



**Regular City Council Meeting and Work Session
Council Chambers — 7901 Highway 31 Calera, Alabama
February 2, 2026
Council Work Session Time 6:00 PM
Council Meeting Time 6:30 PM**

Department Head Meeting Time: 4:30 PM

Reports of Department Heads

CALL TO ORDER - WORK SESSION / PRE-COUNCIL 6:00 PM

City Attorney

Grace Graham

Mayor's Report

Kenny Dale Cost

Council President's Report

Drew Bradshaw

Council Member Reports

Chris Bunn, Councilmember

Debbie Byers, Council President Pro Tem

Henry Davis, Councilmember

Calvin Morgan, Councilmember

Kay Snowden Turner, Councilmember

CALL TO ORDER (REGULAR CITY COUNCIL MEETING 6:30 PM)

Word of Prayer & Pledge of Allegiance

Approval of Agenda

Approval of Minutes

Minutes from the Regular Meeting and Work Session on January 20, 2026

Old Business

New Business

**Proclamation
Black History Month**

Resolution No. 2026-09

Resolution Adopting a Travel and Training Policy for the City of Calera

Resolution No. 2026-11

Resolution Authorizing the Mayor to Receive and Sign the Contract with Rivertree Systems, Inc for auditing services

Resolution No. 2016-12

Resolution Authorizing the Mayor to Obtain a Property Appraisal

Executive Session (Property)

Guests:

Shelby County Aviation Association

Scott Grant and Jorge Barnard

Calera Goes Pink

Kay Kiefer, BCRFA Board Member and Organizer

Calera Main Street

Chris Nelson - Calera Citizen

Public Comments

Motion to Adjourn - Time



Minutes of the City of Calera City Council Meeting

The Council of the City of Calera met in the Council Chambers of the City Hall at 7901 Highway 31 on January 20, 2026, at 6:30 p.m. in a regular meeting. Council President Drew Bradshaw presiding.

CALL TO ORDER- DEPARTMENT HEAD MEETING/WORK SESSION/ PRE-COUNCIL

The Department Head meeting was called to order at 4:30 pm, Mayor Kenny Dale Cost presiding.

The Work Session was called to order at 6:00 pm with Council President Drew Bradshaw presiding.

ROLL CALL

Kenny Dale Cost, Mayor

Councilmembers' Present:

Drew Bradshaw, Council President
Henry Davis, Council Member
Calvin Morgan, Council Member
Chris Bunn, Council Member
Kay Snowden Turner, Council Member

Councilmembers' Absent:

Debbie Byers, Council President Protem

Report of City Attorney- Grace Graham

Report of Department Heads

Bill Hilyer, Tabitha Anderson, Roger Smith, Kevin Shirey, Reggie Darden, Kay Snowden Turner, Kenny Cost, James Fuller, Sean Kendrick, Drew Charcandy, Henry Davis, Drew Bradshaw, David Hyche, Alison Powers, Kelly Ellison, Rachel Vesely, Grace Graham, Bill Davis, Calvin Morgan, Chris Bunn, Stacy Walkup, Dennis Torrealba

Report of Council Members

Drew Bradshaw, Council President
Debbie Byers, Council President Pro-tem

Henry Davis, Council Member
Calvin Morgan, Council Member
Chris Bunn, Council Member
Kay Snowden Turner, Council Member

Mayor Report

Kenny Dale Cost

CALL TO ORDER REGULAR CITY COUNCIL MEETING

The Regular City Council Meeting was called to order at 6:30 PM with Drew Bradshaw presiding.

Word of Prayer & Pledge of Allegiance

Pastor Jason Jarvis, Calera Baptist Church

Agenda

Council President Bradshaw moved to amend the agenda adding a budget adjustment for the Park and Rec Department, Councilmember Morgan made a motion to amend and approve the agenda, seconded by Councilmember Turner and the results were as follows:

AYES: Bradshaw, Davis, Bunn, Morgan, Turner

NAYS: None

Motion Passed

Approval of Minutes

Regular Meeting on January 5, 2026

Work Session- January 5, 2026

Councilmember Bunn made a motion to dispense of the reading of the minutes and to approve the minutes, seconded by Councilmember Davis.

AYES: Bradshaw, Davis, Bunn, Morgan, Turner

NAYS: None

Motion Passed

Old Business

New Business

Park and Rec Budget Adjustments (Tractor and 2 Utility Vehicles)

Councilmember Morgan made a motion to approve the Park and Rec Budget Adjustments for the Tractor and 2 Utility Vehicles, seconded by Davis.

AYES: Bradshaw, Davis, Bunn, Morgan, Turner

NAYS: None

Motion Passed

Kelly Ellison, Finance Director
Finance Reports

David Hyché, Police Chief
Yearly Police Department Statistics

Sean Kendrick, Fire Chief
Ordinance 2026-01
Ordinance Regulating False Alarms

Council Member Bunn moved that unanimous consent from the Council be given for immediate action upon Ordinance No. 2026-01. Council Member Turner second said motion and upon vote, the results were as follows:

AYES: Bradshaw, Bunn, Davis, Morgan, Turner

NAYS: None

Council President declared said motion carried and unanimous consent given for the consideration of said Ordinance.

Council Member Turner moved Ordinance No. 2026-01 to be adopted. Council Member Morgan second said motion and upon vote, the results were as follows:

AYES: Bradshaw, Bunn, Davis, Morgan, Turner

NAYS: None

Council President Bradshaw declared Ordinance No. 2026-01 adopted.

Resolution No. 2026-05

Authorizing the Mayor's Signature of the U.S. Department of Transportation Federal Railroad Administration (FRA) Grant Agreement for City of Calera State Road 25 Railway-Highway Grade Separation Project (Grant Agreement Number 69A36526420170RCEAL)

Councilmember Morgan made a motion to adopt Resolution No. 2026-05 authorizing the Mayor's Signature of the U.S. Dept of Transportation Federal Railroad Administration (FRA) Grant Agreement for the City of Calera State Road 25 Railway-Highway Grade Separation Project (Grant Agreement Number 69A36526420170RCEAL); seconded by Councilmember Turner.

AYES: Bradshaw, Bunn, Davis, Morgan, Turner

NAYS: None

Motion passed.

Resolution No. 2026-06

A Resolution Accepting the Dedication of Certain Streets and Rights-of-Way within the City Limits

Councilmember Turner made a motion to approve Resolution 2026-06- A Resolution Accepting the Dedication of Certain Streets and Rights-of-Way within the City Limits; seconded by Davis.

AYES: Bradshaw, Bunn, Davis, Morgan, Turner

NAYS: None

Motion passed.

Guests:

Byron DeVinner

Main Street Announcements

Motion to Adjourn- Time

Council Member Bunn made a motion to adjourn the meeting. Seconded by Turner at 6:41 pm

Drew Bradshaw, Council President

ATTEST:

Stacy Walkup, City Clerk

Kenny Dale Cost, Mayor

Proclamation

Black History Month

WHEREAS, the month of February is recognized nationwide as Black History Month to honor the achievements, contributions, and enduring legacy of African Americans; and

WHEREAS, African Americans have made significant contributions to the cultural, economic, and civic life of our nation and communities; and

WHEREAS, Black History Month provides an opportunity to reflect on our shared history and reaffirm the values of equality, justice and inclusion.

Now, Therefore, Be It Proclaimed, the Mayor and City Council of the City of Calera hereby proclaim the month of February as Black History Month in the City of Calera and encourage all citizens to observe this month through education, reflection, and celebration.

In Witness Whereof, this proclamation is adopted this _____ day of February 2026.

Kenny Dale Cost, Mayor
City of Calera

Drew Bradshaw, Council President
City of Calera

Attest:

Stacy Walkup
City Clerk

Resolution No. 2026-09

A Resolution Adopting a Travel and Training Policy for the City of Calera

Whereas the City Council of the City of Calera recognizes that travel and training are essential to maintaining a knowledgeable, effective, and professional workforce; and

Whereas, the City has developed a comprehensive Travel and Training Policy establishing clear guidelines for authorization, allowable expenses, reimbursement procedures, and accountability for all individuals traveling on behalf of the City; and

Whereas the adoption of such a policy promotes fiscal responsibility, transparency, and consistency in the administration of City business;

Now, Therefore, Be it Resolved by the City Council of the City of Calera, Alabama, as follows:

1. That the City of Calera Travel and Training Policy, designated as Policy No. 2026-01 and 2026-02, is hereby adopted and approved.
2. That this policy shall apply to all City employees, City Council Members and board and committee members traveling or incurring expenses on behalf of the City.
3. That the Mayor, Department Heads, and appropriate administrative staff are authorized and directed to implement and enforce the policy in accordance with its terms.
4. That the Mayor is authorized to grant exceptions to the policy when deemed to be in the best interests of the City, as provided with the policy.
5. That this resolution shall become effective immediately upon adoption.

Adopted and approved this _____ day of _____ 2026.

City of Calera

Council President Drew Bradshaw

Mayor Kenny Dale Cost

Attest:

Stacy Walkup, City Clerk

Policy: 2026-01
City of Calera – Travel and Training Policy

A. Introduction

The purpose of this policy is to outline the City’s expectations for employees traveling while conducting business on behalf of the City. The City recognizes that travel is critical to maintaining a highly trained workforce and delivering services to Calera's citizens. Since travel is integral to the City’s operations, it is necessary to outline the City’s expectations for employees who travel.

All City personnel traveling or incurring business expenses on behalf of the City, as well as those responsible for approving these expenses, are expected to assist in maintaining control over travel expenditures. As employees of local government, it is necessary to be mindful that the tax dollars of our citizens pay for employee travel and training. It is each employee’s responsibility to respect our citizens by keeping travel and training expenses to an appropriate level.

This policy applies to all employees, City of Calera Council Members, and all board members.

B. Travel Authorization

Prior to overnight travel, individuals must complete and submit a travel approval form to the appropriate parties. Travel approval forms must be completed and signed by the employee and the Department Head or the Mayor. Travel approval forms should be submitted at least two weeks in advance of the trip. A copy of the conference or event agenda should be submitted with the travel approval form. The approved travel approval form and agenda should be emailed to AP@Calera.org.

C. Air Travel

Employees are required to request flights according to approximate arrival and departure times rather than by specific carrier. To take advantage of lower rates, employees should make every reasonable effort to book travel at least two weeks in advance.

All travel at City expense must be coach class.

D. Ground Transportation

Employees are expected to use the most efficient ground transportation available, taking into account cost, availability, and scheduling. When practical, City employees should carpool.

City employees should make every effort to use a City vehicle for transportation if one is available. If no City vehicle is available, an employee may receive mileage reimbursement at the IRS standard mileage rate in effect at the time of travel.

Rental automobiles may be used as necessary. Arrangements for rental automobiles should be made through the most economical means possible. Employees should make every effort to rent the least expensive car that fulfills their needs while traveling. Employees are authorized to accept minimal insurance to cover the rental car and personal liability during a trip.

E. Meals

When traveling on City business, employees should use a City purchasing card for meals. Meal expenses should not exceed the City-determined maximum of \$75 per person per day unless previously authorized. All receipts should be forwarded to the designated person in each department responsible for processing purchasing card transactions. Receipts should be submitted within five days of business travel. Email submission of receipts is preferred over paper submission. If meal expenditures exceed \$75 per day and the overage was not authorized, the employee is responsible for reimbursing the City for the overage.

All meal receipts must be itemized. If a submitted meal receipt is not itemized, it must be accompanied by an employee affidavit stating that the meal was solely for City employees, contains no impermissible items (such as alcohol), and does not include an excessive tip. Tips should not exceed 15% of the meal. If an employee pays for a meal for someone other than themselves, the names of the other individuals(s) and the business purpose of the charge must be included with the purchasing card receipt.

F. Hotels

Employees shall use reasonably priced, comfortable lodging within a 15-mile radius of their conference or meeting location. When making reservations, employees shall request and use the government rate or the lowest available rate. The City will only pay for the number of nights necessary to conduct City business or training. If the employee wishes to stay an additional night, the employee must pay for it out of pocket. If the conference ends at a reasonable time to allow travel home the same day, lodging for the night that the conference ends will not be covered.

The City will not pay for lodging expenses for any conference or event held within a 40-mile radius of City Hall unless prior written authorization from the Mayor is received.

G. Travel with Immediate Family

Immediate family members may stay in any room booked for an employee while traveling; however, no additional rooms may be purchased for family members. The City will not pay for any meals or entertainment expenses for immediate family members traveling with a City employee.

H. Travel Expenses Paid Personally

Travel expenses must be paid on a City purchasing card. If travel expenses are paid out of pocket, the receipts should be submitted on an expense report and turned in to a Department Head or the Mayor for approval.

I. Required Attendance

If an individual fails to attend all or a substantial portion of the approved conference or event, any charges made on the City purchasing card that relate to the unattended portion of the event may be deemed a personal expense. In such cases, the individual shall reimburse the City for all or a prorated portion of the City purchasing card charges, including but not limited to registration fees, lodging, transportation, meals, and incidental expenses. Exceptions may be granted for circumstances beyond the individual's control, such as illness, family emergency, travel delays, or conflicts with municipal business. Any exception must be documented and approved by the Mayor.

J. Non-Allowable Expenses

At no time may a City employee use a City purchasing card or request reimbursement for the following expenses while traveling:

- Alcohol
- Membership fees in airline clubs
- Fines for parking or traffic violations
- Lost or damaged personal property
- Airline or trip insurance not approved in advance by the Mayor
- Travel upgrades not previously approved by the Mayor
- Any other expense not clearly outlined in this policy as acceptable

K. Exceptions

The Mayor shall have the authority to grant exceptions to any part of this policy when deemed to be in the best interests of the City.

Name: _____

Signature: _____

Date: _____

Policy: 2026-02

City of Calera – Council Travel and Training Budget

A. Budget Allocation

The Council Travel and Training Budget will be allocated equally among all Council Members. The Mayor's travel and training expenses will be funded through the Administration Department's Travel and Training Budget.

RESOLUTION NO. R-2026-11
A RESOLUTION AUTHORIZING THE MAYOR TO RECEIVE AND SIGN THE CONTRACT WITH RIVERTREE SYSTEMS, INC ON BEHALF OF THE CITY OF CALERA

WHEREAS the City Council gives the Mayor the authority to sign the contract for governmental auditing services on behalf of the City of Calera at the contract price of \$75.00 dollars an hour for three years.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

Adopted and approved this day of _____, 2026.

Council Member ____ made a motion to adopt Resolution No. R-2026-11. Council Member _____ seconded said motion and upon vote, results were as follows:

The Council President declared Resolution No. R-2026-11 adopted this the _____ day of _____.

Drew Bradshaw, Council President

ATTESTED BY:

Stacy Walkup, City Clerk/Treasurer

STATE OF ALABAMA

COUNTY OF SHELBY

AGREEMENT FOR EXAMINATION SERVICES

THIS AGREEMENT made and entered into on this the ___ day of _____ 2026 by and between the **CITY OF CALERA**, hereinafter referred to as the "Client", and **RIVERTREE SYSTEMS, INC.**, an Alabama corporation (hereinafter referred to as "RIVERTREE").

1. The Client desires to provide for the collection of all local taxes and fees, regardless of the jurisdiction in which a taxpayer subject to the Client's taxing power maintains its principal office, to provide that all taxpayers are treated equally and to provide that all tax related ordinances are uniformly and consistently applied. In order to accomplish these goals and objectives, the Client desires to retain the services of a company legally qualified as a "private auditing or collecting firm" as defined in the Alabama Taxpayers' Bill of Rights and Uniform Revenue Procedures Act, Code of Alabama (1975) §40-2A-1 et seq. (hereinafter the "Taxpayers' Bill of Rights") to perform audits and examinations of such taxpayers' books and records.

2. RIVERTREE is qualified as a private auditing or collecting firm under the Taxpayers' Bill of Rights and, as such, provides collection, examining and consulting services for local governments throughout the State of Alabama. RIVERTREE has represented to the Client that (i) it is knowledgeable of all laws and regulations applicable to private auditing or collecting firms, (ii) it provides its services in full compliance with all applicable laws and

regulations, and (iii) it obtains all of the legally required certifications, fidelity bonds, and legal letters of authority to act as a private auditing or collecting firm.

3. The Client desires to retain RIVERTREE as a private auditing firm to provide tax auditing and examination services under the terms and conditions, of this Agreement.

NOW, THEREFORE, PREMISES CONSIDERED, RIVERTREE and the Client hereby agree as follows:

1. **RIVERTREE SYSTEMS, Inc.** The Client and RIVERTREE hereby agree that RIVERTREE will provide the following services:
 - a) Identify and prepare a written list of "taxpayer candidates for examination "based on objective criteria to be agreed upon by RIVERTREE and the Client in advance of such work.
 - b) Pursuant to Code of Alabama (1975) §40-2A-13(d) upon first contact with the taxpayer, RIVERTREE shall disclose in writing the identity of the Client and all other clients represented by RIVERTREE and shall provide a copy of appropriate written authorization of RIVERTREE's representation from the Client and from any such other client.
 - c) Inspect and examine on behalf of the Client, all books, records and other documents of taxpayers assigned to be examined by the Client to determine to what extent, if any, the taxpayer owes the Client sales and use taxes, occupational taxes, license fees, lease taxes, tobacco taxes, gasoline taxes, and any other city tax, plus interest, penalties and other charges thereon, as directed by Client and in accordance with the ordinances, resolutions and regulations of the Client.
 - d) RIVERTREE acknowledges that Code of Alabama (1975) §40-2A-13(f) provides that when a private examining or collecting firm represents more than one county, city or town on the date it first contacts a taxpayer, the private examining or collecting firm shall examine the taxpayer's books and records for all such counties, cities or towns simultaneously. Therefore, when conducting examinations initiated by other RIVERTREE clients (counties or other cities and towns), RIVERTREE will include Client on the list of entities for which the examination is being conducted. In the event RIVERTREE examines a taxpayer on behalf of other RIVERTREE clients who have not enacted the same taxes as Client, then RIVERTREE's audit of such taxpayer shall include all such taxes of Client.

- e) Perform examinations of taxpayer's records in accordance with "*The Minimum Standard Examination Program*" established by the Alabama Local Tax Institute of Standards and Training (the "Minimum Standards").
- f) Report to the Client that information necessary for the Client to assess the taxpayer's sales and use taxes, license fees, lease taxes, and all other City taxes, plus interest, penalties and other charges thereon for transactions which RIVERTREE reasonably believes may have resulted in an obligation of the taxpayer to pay such taxes to the Client.
- g) Prepare and present to the Client a "Findings Report," which shall include, at a minimum, all information required to prepare a written report under the Minimum Standards and a summary thereof on each examination performed. In the event RIVERTREE's audit indicates that a particular taxpayer has no tax Liability to the Client, RIVERTREE shall provide the Client a written report including the name of the taxpayer audited, the types of tax for which the taxpayer was examined and found to have no liability, and the audit period.
- h) Provide full cooperation to the Client in the preparation of any legal documents, attend any judicial, administrative, departmental, appellate or other legal hearings and be available to testify at hearings that may be required to collect any amounts due to the Client from the taxpayer.
- i) Pursuant to the Code of Alabama (1975) §40-2A-1 3(h) RIVERTREE shall notify the taxpayer if any tax overpayments are discovered and the taxpayer is due any refunds from the Client, or if the taxpayer owes any tax to the Client.
- j) Any additional or incidental services which are allowable by law and are reasonably necessary in order to carry out RIVERTREE's obligations under this Agreement.

RIVERTREE shall collect all taxes with checks payable to the CITY OF CALERA.

2. **Compensation.** It is understood that each RIVERTREE client will only pay a prorated portion of total audit costs when RIVERTREE is conducting examinations for multiple clients at one time. Client agrees to pay RIVERTREE its prorated portion of each audit's total audit costs which shall consist of **seventy-five dollars (\$75.00) per hour.**

RIVERTREE shall be paid monthly based upon hours worked submitted to the Client by the fifteenth (15th) day of the month for the month next proceeding. The parties acknowledge that the Code of Alabama (1975) §40-2A-6 specifically prohibits the Client

from entering into any contract or arrangement with a private examining or contracting firm for the examination of a taxpayer's books on a contingency fee basis and agree that RIVERTREE's compensation under this Agreement is not in any way contingent upon or otherwise related to the amounts discovered during examinations nor contingent upon or related to amounts finally received by the Client.

Billing to Clients

1. The client will receive an Invoice Billing along with a check (made to client) for billable worked hours.
2. The client will receive a Billing Invoice on Final Assessments once a certified mail receipt is received for the Taxpayer. The audit package will be forwarded to the clients to provide an Administrative Law Judge Hearing, if self-administered, or start Legal Action. Rivertree will assist on all hearing matters.
3. Erroneously "Paid Tax" audits, Rivertree Systems will hold the "Notice of Tax Due" for 90-days to allow a refund from the "wrong jurisdiction." Once the 90-days has expired, the Refund Petition, Notice of Tax Due, tax billings, and audit work papers will be forwarded to the client to handle the "underpayment." An invoice will be attached for hours worked.
4. On Client Requested Reviews, at a minimum of 4-hours will be invoiced even if "No Findings."

3 Representations and Warranties. RIVERTREE represents and warrants as follows:

- a. RIVERTREE is a corporation valid and existing and in good standing under the laws of the State of Alabama.
- b. As of the effective date of the Agreement, RIVERTREE and any employee, agent, or independent auditor/examiner of RIVERTREE providing services under this Agreement, shall have obtained all licenses and bonds necessary or appropriate to perform RIVERTREE's obligations under this Agreement and all such licenses and bonds shall be current and in good standing, and shall be maintained throughout the term of this Agreement.
- c. RIVERTREE and its employees, agents and independent auditors/examiners agree to comply with all current and future laws, rules and regulations applicable to all services provided by RIVERTREE under this Agreement,

including, but not limited to, the Local Tax Simplification Act of 1998, the Alabama Local Tax Procedures Act of 1998 and the Taxpayers' Bill of Rights are currently in effect and hereafter amended.

- d. RIVERTREE agrees to comply with all laws and regulations relating to the employees of RIVERTREE, including, without limitation, all tax withholding requirements and worker's compensation laws.

4. **Change in Law.** The parties agree that in the event of any conflict between the requirements of any applicable law and the terms of this Agreement, then the requirements of such applicable law shall control. If any law applicable to the services provided by RIVERTREE under this Agreement shall be amended, or otherwise changed following the effective date of this Agreement, and the Client, in its sole discretion, determines that such amendment, modification or change in the law shall impair or frustrate the Client's purposes for entering into this Agreement, then the Client shall have the option to terminate this Agreement as provided in Paragraph 10 below.

5. **Requirements of Examiners.** All examiners employed by RIVERTREE shall meet all requirements of the Taxpayers' Bill of Rights and other current or future applicable law. At a minimum, all such examiners shall (i) be certified public accountants or accountants licensed by the State Board of Public Accountants, or (ii) be certified by the Alabama Local Tax Institute of Standards and Training, and (iii) maintain fidelity bonds in accordance with the Code of Alabama (1975) §40-23-30, as currently in effect and hereafter amended, and (iv) maintain a business license as required by Code of Alabama (1975) §40-12-2, as currently in effect and hereafter amended. If any assessment based on an audit by RIVERTREE is invalidated due to lack of proper certification of RIVERTREE's auditors, RIVERTREE must either provide an audit of the assessed taxpayer conducted by a certified auditor or reimburse Client for all amounts paid to RIVERTREE in connection with the audit. RIVERTREE shall

indemnify and hold Client harmless from any loss in revenues arising from or in connection with any invalidated assessment based upon an audit conducted by RIVERTREE if such invalidation is due to lack of proper certification of RIVERTREE 's auditors or due to any other fault of RIVERTREE.

6. **Inspection.** The Client reserves the right at all reasonable times to inspect the documents, information, taxpayer examination system and procedures of RIVERTREE to ensure that RIVERTREE and its employees, agents, and independent auditors/examiners are complying with the terms of this Agreement and all applicable laws. Any such inspection or any lack of inspection by the Client, however, shall not be deemed to waive the requirements of, or excuse the foregoing from complying with, the terms of this Agreement and all applicable laws.

7. **Confidentiality of Tax Information.** RIVERTREE and its employees, agents, and independent auditors/examiners shall not print, publish or divulge the return of any taxpayer or any part of a return or any information or data supplied by the Client or secured in arriving at the amount of the tax value reported and shall act in conformance with all current and future federal, state and local laws and regulations concerning the confidentiality of tax information, including, but not limited to, the Taxpayers' Bill of Rights (collectively, the "Confidentiality Laws"). All principals, officers, employees and independent auditors/examiners of RIVERTREE involved with the services provided by RIVERTREE under this Agreement, prior to undertaking such services, shall execute an agreement in form and context acceptable to the Client binding such principals, officers, employees and independent auditors/examiners to observe the Confidentiality Laws.

8. **Independent Contractor.** The parties agree that RIVERTREE is and shall at all times be considered an independent contractor and neither it nor its employees or its independent auditors/examiners shall be considered employees of the Client or entitled to any rights or benefits accorded to employees of the Client. RIVERTREE and the Client affirm that this Agreement does not create a partnership or joint venture and that no expressed, implied or apparent rights are intended to inure to any third parties under the terms and conditions herein.

9. **Term.** This Agreement shall be effective as of the date set forth in the preamble and will continue for a period of 3 year(s) from the date unless terminated as herein provided. Pursuant of the Code of Alabama (1975-40-2A-12, this Agreement shall not be renewed or extended beyond such three-year term: provided, however, that parties may negotiate a new contract concerning the subject matter of this Agreement to become effective following expiration of this Agreement.

10. **Default.** If RIVERTREE shall fail in any respect to comply with the terms of this Agreement, the Client shall notify RIVERTREE in writing of the matters with regard to which default is asserted, and RIVERTREE shall have thirty (30) days to cure such default. If RIVERTREE fails to either cure such default within said time, then the Client may terminate this Agreement at any time thereafter by giving written notice to RIVERTREE of its election to terminate.

11. **Termination.** Either party may terminate this Agreement by giving the other party written notice of termination at least ninety (90) days prior to the effective date of termination. Notwithstanding the foregoing, this Agreement shall be terminated automatically, without notice, if RIVERTREE, for any reason loses or foregoes its license

required under Code of Alabama (1975) §40-2A-13 or §40-2A-14. RIVERTREE shall provide the Client all documentation, records, reports, and examinations as of the effective date of the termination with a final itemized statement of fees due.

12. Assignment; Subcontracting of Services. Client acknowledges and agrees that RIVERTREE may retain auditors or examiners on an independent contractor basis to provide the services described in this Agreement and Client consents to RIVERTREE's retention of such auditors or examiners provided, however, that any such auditor or examiner must meet all criteria applicable to auditors and examiners under law or under this Agreement and provided further that all terms and conditions of this Agreement, including but not limited to indemnities, applicable to services provided by RIVERTREE shall apply to any work performed by such auditors and examiners. RIVERTREE shall maintain and, upon Client's request, shall provide to Client a list of all auditors and examiners authorized to provide services on behalf of RIVERTREE. Except as provided in this Paragraph 12, RIVERTREE shall not assign any of its rights or obligations under this Agreement or enter into an agreement with any person, entity or subcontractor to perform the obligations of RIVERTREE under this Agreement. Any such assignment or other agreement by RIVERTREE shall be null and void.

13. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama. If a dispute arises out of or relates to this Agreement or its breach, the parties shall endeavor to settle the dispute first through direct discussions and negotiations. If the dispute cannot be settled through direct discussions or negotiations, the parties shall endeavor to settle the dispute by non-binding mediation. The location of the mediation shall be Calera, Alabama. Either party may terminate the

mediation at any time after the session, but the decision to terminate must be delivered in person to the other party and the mediator. Engaging in mediation is a condition precedent to any other form of binding dispute resolution. If the parties cannot agree on a mutual resolution, then any disputes not resolved by mediation shall be decided in the Circuit Court of Shelby County, Alabama and governed by the laws of the State of Alabama between the CITY OF CALERA and RIVERTREE.

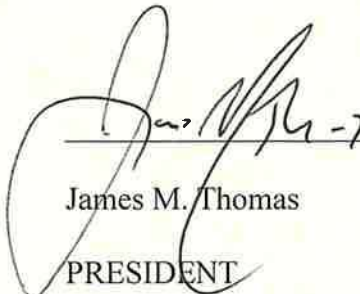
IN WITNESS WHEREOF, the undersigned parties, through their duly authorized officers, have executed this Agreement on the year and day first above written.

CITY OF CALERA

By: _____

Title: _____

RIVERTREE SYSTEMS, INC.



James M. Thomas
PRESIDENT