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**STATE OF ALABAMA
COUNTY OF COVINGTON**

**ANDALUSIA, ALABAMA
ANDALUSIA CITY HALL
February 2, 2021**

REGULAR WORK SESSION MEETING

PRESENT:

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

ABSENT:

The City Council of the City of Andalusia, Alabama, met in the utility board conference room at the city hall for a work session at 5:30 p.m. for the purpose of planning and finalizing the agenda.

REGULAR COUNCIL MEETING

PRESENT:

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

ABSENT:

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

APPROVAL OF MINUTES:

Mayor Johnson presented the minutes from the regular meeting on January 19, 2021. Councilmember Wells moved to approve the minutes. Councilmember Mount seconded the motion which passed unanimously.

COUNCIL APPROVES RESOLUTION NO. 2021-08, SURPLUS EQUIPMENT, VEHICLES:

Mayor Johnson presented Resolution No. 2021-08, Surplus Equipment Vehicles.

**THE CITY OF ANDALUSIA
ANDALUSIA, ALABAMA**

RESOLUTION 2021 – 08

WHEREAS, the City of Andalusia, Alabama, has inventoried its equipment/vehicles and found the following equipment/vehicles to be unneeded for municipal public purposes:

Unit No. S-88	2000 Ford F250 VIN: 1FTNX21L1YEA48143
Unit No. S-11	1996 Ford Backhoe VIN: F000914
Unit No. C-34	1989 Ford Flatbed VIN: 2FDLF47M9KCB34069
Unit No. S-9	Catepillar 315BL Excavator VIN: 03AW00643
Unit No. S-43	1995 Ford F800 VIN: 1FDNF80CXSA38284
Unit No.	Peanut Wagon
Unit No.	Yale Forklift

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Unit No.

Trailer Slide Axle

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Andalusia, Alabama, that said equipment listed above is no longer needed for municipal public purposes, and that the Mayor and City Clerk are hereby authorized to sell or otherwise dispose of said surplus property.

ADOPTED AND APPROVED this 2nd day of February, 2021.

THE CITY OF ANDALUSIA, ALABAMA

By: _____
Earl V. Johnson, Mayor

ATTEST:

John M. Thompson, City Clerk/Treasurer

Councilmember Powell moved to approve Resolution No. 2021-08. Councilmember Nix seconded the motion which passed unanimously.

COUNCIL APPROVES RESOLUTION NO. 2021-09, APPROVING A BID FOR PURCHASE OF VEHICLES:

Mayor Johnson presented Resolution No. 2021-09, Approving a Bid for Purchase of Vehicles.

**THE CITY OF ANDALUSIA
ANDALUSIA, ALABAMA**

RESOLUTION NO. 2021 – 09

A RESOLUTION APPROVING A BID FOR PURCHASE OF VEHICLES

WHEREAS, the Director of Leisure Services, Fire Chief and Police Chief have inventoried their respective fleets and determined that certain replacements are required to adequately perform and maintain city operations; and

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WHEREAS, the City of Andalusia, Alabama did legally advertise a bid opening time and date of 11:00 AM, January 25, 2021, for vehicles, in accordance with Alabama State Law, and on that date opened all bids in public and read them aloud; and

WHEREAS, the Director of Leisure Services, Fire Chief, and Police Chief have reviewed the bids and determined that the lowest responsible bidders are Andalusia Ford and Stiver's Ford, per the attached bid results.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ANDALUSIA, that bids from Andalusia Ford for three Ford F150's and three Ford Explorers, and Stiver's Ford for three Ford F150's, be accepted as detailed in the attached bid results, and all other items rejected.

BE IT FURTHER RESOLVED that the mayor and city administrator are authorized to purchase said vehicles and that \$275,884.26 be appropriated from the Capital Improvement Account to complete the transaction.

ADOPTED AND APPROVED this 2nd day of February, 2021.

THE CITY OF ANDALUSIA, ALABAMA

By: _____
Earl V. Johnson, Mayor

ATTEST:

John M. Thompson, City Clerk-Treasurer

Councilmember Griffin moved to approve Resolution No. 2021-09. Councilmember Wells seconded the motion which passed unanimously.

COUNCIL APPROVES CONTRACT BETWEEN THE CITY OF ANDALUSIA AND THE UTILITIES BOARD OF THE CITY OF ANDALUSIA:

Mayor Johnson presented a clarified, simplified edition of the contract between the City and the Utilities Board of the City of Andalusia.

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**AGREEMENT BY AND BETWEEN THE CITY OF ANDALUSIA, ALABAMA
AND THE UTILITIES BOARD OF THE CITY OF ANDALUSIA, ALABAMA**

WHEREAS, the City of Andalusia, Alabama, a municipal corporation, and the Utilities Board of the City of Andalusia, Alabama, a public corporation formed pursuant to Article 9 of Title 11 of the Code of Alabama, have previously entered into a number of Agreements (specifically, in January of 2003, June of 2004, October of 2008, July of 2008, and July 2009) related to funding and bond indebtedness; and

WHEREAS, the parties wish to clarify and simplify their Agreement;

NOW THEREFORE, the City of Andalusia, Alabama (the "City") and the Utilities Board of the City of Andalusia, Alabama (the "Board") hereby agree as follows:

1. This Agreement supercedes all previous contracts between the parties.
2. The Board shall continue to operate the electric, sewer, and water systems for the City.
3. Any monies collected for electric, sewer, and water bills shall be deposited directly into the Board's account.
4. From monies deposited into the Board's account, the Board shall pay its operating expenses (including any Director's fees, employee salaries and fringe benefits, materials and supplies, power purchases, debt service owed by the Board for the current fiscal year, equipment and vehicles costs, and other expenses that are reasonably related to the operation of the electric, sewer, and water systems for the City), any payments required below to the Board's Capital Improvement Fund, and the remaining funds to the General Fund of the City.
5. Required payments to the Board's Capital Improvement Fund shall be the lesser of 15% of Net Profits (i.e., total revenue less the sum of all operating expenses and debt service for the fiscal year) or such amount as is required to maintain the balance of the Capital Improvement Fund at 15% of the value of the systems owned by the Board. The value of the systems owned by the Board shall be

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determined by the accounting firm responsible for the annual audit of the City.

6. Notwithstanding the foregoing, in no event shall the Board's total annual funding to the City be less than Three Million Five Hundred Thousand Dollars (\$3,500,000) without the written consent of the City.
7. The Board agrees to maintain its consumer service rates at such levels as are necessary to provide the funding required by this Agreement and as required to maintain the utility systems in good operating order and to ensure compliance with all generally accepted industry standards.
8. The City and the Board are currently paying their respective pro rata shares of certain bond indebtedness, and they shall continue to do so on the schedules required. The parties note that certain parts of the sewer system are required to remain the property of the City until such time as the bond indebtedness secured by the sewer system is retired. The City shall convey any parts of the sewer system to the Board not already conveyed to the Board upon the retirement of such debt.
9. The City and the Board also agree to pay their respective pro rata shares of any future bond indebtedness according to the amounts of the bond proceeds that are applied to property or projects of the City and property or projects of the Board.
10. This Agreement includes the whole agreement between the parties and can only be modified, amended, or revoked by a new agreement in writing executed by the parties.

Dated this 21st day of January, 2021.

THE CITY OF ANDALUSIA, ALABAMA

UTILITIES BOARD OF THE CITY OF
ANDALUSIA, ALABAMA

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BY: _____
John M. Thompson, City Administrator

By: _____
Earl V. Johnson, Chairman

Councilmember Powell moved to approve the contract and to authorize the city administrator to execute it on behalf of the City. Councilmember Mount seconded the motion which passed unanimously.

COUNCIL APPROVES APPROPRIATION FROM THE CAPITAL IMPROVEMENT ACCOUNT FOR THE SOUTH ALABAMA REGIONAL AIRPORT BUSINESS EXPANSION PROJECT:

Mayor Johnson presented a joint project with the Covington County Economic Development Commission and other local governments and entities for a business expansion at the South Alabama Regional Airport. Councilmember Griffin moved to support the project and to authorize a \$32,000 appropriation from the capital improvement account for a no interest loan to the South Alabama Regional Airport Authority to be repaid within ten years. Councilmember Nix seconded the motion which passed unanimously.

COUNCIL APPROVES STATE OF ALABAMA ALCOHOLIC BEVERAGE CONTROL BOARD LICENSE FOR AMOR Y TACOS:

Mayor Johnson presented a State of Alabama Alcoholic Beverage Control Board restaurant retail liquor license for Amor Y Tacos, LLC. Councilmember mount moved to approve the license. Councilmember Wells seconded the motion. Mayor Johnson called for a vote, which produced the following results:

YES

Mayor Johnson
Councilmember Nix
Councilmember Mount
Councilmember Wells

NO

Councilmember Griffin

ABSTAINED

Councilmember Powell

ADJOURNMENT:

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

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THE CITY OF ANDALUSIA, ALABAMA

**By: _____
Earl V. Johnson, Mayor**

ATTEST:

**_____
John M. Thompson, City Clerk/Treasurer**