

**CULLMAN CITY COUNCIL
REGULAR MEETING
September 27th, 2010**

Mayor Townson, Council President Gudger, Council Member Page, Council Member Cook, Council Member Hollingsworth met in the Council Chambers at 6:30 p.m. to review and discuss the business items on the Agenda.

Mr. Roy Williams, City Attorney and Ruth Rose, City Clerk were present. Mr. Trent Moore from the Cullman Times and Mr. Delton Blalock from the Cullman Tribune were also present for the pre-council meeting.

The Cullman City Council met in regular session on September 27th, 2010 at 7:00 o'clock p.m. in the Lucille N. Galin Auditorium. Council President Garlan Gudger called the meeting to order and Mr. Delton Blalock, Editor of the Cullman Tribune presented the invocation.

A roll call by the City Clerk reflected the following. Present - Mayor Max A. Townson, President Garlan E. Gudger, Jr., Council Member Andy Page, Council Member Johnny Cook, Council Member Jenny Folsom and Council Member Clint Hollingsworth. Also present were City Attorney Roy Williams and City Clerk Ruth W. Rose. Absent - None.

Council Member Cook made a motion to suspend the rules in order to consider and take immediate action regarding the minutes from the meeting on September 13th, 2010. Council Member Folsom seconded the motion and motion carried on roll call vote. Council Member Page: Aye, Council Member Cook: Aye. Council President Gudger: Aye. Council Member Folsom: Aye. Council Member Hollingsworth: Aye. Nays: None.

Council Member Cook then moved to approve the minutes as written for the meeting on September 13th, 2010 and Council Member Page seconded the motion. Motion was approved by a voice vote. Ayes: All Nays: None.

President Gudger said the minutes from a special called meeting on September 20th, 2010 needed approval. Council Member Folsom made a motion to suspend the rules in order to take immediate action regarding the minutes from the special meeting. Council Member Cook seconded the motion and the Clerk polled the Council Members. Council Member Page: Aye. Council Member Cook: Aye. Council President Gudger: Aye. Council Member Folsom: Aye. Council Member Hollingsworth: Aye. Nays: None.

Council Member Page made a motion to approve the minutes as written from September 20th, 2010. Council Member Folsom seconded the motion and the motion was approved by a voice vote. Ayes: All. Nays: None.

ADDITIONS/DELETIONS TO AGENDA

None

REPORTS OF STANDING COMMITTEES

Council Member Andy Page - Police Committee - No Report.

Council President Garlan Gudger - Fire Committee - No Report.

Council Member Johnny Cook - Sanitation Committee - No Report.

Council Member Clint Hollingsworth - Street Committee - No Report.

Council Member Jenny Folsom - Finance Committee - This week ends the current fiscal year and October 1, 2010 begins a new year. The Mayor and Council Members are new with the exception of Council President Gudger. The department heads have stated this was one of the most challenging budgets for the past 20 years or more. The year finished with a decrease of approximately 6% reduction in revenues due mostly to sales taxes being down. The expenditures were also decreased by an estimated 11% by cutting some capital projects. The year should end with a 1% surplus for the general fund and this can help to take care of future obligations. The main projects to be completed this year include the following: widening of West Main; New Police Station completed; Streetscape Phase I completed; Traffic light installed on Lee Avenue; the roof was replaced on the McGukin Civic Center and a new hangar was built at the airport. The past 2 years spending has been closely monitored and we will continue to be very cautious with the tax payers money.

SPECIAL COMMITTEE REPORTS

None

REPORTS OF OFFICERS

Mayor Max A. Townson - He thanked the employees and department heads for working hard to prepare a new budget for the fiscal year 2011. After many long meetings a budget has been prepared to present to the Council tonight. The total of the general fund budget is \$23,465,925. The services of residents have not suffered during this tough economic fall. The recession is slowly getting better and there are a few capital projects factored into the upcoming year's budget. The replacement of the Eva Road bridge is scheduled for the Summer months while school is dismissed. Streetscape Phase II and Phase III have been planned by using a 80% - 20% grant. An huge airshow is being planned for the Cullman Airport. The new budget includes a 3% pay increase for all full time employees. It also includes an appreciation supplement of a one time payment of \$800 to all full time employees who have worked at least one year as of Dec. 1, 2010. The 3.2% increase in health insurance premiums will be paid by the city. Mayor Townson asked the Council Members to consider passage of the budget presented to them tonight.

President Gudger thanked the Department Heads and City Employees for keeping spending within the budget and working hard to provide the same excellent services with less funds.

COMMENTS FROM ANYONE NOT ON THE AGENDA

None.

PETITIONS, APPLICATIONS, COMPLAINTS, APPEALS & COMMUNICATIONS

A request from Shane Quick was presented by Mr. Greg Graves, 1021 Edwardian Way SW, for a noise permit for YouthQuake. The event will be held on Saturday, October 16, 2010. The sound checks will need to be done on Friday, October 15, 2010. The equipment checks on Friday should be completed by 8:00 pm. The event should draw a crowd of 10 to 15 thousand people. President Gudger asked Chief Culpepper if there were any questions. Chief Culpepper said the event would probably cause a few calls but he felt this event was so special to the youth in our city, his department could handle the calls. Chief Reinhardt asked if there were any fire works involved in the show. Mr. Graves said there would not be any fireworks or pyrotechnics. Council Member Folsom asked about the time frame. Mr. Graves said on Saturday the event should be over by 9:00 pm. President Gudger asked Chief Culpepper to provide traffic control. Council Member Hollingsworth made a motion to approve the request and Council Member Cook seconded the motion. The motion was approved by a voice vote. Ayes: All. Nays: None.

The Fire Department made a request to purchase a Savin Color Laser Printer in the amount of \$825. This was included in the new budget. Council Member Cook made a motion to approve the request and Council Member Hollingsworth seconded the motion. The purchase was approved by a voice vote. Ayes: All. Nays: None.

Cullman High School SGA Advisor, Elizabeth Pylant and Siarra Swalve, SGA President made a request for a noise permit. A band will perform after the Homecoming Football Game on Friday, October 15, 2010. The dance will be held in the Quad Area of the High School. Chief Culpepper stated the location in the Quad was better to contain the noise. Council Member Cook made a motion to approve the request and Council Member Folsom seconded the motion. The request was approved by a voice vote. Ayes: All. Nays: None.

Council Member Page made a motion to approve the request made by Mr. Junior Heaton to take bids for the coating of water tanks. The two tanks are located on Golf Course Road and in the Vinemont area. The project will be paid with Drinking Water SRF funds estimated at be \$950,000. Council Member Folsom seconded the motion and the request to take bids was approved by a voice vote. Ayes: All. Nays: None.

Mr. Jeff Adams, WWTP Supt., requested to take bids for a grit removal system. The system would be paid out of Clean Water SRF Funds for an estimated cost of \$384,000. Council Member Folsom made a motion to approve the request which is a budgeted item. Council Member Cook seconded the motion and the request was approved by a voice vote. Ayes: All. Nays: None.

RESOLUTIONS, ORDINANCES, ORDERS AND OTHER BUSINESS

Council Member Cook made a motion to adopt the following resolution to approve the budget

for the fiscal year 2010-2011:

RESOLUTION NO. 2010 - 111

**A RESOLUTION MAKING APPROPRIATIONS FOR THE
FISCAL YEAR BEGINNING OCTOBER 1, 2010
AND ENDING SEPTEMBER 30, 2011**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CULLMAN, ALABAMA,
AS FOLLOWS:

1. That the General Fund Budget in the amount of \$23,465,925, or so much as may be necessary to defray the expenses and liabilities of the City of Cullman, is hereby appropriated for said purposes as therein specified.
2. That the budget in the amount of \$5,167,484 for the Property and Sales Tax Fund, a major fund, is hereby appropriated for the purposes as therein specified.
3. That the Miscellaneous and Special Fund Budgets in the following amounts: Four Cent Gas Tax Fund - \$1,688,000; Seven Cent Gas Tax Fund - \$229,000; Lodging Tax Fund - \$150,000; Industrial Purpose Fund - \$12,600; Corrections and Court Fund - \$50,000; Alabama Trust Fund - \$95,000; Industrial Park Fund - \$568,000; Industrial Access Road Fund - \$409,000; Cullman Building Account - \$450,000; Parks and Recreation Construction Fund - \$250,000; Transportation Enhancement Fund - \$600,920; Downtown Revitalization Fund - \$50,000; and Debt Service Funds - \$2,121,298, or so much thereof as may be necessary to defray the expenses and liabilities of the City of Cullman, are hereby appropriated for the purposes specified therein.
4. That a budget for expenses for the Sewer Fund in the amount of \$5,014,412; for the Water Fund in the amount of \$6,703,880; for the Utilities Board Water Division in the amount of \$3,751,073; and for the Airport Fund in the amount of \$1,261,214, or so much thereof as may be necessary to defray expenses and liabilities, is hereby appropriated for such purposes as therein specified, together with such expenditures for principal payments and for equipment and capital improvements as authorized by the City Council.
5. That a budget for expenses for the Parks and Recreation Fund in the amount of \$2,617,371, or so much thereof as may be necessary to defray expenses and liabilities, is hereby established for such purposes, together with such expenditures for principal payments and for equipment as may be required.
6. That such amounts (estimated at \$6,642,925) as are required to be transferred between funds for various purposes are hereby appropriated.
7. That adjusted classifications, changes in pay and employee benefits as implemented in these budgets are hereby adopted.

BE IT FURTHER RESOLVED that the Mayor and the Treasurer are authorized to expend such funds as are herein allocated and as may be directed by the City Council from time to time.

BE IT FURTHER RESOLVED that the Mayor and Treasurer are hereby authorized to make such line item adjustments as may be deemed necessary to accurately reflect the expenditures of each department, and as may be directed by the City Council from time to time.

ADOPTED this the 27th day of September, 2010.

/s/ Garlan E. Gudger, Jr.
President of the City Council

Attest:

/s/ Ruth W. Rose
City Clerk

APPROVED this the 27th day of September, 2010.

/s/ Max A. Townson
Mayor

Council Member Hollingsworth seconded the motion and the budget was approved by a voice vote. Ayes: All. Nays: None.

Mayor Townson thanked the Council Members for the approval and hard work.

Council Member Page made a motion to approve the following resolution which appoints the department heads for the new fiscal year:

RESOLUTION 2010-112
RESOLUTION OF THE CULLMAN CITY COUNCIL
CONCERNING CERTAIN APPOINTEES OF THE CITY

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CULLMAN, ALABAMA, AS FOLLOWS:

SECTION 1. The following chiefs, department heads, superintendents, or other officers of the City of Cullman shall continue to serve in their present capacities for the coming budget year or until such time as the City Council might consider these appointments further:

Kenny Culpepper	Chief, Police Department
Junior Reinhardt	Chief, Fire Department
Peggy S. Smith	Director, Community Development
Larry Jones	Superintendent, Sanitation Department
Rick Henry	Superintendent, Street Department

Jeff Adams	Superintendent, Wastewater Treatment Plant
Johnny J. Heaton	Superintendent, Water and Sewer Departments
Kenneth M. Kugler, Jr.	Superintendent, Garage Department
Rick Fulmer	Building Official
E. Thomas Charney	Health and Risk Management Officer

SECTION 2. This Resolution shall be effective immediately upon its passage and approval.

ADOPTED this the 27th day of September, 2010.

/s/ Garlan E. Gudger, Jr.
President of the City Council

ATTEST:

/s/ Ruth W. Rose
City Clerk

Transmitted to the Mayor this the 27th day of September, 2010.

/s/ Ruth W. Rose
City Clerk

APPROVED by the Mayor this the 27th day of September, 2010.

/s/ Max A. Townson
Mayor

Council Member Folsom seconded the motion and the appointments were approved by a voice vote. Ayes: All. Nays: None.

Council Member Folsom made a motion to approve the following resolution awarding a bid to Powe General Contracting for Streetscape Phase II and noted it came in under budget:

RESOLUTION NO. 2010-113
AWARDING OF BID FOR U.S. 31 STREETSCAPE PHASE II
ALDOT PROJECT STPTE-TE08 (903)

WHEREAS, bids were opened on Thursday, September 9th, 2010 for U.S. Highway 31 (Second Avenue) from Third Street to First Street, known as Streetscape Phase II; and

WHEREAS, the following Five vendors submitted their respective bids:

1. Powe General Contracting	\$254,324.25
2. Northwest Building Supply & Equipment Rental	314,213.00
3. Robert Granger, Inc.	419,102.00
4. Blakeney Company, Inc.	No Bid
5. Carcel & G Construction, LLC	No Bid

WHEREAS, the recommendation from Mr. Chuck Chitwood, Project Manager of CDG Engineers & Associates, is to award the bid to the lowest responsible bidder, **Powe General Contracting LLC**. with a base bid of \$254,324.25.

WHEREAS, the bids were reviewed by Mr. Johnny L. Harris, PE/PLS of the Alabama Department of Transportation and he gave authorization to proceed with the project with **Powe General Contracting** as the approved low bidder.

BE IT RESOLVED by the City Council of the City of Cullman, Alabama that the contract be awarded to **Powe General Contracting LLC** at this time.

ADOPTED this the 27th day of September, 2010.

/s/ Garlan E. Gudger, Jr.
President of the City Council

ATTEST:

/s/ Ruth W. Rose
City Clerk

APPROVED by the Mayor this the 27th day of September, 2010.

/s/ Max A. Townson
Mayor, City of Cullman

Council Member Hollingsworth seconded the motion and President Gudger noted the project would begin at the intersection of Hiway 31 and Highway 278 at the Chamber of Commerce and go 2 blocks to Traditions Bank. The resolution was approved by a voice vote. Ayes: All. Nays: None.

Council Member Cook made a motion to adopt the following resolution:

RESOLUTION NO. 2010-114
AWARDING OF BID FOR U.S. 278 STREETScape PHASE III
ALDOT PROJECT No. STPTE-TE09 (968)

WHEREAS, bids were opened on Thursday, September 9th, 2010 for U.S. Highway 278,

known as Streetscape Phase II; and

WHEREAS, the following Five vendors submitted their respective bids:

1. Powe General Contracting	\$229,740.50
2. Northwest Building Supply & Equipment Rental	271,703.00
3. Robert Granger, Inc.	364,931.00
4. Blakeney Company, Inc.	No Bid
5. Carcel & G Construction, LLC	No Bid

WHEREAS, the recommendation from Mr. Chuck Chitwood, Project Manager of CDG Engineers & Associates, is to award the bid to the lowest responsible bidder, **Powe General Contracting LLC**. with a base bid of \$229,740.50.

WHEREAS, the bids were reviewed by Mr. Johnny L. Harris, PE/PLS of the Alabama Department of Transportation and he gave authorization to proceed with the project with **Powe General Contracting** as the approved low bidder.

BE IT RESOLVED by the City Council of the City of Cullman, Alabama that the contract be awarded to **Powe General Contracting LLC** at this time.

ADOPTED this the 27th day of September, 2010.

/s/ Garlan E. Gudger, Jr.
President of the City Council

ATTEST:

/s/ Ruth W. Rose
City Clerk

APPROVED by the Mayor this the 27th day of September,
2010.

/s/ Max A. Townson
Mayor, City of Cullman

Council Member Page seconded the motion and Council Member Folsom stated this project also came in under budget. President Gudger said this project will go one block East and West on Hiway #278. The Resolution was passed by a voice vote. Ayes: All. Nays: None.

Council Member Folsom made a motion to adopt the following resolution awarding a budgeted item for the Sanitation Department that came in under budget:

RESOLUTION NO. 2010-115

AWARDING OF BID FOR SANITATION DEPARTMENT ROLL-HOIST SYSTEM

WHEREAS, bids were opened on Thursday, September 27th, 2010 at 2:00 p.m. for a Roll-Off Hoist and Tarp System, and

WHEREAS, the following three vendors submitted their bids :

<u>Vendor</u>	<u>Address</u>	<u>Price</u>
Ingram Equipment, Inc.	Pelham, AL	\$32,033.60
Nextran Truck Center	Birmingham, AL	32,200.00
Sansom Equipment Co, Inc.	Birmingham, AL	No Bid

WHEREAS, the recommendation from the Sanitation Department Supervisor, Larry Jones, is to award the bid to the lowest bidder, Ingram Equipment, Inc. Of Pelham, AL.

BE IT RESOLVED by the City Council of the City of Cullman, Alabama that the contract be awarded to Ingram Equipment, Inc of Pelham, AL at this time.

ADOPTED this the 27th day of September, 2010.

/s/ Garlan E. Gudger, r.
President of the City Council

ATTEST:

/s/ Ruth W. Rose
City Clerk

APPROVED by the Mayor this the 27th day of September, 2010.

/s/ Max A. Townson
Mayor

Council Member Hollingsworth seconded the motion and motion was approved by a voice vote.

Ayes: All. Nays: None.

Council Member Hollingsworth made a motion to approve the following resolution:

RESOLUTION NO. 2010-116

**AWARDING OF BID FOR HOT LIMESTONE BITUMINOUS
CONCRETE WEARING SURFACE NUMBER 424-A**

WHEREAS, bids were opened on September 23, 2010 at 2:00 pm for approximately 15,000 tons of Hot Lay Mix 424-A for the City of Cullman Street Department ; and

WHEREAS, the following 2 vendors submitted their bids of the 7 requests mailed out :

- | | | | |
|---|----------------|----------------|-------------|
| 1. Good Hope Contracting, Inc. | Cullman, AL | \$1,275,000.00 | \$85.00 Ton |
| 2. Wiregrass Construction Co.Inc.
(Shelby Contracting Company) | Huntsville, AL | \$1,275,000.00 | \$85.00 Ton |

WHEREAS, the recommendation from Mr. Rick Henry, Street Department Superintendent is to award the bid to Good Hope Contracting, Inc which is a local business.

THEREFORE, BE IT RESOLVED by the City Council of the City of Cullman that the contract be awarded to Good Hope Contracting, Inc of Cullman, Alabama.

ADOPTED this the 27th day of September , 2010.

/s/ Garlan E. Gudger, Jr.
President of the City Council

ATTEST:

/s/ Ruth W. Rose
City Clerk

APPROVED by the Mayor this the 27th day of September, 2010.

/s/ Max A. Townson
Mayor

Council Member Cook seconded the motion and the resolution was approved by a voice vote.
Ayes: All. Nays: None.

Council Member Folsom made a motion to adopt the following resolution awarding a bid:

RESOLUTION NO. 2010-117
Removal of 7 Trees on Fourth Avenue NE
Bid Award

WHEREAS, bids were opened on September 23, 2010 at 2:00 pm for the removal of 7 Trees located on Fourth Avenue NE in the City of Cullman , and

WHEREAS, the following bids were opened from 3 vendors:

Discount Tree Service	Crane Hill	1,000.00
Marshall's Tree Service	Hanceville	1,295.00
Reeves and Son, LLC	Vinemont	1,775.00

WHEREAS, the recommendation from Darrell Johns, Arborist for the City of Cullman is to award the bid to Discount Tree Service, the lowest bidder.

BE IT RESOLVED by the City Council of the City of Cullman, Alabama that the bid for the tree service be awarded to Discount Tree Service of Crane Hill, AL at this time.

ADOPTED this the 27th day of September, 2010.

/s/ Garlan E. Gudger, Jr.
President of the City Council

ATTEST:

/s/ Ruth W. Rose
City Clerk

APPROVED by the Mayor this the 27th day of September, 2010.

/s/ Max A. Townson
Mayor

Council Member Page seconded the motion and the resolution was passed by a voice vote.
Ayes: All. Nays: None.

Council Member Cook made a motion to adopt the following Ordinance annexing the property owned by Wade and June Bentley:

ORDINANCE NO. 2010 -15

**AN ORDINANCE TO ANNEX CERTAIN PROPERTY INTO
THE CITY LIMITS OF THE CITY OF CULLMAN, ALABAMA**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CULLMAN,
ALABAMA AS FOLLOWS:

SECTION 1. The City Council of the City of Cullman finds that

Wade L. and June W. Bentley

1512 Cumberland Ridge Road NW

has petitioned the City under the provisions of Section 11-42-21 of the Code of Alabama, 1975, as amended, that the following described property, which property is owned by the petitioner, be annexed into the City of Cullman, to-wit:

Parcel #1 Legal Description as Parcel #17-03-08-0-001-005.010
Cullman County Probate Judge's Office

Beginning at the Southeast Corner of the Northeast Quarter of the Northwest Quarter of Section 8, Township 10 South, Range 3 West, thence North 0 Degrees 46 Minutes 10 Seconds East 57.34 feet to an existing iron, thence North 1 degree 17 Minutes 00 Seconds East 371.78 feet to an iron ½ inch capped rebar set, thence North 57 Degrees 31 Minutes 06 Seconds West 180.07 feet to an existing capped iron on the South R.O.W. of Cumberland Ridge Road, thence along a curve to the right with a delta angle of 71 Degrees 20 Minutes 49 Seconds having a radius of 50.00 feet and an arc length of 62.26 feet, with a chord bearing and distance of South 83 Degrees 21 Minutes 34 Seconds West 58.32 feet, to an Iron ½ inch capped rebar set on said R.O.W. thence South 6 Degrees 22 Minutes 24 Seconds East 509.14 feet to an iron ½ inch capped rebar set, thence South 84 Degrees 51 Minutes 17 Seconds East 144.79 feet to an existing axle, back to the point of beginning, containing 1.93 acres more or less. Said land lying in the NE 1/4 of the NW 1/4 of Section 8, T-10-S, R-3W, Cullman County, Alabama

Parcel #2 Description Lot No. 4 of the Cumberland Ridge Subdivision as recorded in Plat Number B-260-A in the Office of the Judge of Probate of Cullman County, Alabama.

SECTION 2. That the Council has before it a map showing the relationship of the property proposed to be annexed into the corporate limits of the City of Cullman. The map is on file in the office of the City Clerk along with an acknowledgment by the property owner that he wants it to be annexed even through the County provides potable water to the premises and the lines available are not sufficient to supply fire protection through the City's equipment. Therefore fire protection shall be limited to the property to the extent water is available now and in the future.

SECTION 3. That the City of Cullman does hereby annex as a part of its corporate limits the following described tracts or parcels of land subject to the limitations set forth in Section 4 below with the consent of the property owner, to-wit:

Parcel #1 Legal Description as Parcel #17-03-08-0-001-005.010
Cullman County Probate Judge's Office

Beginning at the Southeast Corner of the Northeast Quarter of the Northwest Quarter of Section 8, Township 10 South, Range 3 West, thence North 0 Degrees 46 Minutes 10 Seconds East 57.34 feet to an

existing iron, thence North 1 degree 17 Minutes 00 Seconds East 371.78 feet to an iron ½ inch capped rebar set, thence North 57 Degrees 31 Minutes 06 Seconds West 180.07 feet to an existing capped iron on the South R.O.W. of Cumberland Ridge Road, thence along a curve to the right with a delta angle of 71 Degrees 20 Minutes 49 Seconds having a radius of 50.00 feet and an arc length of 62.26 feet, with a chord bearing and distance of South 83 Degrees 21 Minutes 34 Seconds West 58.32 feet, to an Iron ½ inch capped rebar set on said R.O.W. thence South 6 Degrees 22 Minutes 24 Seconds East 509.14 feet to an iron ½ inch capped rebar set, thence South 84 Degrees 51 Minutes 17 Seconds East 144.79 feet to an existing axle, back to the point of beginning, containing 1.93 acres more or less. Said land lying in the NE 1/4 of the NW 1/4 of Section 8, T-10-S, R-3W, Cullman County, Alabama

Parcel #2 Description Lot No. 4 of the Cumberland Ridge Subdivision as recorded in Plat Number B-260-A in the Office of the Judge of Probate of Cullman County, Alabama.

said Property to be zoned R-1.

SECTION 4. That a copy of this Ordinance after its adoption, which Ordinance includes a description of the property annexed to the City of Cullman, be filed in the Office of the Judge of Probate of Cullman County, Alabama, the county in which the municipality is located.

SECTION 5. That this Ordinance shall take effect upon its passage and publication as required by law.

ADOPTED this the 27th day of September, 2010.

/s/ Garlan E. Gudger, Jr.
President of the City Council

ATTEST:

/s/ Ruth W. Rose
City Clerk

Transmitted to the Mayor this the 27th day of September, 2010.

/s/ Ruth W. Rose
City Clerk

APPROVED by the Mayor this the 27th day of September, 2010.

/s/ Max A. Townson
Mayor

Council Member Folsom seconded the motion and the Ordinance was approved by a voice vote. Ayes: All. Nays: None. This was the second reading of the Ordinance. President Gudger stated this did come by a favorable recommendation from the Planning Board.

Council Member Folsom made a motion to suspend the rules in order to take immediate action on the first reading of Ordinance 2010-16. Council Member Page seconded the motion and the Clerk polled the Council Members. Council Member Page: Aye. Council Member Cook: Aye. Council President Gudger: Aye. Council Member Folsom: Aye. Council Member Hollingsworth: Aye. Nays: None.

President Gudger asked the pleasure of the council for authorizing the GO warrants for the City School Board in the amount of \$1,500,000 with BBVA Compass Bank. Council Member Page made a motion to approve the following Ordinance:

Ordinance 2010-16

President Gudger explained the next ordinance is for issuing a GO Warrant to purchase property and this is the first reading of the Ordinance. Council Member Folsom made a motion to suspend the rules in order to take immediate action on Ordinance 2010-17. Council Member Cook seconded the motion and the Clerk polled the Council Members. Council Member Page: Aye. Council Member Cook: Aye. Council President Gudger: Aye. Council Member Folsom: Aye. Council Member Hollingsworth: Aye. Nays: None.

Council Member Cook made a motion to adopt the following Ordinance:

ORDINANCE NO. 2010-17

ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION WARRANT OF THE CITY OF CULLMAN, ALABAMA

BE IT ORDAINED by the City Council of the City of Cullman, Alabama (hereinafter called “the Council”) as follows:

Section 1. **Findings.** The Council, which is the governing body of the City of Cullman, Alabama (herein called “the City”), has heretofore ascertained and found and does hereby declare that it is necessary and desirable and in the public interest that the City acquire approximately sixteen (16) acres of real estate from James E. Howlett (herein called “the Improvements”); that the estimated total cost of acquiring the Improvements will be not less than Two Hundred Ninety-five Thousand Eight Hundred Dollars (\$295,800.00); that, in order to finance a portion of the costs of acquiring the Improvements, it will be necessary for the City to provide for the payment of a substantial portion of the purchase price in installments and in evidence thereof to issue its \$230,307.13 General Obligation Warrant (herein called “the Warrant”), payable serially in installments over a period of years.

Section 2. **Authorization.** Pursuant to the applicable provisions of Sections 11-47-2 and 11-47-11, as amended, of the *Code of Alabama*, 1975, and for the purpose of acquiring the Improvements, the City is hereby authorized to issue James E. Howlett, Cullman, Alabama, 35055, (herein sometimes called “Seller”), the City’s \$230,307.13 General Obligation Warrant (herein called “the Warrant”). The Warrant shall be dated the date of its issuance (which shall be the date on which the loan evidenced thereby is made), shall be payable (as to both principal and interest) to James E. Howlett at the address hereinabove set forth, or such address as Seller designates, shall mature, come due and shall be payable as follows:

- A. Principal and interest shall be paid in sixty (60) consecutive monthly installments of \$4,452.48 each with the first payment being due and payable 30 days from closing, with a final payment in the amount of \$4,452.62.
- B. Beginning with the first payment and continuing on the unpaid balance until paid in full, the General Obligation Warrant shall bear a fixed interest rate of 6%.

Section 3. **Regarding Prepayment.** The City shall have the privilege of prepaying all or any part of the principal of the Warrant but only after the due date of the thirty-sixth (36th) monthly payment of principle.

Section 4. **Execution.** The Warrant shall be executed on behalf of the City by its Mayor and the seal of the City shall be affixed to the Warrant and attested by the City Clerk. The said Mayor and City Clerk are hereby authorized and directed to execute the Warrant, and to affix the seal thereto, all in accordance with the provision of this Section and Section 7 hereof.

Section 5. **General Obligation Pledge.** The indebtedness evidenced and ordered paid by the Warrant is and shall be a general obligation of the City for payment of the principle of and the interest on which the full faith and credit of the City are hereby irrevocably pledged.

Section 6. **Form of Warrant.** The Warrant shall be in substantially the following form, with appropriate insertions, omissions, and other changes to comply with the provisions hereof and to reflect the appropriate date:

(Rest of Page Intentionally Left Blank)

\$230,307.13

\$230,307.13

**UNITED STATES OF AMERICA
STATE OF ALABAMA
CITY OF CULLMAN**

GENERAL OBLIGATION WARRANT

The City Treasurer of the City of Cullman, a municipal corporation under the laws of the State of Alabama (“the City”) is hereby ordered and directed to pay to James E. Howlett the principle sum of **Two Hundred Thirty Thousand Three Hundred Seven and 13/100 Dollars (\$230,307.13)** as follows:

- (a) Principal and interest shall be paid in sixty (60) consecutive monthly installments of \$4,452.48 each with the first payment being due and payable 30 days from closing, with a final payment in the amount of \$4,452.62.
- (b) Beginning with the first payment and continuing on the unpaid balance until paid in full, the General Obligation Warrant shall bear a fixed interest rate of 6%.
- (c) Beginning with the first payment and continuing on the unpaid balance until paid in full, the General Obligation Warrant shall bear a fixed interest rate of 6%.

Both the principal hereof and the interest hereon shall be payable at _____, Cullman, Alabama, or such other place as the Holder hereof may from time to time designate in writing. The City does have the privilege of prepaying all or any part of the principal of this Warrant but only after the due date of the thirty-sixth (36th) annual payment of principal. In the event of any prepayment, the City shall pay a premium equal to three percent (3%) interest on the unpaid balance of the principle owed at the time of prepayment. The interest premium shall be in addition to any interest due through the date of prepayment of said principle.

This Warrant has been issued pursuant to the applicable provisions of the Constitution and laws of the State of Alabama, including particularly Sections 11-47-2 and 11-47-11, as amended, of the *Code of Alabama*, 1975, and an ordinance of the governing body of the City duly and legally adopted to acquire property for the purposes for which the City is authorized to promote industry under said Section 11-47-11.

This Warrant evidences a valid general obligation of the City for payment of the principle of and interest on which the City has irrevocably pledged its full faith and credit.

It will at the maturity hereof (and at the due date of each installment of both principal and interest) become lawfully due without condition, abatement, or offset of any description; that all conditions, actions, and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Warrant exist, have been performed and have happened; and that the indebtedness evidenced by this Warrant, together with all other indebtedness of the City, was at the time the same was incurred and is now within every debt and other limit prescribed by the Constitution and laws of the State of Alabama.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed by its mayor and its official seal to be hereunto affixed and attested by its City Clerk, and has caused this Warrant to be dated the 27th day of September, 2010.

CITY OF CULLMAN

/s/ Max A. Townson
Mayor

ATTEST:

/s/ Ruth W. Rose
City Clerk

(End of Warrant Form)

Adopted this the 27th day of September, 2010.

/s/ Garlan E. Gudger, Jr.
President of the City Council

ATTEST:

/s/ Ruth W. Rose
City Clerk

APPROVED this 27th day of September, 2010.

/s/ Max A. Townson
Mayor

Council Member Hollingsworth seconded the motion and the Ordinance was adopted by a voice vote. Ayes: All. Nays: None.

President Gudger thanked the Park and Recreation Board for the down payment on the property. The board helped to make this purchase possible.

President Gudger stated there is a vacancy on the CCTV Board and Zoning Board of Adjustments (Appeals Board). Council Member Folsom nominated Mr. Steve Sides, City School Board Member, to serve on the CCTV Board. The board consists of 5 board members and one member must be from the City School Board. Mr. Sides would be replacing Suzanne Harbin. Council Member Folsom made the motion to appoint Mr. Sides to the CCTV Board. Council Member Page seconded the motion and the appointment was made by a voice vote. Ayes: All. Nays: none.

Council Member Page made a motion to table the appointment to the Zoning Board of Adjustments. Council Member Hollingsworth seconded the motion and the motion was approved by a voice vote. Ayes: All. Nays: None.

Council Member Hollingsworth made a motion to adjourn and Council Member Page seconded and the meeting was adjourned by a voice vote at 7:27 PM. Ayes: All. Nays: None.

