

**STATE OF ALABAMA
COUNTY OF COVINGTON**

**ANDALUSIA, ALABAMA
ANDALUSIA CITY HALL
MAY 3, 2016**

REGULAR WORK SESSION MEETING

PRESENT:

Earl V. Johnson, Mayor
Terry Powell, Councilmember
Kenneth C. Mount, Councilmember
Hazel Griffin, Councilmember
Will Sconiers, Councilmember
Ralph Wells, Councilmember
Mark Christensen, City Attorney

ABSENT:

The City Council of the City of Andalusia, Alabama, met in room 340 at city hall for a work session at 5:00 p.m. for the purpose of planning and finalizing the agenda.

At 5:52 PM, Mayor Johnson announced that the city attorney needed to discuss a legal matter that may result in litigation with the city council and suggested that the council convene an executive session. Councilmember Wells moved to take the work session into executive session. Councilmember Powell seconded the motion which passed unanimously. At 6:03 PM the executive session ended and Mayor Johnson announced that no action had been taken by the city council.

REGULAR COUNCIL MEETING

PRESENT:

Earl V. Johnson, Mayor
Ralph Wells, Councilmember
Terry Powell, Councilmember
Will Sconiers, Councilmember
Kenneth C. Mount, Councilmember
Hazel Griffin, Councilmember
Mark Christensen, City Attorney

ABSENT:

Mayor Johnson called the meeting to order and welcomed all. Councilmember Mount led the prayer and Pledge of Allegiance to the flag.

APPROVAL OF MINUTES:

Mayor Johnson presented the minutes from the regular meeting, April 19, 2016. Councilmember Griffin moved to approve the minutes. Councilmember Powell seconded the motion which passed unanimously.

COUNCIL APPROVES APPROPRIATION FROM CONTINGENCY TO SUPPORT BRIGHT BEGINNINGS PRESCHOOL:

Mayor Johnson announced that the city council had received a request from Bright Beginnings Preschool for an appropriation of \$72,000 for the 2016 – 2017 school year. Councilmember Griffin moved to appropriate \$72,000 from contingency to support Bright Beginnings. Councilmember Sconiers seconded the motion which passed unanimously.

MAYOR PRESENTS ORDINANCE NO. 2016-03 FOR A FIRST READING:

Mayor Johnson introduced Ordinance No. 2016 – 03, selling the old SaeHaeSung Building at the Andalusia Industrial Park to J & D Properties for \$200,000, for a first reading.

COUNCIL APPROVES 2016 STREET RESURFACING PROJECT BID RESULTS WITH EXCEPTIONS:

Mayor Johnson presented the 2016 Street Resurfacing Project Bid Results. Councilmember Mount moved to approve the bid from Wiregrass Construction, Inc., with the exception of the asphalt, to be purchased from Covington County and that proceeds from the city's gasoline tax and capital improvement accounts be appropriated to complete the project as presented. Councilmember Powell seconded the motion which passed unanimously.

COUNCIL APPROVES RESOLUTION NO. 2016 – 07, 2016 BOND PROJECT:

Mayor Johnson presented Resolution No. 2016 – 07, 2016 Bond Project.

**THE CITY OF ANDALUSIA
ANDALUSIA, ALABAMA**

RESOLUTION 2016 - 07

WHEREAS, The City of Andalusia, Alabama (the "City"), does hereby determine and declare as follows:

(a) The City has heretofore issued certain long-term debt obligations, including particularly the General Obligation Warrants, Series 2009 (the "Warrants"), to finance the costs of certain capital projects and refund a bank loan.

(b) The City has determined that it can realize interest rate savings or better manage its cash flow by refunding and defeasing some or all of the Warrants.

(c) The City has also determined that it is advisable to use the savings generated from refunding the Warrants to carry out various capital improvements to the City. The savings generated will be held in the City's capital project fund.

(d) To provide money for the 2016 Improvements and to accomplish the refunding, the City intends to issue its General Obligation Warrants, Series 2016 (the "Series 2016 Warrants").

(e) It is anticipated that the net present value savings due to the refunding of the Warrants will be at least 3% and that the final maturity of the Series 2016 Warrants attributable to the refunding will not extend beyond the 2035.

(f) Due to the unpredictable nature of the bond market and the need for the City to access the market without delay, the City finds it in order to delegate to the Mayor the responsibility and the authority to enter into a bond purchase agreement to lock in the rates and terms of the Series 2016 Warrants.

(g) Have determined it is necessary and in the public interest for the City to (i) undertake certain public works projects, which shall include road construction and repair and the construction of certain capital improvements, including without limitation certain economic development improvements heretofore approved pursuant to Amendment 725 of the Constitution of Alabama 1901, as amended (together, herein called the "Improvements"), (ii) refund certain bank loans, (iii) pay the costs of issuing the Series 2016 Warrants, and (iv) issue the Warrants herein authorized for such purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF ANDALUSIA, as follows:

Section 1. The issuance of the Series 2016 Warrants within the parameters set forth in the foregoing recitals is approved and preparation of the documentation and performance of the actions necessary for the consummation of the transactions herein described is authorized.

Section 2. The City is authorized to spend its funds to pay for the 2016 Improvements in anticipation of reimbursement from the proceeds of the Series 2016 Warrants. By adoption of this resolution, the City intends to demonstrate its "official intent" to authorize the issuance of its bonds or other obligations within the meaning of the regulations issued by the Internal Revenue Service pursuant to Section 103 of the Internal Revenue Code of 1986, as amended, and to authorize that issuance in an aggregate principal amount up to \$15,000,000.

Section 3. The Mayor of the City is hereby authorized to execute a bond purchase agreement and any other document deemed necessary to facilitate the sale of the Series 2016 Warrants and the purposes set forth in this resolution.

Section 4. Stifel, Nicolaus & Company, Incorporated is hereby designated as underwriter for the Series 2016 Warrants, and Waldrep, Stewart & Kendrick, LLC is hereby

designated as bond counsel; each are hereby authorized to proceed with the preparation of the bond documentation and to take the actions necessary to prepare for the sale of the Series 2016 Warrants.

Section 5. This resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED this 3rd day of May, 2016.

THE CITY OF ANDALUSIA, ALABAMA

By: _____
Earl V. Johnson, Mayor

ATTEST:

John M. Thompson, City Clerk – Treasurer

Councilmember Wells moved to approve Resolution 2016 – 07. Councilmember Powell seconded the motion which passed unanimously.

COUNCIL APPROVES RESOLUTION NO. 2016 – 08, REJECTING UNIFORM BIDS:

Mayor Johnson presented Resolution 2016 – 08, Rejecting Uniform Bids.

**THE CITY OF ANDALUSIA
ANDALUSIA, ALABAMA**

RESOLUTION NO. 2016 – 08

**A RESOLUTION REJECTING ALL BIDS FOR UNIFORMS FOR THE CITY OF
ANDALUSIA**

WHEREAS, the City of Andalusia contracts for uniform services for certain employees;
and

WHEREAS, the City of Andalusia, Alabama did legally advertise a bid opening time and date of 2:00 PM, March 28, 2016, for uniform services, in accordance with Alabama State Law, and on that date opened all bids in public and read them aloud; and

WHEREAS, the City Clerk has reviewed the bids and determined that certain bid specifications were not sufficiently defined and presented in the bids necessary to develop proper comparison,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ANDALUSIA, that all bids are rejected and that the contract is to be rebid.

ADOPTED AND APPROVED this 3rd day of May, 2016.

THE CITY OF ANDALUSIA, ALABAMA

By: _____
Earl V. Johnson, Mayor

ATTEST:

John M. Thompson, City Clerk – Treasurer

Councilmember Sconiers moved to approve Resolution No. 2016 – 08. Councilmember Wells seconded the motion which passed unanimously.

ADJOURNMENT:

With no further business, Mayor Johnson called the meeting adjourned.

THE CITY OF ANDALUSIA, ALABAMA

BY: _____
Earl V. Johnson, Mayor

ATTEST:

John Thompson City Clerk – Treasurer