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**STATE OF ALABAMA
COUNTY OF COVINGTON**

**ANDALUSIA, ALABAMA
ANDALUSIA CITY HALL
January 7, 2025, 6:00 PM**

REGULAR WORK SESSION MEETING

PRESENT:

Earl V. Johnson, Mayor
Joe Nix, Councilmember
Kennith C. Mount, Councilmember
Hazel Griffin, Councilmember
Presley Boswell, Councilmember
Terry Powell, Councilmember
Mark Christensen, City Attorney

ABSENT:

REGULAR COUNCIL MEETING

PRESENT:

Earl V. Johnson, Mayor
Joe Nix, Councilmember
Kennith C. Mount, Councilmember
Hazel Griffin, Councilmember
Presley Boswell, Councilmember
Terry Powell, Councilmember
Mark Christensen, City Attorney

ABSENT:

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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 on December 17, 2024. Councilmember Mount moved to approve the minutes. Councilmember Nix seconded the motion, which passed unanimously.

COUNCIL APPROVES RESOLUTION NO. 2025-01, ADOPTING ANNUAL TRANSPORTATION REPORT PURSUANT TO THE REBUILD ALABAMA ACT (2019-2):

Mayor Johnson presented Resolution No. 2025-01, adopting an annual transportation report pursuant to the Rebuild Alabama ACT (2019-2).

**CITY OF ANDALUSIA
ANDALUSIA, ALABAMA**

RESOLUTION NO. 2025-01

**RESOLUTION ADOPTING ANNUAL TRANSPORTATION REPORT PURSUANT
TO THE REBUILD ALABAMA ACT (ACT 2019-2)**

WHEREAS, the 2019 Alabama Legislature has passed an HB2 to levy additional excise tax on gasoline and diesel fuel; and,

WHEREAS, the City of Andalusia is to receive a portion of said tax based on the ratio of population of each municipality to the total population of all municipalities of the state; and,

WHEREAS, the City of Andalusia pledges to keep this money in separate funds and expend only for maintenance, improvement, replacement, and construction of roads and as mandated by the law passed; and,

WHEREAS, the Act provides that the City of Andalusia shall adopt an annual Transportation Report at the first meeting in January detailing expenditures for the previous year.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Andalusia reports that it spent \$0 of its allocation from the Rebuild Alabama Act fund for the

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Fiscal Year 2024. The funds are being allowed to accrue for use for street maintenance, improvement, replacement, and construction of roads within the City of Andalusia.

PASSED and ADOPTED by the City Council of the City of Andalusia, Alabama, this 7th day of January, 2025.

THE CITY OF ANDALUSIA, ALABAMA

BY: _____
Earl V. Johnson, Mayor

ATTEST:

John M. Thompson, City Clerk

Councilmember Powell moved to approve Resolution No. 2025-01. Councilmember Griffin seconded the motion, which passed unanimously.

**COUNCIL APPROVES COMMUNITY DEVELOPMENT BLOCK GRANT
PROCUREMENT POLICY:**

Mayor Johnson presented the Community Development Block Grant Procurement Policy.

**City of Andalusia, Alabama
Methods of Procurement for
Community Development Block Grant Program**

The City of Andalusia will follow the procurement methods described below and will ensure that all contracts will be in writing, include the appropriate state, federal, and local clauses, and that all contracts will be authorized by the Andalusia City Council. The City of Andalusia has identified the City Clerk as the person with the authority to initiate purchase requests and enter into contracts. Further, the City of Andalusia will ensure that the procurement of labor, services, or materials will be conducted in accordance with these local written procedures that conform to HUD's Procurement Rule at 24 CFR 85.36, 2 CFR §200.317 *et seq.*, Title 41, Code of Alabama (Bid Law), and Title 39, Code of Alabama (Public Works Law). All procurement follows one of the following methods.

1. Small Purchase

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- a. See State Bid Law (Title 41, Code of Alabama), HUD's Procurement Rule at 24 CFR 85.36 and 2 CFR §200.317 *et seq.*
 - i. Price or rate quotations for purchases or contracts with an aggregate cost of \$25,000 or less must be solicited from at least three (3) qualified sources. No purchase or contract involving an amount exceeding \$25,000 shall be divided into parts involving amounts \$25,000 or less for the purpose of avoiding the requirements of the Bid Law. File documentation is required.

- b. See Public Works Law (Title 39, Code of Alabama), HUD's Procurement Rule at 24 CFR 85.36 and 2 CFR §200.317 *et seq.*
 - i. Price or rate quotations for professional services with an aggregate cost of \$100,000 or less must be solicited from at least three (3) sources. File documentation and contract for professional services are required.

 - ii. Contracts for public works with an aggregate cost of \$100,000 or less may be let without advertising or sealed bids. Price or rate quotations must be solicited from at least three (3) sources. No public work involving a sum exceeding \$100,000 shall be split into parts involving sums of \$100,000 or less for the purposes of evading the Public Works Law. File documentation is required.

2. Sealed Bids

- a. See State Bid Law (Title 41, Code of Alabama),
 - i. All purchases exceeding \$100,000 shall be advertised by posting notice thereof on a bulletin board maintained outside the purchasing office and in any other manner and for any length of time as may be determined. Sealed bids shall also be solicited by sending notice by mail or other electronic means to all persons, firms, or corporations who have filed a request in writing that they be listed for solicitation on bids for the items that are set forth in the request. All bids shall be sealed when received and shall be opened in public at the hour stated in the notice.

 - ii. All original bids together with all documents pertaining to the award of the contract shall be retained in accordance with a retention period of at least seven years established by the Local Government Records Commission and shall be open to public inspection.

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- b. See Public Works Law (Title 39, Code of Alabama),
 - i. Definition of Public Works: The construction, repair, renovation, or maintenance of public buildings, structures, sewers, waterworks, roads, bridges, docks, underpasses, and viaducts as well as any other improvement to be constructed, repaired, renovated, or maintained on public property and to be paid, in whole or in part, with public funds or with financing to be retired with public funds in the form of lease payments or otherwise.
 - ii. Before entering into any contract for a public works involving an amount in excess of \$100,000, the awarding authority shall advertise for sealed bids. If the awarding authority is the state or a county, or an instrumentality thereof, it shall advertise for sealed bids at least once each week for three consecutive weeks in a newspaper of general circulation in the county or counties in which the improvement or some part thereof, is to be made. If the awarding authority is a municipality, or an instrumentality thereof, it shall advertise for sealed bids at least once in a newspaper of general circulation published in the municipality where the awarding authority is located. If no newspaper is published in the municipality, the awarding authority shall advertise by posting notice thereof on a bulletin board maintained outside the purchasing office and in any other manner and for the length of time as may be determined. In addition to bulletin board notice, sealed bids shall also be solicited by sending notice by mail to all persons who have filed a request in writing with the official designated by the awarding authority that they be listed for solicitation on bids for the public works contracts indicated in the request.

3. Competitive Negotiations

The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- a. See HUD's Procurement Rule at 24 CFR 85.36 and 2 CFR §200.317 *et seq.*
- b. Requests for proposals will be publicized and identify all evaluation factors and their relative importance.
- c. Proposals will be solicited from an adequate number of qualified sources.
- d. Subrecipients will have a method for conducting technical evaluations of the proposals received and for selecting awardees.
- e. Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

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- f. Subrecipients may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated, and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

4. Noncompetitive Negotiations

Procurement by noncompetitive proposals or "sole source" is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate. Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies: the item is available only from a single source; the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation; the awarding agency authorizes noncompetitive proposals; and after solicitation of a number of sources, competition is determined inadequate.

- a. Proper documentation that one or more of the above circumstances existed.
- b. There is no conflict of interest by the parties involved.
- c. Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.

5. Price/Cost Analysis

Subrecipients must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the procurement situation, but as a starting point, Subrecipients must make independent estimates before receiving bids or proposals.

- a. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and architectural/engineering services contracts.
- b. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or based on prices set by law or regulation.
- c. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.
- d. Subrecipients will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed.

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- e. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
- f. Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see 24 CFR 85.22). Subrecipients may reference their own cost principles that comply with the applicable Federal cost principles.
- g. The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

This policy is hereby approved by the Andalusia City Council in official session on this the _____ day of _____, 2025.

Earl V. Johnson, Mayor

(SEAL)

John Thompson, City Clerk

Councilmember Powell moved to approve the Community Development Block Grant Procurement Policy. Councilmember Mount seconded the motion, which passed unanimously.

MAYOR JOHNSON PRESENTED ORDINANCE NO. 2025-01, DECLARING RAILROAD AVENUE LOTS SURPLUS FOR WORKFORCE HOUSING DEVELOPMENT, FOR A FIRST READING:

Mayor Johnson presented Ordinance No. 2025-01, declaring railroad avenue lots surplus for workforce housing development, for a First Reading.

MAYOR JOHNSON PRESENTED ORDINANCE NO. 2025-02, AUTHORIZING THE TRANSFER OF SEWER ASSETS TO THE UTILITY BOARD OF ANDALUSIA FROM THE CITY OF ANDALUSIA, FOR A FIRST READING:

Mayor Johnson presented Ordinance No. 2025-02, authorizing the transfer of sewer assets to the Utility Board of Andalusia from the City of Andalusia, for a first reading.

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ADJOURNMENT:

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

THE CITY OF ANDALUSIA, ALABAMA

By: _____
Earl V. Johnson, Mayor

ATTEST:

John M. Thompson, City Clerk-Treasurer