upon the motion being seconded by Councilmember McCraw, the same was unanimously adopted.

RESOLUTION 2017-06

Mayor Nelson presented Resolution 2017-06 to the Council for their consideration. Resolution 2017-06 is as follows:

RESOLUTION 2017-06
A RESOLUTION AMENDING RESOLUTION 2016-19 WHICH GRANTED TAX
ABATEMENTS TO PHIFER, INC.

This Resolution is made this 13th of June, 2017, (the Effective Date) by the **CITY OF FAYETTE** (the "Granting Authority"), to amend Resolution 2016-19 which granted tax abatements to **PHIFER, INC.** (the "Company".)

WHEREAS, the Company has announced plans to revise their project located within the jurisdiction of the Granting Authority; and,

WHEREAS, pursuant to the Tax Incentive Reform Act of 1992 (Section 40-9B-1 et seq., **Code of Alabama 1975**) (the Act), the Company has requested from the Granting Authority an Abatement of all state and local non-educational ad valorem taxes, construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, mortgage and recording taxes; and,

WHEREAS, the Company has requested that the abatement of state and local non-educational ad valorem taxes (if applicable) be extended for a period of **ten (10) years**, in accordance with the Act; and,

WHEREAS, the Granting Authority has considered the request of the Company and the completed amended applications (copy attached) filed with the Granting Authority by the company, in connection with its request; and

WHEREAS, the Granting Authority has found the information contained in the Company's amended application to be sufficient to permit the Granting Authority to make a reasonable cost/benefit analysis of the proposed project and to determine the economic benefits to the community; and

WHEREAS, the project will involve a capital investment of **\$19,807,700.00**; and

WHEREAS, the Company is duly qualified to do business in the State of Alabama, and has powers to enter into, and to perform and observe the agreements and covenants on its part contained in the Tax Abatement Agreement; and

WHEREAS, the Granting Authority represents and warrants to the Company that it has power under that constitution and laws of the State of Alabama (including particularly the provisions of the Act) to carry out provisions of the Tax Abatement Agreement;

NOW THEREFORE, be it resolved by the Granting Authority that,

Section 1. Approval is hereby given to the amended application of the company and abatement is hereby granted of all state and local non-education ad valorem taxes, all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, all mortgage and recoding taxes as the same may apply to the fullest extent permitted by the Act. The period of abatement for the non-educational ad valorem taxes (if applicable) shall extend for a period of ten (10) years measured as provided in Section 40-9B-3(h) of the Act.

Section 2. The Mayor and City Clerk of the City of Fayette, the Granting Authority, are hereby authorized to execute on behalf of the City an amended abatement agreement with the Company to provide for the abatement granted in Section 1.

Section 3. A certified copy of this resolution, with the application and abatement agreement, shall be forwarded to the Company to deliver to the appropriate local taxing authorities and to the Alabama Department of Revenue in accordance with the Act.

Section 4. The governing body of the Granting Authority is authorized to take any and all actions necessary or desirable to accomplish the purpose of the foregoing of this resolution.

THE CITY OF FAYETTE

By: _____
Its Mayor

Attest:

By: _____
Its City Clerk

Councilmember Wilson moved the Council adopt Resolution 2017-06. Upon the motion being seconded by Councilmember Nichols, the same was unanimously adopted.

APPROVAL OF FINANCIAL STATEMENT

Councilmember Nichols moved the City's financial statement be approved. Upon the motion being seconded by Councilmember Campbell, the same was unanimously approved.

APPROVAL OF PARK & RECREATION FINANCIAL STATEMENT

Councilmember Campbell moved the Park & Recreation financial statement be approved. Upon the motion being seconded by Councilmember McCraw, the same was unanimously approved.

REPORT OF CITY CLERK

City Clerk Dawn Clapp reported for the month of May, the City received \$210,616.00 in non-designated sales tax. She reported the ½¢ sales tax for the hospital generated \$35,162.00. She stated the City received \$7,217.00 in alcohol taxes.

REPORT OF COUNCILMEMBER NICHOLS

Councilmember Nichols reported on the Aquatic Center. He stated the Aquatic Center is averaging 263 paying customers per day. On June 10th, there were 854 in attendance. He also stated swimming lessons will start soon.

ADJOURNMENT

There being no further business to come before the Council, upon the motion to adjourn being made by Councilmember Wilson and seconded by Councilmember McCraw, it was unanimously approved.

Mayor

Attest:

City Clerk