Minutes of the City of Calera Council Meeting – May 7, 2018

The Council of the City of Calera met in the Council Chambers of the City Hall at 7901 Highway 31 on Monday, May 7, 2018 at 6:30 p.m., in a regular meeting. Mayor Graham presiding.

Mayor and Council Members Present:

Jon G. Graham, Mayor
David Bradshaw, Council Member
Chris Bunn, Council Member
Philip Busby, Council Member
Ernest Montgomery, Council Member
Kay Snowden Turner, Council Member
Alan Watts, Council Member

Department Heads Present:

Jeff Bice, Gas Superintendent
Reggie Darden, Building Official
Kelly Ellison, Finance Director
Seth Gandy, Park and Recreation Director
Sean Kendrick, Fire Chief
Sean Lemley, Police Chief
Doug Smedley, Sewer Operations Director
Matt Worthen, IT Services Manager

Absent:

Chris Pappas, City Engineer
Alison Powers, Library Director

Guests:

Calvin Morgan, Fred Hoskins, George D. Brown, Arianne Turner and Markus Snowden

Mayor Graham called the meeting to order at 6:30 p.m.

Word of Prayer and Pledge of Allegiance:

George D. Brown opened the meeting with prayer and the Pledge of Allegiance.

Approval of Minutes:

Council Member Turner made a motion to approve and dispense with the reading of the following minutes:

Regular Meeting – April 16, 2018
Work Session – April 16, 2018

Council Member Bradshaw seconded said motion and upon vote, the results were as follows:

AYES:	Graham, Bradshaw, Bunn, Busby, Montgomery, Turner, Watts
NAYS:	None

Motion Passed

REPORTS OF DEPARTMENT HEADS:

Kelly Ellison, Finance Director – Presented Capital Budget for approval (See Attached)

Seth Gandy, Park and Recreation Director thanked everyone that helped with the Strawberry Festival held on Saturday, April 28, 2018 at Oliver Park.

Doug Smedley, Sewer Operations Director – Presented Stone Creek Pump Station Rehab COC # 4.027 purchase for approval (declared an Emergency Purchase) Presented Municipal Water Pollution Prevention (MWPP) Annual Report (See Attached)

COUNCIL MEMBER REPORTS:

Council Member Turner announced the upcoming ribbon cutting: Diamond Jubilee, Inc. at 11465 Hwy 25, Calera, Alabama 35040, and the date has not been set but should be in the next two weeks.

Council Member Turner thanked Connie Payton, City Clerk for coordinating and facilitating the meeting with the Kelly Group on April 23rd regarding revitalizing downtown and requested Mrs. Payton look into the application process to get our downtown registered as a historic district.

MAYOR REPORT:

No action taken

OLD BUSINESS:

Downtown Revitalization Project update:

A meeting was held with Kelley Taft with The Kelley Group to discuss the Downtown area. Since the meeting we are reviewing the documents concerning the Calera Downtown Historic District.

NEW BUSINESS:

Capital Budget (See Attached)

Council Member Bradshaw made a motion to approve the capital budget as presented. Council Member Turner seconded said motion which was carried unanimously.

Motion passed

Stone Creek Pump Station Rehab COC # 4.027 Emergency Purchase (See Attached)

Council Member Bradshaw moved that unanimous consent of the Council be given for immediate action upon the emergency purchase as presented. Council Member Bunn seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Turner

NAYS: None

Council Member Watts moved that the emergency purchase be approved as presented. Council Member Montgomery seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Turner

NAYS: None

Motion passed

Resolution No. 2018-06 Municipal Water Pollution Prevention (MWPP) Program

Council Member Bunn moved that unanimous consent of the Council be given for immediate action upon Resolution No. R-2018-06. Council Member Bradshaw seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Turner

NAYS: None

Council Member Turner moved that Resolution No. R-2018-06 be adopted. Council Member Watts seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Turner

NAYS: None

Mayor Graham declared Resolution No. R-2018-06 adopted.

Adopted this 7th day of May, 2018.

Resolution No. 2018-07 Authorizing the purchase of Natural Gas from the Southeast Alabama Gas Supply District

Council Member Watts moved that unanimous consent of the Council be given for immediate action upon Resolution No. R-2018-07. Council Member Bradshaw seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Turner

NAYS: None

Council Member Bunn moved that Resolution No. R-2018-07 be adopted. Council Member Busby seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Turner

NAYS: None

Mayor Graham declared Resolution No. R-2018-07 adopted.

Adopted this 7th day of May, 2018.

GUESTS:

George D. Brown, 188 Renwick Lane, Calera, AL - Mr. Brown discussed his concerns with children playing in the streets and the dangerous intersection at the entrance of Camden Cove and Highway 31. The children gather on Renwick Lane and play in the street. Mr. Brown requested the city post the following signs: speed limit and children at play.

Mr. Brown was advised to contact the police department if he continues to have issues with the children at his residence. Chief Lemley will check on the signs as requested and Council Member Turner will contact ALDOT concerning the intersection.

Council Member Busby made a motion to adjourn the meeting at 6:56 p.m.

Approved this 21st day of May, 2018.

Jon G. Graham, Mayor

ATTEST:

Connie B. Payton, City Clerk

City of Calera

JON GRAHAM
Mayor
CONNIE PAYTON
City Clerk
CHRIS PAPPAS
City Engineer

May 4, 2018

City of Calera
Attn: Mayor Jon Graham
7901 Highway 31
Calera, AL 35040

Re: Stone Creek Pump Station Rehab
COC# 4.027

Dear Mayor Graham:

As you are aware, both pumps at the Stone Creek Pump Station are out of service and the pump station is currently being operated with a single emergency backup pump. The pump station in question provides sanitary sewer service to over 1000 homes. This makes the Stone Creek Pump Station one of the most critical within the City's sanitary sewer system.

I have been working with Doug Smedley to develop a plan to get the station running again as quickly as possible. At this time, I am recommending that the City Council declare the Stone Creek Pump Station as an emergency repair so that repairs can begin immediately.

I have attached for your review, a detailed cost estimate for the needed repairs. If you have any questions, please contact me at your convenience.

Sincerely,

Chris D. Pappas
City Engineer

Cc: Council Members

1074 10th STREET·CALERA, ALABAMA 35040
ENGINEERING DEPARTMENT (205) 668-3638· FAX (205) 668-3821

STONE CREEK PUMP STATION REHAB COST ESTIMATE

05-May-18

ITEM NO.	DESCRIPTION	COST
1	Pump Equipment	84,824.00
2	Labor to Rehab Pump Station	48,800.00
3	Labor and Equipment to Repair Generator	7,100.00
4	Miscellaneous	5,000.00
	GRAND TOTAL	**$145,724.00**

PROPOSED 2018 CAPITAL BUDGET

Funds Available for Capital Purchases			
Court Fund-Transfer to General Fund		$ 23,662.27	
Gas Fund- Transfer to General Fund and Sewer Fund		$ 263,159.25	
Sewer Fund		$ 88,169.00	
Total Funds Available from Budgeted Revenue over Expense			$ 374,990.52
Proposed Budget Adjustment to Sales Tax	10-300.1065	$ 530,000.00	
Proposed Budget Adjustment to Ad Valorem	10-300.1010	$ 75,000.00	
Proposed Budget Adjustment to Business License	10-300.2020	$ 129,000.00	
Drug Seizure Funds	10-300.6047	$ 10,000.00	
Muni Funds - to be used on Park Equipment		$ 9,452.84	
Bank of New York Am Fund- to be used on Skating Rink Demolition		$ 15,000.00	
Proposed Budget Adjustment Increase			$ 768,452.84
Total Funds Available for Capital Purchases			$ 1,143,443.36
Council Approved General Fund Capital Budget Adjustments			
Rolling Hills Expansion		$ (100,900.00)	
Inspection Truck (replaced wrecked truck)		$ (28,388.00)	
Radios Police		$ (69,070.24)	
Police Vehicles		$ (121,036.00)	
Fire Station 2 Pipe Repair		$ (16,000.00)	
Fire Radios		$ (57,229.00)	
Total GF Prior Capital Budget Adjustments			$ (392,623.24)
Proposed Capital Requests			
General Fund			
IT-Time Tracking Software and Scanners	10-492.7101	$ (15,000.00)	
Street- Interstater Flail Mower that attaches to the side of the 2003 MF Tractor	10-492.7201	$ (12,000.00)	
Street- Used Tractor with Boom Mower. Needed to cut places not reachable with other mowing equipment.	10-492.7201	$ (50,000.00)	
Inspection- Toyota Tacoma	10-492.7322	$ (30,000.00)	
Police- Roof Repair	New Account#	$ (79,340.00)	
Police- Outfit Police Vehicles	10-492.7402	$ (68,000.00)	
Police - Telescope Camera/Video for Mwrap to be purchased with Drug Seizure funds	10-492.7402	$ (10,000.00)	
Fire- Shift Commander Vehicle	10-492.7502	$ (45,000.00)	

Park & Rec- Skating Rink Demolition	Nonbudgeted Bond Money	$ (15,000.00)	
Park & Rec- Reel Master 3575-D11 Blade	10-492-7701	$ (51,895.00)	
Park & Rec- FTM 1.2 with Universe Rotor	10-492.7701 and Nonbudgeted Bond Money	$ (28,442.79)	
Rolling Hills- additional work to complete new lots	10-492.7059	$ (46,844.32)	
Rolling Hills- AC Family Life Center	New Account #	$ (50,000.00)	
Budget Adjustment Tax Collection Fee	10-410.6070	$ (34,570.00)	
Budget Adjustment Credit Card Fees	10-410.6020	$ (30,000.00)	
Total General Fund			$ (566,092.11)
Garbage Fund			
Tacoma Standard Pickup	12-492.7252	$ (30,000.00)	
Total Garbage Fund			$ (30,000.00)
Gas Fund			
Highway 75 Gas Extension	20-492.7079	$ (10,306.00)	
Odorant Machine	20-492.7221	$ (5,300.00)	
Total Gas Fund			$ (15,606.00)
Sewer Fund			
Portable Dry Pump	40-492.7241	$ (66,231.25)	
Lateral Camera	40-492.7241	$ (10,000.00)	
Larger Allum Tank	40-492.7341	$ (25,536.00)	
Budget Adjustment needed for pump rental at Stone Creek/Union Station	40-424.6060	$ (23,800.00)	
Total Sewer Fund			$ (125,567.25)
Total Proposed Capital Purchases			$ (737,265.36)
Funds Available for Capital Purchases After Proposed Purchases			$ 13,554.76

Mayor Graham introduced the following Resolution:

RESOLUTION NO. R-2018-06

MUNICIPAL WATER POLLUTION PREVENTION (MWPP) PROGRAM

Resolved that the City of Calera informs the Department of Environmental Management that the following actions were taken by Calera City Council.

1. Reviewed the MWPP Annual Report which is attached to this resolution.
2. Set forth the following actions and schedule necessary to maintain effluent requirements contained in the NPDES Permit, and to prevent the bypass and overflow of raw sewage within the collection system or at the treatment plant:

    (a) Continue to operate and maintain both the Buxahatchee Pollution Control Plant and the Camp Branch Water Reclamation Plant to its highest standards while looking for and eliminating sources of inflow and infiltration.

Council Member Bunn moved that unanimous consent of the Council be given for immediate action upon Resolution No. R-2018-06. Council Member Bradshaw seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Turner

NAYS: None

Council Member Turner moved that Resolution No. R-2018-06 be adopted. Council Member Watts seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Turner

NAYS: None

Mayor Graham declared Resolution No. R-2018-06 adopted.

Adopted this 7th day of May, 2018.

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Jon G. Graham, Mayor

ATTEST:

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Connie Payton, City Clerk

Mayor Graham introduced the following Resolution:

RESOLUTION NO. R-2018-07

A RESOLUTION OF THE CITY OF CALERA, ALABAMA, AUTHORIZING THE PURCHASE OF NATURAL GAS FROM THE SOUTHEAST ALABAMA GAS SUPPLY DISTRICT; APPROVING THE EXECUTION AND DELIVERY OF A GAS SUPPLY AGREEMENT RELATING TO SAID PURCHASE; AND CONSENTING TO THE ASSIGNMENT OF CERTAIN OBLIGATIONS UNDER THE GAS SUPPLY AGREEMENT IN CONNECTION WITH THE ISSUANCE OF BONDS BY THE SOUTHEAST ALABAMA GAS SUPPLY DISTRICT

WHEREAS, The Southeast Alabama Gas Supply District is an Alabama gas district, a public corporation organized by actions of its member municipalities pursuant to the provisions of the Alabama Gas Districts Act, § 11-50-390 *et seq.*, Alabama Code (1975) ("SGS") and;

WHEREAS, SGS was formed, among other reasons, to acquire secure, reliable and adequate long-term supplies of gas for resale to The Southeast Alabama Gas District and to other governmentally owned wholesale customers for ultimate delivery to the residential, commercial, institutional, and industrial consumers in their areas of service and for the generation of electricity by municipal electric generators for the sale of electricity to their retail electricity customers in their areas of service, both inside and outside the State of Alabama, and to achieve cost savings, economies of scale and reliability of supply; and

WHEREAS, SGS has planned and developed a project to acquire long-term gas supplies from Morgan Stanley Capital Group Inc., a Delaware corporation ("*MSCG*"), pursuant to a Prepaid Natural Gas Sales Agreement, and will sell the gas purchased from MSCG to public gas distribution systems, municipal gas and electric utilities, and joint action agencies serving public gas distribution systems (the "Project Participants"), so as to bring the benefits of secure, reliable and economical gas supplies to the Project Participants and the citizens, inhabitants, and customers they serve; and

WHEREAS, The City of Calera, Alabama ("Participant") has been afforded an opportunity to participate in SGS's gas supply project as a Project Participant; and

WHEREAS, the City Council of the City of Calera, Alabama (the "Governing Body") has determined that it is in the best interest of its natural gas distribution system and the customers it serves that Participant purchase a portion of its annual natural gas requirements from SGS as a participant in the gas supply project being developed by SGS pursuant to a Gas Supply Agreement to be entered into by SGS and Participant, more fully described herein (the "Supply Agreement"), the form of which, in substantially final form, is attached to this Resolution; and

WHEREAS, for the purpose of providing funds to purchase long-term gas supplies for resale to the Project Participants, it will be necessary for SGS to issue and sell one or more series of Bonds (capitalized terms used herein have the meanings provided in the Supply Agreement) and to pledge to the payment of principal and interest on the Bonds certain assets of SGS, including the Supply Agreement between SGS and Participant; and

WHEREAS, Participant shall have no obligation or liability with respect to the payment of the Bonds, and Participant's only obligations relating to SGS's gas program described herein shall be as set forth in the Supply Agreement; and

WHEREAS, in order to authorize the purchase of natural gas from SGS and the execution of the Supply Agreement, to consent to the assignment of the Supply Agreement to secure the Bonds, and to authorize the taking of such other necessary and appropriate action in furtherance of the above described program, the Governing Body adopts this resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Calera, Alabama as follows:

1. Participant shall purchase from SGS on each day in each month for the term of the Supply Agreement such portion of Participant's natural gas requirements as the Authorized Officer (as defined below) shall determine, in consultation with the Governing Body, and set forth in the Supply Agreement, pursuant to and substantially in accordance with the terms of the Supply Agreement as submitted to the Governing Body at this meeting and attached to this Resolution, and which is approved pursuant to Paragraph 2 herein, and the officers, employees and agents of Participant are hereby authorized and directed to take such actions and do all things necessary to cause the purchase of said gas to take place, including the payment of all amounts required to be paid in order to purchase the gas in accordance with the Supply Agreement.

2. The Supply Agreement shall be in substantially the form submitted, which is hereby approved, with such completions, omissions, insertions, and changes as may be approved by the officers executing said Agreement, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes; provided, however, that the Supply Agreement shall not be for a term longer than 31 years, shall provide for a natural gas purchase obligation not to exceed 1,500 MMBtu per day, and shall provide for a minimum projected discount, taking monthly and projected annual savings into account (the "Available Discount," as defined in the Supply Agreement), of (a) 30 cents per MMBtu for the Initial Rate Period, (b) 20 cents per MMBtu for the first Reset Period, and (c) thereafter an amount that would ensure the Available Discount (as defined in the Supply Agreement) realized from the Initial Reset Period through the end of such Reset Period (as defined in the Supply Agreement) to be an average of no less than 25 cents per MMBtu, in each case before the application of the Project Administration Fee assessed by SGS pursuant to the terms of the Supply Agreement.

3. The Mayor, Jon G. Graham, is the "Authorized Officer", is authorized to execute the Supply Agreement and the Secretary/Treasurer or any Assistant Secretary/Treasurer is the "Attesting Officer" is authorized to attest to such execution.

4. The issuance of Bonds by SGS for the purposes hereinabove set forth is hereby acknowledged by the Governing Body, and the Governing Body hereby consents to (a) the assignment and pledge of all SGS's right, title and interest under the Supply Agreement, including the right to receive performance by Participant of its obligations thereunder, to secure the payment of principal of and interest on the Bonds, and (b) the sale by SGS of receivables due from the Participant when necessary to provide revenues sufficient to enable SGS to pay the debt service on the Bonds when due, all as provided in the Supply Agreement.

5. The Bonds are not obligations of Participant but are limited obligations of SGS payable solely from the revenues and receipts arising from the sale of gas to the Project Participants and others pursuant to the Supply Agreement and to similar agreements with the other Project Participants. By acknowledging the issuance of the Bonds and consenting to the assignment of the Supply Agreement and the sale or receivables by SGS, Participant is not incurring any obligation or liability with respect to the Bonds, and Participant's obligation pursuant to this Resolution is to purchase natural gas and perform its obligations as set forth in the Supply Agreement.

6. The officers, employees and designated representatives of Participant are hereby authorized and directed to provide such financial and operating information with respect to Participant and its utility system, including annual financial statements, as SGS may reasonably request for use in SGS's offering documents and annual continuing disclosure filings for the Bonds.

7. All acts and doings of the officers, employees or designated representatives of Participant which are in conformity with the purposes and intent of this Resolution and in furtherance of the

execution, delivery and performance of the Supply Agreement, and in furtherance of the issuance and sale of the Bonds, shall be and the same hereby are in all respects approved and confirmed.

8. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

9. All other resolutions or orders, or parts thereof, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed. This Resolution shall be in immediate effect upon and after its adoption. If the Bonds have not been issued by December 31, 2018, this Resolution shall no longer be effective.

Council Member Watts moved that unanimous consent of the Council be given for immediate action upon Resolution No. R-2018-07. Council Member Bradshaw seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Turner

NAYS: None

Council Member Bunn moved that Resolution No. R-2018-07 be adopted. Council Member Busby seconded said motion and upon vote, the results were as follows:

AYES: Montgomery, Watts, Bradshaw, Graham, Bunn, Busby, Turner

NAYS: None

Mayor Graham declared Resolution No. R-2018-07 adopted.

Adopted this 7th day of May, 2018.

Jon G. Graham, Mayor

ATTEST:

Connie Payton, City Clerk