

City Hall
Fayette, Alabama
February 25, 2020

A regular meeting of the City Council of the City of Fayette met at 5:00 o'clock, p.m. on February 25, 2020, in the Council Chambers of the City Hall.

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

The opening prayer was given by Councilmember Jerry Nichols.

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

WARRIOR MET COAL ANNOUNCEMENT

Mayor Nelson reported Warrior Met Coal plans to develop a new \$500 million underground coal mining facility in northern Tuscaloosa County over the next five years, creating 350 new jobs. The project, to be located on Brandon School Road, is scheduled to start construction March 1 with operations projected to begin during the second quarter of 2025. The mine will be 2,000 feet underground.

VFW PROJECT

Mr. Jerry Fulmer, Commander of the local VFW, reported on the VFW's project to purchase a set of banners for the light poles in downtown Fayette. The banners have the names of servicemen from Fayette County who died in the service of their country. He said the banners were purchased through a grant. He asked they be placed on the light poles a few weeks before Memorial Day.

APPROVAL OF MINUTES

Councilmember Wilson moved the minutes of the regular meeting held on February 11, 2020, be approved. Upon the motion being seconded by Councilmember Nichols, it was unanimously approved.

PARADE PERMIT

Mayor Nelson presented to the Council a request for a permit for a 5K run sponsored by Hopes Choice to be held on March 14, 2020. Councilmember Cowart moved the permit be granted. Upon the motion being seconded by Councilmember Campbell, the same was unanimously approved.

PARADE PERMIT

Mayor Nelson presented to the Council a request for a permit for a 5K run through Guthrie Smith Park sponsored by Northwest Alabama Mental Health to be held on April 18, 2020. Councilmember Nichols moved the permit be granted. Upon the motion being seconded by Councilmember Cowart, the same was unanimously approved.

TAX ABATEMENT FOR SHOWA

Mr. Scott Robertson, manager of the local SHOWA plant spoke to the Council about their new project. The local plant currently has 186 employees. He said the new project will allow them to compete globally and will cost \$9.5 million dollars. The building will be 60 feet tall and will have the space for four monorail dip lines. This will allow them to make a premium glove line. He expects 10-20 new employees to be hired. One monorail line cost \$2 million.

Mr. David Thornell, director of C3 spoke concerning the tax abatements for SHOWA's new project. The property tax abatement is for 10 years and abates non-educational property taxes.

RESOLUTION 2020-01

Mayor Nelson presented Resolution 2020-01 to the Council for their consideration. Resolution 2020-01 is as follows:

RESOLUTION 2020-01
A RESOLUTION GRANTING A TAX ABATEMENT TO
SHOWA BEST GLOVE, INC.

This Resolution is made this 25th day of February, 2020, by the CITY OF FAYETTE (the Granting Authority), to grant a tax abatement to SHOWA BEST GLOVE, INC., (the Company),

WHEREAS, the Company has announced plans for a (check one):

⇒ new project or ☒ major addition to their existing facility (the 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 (check all that apply):

☒ all state and local noneducational property taxes,

☒ all construction related transaction taxes, except those local construction related transaction taxes levied for educational purposes or for capital improvements for education, and/or

☒ all mortgage and recording taxes; and

WHEREAS, the Company has requested that the abatement of state and local noneducational property 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 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 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 construction of the project will involve a capital investment of \$9,194,000.00; 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 the provisions of the Tax Abatement Agreement;

NOW THEREFORE, be it resolved by the Granting Authority as follows:

Section 1. Approval is hereby given to the application of the Company and abatement is hereby granted of (check all that apply):

☒ All state and local noneducational property taxes

☒ All construction related transaction taxes, except those local construction related transaction taxes levied for educational purposes or for capital improvements for education, and/or

⇒ All mortgage and recording taxes

as the same may apply to the fullest extent permitted by the Act. The period of abatement for the non-educational property taxes (if applicable) shall extend for a period of ~~ten~~ (10) years measured as provided in Section 40-9B-3(a)(12) of the Act.

Section 2. The governing body of the Granting Authority is authorized to enter into an 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 (if applicable) 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.

IN WITNESS WHEREOF, the Fayette City Council has caused this Resolution to be executed in its name and on its behalf by its Mayor on this the 25th day of February, 2020.

Mayor Ray Nelson

ATTEST:

City Clerk Dawn Clapp

Councilmember Cowart moved the Council adopt Resolution 2020-01. Upon the motion being seconded by Councilmember Nichols, the same was unanimously adopted.

POLICE DEPARTMENT REPORT

Police Chief Danny Jenkins presented the police report for the month of January 2020. The report was as follows: 50 incidents investigated; 13 accidents; 147 traffic citations; and 51 arrests.

CHRISTMAS AT THE PARK

Municipal Judge Steven Nolen reviewed with the Council the plan to keep "Christmas at the Park" going. Mr. John Brasher and Mrs. Doris Brasher had announced they were no longer going to lead "Christmas at the Park." Judge Nolen said his idea was to form a board to take up the project and keep it going. He suggested having a public meeting to solicit help from the community. Mayor Nelson said he would set a date for the meeting and advertise it.

GROWING FAYETTE INITIATIVE

Mr. Steve Fowler spoke to the Council about the "Growing Fayette" project. He said the local Community Development Corporation (CDC) had accepted this as one of its projects. One of the efforts of the project is to bring new people into Fayette and, specifically, retired persons or "work from home" persons. In order to bring people to Fayette, events should be held. He said the City has an advantage in that it is close to the University of Alabama. He said Fayette should make itself the hub for people coming to events at the University. Mr. Fowler stated that hospitality events could be held on Friday before the Alabama games and that transportation could also be provided to the football games. The airport could also be utilized to bring in pilots. He stated there is a website, growingfayette.com.

FAYETTE/PIEDMONT SISTER CITY MEETING

Mayor Nelson discussed with the Council the Fayette/Piedmont Sister City meeting. An announcement will be made next Tuesday, March 5th about a business venture between a Fayette business and a Piedmont business.

FUELING SYSTEM

Fire Chief Shannon Taylor spoke to the Council about the City's fueling system. He said the fueling system is thirty and due to be replaced. He reported the City had recently received a letter from ADEM stating the City would have to cease operation of the fueling system.

Chief Taylor said purchasing a new system would be very costly. The other option is to go to a fleet services management agreement. The drawback to going to a fleet services management card would be that the City would not be able to refuel its large equipment; however, he said the City does have a fuel truck. City Shop Superintendent Curt Moore said the City should get out of the fuel business.

After a general discussion, Councilmember Cowart moved the City enter into a fleet management service agreement to purchase fuel. Upon the motion being seconded by Councilmember Nichols, the same was unanimously approved.

PROJECT UPDATE

Mr. Luke Porter updated the Council on the City's projects. The update was as follows:

1. 25th Street and 8th Avenue repaving project:
 - The paving is complete
 - Striping, pavements markers and shoulder material are still to be done.
 - Final construction cost will be around \$180,000 which is approximately \$50,000 under budget.
2. Industrial Park Pumping Station and Sewer Line Repair Project
 - Between 60% to 75% complete
3. Paving of MLK Drive and 10th Street
 - Ready to be advertised.

Councilmember Wilson moved the City advertise bids for the Martin Luther King Drive and 10th Street paving project. Upon the motion being seconded by Councilmember Nichols, the same was unanimously approved.

APPROVAL OF FINANCIAL STATEMENT

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

APPROVAL OF PARK & RECREATION FINANCIAL STATEMENT

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

APPROVAL OF MUNICIPAL COURT FINANCIAL STATEMENT

Councilmember Wilson moved the Municipal Court financial statement be approved. Upon the motion being seconded by Councilmember Cowart, the same was unanimously approved.

REPORT OF COUNCILMEMBER NICHOLS

Councilmember Nichols commended the Street Department employees for the work they have done during the heavy rains.

EXECUTIVE SESSION

Councilman Cowart moved the Council go into executive session to discuss the good name and character of individuals. Upon the motion being seconded by Councilman Nichols, the same was unanimously approved.

Councilman Cowart moved the Council come out of executive session. Upon the motion being seconded by Councilman Wilson, the same was unanimously approved.

ADJOURNMENT

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

Mayor

Attest:

City Clerk