

**CITY COUNCIL BUSINESS MEETING AGENDA
1705 MAIN STREET, DAPHNE, AL
JANUARY 20, 2009
BUSINESS MEETING
6:30 P.M.**

- 1. CALL TO ORDER**
- 2. ROLL CALL/INVOCATION
PLEDGE OF ALLEGIANCE**

APPROVE MINUTES: Council meeting minutes meeting held January 5, 2009

PRESENTATION: Safety Awards / Sharon Cureton

PUBLIC HEARINGS: Tameron Honda
Tameron Honda

PUBLIC HEARING: Townsend Recovery Center

4. REPORT STANDING COMMITTEES:

A. FINANCE COMMITTEE / Boulware

Review minutes meeting held January 12th

a.) MOTION / Property Liability Insurance

- 1.) Renew policy and lock in rates for three (3) years

b.) Resolutions:

- 1.) Prepaid Travel: Mechanical Supervisor / Amos Bauer, Mechanic / Eric Seals / ALDOT Annual Vehicle Training / Guntersville, AL / January 21-23, 2009 / \$105 / [Resolution 2009-03](#)
- 2.) Declaring Certain Property Surplus / [Resolution 2009-04](#)

c.) Financial Reports:

- 1.) Treasurers Report / December 31, 2008
- 2.) Sales & Use Tax Collections / November 30, 2008
- 3.) Lodging Tax Collections / November 30, 2008

B. BUILDINGS & PROPERTY - Lake

Review minutes meeting held January 9th

MOTION: Approve abatement demolition of mobile home on Parker Lane / \$2,800

MOTION: Authorizing Mayor to enter into a Hold Harmless Agreement with Bay Rivers Art Guild / For pictures hanging in City Hall

MOTION: Approve job description for the non-paid volunteer coordinator

C. PUBLIC SAFETY - Burnam

Review minutes meeting held January 7th

D. CODE ENFORCEMENT/ORDINANCE COMMITTEE - Palumbo

Review minutes meeting held January 7th

MOTION: That the city attorney immediately acquire a current list of all residents delinquent on payment of garbage fees and send out demand letters for payment in full. All residents who do not comply within 30 days of receipt of such letter by full payment or by payment of current month's fees and arrangement with the city finance department of a six-month payment schedule for arrears will be promptly issued a summons to appear in municipal court for failure to pay such fees as required by city ordinance.

E. PUBLIC WORKS COMMITTEE / SOLID WASTE AUTHORITY - Yelding

municipal court for failure to pay such fees as required by city ordinance.

E. PUBLIC WORKS COMMITTEE / SOLID WASTE AUTHORITY - Yelding

5. REPORTS OF SPECIAL BOARDS & COMMISSIONS:

- A. *Board of Zoning Adjustments – Jones*
- B. *Downtown Redevelopment Authority - Barnette*
- C. *Industrial Development Board – Yelding*
- D. *Library Board - Lake*
- E. *Planning Commission – Barnette*
- F. *Recreation Board - Burnam*
- G. *Utility Board - Scott*

6. REPORTS OF OFFICERS:

- A. *Mayors Report*
 - a.) *ABC License / Moes BBQ / 020 – Restaurant Retail Liquor*
- B. *City Attorney’s Report*
 - a.) *BRAG Lease / Nicholson Center*
 - b.) *Amendment to Utilities Incorporation Articles / Reduce Members / [Resolution 2008-02](#)*
- C. *Department Head Comments*
 - David Cohen / May Day Boat Ramp / MOTION: Approve Engineering Fees for May Day Park Boat Ramp in the amount of \$1,400*

7. PUBLIC PARTICIPATION:

8. RESOLUTIONS & ORDINANCES:

RESOLUTIONS:

- a.) *Amending Certificate of Incorporation of the Utilities Board / Reduce Members. /Resolution 2009-02*
- b.) *Prepaid Travel / Crutchfield / Seals. /Resolution 2009-03*
- c.) *Declaring Certain Property Surplus. /Resolution 2009-04*
- d.) *Mercy Medical Zoning Issues. /Resolution 2009-05*

ORDINANCES:

2ND READ

- a.) *Job Reclassification Schedule. /Ordinance 2009-03*
- b.) *Rezone: Johnny Littleton / B-1, Local Business to B-2, General Business. /Ordinance 2009-04*
- c.) *Rezone: Big Sandy, LLC / B-2, General Business to R-4, High Density Single Family Multi-Family Residential District / Tabled Per Owner /Ordinance 2009-05*

1ST READ

- d.) *Tameron Honda Bond Issue. /Ordinance 2009-06*

9. COUNCIL COMMENTS

10. ADJOURN

**CITY OF DAPHNE
CITY COUNCIL MEETING**

ROLL CALL

CITY COUNCIL:

CALL VOTES

COUNCILMAN YELDING

PRESENT__ ABSENT__ __

COUNCILWOMAN BARNETTE

PRESENT__ ABSENT__

COUNCILMAN LAKE

PRESENT__ ABSENT__ __

COUNCILMAN BURNAM

PRESENT__ ABSENT__ __

COUNCILMAN SCOTT

PRESENT__ ABSENT__ __

COUNCILMAN BOULWARE

PRESENT__ ABSENT__ __

COUNCILMAN PALUMBO

PRESENT__ ABSENT__ __

MAYOR

MAYOR SMALL

PRESENT__ ABSENT__ __

CITY CLERK:

DAVID L. COHEN

PRESENT__ ABSENT__

CITY ATTORNEY:

CITY ATTORNEY JAY ROSS

PRESENT__ ABSENT

MINUTE NOTES:

**CITY COUNCIL MEETING
MINUTES**

NOTES:

COMMITTEE RECOMMENDATIONS

JANUARY 5, 2009
CITY COUNCIL MEETING
1705 MAIN STREET
DAPHNE, AL
6:30 P.M.

1

1. CALL TO ORDER

Council President Lake called the meeting to order at 6:30 p.m.

2. ROLL CALL/INVOCATION/PLEDGE OF ALLEGIANCE

Invocation was given by Mr. Bill Eady.

COUNCIL MEMBERS PRESENT: Bailey Yelding; Cathy Barnette; John Lake; Greg Burnam; Ron Scott; Derek Boulware; August Palumbo.

Also present: Mayor Fred Small; David Cohen, City Clerk; Rebecca Hayes, Assistant City Clerk; Jay Ross, City Attorney; Bill Eady, Public Works Director; Sandra Morse, Civic Center Director; Richard Merchant, Building Official; James White, Fire Chief; Tonja Young, Library Director; Sharon Cureton, Human Resource Director; David Carpenter, Police Chief; David McKelroy, Recreation Director; Adrienne Jones, Planning Director; Suanne Henson, Senior Accountant; Jane Robbins, Mayor's Assistant; Frank Barnette, Maintenance Supervisor; Public Works employees; Scott Hutchinson, City Engineer; Lon Johnston, Utility Board; Mickey Boykin, Museum Board; Starke Irvine, DRA; Al Guarisco Village Point Foundation; Dorothy Morrison, Beautification Committee.

Absent: Kim Briley, Finance Director;

3. APPROVE MINUTES:

MOTION BY Councilwoman Barnette to adopt the Council meeting minutes meeting held December 15, 2008. *Seconded by Councilman Burnam.*

AYE ALL IN FAVOR NAY NONE OPPOSED MOTION CARRIED

MOTION BY Councilwoman Barnette to adopt the Council Work Session minutes meeting held December 11, 2008 with the following amendment: Under the heading of Utility Board Property to delete the word "consensus" in the paragraph where it states that the Utilities should sell the city the property for \$1.00 to \$10.00 because of the city's monetary investment in the sewers. *Seconded by Councilman Scott.*

AYE ALL IN FAVOR NAY NONE OPPOSED MOTION CARRIED

**JANUARY 5, 2009
CITY COUNCIL MEETING
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DAPHNE, AL
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PUBLIC HEARING: Rezone: Johnny Littleton / Westside of US Hwy 98 / B-1, Local Business District to B-2, General Business District

Mr. Johnny Littleton and Ms. Adrienne Jones gave a presentation on the proposed rezoning.

Councilwoman Barnette stated that the proposed rezoning received a unanimous favorable recommendation from the Planning Commission.

Council President Lake opened the Public Hearing at 6:35 p.m.

No one spoke for or against the proposed rezoning.

Council President Lake closed the Public Hearing at 6:36 p.m.

PUBLIC HEARING: Rezone: Big Sandy / SE of the intersection of US Hwy 98 and Johnson Road / B-2, General Business to R-4, High Density Single Family Multi-Family Residential District

Mr. Scott Hutchinson, Hutchinson, Moore and Rauch, and Mr. Scott Davis, Continental Properties, gave a presentation on the proposed rezoning.

Councilwoman Barnette stated that the proposed rezoning received a 7-1 vote for a favorable recommendation from the Planning Commission.

Council President Lake opened the Public Hearing at 6:58 p.m.

No one spoke for or against the proposed rezoning.

Council President Lake closed the Public Hearing at 6:59 p.m.

PRESENTATION: Jeffrey Boudreau / Eagle Scout Project

Mr. Boudreau explained his project to Council. He is going to build wood duck boxes. He will put them in the water. His goal is to bring wildlife to the Preserve.

Councilman Palumbo asked Mr. Boudreau to come back to Council when he is finished to report on his project.

MOTION BY Councilwoman Barnette to approve the proposed project by Eagle Scout, Jeffrey Boudreau, at Village Point Park Preserve. *Seconded by Councilman Yelding.*

AYE ALL IN FAVOR NAY NONE OPPOSED MOTION CARRIED

4. REPORT OF STANDING COMMITTEES:

A. FINANCE COMMITTEE / *Boulware*

No report. The next meeting will be January 12th at 4:00 p.m.

B. BUILDINGS AND PROPERTY COMMITTEE – Lake

No report. Next meeting will be Friday at 10:00 a.m.

C. PUBLIC SAFETY COMMITTEE – Burnam

The minutes for the December 3rd meeting are in the packet. The next meeting will be Wednesday at 4:30 p.m.

D. CODE ENFORCEMENT/ORDINANCE COMMITTEE – Palumbo

No report. The next meeting will be Wednesday after the Public Safety meeting. There is one item on the agenda.

Councilwoman Barnette asked about the grinder pump ordinance.

Councilman Palumbo stated that he thought that the City Attorney was supposed to get with Danny Lyndall at Utilities, and use their ordinance to draft one for the city. He asked that if Mr. Ross has not done so to please get with Utilities and prepare the ordinance.

E. PUBLIC WORKS COMMITTEE/SOLID WASTE AUTHORITY – Yelding

There was not a meeting in December. The next meeting will be January 23rd.

5. REPORTS OF SPECIAL BOARDS & COMMISSIONS:

A. Board of Zoning Adjustments – Ms. Jones

No report.

B. Downtown Redevelopment Authority – Barnette

No report.

C. Industrial Development Board – Yelding

No report.

D. Library Board – Lake

No report.

E. Planning Commission – Barnette

The Site Review meeting will be January 14th and the Planning Commission meeting will be January 22nd at 6:00 p.m. in the Council Chambers.

F. Recreation Board – Burnam

There was not a quorum at the last meeting.

G. Utility Board – Scott

The next meeting will be Wednesday at 5:00 p.m. for the December meeting. He will give an update on the waste water plant at the next meeting.

6. REPORTS OF THE OFFICERS:

A. Mayor's Report

Mayor Small reported that the stimulus package is almost done, and hopefully it will be done at the end of next week. He will give a copy to Council for their review before he sends it to Washington, D.C. Mayor Small stated that Mr. Lake had asked him to take care of some intersections that were overgrown, and painting pedestrian crossings, and he said they will be taken care of very soon. He stated that the new bridge walkway over D'Olive Creek that connects with Jubilee Square is complete. He thanked the hotel owners that contributed to the sidewalks. He said that now no one has to walk on the street to get to the hotels and shopping.

B. City Attorney's Report

Mr. Ross reported that he was contacted by the Utilities attorney regarding amending the Utilities incorporation articles. He asked if Council wanted to discuss it at a Council meeting or Work Session.

Council President Lake stated that he will put it on the next Council meeting.

Mr. Ross stated that at the Work Session he will discuss the BRAG lease, and also he will present the legality of Townsend Recovery being at Mercy Medical. Mr. Ross stated that the list of pending legal issues and claims against the city is almost complete, and he will be sending it Council as soon as it is done.

C. Department Head Comments

David McKelroy – Recreation Director – invited all to come out to the girls basketball game between Daphne High School and Baldwin County High School. Daphne is #2 in the state and Baldwin County is #4 in the state.

7. PUBLIC PARTICIPATION

Mrs. Dorothy Morrison – Daphne Beautification Committee - spoke regarding the new sidewalk bridge across D'Olive Creek being unsafe for children and animals. She stated that the railings are too far apart, and they need to be closer for the safety of citizens and animals.

Mr. Rick Lambert – Union Representative - asked to set up a meeting in the near future between Council and Public Works employees to talk about forming a union.

Karen Nady – Captain O’Neal Drive – spoke regarding the Townsend Recovery Public Hearing set for January 20, 2009.

Rod Drummond – Ridgewood Drive – complimented the city on the Christmas decorations, and said that the sound system is not very good, and that you cannot hear what people are saying.

John Archer – Public Works Employee – spoke in favor of a union.

Larry Seales – Public Works Employee – spoke in favor of a union.

Chris Stanton – Public Works Employee – spoke in favor of a union.

All Public Work Employees present - stood in support of a union.

8. RESOLUTIONS, ORDINANCES, ORDERS AND OTHER BUSINESS

RESOLUTIONS:

a.) Street Acceptance / Daphne Business Park, Unit III. /Resolution 2009-01

MOTION BY Councilman Scott to <u>waive the reading</u> of Resolution 2009-01. <i>Seconded by Councilwoman Barnette.</i>				
AYE	ALL IN FAVOR	NAY	NONE OPPOSED	MOTION CARRIED

MOTION BY Councilman Scott to <u>adopt</u> Resolution 2009-01. <i>Seconded by Councilwoman Barnette.</i>				
AYE	ALL IN FAVOR	NAY	NONE OPPOSED	MOTION CARRIED

ORDINANCES:

2ND READ

- a.) Flood Prevention. /Ordinance 2009-01
- b.) Trione Soccer and Football Complex Phase I. /Ordinance 2009-02

1ST READ

- c.) Job Reclassification Schedule.
./Ordinance 2009-03
- d.) Rezone: Johnny Littleton / B-1, Local Business to
B-2, General Business. /Ordinance 2009-04
- e.) Rezone: Big Sandy, LLC / B-2, General Business to
R-4, High Density Single Family Multi-Family
Residential District. /Ordinance 2009-05

MOTION BY Councilman Scott to waive the reading of Ordinances 2009-01 and 2009-02.
Seconded by Councilwoman Barnette.

AYE ALL IN FAVOR NAY NONE OPPOSED MOTION CARRIED

MOTION BY Councilman Scott to adopt Ordinance 2009-01. *Seconded by Councilwoman
Barnette.*

AYE ALL IN FAVOR NAY NONE OPPOSED MOTION CARRIED

MOTION BY Councilman Scott to adopt Ordinance 2009-02. *Seconded by Councilman Yelding.*

AYE ALL IN FAVOR NAY NONE OPPOSED MOTION CARRIED

ORDINANCES 2009-03, 2009-04 and 2009-05 WERE MADE 1ST READ.

8. COUNCIL COMMENTS

Councilman Yelding commended David McKelroy for making the announcement regarding the girls basketball game. He stated that he is chairman of the Public Works Committee, and no one has ever approached him about talking with Council about anything, and he stated that he thinks Council will meet with them. He is willing to work and talk with the employees.

Councilwoman Barnette echoed Councilman Yelding's comments, as she also serves on the Public Works Committee, and this is the first time she has heard of a problem or that there was a need to unionize. She doesn't understand the trend for city employees going to a unionized form. She doesn't know what it will get them. She commended the Public Works employees do a tremendous amount of service for the city, and she values their work very much. She hopes they can determine what the issues are, and hopefully, it is not just money, because that will be challenging. She wished everyone a happy new year.

Councilman Burnam wished everyone a happy new year.

Councilman Scott applauded the Beautification Committee for decorating the city. He also thanked Public Works employees for all that they do. He welcomed Councilman Burnam back, and wished everyone a happy new year.

Councilman Boulware stated that he was glad to have Councilman Burnam back also.

Councilman Palumbo echoed comments made by Councilman Yelding and Councilwoman Barnette. He said that Council has not heard any complaints from the Public Works employees. He said that every department is important to the city. Councilman Palumbo stated that if there is some specific grievance there is a procedure to follow. He said that he will welcome a presentation regarding a union. He wished everyone a happy new year.

Councilman Burnam explained to the citizens that he had had a heart attack on the night of the last Council meeting.

Council President Lake stated that the painting of the crosswalks had been planned for a while. He spoke about establishing rules and regulations for bicycling in Daphne, and that he is preparing a brochure regarding bicycle safety. He wished everyone a happy new year.

**JANUARY 5, 2009
CITY COUNCIL MEETING
1705 MAIN STREET
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6:30 P.M.**

8

10. ADJOURN

MOTION BY Councilwoman Barnette to adjourn. *Seconded by Councilman Yelding.*

AYE ALL IN FAVOR NAY NONE OPPOSED MOTION CARRIED

THERE BEING NO FURTHER BUSINESS TO DISCUSS, THE MEETING ADJOURNED AT 7:56 P.M.

Respectfully submitted by,

David L. Cohen,
City Clerk, MMC

Certification by Presiding Officer:

John Lake
Council President
Date & Time Signed: _____

**CITY COUNCIL MEETING
STANDING COMMITTEE RECOMMENDATIONS:**

FINANCE COMMITTEE REPORT

BUILDINGS & PROPERTY COMMITTEE REPORT

PLANNING/ZONING/CODE ENFORCEMENT COMMITTEE REPORT

PUBLIC SAFETY/ORDINANCE COMMITTEE REPORT

PUBLIC WORKS/BEAUTIFICATION/MUSEUM COMMITTEE REPORT

**CITY OF DAPHNE
FINANCE COMMITTEE MINUTES
January 12, 2009
4:00 P.M.**

I. CALL TO ORDER/ROLL CALL

The meeting was called to order at 4:08 pm. Present were Chairman Derek Boulware, Councilman Ron Scott, Councilman Bailey Yelding, Finance Director Kim Briley, Senior Accountant Suzâne Henson and Accountant Donna Page.

Also in attendance were Revenue Officer Cornell Smith and Human Resources Director Sharon Cureton.

Mayor Fred Small arrived at 4:16 pm.

Mr. Yelding left at 4:35 pm.

II. PUBLIC PARTICIPATION

Mr. Kevin Spriggs, Daphne business owner, stated that the Interstate 10 exit #35, is being under-utilized as a resource for the City. He noted that he would like to see more promotion of the City and its businesses at this exit; which he would like to see funded with lodging tax monies.

III. HUMAN RESOURCES BUSINESS

Ms. Sharon Cureton reported the cost estimate for Civic Center Initiatives as discussed at the November 10 Council meeting is \$ 12,000. Discussion followed on continuing this discussion with the full Council at a Work Session. Mayor Small recommending that Ms. Cureton contact the City Attorney to determine if this can be discussed by the Council in executive session.

IV. ISSUES REQUIRING ACTION BY CITY COUNCIL

A. Property/Liability Insurance – John Robertson Insurance Co.

Mr. Robbie Robertson with John Robertson Insurance Co. presented the renewal proposal for the City of Daphne's property and liability insurance. Mr. Robertson received quotes from several companies. It was noted that the \$380,539 premium is \$26,964 under the \$407,503 budgeted for insurance. Mr. Robertson stated that the City's vehicles are once again being reviewed to possibly remove all but liability coverage on some of the older models. Mr. Robertson stated that there would be an approximate 2% savings on the premiums for public official liability coverage and law enforcement liability coverage if the City would go to a three year policy and lock in the rates, instead of renewing annually.

Motion by Mr. Scott to recommend the renewal of the City's property / liability insurance coverage with John A. Robertson Insurance with the three year option of locking in the rates. Seconded by Mr. Yelding. All in favor.

B. Prepaid Travel

1. Billy Crutchfield, Mechanical Supervisor, ALDOT Vehicle Training, Guntersville, AL, January 21 -23, 2009 - \$105.00
2. Eric Seals, Mechanic Sr., ALDOT Vehicle Training, Guntersville, AL, January 21 -23, 2009 -\$105.00

Motion by Mr. Scott to recommend to Council to adopt a resolution approving the following prepaid travel:

1. ***Billy Crutchfield, Mechanical Supervisor, ALDOT Vehicle Training, Guntersville, AL, January 21 – 23, 2009 - \$105.00***
2. ***Eric Seals, Mechanic Sr., ALDOT Vehicle Training, Guntersville, AL- January 21 -23, 2009 - \$105.00***

Seconded by Mr. Yelding. All in favor.

C. Declare City Equipment Surplus

A schedule of surplus equipment was presented.

Motion by Mr. Scott to recommend to Council to adopt a resolution declaring the equipment surplus and authorizing the Mayor to dispose of such equipment. Seconded by Mr. Yelding. All in favor.

V. CURRENT BUSINESS

A. Invoice for Display Case for City Museum - \$1,554

Ms. Briley presented an invoice in the amount of \$1,554 for a display case for the Museum. The Building and Property Committee had recommended the purchase and discussion continued that the display case has been built however, funds were not appropriated.

***Note: Subsequent to the meeting & upon further review it was determined that funds are available for a line item transfer to cover this.

B. MMA Interest Earnings

Ms. Briley presented a review of the last three month's interest earned on the City's MMA account with Compass Bank, which showed a drop from \$11,968 earned in October to \$255 earned in December, along with email correspondence with Compass Bank's responses to this drop. Ms. Briley stated that several other local banks have expressed interest in obtaining the City's banking business and she would like to send out RFP's to evaluate their offers. Since the payroll and various wire transactions are set up through Compass Bank, Ms. Briley recommended keeping \$ 3,000,000 in Compass to operate with and establishing some other type of account with the remaining dollars.

C. Financial Software – Munis

Ms. Henson discussed that the financial software (Munis) is due for an upgrade, but the cost may be more than expected due to operational software requirements that the City was not previously made aware of. Ms. Henson noted that she has been corresponding with the software company for over 6 months concerning the upgrade scheduled for December 2008 and that this new information was not presented until recently. Ms. Henson noted that she is still discussing the options with the software company and that further evaluation will be needed. Ms. Henson noted that staying with the current software company is the best and most cost effective choice, but that an upgrade is mandatory for operational and support requirements. Ms. Henson explained that all options are being explored for the most cost effective option with the most longevity of support offered, but that not making an upgrade will result in lack of software support from the software company.

VI. FINANCIAL REPORTS

A. Treasurer's Report: December 31, 2008

The Treasurer's Report totaling \$19,550,584.86 was presented. It was noted that total cash is down approximately \$ 1.1 million from last month. This is unusual for December, but the Ad Valorem revenues are late coming in this year.

Motion by Mr. Scott to accept the Treasurer's Report as of December 31, 2008, in the amount of \$19,550,584.86. Seconded by Mr. Boulware. All in favor.

B. Sales and Use Taxes: November 30, 2008

Sales and Use Tax Collected for November 2008	- \$ 801,387
Sales and Use Tax Budgeted for November 2008	- \$ <u>915,891</u>
Under Budget (for November)	- \$ (114,504)

YTD Budget Collections Variance - Under Budget - \$(174,585)

C. Lodging Tax Collections, November 30, 2008

The Lodging Tax Collections report shows \$40,178.69 collected for November 2008.

D. Preliminary General Fund Financial Statements: September 30, 2008 November 30, 2008

Preliminary reports on the general fund were presented. The September 30, 2008 report showed revenues over expenditures in the amount of \$987,782, less encumbrances of \$596,431, resulting in an increase to the unreserved fund balance of \$391,351. The November 30, 2008 report showed expenditures over revenues in the amount of \$1,886,812. It was noted that a large increase in revenues is expected in January when property taxes and business licenses are received.

E. 2006 Construction Fund Statement

Ms. Briley presented a handout detailing the revenues and expenditures for the 2006 Construction Fund.

F. Report: New Business Licenses – December 2008

A report showing new businesses licensed in the City and closed in the City for the month of December was presented.

G. Bills Paid Reports – December 2008

The December Bills Paid Report for FY 2008 was included in Packet #2.
The December Bills Paid Report for FY 2009 was included in Packet #2-A.

VII. ADJOURN

The meeting was adjourned at 5:20 p.m.

Insurance Premiums: Fiscal Year Comparative

<u>Org #</u>	<u>Object</u>	<u>Object</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Budget 2009</u>
123400	53543	ERRORS & OMISSIONS	1,475	2,175	1,360	1,440	6,968	7,387	7,387	7,426	8,000
142521	53544	PROFESSIONAL LIABILITY	24,250	25,463	25,527	26,867	30,977	32,873	33,751	39,760	42,000
123400;764542; 786000; 786500	53545	PROPERTY/LIABILITY	100,942	114,646	140,082	152,333	156,441	172,576	185,793	196,994	207,955
120400	53546	VEHICLE INSURANCE	335	481	525	658	642	1,525	1,316	1,325	1,400
121200	53546	VEHICLE INSURANCE	335	481	525	585	642	668	658	663	680
122200	53546	VEHICLE INSURANCE	335	481	525	585	642	668	1,008	663	788
124200	53546	VEHICLE INSURANCE	669	963	525	585	642	668	658	663	800
126200-6500	53546	VEHICLE INSURANCE	1,339	1,925	3,214	3,378	4,082	4,676	4,605	3,313	7,260
142521-28	53546	VEHICLE INSURANCE	15,139	19,695	28,556	30,395	32,952	37,763	35,907	42,416	45,279
144000	53546	VEHICLE INSURANCE	6,360	9,145	11,532	11,186	14,667	14,206	14,161	11,190	16,800
144500	53546	VEHICLE INSURANCE	669	963	1,628	1,756	2,360	1,908	2,631	615	2,800
146200	53546	VEHICLE INSURANCE	669	963	1,050	1,171	1,764	3,185	3,069	3,313	4,279
146500	53546	VEHICLE INSURANCE	335	481	525	585	642	668	658	663	735
160200	53546	VEHICLE INSURANCE	1,339	1,925	2,164	1,756	1,927	2,004	1,974	2,651	3,000
164000	53546	VEHICLE INSURANCE	1,674	2,407	2,625	2,965	3,212	3,340	3,289	3,313	3,500
164800	53546	VEHICLE INSURANCE	6,025	6,738	7,351	8,862	11,506	12,031	11,734	12,264	15,000
165000	53546	VEHICLE INSURANCE	5,021	7,273	8,401	8,512	10,658	14,029	15,221	9,358	16,000
165200	53546	VEHICLE INSURANCE	1,674	1,925	2,100	2,342	2,974	3,071	3,289	2,356	3,600
167000	53546	VEHICLE INSURANCE	1,339	1,925	2,786	2,072	2,570	3,759	3,289	1,612	3,500
181000/181500	53546	VEHICLE INSURANCE	2,592	3,482	4,789	2,618	4,334	4,008	3,967	5,964	6,000
182000	53546	VEHICLE INSURANCE	1,004	1,444	2,304	2,342	3,763	4,676	4,605	3,313	3,500
764542-44	53546	VEHICLE INSURANCE	1,674	2,888	2,616	5,533	5,487	11,047	11,710	11,986	12,500
786000-6500	53546	VEHICLE INSURANCE	1,004	1,444	1,050	1,171	1,927	1,336	1,316	1,085	2,127
			49,529	67,029	84,793	89,059	107,397	125,237	125,066	118,726	149,548
TOTAL			176,196	209,313	251,762	269,699	301,783	338,073	351,997	362,906	407,503

**RENEWAL PROPOSAL
FOR
THE CITY OF DAPHNE
2009 – 2010**

**JOHN A. ROBERTSON INSURANCE
AGENCY, INC.
POST OFFICE BOX 1048
FAIRHOPE AL 36533
(251) 928-2163**

ROBBIE ROBERTSON, AGENT

COVERAGES SUMMARY COMPARISON

	2008-2009	2009-2010
Property	\$24,890,700	\$35,457,900
Automobiles Insured	185	192
Equipment	\$3,774,672	\$4,217,783

PREMIUM SUMMARY

I. COMPREHENSIVE GENERAL LIABILITY	\$136,705
<i>A. Company – Alabama Municipal Insurance Corp.</i>	
II. PUBLIC OFFICIALS LIABILITY (Included Above)	
<i>A. Company – Alabama Municipal Insurance Corp.</i>	
III. LAW ENFORCEMENT LIABILITY (Included Above)	
<i>A. Company – Alabama Municipal Insurance Corp.</i>	
IV. COMMERCIAL AUTOMOBILE	\$121,798
<i>A. Company – Employers Mutual Companies</i>	
V. EQUIPMENT	\$ 21,733
<i>A. Company – Employers Mutual Companies</i>	
VI. PROPERTY	\$100,303
<i>A. Company – Employers Mutual Companies</i>	
VII. TOTAL PREMIUM	\$380,539

Kim

From: jmoore.rober27@insuremail.net
Sent: Friday, January 09, 2009 3:03 PM
To: kmbriley@bellsouth.net
Subject: Premium Breakdown



369138~2.doc
(23 KB)

Kim

Here's the premium breakdown for the GL

Policy Liability \$38614
Public Officials \$37896
General Liability \$59117
Employee Benefits \$1078

Hope this helps you out.

I. COMPREHENSIVE GENERAL LIABILITY

A. LIMIT

1. \$5,000,000 Per Occurrence
2. \$5,000,000 Products and Completed Operations Aggregate
3. \$5,000 Premises Medical Payments
4. \$100,000 Damage to Premises Rented To You
5. No Aggregate

B. COVERAGE

1. Premises and Operations
2. Products and Completed Operations
3. Personal and Advertising Injury
4. Occurrence Form
5. \$1,000 Deductible
6. Non-Auditable Policy

II. PUBLIC OFFICIAL LIABILITY

A. LIMIT

1. \$5,000,000 Per Occurrence
2. \$5,000,000 Aggregate Limit

B. COVERAGE

1. Occurrence Form
2. \$1,000 Deductible
3. Employee Related Lawsuits - Included

III. LAW ENFORCEMENT LIABILITY

A. LIMIT

1. \$5,000,000 Per Occurrence
2. No Aggregate Limit

B. COVERAGE

1. Occurrence Form
2. \$1,000 Deductible

IV. EMPLOYEE BENEFIT LIABILITY

A. LIMIT

1. \$5,000,000 Per Occurrence
2. \$5,000,000 Aggregate Limits

V. VEHICLE COVERAGE

A. LIMIT

1. \$1,000,000 Combined Single Limits Bodily Injury and Property Damage
2. \$40,000 Uninsured Motorists
3. \$1,000,000 Hired and Non-Owned Automobile Liability
4. Comprehensive - See Schedule
5. Collision - See Schedule

B. COVERAGE

1. SEE ATTACHED SCHEDULE

VI. INLAND MARINE COVERAGE

A. LIMIT

1. SEE ATTACHED SCHEDULE

B. COVERAGE

1. All Risk Form
2. \$1000 Deductible - Data Processing Equipment and Copiers
3. \$1000 Deductible - All Scheduled Equipment

VII. PROPERTY COVERAGE

A. LIMIT

1. See Attached Schedule

B. COVERAGE

1. Special Form - Including Theft
2. Replacement Cost Valuation
3. \$5,000 Per Occurrence Deductible, All Peril Except:
4. Wind and Hail Deductible - Refer to Schedule

**Cost Estimate for City Department
Initiatives determined at Hearing on November 17, 2008**

Facilitation and Intervention	Cost of Facilitator \$75-\$100 per hour	\$2400
Training	Cost for Trainer \$200 per hour	\$9600
Total Cost to Implement Initiatives		\$12,000

**Cost Estimate for Civic Center Initiatives
Presented to Finance Committee, January 12, 2009**

<p>Facilitation</p>	<p>Have Civic Center department meeting Include the Mayor, HR Director, and facilitator</p> <p>Review: Mayor' Role HR Director's Role Internal Interactions, customer relations Confidentiality concerns</p> <p>2 meetings (December 08, Jan 08)</p>	<p>Facilitator charges are \$75-\$100 per hour</p> <p>Time estimate: 6-8 hours</p> <p>Estimated Cost: \$800</p>	<p>December 08- January 2009</p>
<p>Teambuilding</p>	<p>External source to facilitate communications and working relationships Mayor, HR, Civic Center Director</p> <p>1 meeting per quarter</p> <p>This teambuilding facilitation will serve as a prototype for usage across other departments in the City in 2010</p>	<p>Facilitator charges are \$75-\$100 per hour</p> <p>Time estimate: 2-4 hours per quarter</p> <p>Estimated Cost: \$1600</p>	<p>December 2008 – November 2009</p>
<p>Training</p> <ul style="list-style-type: none"> • Group dynamics • Leadership <ul style="list-style-type: none"> ○ Engender Support ○ Management Styles ○ Mutual Trust and Respect • People Skills • Problem-solving • Managing Change • Diversity • Appropriate Business Relationships 	<p>External trainer to provide training to Civic Center staff</p> <p>Provide Leadership Academy training materials (and any other materials for training not attended) to Civic Center staff for self study</p> <p>Possibly extend training opportunity to all City employees</p> <p>Consider the “train the trainer” concept for delivering training on these topics to departments and multiple shifts across the City. Use Leadership Academy graduates and other interested employees as potential trainers.</p>	<p>Trainer Charges are \$200 per hour</p> <p>Time estimate: 4-6 hours per class, 8 classes</p> <p>Estimated Cost: \$9600</p>	<p>January – December 2009</p>
<p>TOTAL ESTIMATED COST</p>		<p>\$12,000</p>	

PREPAID TRAVEL REQUEST FORM	
EMPLOYEE NAME / TITLE	Billy D. Crutchfield Supervisor
DEPARTMENT	Mechanical
DATES OF TRAVEL	1/21 - 1/23
SCHOOL/ORGANIZATION	AL DOT Vehicle Training
LOCATION FOR TRAINING: CITY / STATE	Guntersville AL. 35976
REGISTRATION FEE	\$ 0
LODGING	\$ 140. ⁰⁰
TOTAL ADVANCE REQUESTED (\$35 x # OF DAYS)	\$ 105. ⁰⁰

A complete Expense Report with itemized receipts must be submitted upon return. The employee understands that proper itemized receipts must be submitted for all monies expended. Any remaining balance must be reimbursed to the City or this amount will be included as taxable income on the employee's W-2.

Employee Signature Billy D. Crutchfield

[Signature]
Department Head Approval

Vendor #

167000
Dept Org #

52211
Object #

Proj#

***PREPAID TRAVEL IS APPROVED BY THE FINANCE COMMITTEE THEN COUNCIL – PLEASE SUBMIT IN TIME TO ALLOW SUFFICIENT TIME FOR THESE APPROVALS.**

***ATTACH A COPY OF THE BROCHURE/REGISTRATION FORM FOR TRAINING EVENT ATTENDING - THE ATTACHED COPY SHOULD DISPLAY PURPOSE, DATES, AND COST OF TRAINING EVENT.**

PREPAID TRAVEL REQUEST FORM	
EMPLOYEE NAME / TITLE	Eric Seals mech. SA.
DEPARTMENT	Mechanical
DATES OF TRAVEL	1/21 - 1/23
SCHOOL/ORGANIZATION	ALDOT Vehicle Training
LOCATION FOR TRAINING: CITY / STATE	Guntersville AL. 35976
REGISTRATION FEE	\$ 0
LODGING	\$ 140. ⁰⁰
TOTAL ADVANCE REQUESTED (\$35 x # OF DAYS)	\$ 105. ⁰⁰

A complete Expense Report with itemized receipts must be submitted upon return. The employee understands that proper itemized receipts must be submitted for all monies expended. Any remaining balance must be reimbursed to the City or this amount will be included as taxable income on the employee's W-2.

Employee Signature Eric L Seals

WHA
Department Head Approval

Vendor #

167000
Dept Org #

52211
Object #

Proj#

***PREPAID TRAVEL IS APPROVED BY THE FINANCE COMMITTEE THEN COUNCIL - PLEASE SUBMIT IN TIME TO ALLOW SUFFICIENT TIME FOR THESE APPROVALS.**

***ATTACH A COPY OF THE BROCHURE/REGISTRATION FORM FOR TRAINING EVENT ATTENDING - THE ATTACHED COPY SHOULD DISPLAY PURPOSE, DATES, AND COST OF TRAINING EVENT.**



ALABAMA DEPARTMENT OF TRANSPORTATION
 1409 Coliseum Boulevard, Montgomery, Alabama 36110



Bob Riley
 Governor

Joe McInnes
 Transportation Director

December 5, 2008

DEC 1 2 2008

MEMORANDUM

TO: Section 5307, Section 5309, Section 5310 and Section 5311
 Subrecipients

FROM: Robert J. Jilla *Wesley E. Elrod for R.J.J.*
 Multimodal Transportation Engineer

SUBJECT: Annual Vehicle Training Meeting

The attached agenda outlines the Annual Vehicle Training Meeting to be held on January 22-23, 2009. The primary venue for the meeting is the City of Guntersville, 341 Gunter Avenue, Guntersville, Alabama (see attached sheet for meeting locations). The host agency is the City of Guntersville. The contact person for the City of Guntersville is Ms. Lori Kirkland. Ms. Kirkland may be reached at (256) 571-7574. All Section 5307, Section 5309, Section 5310 and Section 5311 Subrecipients are encouraged to attend this training, particularly those having purchased capital equipment from the 2008 State contract.

Lodging reservations may be secured by contacting the Holiday Inn, 2140 Gunter Ave, Guntersville, AL 35976 at 1-888-882-1160. You will need to ask for the "ALDOT Vehicle Seminar" room block to secure the special rate of \$70.00 per night plus tax. The deadline to reserve this rate is January 7, 2009.

A very informative program has been developed for this seminar. There is no registration fee for the meeting, however, the attached registration form **should be completed and returned** to Auburn University for planning purposes at the earliest convenience. Contact information is provided on the registration form.

If there are any questions, please contact Tommy Thomson at 334-353-6422.

RJJ:tmt

Attachments

**ALABAMA DEPARTMENT OF TRANSPORTATION
ANNUAL VEHICLE TRAINING MEETING
Guntersville, Alabama
January 22-23, 2009**

Thursday, January 22, 2009

Guntersville Senior Center - Guntersville, AL

TIME	TOPIC
8:00 a.m. - 8:15 a.m.	Welcome and Introductions Tommy Thomson, ALDOT
8:15 a.m. - 9:45 a.m.	Maintenance Shop Safety Mr. Carl Henderson-National Bus Sales
9:45 a.m. - 10:00 a.m.	Break
10:00 a.m. - 11:00 a.m.	Air Conditioning Training Demonstrations/Operations/Maintenance & Care Mr. Thomas Felber-Carrier Corporation
11:00 a.m. - 12:00 p.m.	Air Conditioning Training Demonstrations/Operations/Maintenance & Care Mr. Rick Stephens-ACC Climate Control
1:00 p.m. - 2:00 p.m.	Wheelchair Securement Training Certification Mr. Steve Barker - Sur Lock
2:00 p.m. - 3:00 p.m.	Wheelchair Securement Training Certification Mr. Lionel Young - Q-Straint
3:15 p.m. - 3:30 p.m.	Break
3:30 p.m. - 5:00 p.m.	Vehicle Maintenance (Ford and Chevrolet Chassis) Mr. Mike Greenlaw-National Bus Sales

Friday, January 23, 2009

Guntersville Fire Department - Guntersville, AL

TIME	TOPIC
8:00 a.m. - 10:00 a.m.	Wheelchair Lift Certification Training (Classroom) Mr. Tony Ward - Ricon Corporation
10:00 a.m. - 10:15 a.m.	Breaks
10:15 a.m. - 11:45 p.m.	Wheelchair Lift Maintenance Certification (Shop) Mr. Doug Hoover - Braun Corporation
11:45 a.m. - 12:00 p.m.	Closing

John P. Fitzhugh
Senior Vice President
Corporate Banking Manager-Baldwin Co.
Ph (251) 990-7641

>>>
From: "Suzanne Henson"
To: "'Jeanette Gannon'"
Fitzhugh'" <John.Fitzhugh@compassbank.com>
Date: 1/2/2009 3:59 PM
Subject: FW: MMA - Interest City of Daphne

John,

The interest earned on the MMA account for the previous
three months is:

Oct 08	-	\$11,968.98
Nov 08	-	\$ 4,117.85
Dec 08	-	\$ 255.34

Please advise why there is such a big difference in these three months and if the interest posted is correct.

Thanks,

Kim

From: Suzanne Henson [
Sent: Monday, January 05, 2009 9:47 AM
To: 'Kim Briley'
Subject: FW: FW: MMA - Interest City of Daphne

-----Original Message-----

From: John Fitzhugh [mailto:John.Fitzhugh@compassbank.com]
Sent: Monday, January 05, 2009 8:36 AM
To: henson;
Subject: RE: FW: MMA - Interest City of Daphne

Suzanne,

The earnings rate that we have agreed to pay The City of Daphne, as I mentioned to you on Friday, is linked to the monthly average of the 3 month Treasury Bill weekly auction discount rate which is reported weekly by the Fed. Because the Fed has dropped rates to try and stimulate an economic recovery, the current Fed Effective rate is .25%. Our agreement is that we will pay the City a rate equal to Fed Effective, minus .50%, to enable us to cover the activity cost on the accounts. We continue to waive all costs for maintaining the accounts, but we are not currently able to pay interest due to this historically low rate environment

I hope this explains the recent drop in your earning. We do not expect that this abnormally low rate environment to last indefinitely, so when Fed rates begin to rise, your earnings will follow suit.

John P. Fitzhugh
Senior Vice President
Corporate Banking Manager-Baldwin Co.
Ph (251) 990-7641
Fax (251) 990-7676
john.fitzhugh@compassbank.com

>>>

From: "Suzanne Henson"
To: "'John Fitzhugh'" <John.Fitzhugh@compassbank.com>
CC: "'Kim Briley'" <kmbriley@bellsouth.net>
Date: 1/2/2009 6:14 PM
Subject: RE: FW: MMA - Interest City of Daphne

thanks

-----Original Message-----

From: John Fitzhugh [mailto:John.Fitzhugh@compassbank.com]
Sent: Friday, January 02, 2009 4:37 PM
To: henson;
Subject: Re: FW: MMA - Interest City of Daphne

Suzanne,

I will check on the drop in interest earned to make sure the number is correct and get back with you Monday. However, I am sure you are aware of the historical drop in US Treasury rates over the past 60 days. The City's earnings rate is linked to the monthly average of the 3 month Treasury Bill weekly auction discount rate as reported each week by the US Treasury.

During the past few weeks, T- Bills have been offered at less than a 1.00% yield. Once I have the basis for computing the City's earnings, I will be able to give you a more defined answer to your question.

Kim

From: John Fitzhugh [John.Fitzhugh@compassbank.com]
Sent: Wednesday, January 07, 2009 4:49 PM
To: Kim Briley
Cc: Tim Rosson
Subject: RE: City of Daphne

Kim,

I have received approval to change the formula for computing your monthly earnings rate. The new rate, beginning today, will be the Federal Funds Target Rate with a floor of .25%. The Fed Target rate today is .25%. Therefore, if the Fed target rate falls below .25%, your rate will remain .25%. However, if the Federal Reserve increases the Target Rate, your rate will be adjusted upward along with the increase. Please keep in mind that the bank will continue to absorb all costs to handle the activity in your various accounts at no cost to the City.

The Fed dropped the Federal Target rate from 1.00% on December 16th to the current .25% as another move by the government to head off a deep recession/ depression. As the economy begins to improve, you can expect this rate to revert back to more normal levels. Given your total consolidated average balances, your monthly earnings at .25% will be approximately \$2,700. If the Federal Target rate were to increase back to the 1.00% ,where it was on 12/16/08, then you could expect monthly earnings of almost \$11,000.

I know you are concerned about the drop in the City's earnings. I promise you, we would like to be able to pay a higher rate, but we, like all banks, are having to cope with this historically low rate environment. Hopefully, as economic activity improves and interest rates begin to stabilize, the Fed Target will increase and you will start to see the earnings that you have come to enjoy over the past few years.

John P. Fitzhugh
Senior Vice President
Corporate Banking Manager-Baldwin Co.
Ph (251) 990-7641
Fax (251) 990-7676
john.fitzhugh@compassbank.com

>>>
From: "Kim Briley" <knbriley@bellsouth.net>
To: "'John Fitzhugh'" <John.Fitzhugh@compassbank.com>
Date: 1/6/2009 4:09 PM
Subject: RE: City of Daphne

John,

Thanks for the update.

Kim
-----Original Message-----
From: John Fitzhugh [mailto:John.Fitzhugh@compassbank.com]
Sent: Tuesday, January 06, 2009 4:00 PM
To: Kim Briley
Cc: Tim Rosson
Subject: Re: City of Daphne

Kim,

I apologize for the delay in getting back with you on what we can do to improve the City's earnings rate. I have been working with the Bank's Treasury Department to obtain approval to increase the

earnings rate and the person that has final approval authority has been out of his office for most of the day. Based on my preliminary discussions with other members of his staff, I am confident that we can improve the earnings formula but I must obtain approval from the person that is in charge of making pricing decisions for the entire bank. I expect to hear back from him by late today so I am sure that I will be in a position to give you a firm commitment on the revised pricing by tomorrow, at the latest.

John P. Fitzhugh
Senior Vice President
Corporate Banking Manager-Baldwin Co.
Ph (251) 990-7641
Fax (251) 990-7676
john.fitzhugh@compassbank.com

>>>
From: "Kim Briley" <knbriley@bellsouth.net>
To: <john.fitzhugh@compassbank.com>
Date: 1/5/2009 12:40 PM
Subject: City of Daphne

John,

Can we negotiate another interest rate basis? We have had many inquiries lately from other banks about acquiring the City's business. If we cannot earn interest on our substantial deposit with Compass Bank, I'm sure the City Council will want to pursue other banking relationships.

Kim Briley
Finance Director

City of Daphne
P. O. Box 400
Daphne, AL 36526
Ph: 251-621-9000 Fax: 251-625-2001

TREASURER'S REPORT

As of December 31, 2008

TO: FINANCE COMMITTEE

FROM: KIMBERLY BRILEY, FINANCE DIRECTOR/TREASURER

<u>ACCT TITLE</u>	<u>BANK</u>	<u>BALANCE</u>
GENERAL FUND & ENTERPRISE FUNDS		
MMA ACCT	COMPASS	\$10,540,941.93
OPERATING ACCT	COMPASS	(\$119,478.10)
PAYROLL ACCT	COMPASS	(\$6,346.91)
		<u>\$10,415,116.92</u>
AGENCY FUND		
MUNICIPAL COURT	COMPASS	\$325,273.30
SPECIAL REVENUES FUND		
SAIL SITE	RBC BANK	\$6,483.34
4 CENT GAS TAX	RBC BANK	\$214,026.77
7 CENT GAS TAX	RBC BANK	\$305,820.03
		<u>\$526,330.14</u>
CAPITAL PROJECTS FUND		
CAPITAL RESERVE	WACHOVIA	\$4,107,587.53
99 WARRANT CONS	REGIONS	\$11,546.30
2006 CONSTRUCTION	WACHOVIA	\$1,769,846.69
		<u>\$5,888,980.52</u>
DEBT SERVICE FUND		
DEBT SERVICE	WACHOVIA	\$2,104,235.42
2006 DEBT SERVICE	RBC BANK	\$290,648.56
		<u>\$2,394,883.98</u>
		<u>\$19,550,584.86</u>

SALES & USE TAXES

ACTUAL COLLECTIONS

	2003	2004	2005	2006	2007	2008	2009
October	636,482.64	697,830.58	833,700.71	932,634.66	944,542.36	867,190.18	807,109.60
November	646,534.10	710,788.74	814,666.03	901,512.38	918,837.95	915,890.97	801,387.04
December	892,208.68	941,151.87	1,091,073.78	1,168,443.68	1,182,584.39	1,120,005.09	-
January	590,727.65	697,083.68	771,837.83	887,468.11	914,876.33	822,020.87	-
February	632,654.31	688,421.54	788,825.08	878,123.66	877,975.60	865,625.83	-
March	705,390.20	848,156.86	917,832.17	1,081,774.83	1,071,598.38	998,616.04	-
April	692,148.44	752,039.55	863,144.81	968,760.72	960,140.54	963,691.85	-
May	702,692.15	757,610.49	867,446.44	1,000,424.48	1,021,498.14	957,167.20	-
June	752,668.04	818,209.20	982,863.46	1,024,091.07	1,066,433.92	997,274.15	-
July	721,790.90	803,051.14	908,576.13	941,407.68	993,216.66	888,690.34	-
August	739,993.63	745,320.33	869,818.11	950,539.01	954,421.57	964,626.26	-
September	715,641.36	830,260.80	998,476.08	967,616.16	965,107.35	960,450.01	-
Totals	8,428,932.10	9,289,924.78	10,708,260.63	11,702,796.44	11,871,233.19	11,321,248.79	1,608,496.64

FY 2009 BUDGET/ACTUAL COMPARISONS

	Actual- 2009	Budget	Monthly Variance	YTD Variance	% of Budget
October	807,109.60	867,190	(60,080.58)	(60,080.58)	-6.93%
November	801,387.04	915,891	(114,503.93)	(114,503.93)	-12.50%
December	-	1,120,005	-	-	0.00%
January	-	822,021	-	-	0.00%
February	-	865,626	-	-	0.00%
March	-	998,616	-	-	0.00%
April	-	963,692	-	-	0.00%
May	-	957,167	-	-	0.00%
June	-	997,274	-	-	0.00%
July	-	908,576	-	-	0.00%
August	-	869,818	-	-	0.00%
September	-	998,476	-	-	0.00%
Totals	1,608,496.64	11,284,353	(174,584.51)		

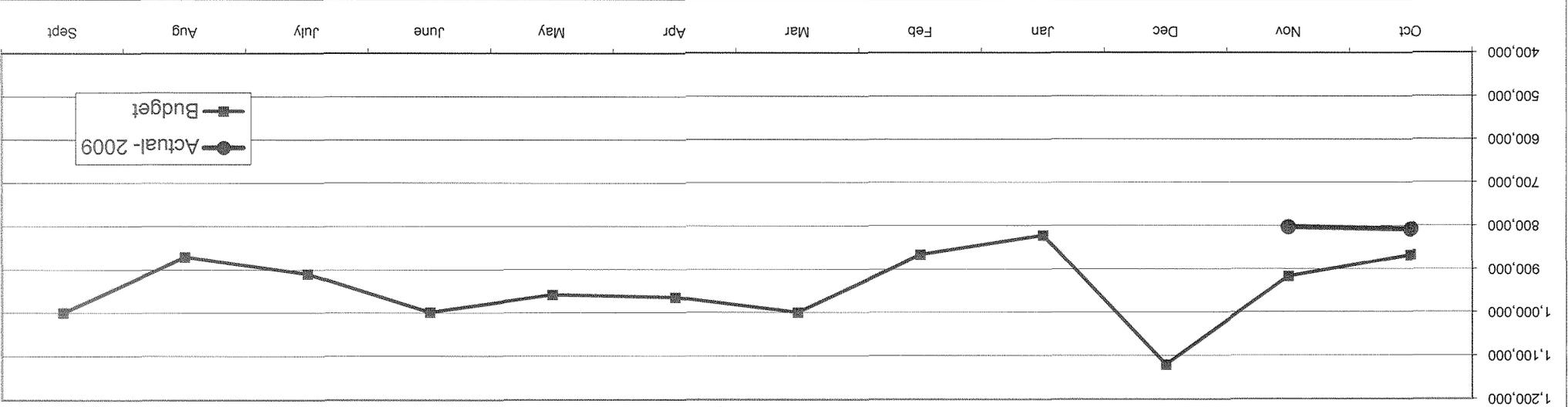
FISCAL YEAR COMPARISONS

	<u>\$ Change</u>						<u>Percent Change</u>					
	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
October	61,347.94	135,870.13	98,933.95	11,907.70	(77,352.18)	(60,080.58)	9.64%	19.47%	11.87%	1.28%	-8.19%	-6.93%
November	64,254.64	103,877.29	86,846.35	17,325.57	(2,946.98)	(114,503.93)	9.94%	14.61%	10.66%	1.92%	-0.32%	-12.50%
December	48,943.19	149,921.91	77,369.90	14,140.71	(62,579.30)	-	5.49%	15.93%	7.09%	1.21%	-5.29%	-
January	106,356.03	74,754.15	115,630.28	27,408.22	(92,855.46)	-	18.00%	10.72%	14.98%	3.09%	-10.15%	-
February	55,767.23	100,403.54	89,298.58	(148.06)	(12,349.77)	-	8.81%	14.58%	11.32%	-0.02%	-1.41%	-
March	142,766.66	69,675.31	163,942.66	(10,176.45)	(72,982.34)	-	20.24%	8.21%	17.86%	-0.94%	-6.81%	-
April	59,891.11	111,105.26	105,615.91	(8,620.18)	3,551.31	-	8.65%	14.77%	12.24%	-0.89%	0.37%	-
May	54,918.34	109,835.95	132,978.04	21,073.66	(64,330.94)	-	7.82%	14.50%	15.33%	2.11%	-6.30%	-
June	65,541.16	164,654.26	41,227.61	42,342.85	(69,159.77)	-	8.71%	20.12%	4.19%	4.13%	-6.49%	-
July	81,260.24	105,524.99	32,831.55	51,808.98	(104,526.32)	-	11.26%	13.14%	3.61%	5.50%	-10.52%	-
August	5,326.70	124,497.78	80,720.90	3,882.56	10,204.69	-	0.72%	16.70%	9.28%	0.41%	1.07%	-
September	114,619.44	168,215.28	(30,859.92)	(2,508.81)	(4,657.34)	-	16.02%	20.26%	-3.09%	-0.26%	-0.48%	-
Annual \$ Change	860,992.68	1,418,335.85	994,535.81	168,436.75	(549,984.40)	(174,584.51)	10.21%	15.27%	9.29%	1.44%	-4.63%	

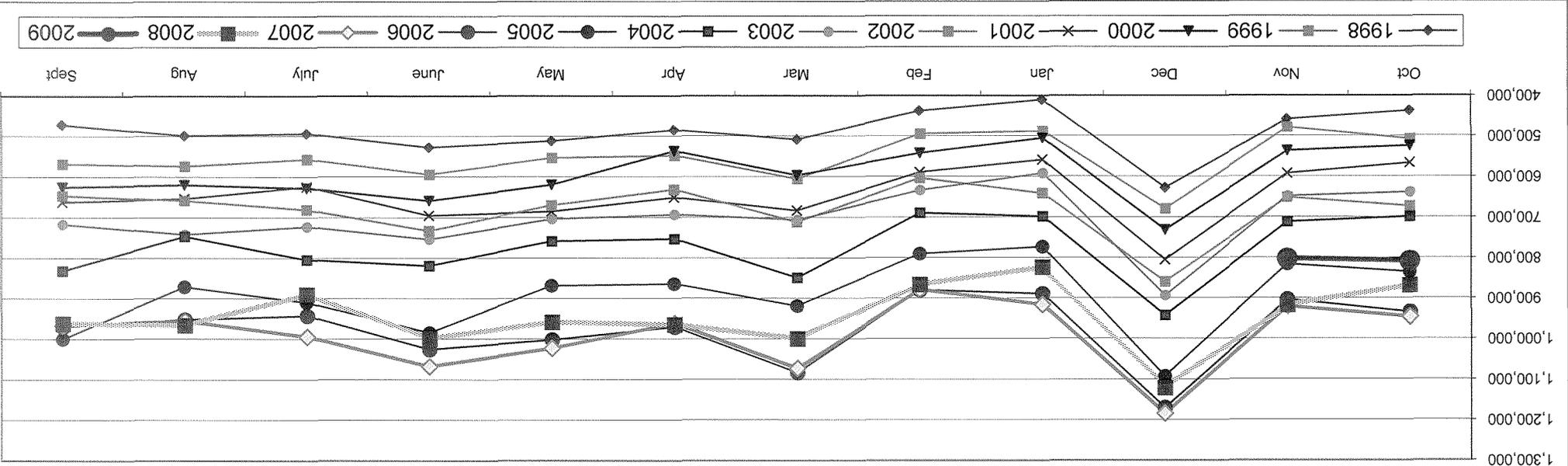
TOTAL collections: FY 08	11,321,249
TOTAL est. bdtg coll: FY 09	11,284,353
Budgeted Dollar Variance 08/09	(36,896)
Budgeted Percent Variance 08/09	-0.33%

TOTAL collections: 11-30-08	1,608,497
Budgeted: 10-1-08 to 11-30-08	1,783,081
Actual Coll > (<) Budget, 11-30-08	(174,585)
% Over/(Under) Budget, 11-30-08	-9.79%

Fiscal 2009: Sales & Use Tax Budget vs. Actual Comparison



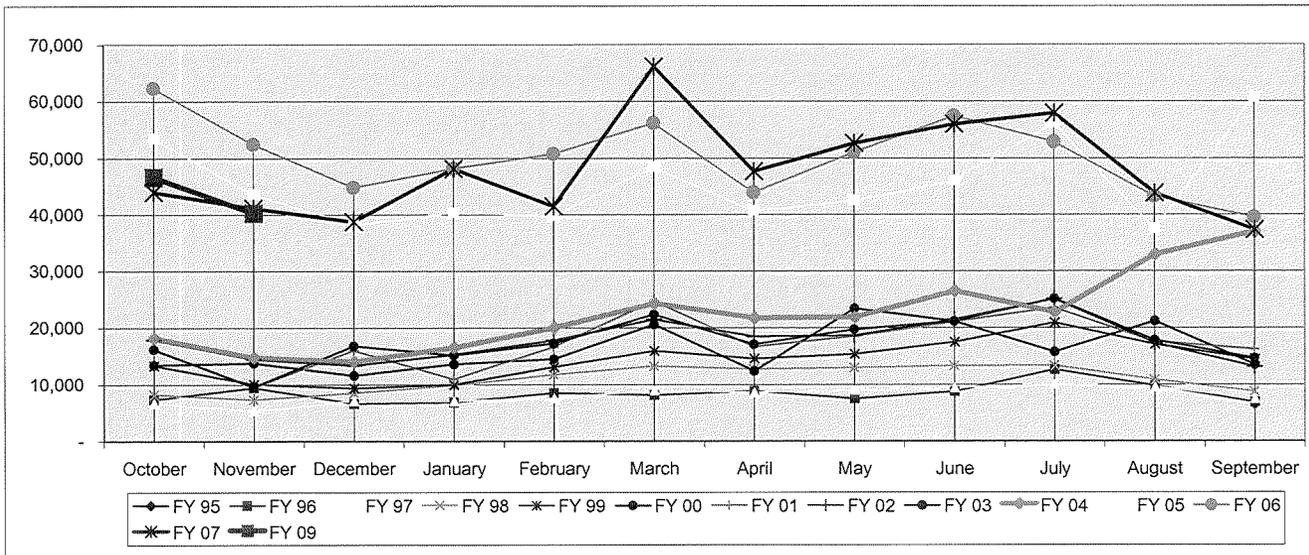
Sales & Use Tax Comparisons



Monthly Lodging Tax Collections

	<u>FY 95</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>	<u>FY 00</u>	<u>FY 01</u>	<u>FY 02</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 05</u>	<u>FY 06</u>	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>
October		7,228.60	6,701.69	8,042.55	13,241.96	13,344.97	16,021.98	17,757.16	16,103.81	18,110.90	53,490.95	62,191.49	43,874.01	46,360.47	46,543.20
November		9,371.57	5,419.99	7,156.30	9,963.87	13,712.88	9,378.73	14,346.00	9,488.82	14,652.46	43,652.17	52,326.23	41,028.15	42,599.84	40,178.69
December		6,580.10	7,076.44	8,327.51	9,303.23	11,505.34	15,885.37	13,257.40	16,693.64	13,940.92	38,197.96	44,694.55	38,605.47	31,081.14	
January		6,765.39	6,990.72	9,704.80	9,934.03	13,517.89	10,802.39	15,150.55	15,089.26	16,416.20	40,334.81	48,014.80	48,012.19	45,607.80	
February		8,466.36	7,536.69	11,579.98	13,024.87	14,425.61	16,482.91	17,680.30	17,174.37	19,952.91	39,797.68	50,684.11	41,381.78	47,340.33	
March		8,017.74	8,902.63	13,048.18	15,837.90	20,536.51	24,601.77	21,371.61	22,248.25	24,206.01	48,474.92	56,076.62	66,060.49	53,123.15	
April		8,802.85	8,533.40	12,559.65	14,513.45	12,327.50	16,532.24	18,354.06	16,974.57	21,626.29	40,666.33	43,813.91	47,594.84	46,736.02	
May		7,427.26	8,958.97	12,786.85	15,280.40	23,309.92	18,386.51	18,526.24	19,610.83	21,785.09	42,479.97	50,871.74	52,564.61	46,145.12	
June		8,672.68	9,359.82	13,101.68	17,379.01	21,073.57	20,948.57	21,322.07	21,031.35	26,336.81	46,037.59	57,338.25	55,924.22	64,626.19	
July		12,568.56	9,975.46	13,200.77	20,840.98	15,680.49	23,389.72	25,013.71	25,026.81	22,654.15	56,266.23	52,752.31	57,842.80	62,035.23	
August		9,721.13	9,549.66	10,730.24	17,009.26	21,117.00	17,432.39	17,223.03	17,749.12	32,788.35	37,501.21	43,139.77	43,701.41	55,792.89	
September	<u>6,371.27</u>	<u>6,806.02</u>	<u>7,400.70</u>	<u>8,586.97</u>	<u>14,397.17</u>	<u>13,393.86</u>	<u>16,116.04</u>	<u>12,997.60</u>	<u>14,563.86</u>	<u>36,847.13</u>	<u>60,635.33</u>	<u>39,398.90</u>	<u>37,180.99</u>	<u>49,698.91</u>	
Total	6,371.27	100,428.26	96,406.17	128,825.48	170,726.13	193,945.54	205,978.62	212,999.73	211,754.69	269,317.22	547,535.15	601,302.68	573,770.96	591,147.09	86,721.89

Ordinance 1997-28 adopted December 8, 1997 increased levy from 3% to 4%.



<u>FY 2009 Budget</u>	924,600
% Budget Collected	11/30/2008
	9%

GENERAL FUND

Summary Statement of Revenues, Expenditures, and
Changes in Fund Balance- Budgetary Basis
For the Month Ended September 30, 2008

PRELIMINARY

with comparatives: 9-30-03; 9-30-04; 9-30-05; 9-30-06; and 9-30-07

	9/30/2003	9/30/2004	9/30/2005	9/30/2006	9/30/2007	9/30/2008	Amended Budget	Budgetary Variance Over/(Under)	% Budget
Revenues									
Sales, Use, & luxury Taxes	8,918,504	9,806,455	11,277,480	12,288,352	12,465,597	11,947,775	12,599,655	(651,880)	-5%
Payment in Lieu of Taxes	1,153,745	1,218,170	1,239,320	1,475,563	1,716,258	1,861,149	1,925,000	(63,851)	-3%
Ad Valorem Taxes	2,669,631	2,935,349	3,015,895	3,496,126	3,703,278	4,307,066	3,761,000	546,066	15%
Licenses & Permits	1,641,990	1,590,786	1,811,698	2,015,129	2,434,848	2,305,061	2,067,300	237,761	12%
Other Revenues	1,343,111	1,348,152	1,225,379	1,881,621	1,733,464	1,660,207	1,371,173	289,034	21%
Total Revenues	15,726,981	16,898,912	18,569,772	21,156,791	22,053,445	22,081,258	21,724,128	357,130	2%
Expenditures									
General Government									
Personnel	1,279,929	1,389,961	1,478,445	1,591,656	1,743,498	1,878,234	1,885,799	(7,565)	0%
Operating	812,081	873,542	901,943	1,016,114	1,084,191	1,254,669	1,218,072	36,597	3%
Capital	85,904	32,088	47,287	385,151	289,663	17,262	20,800	(3,539)	-17%
	2,177,914	2,295,591	2,427,675	2,992,921	3,117,352	3,150,164	3,124,671	25,493	1%
Public Safety									
Personnel	3,706,606	3,917,126	4,319,641	4,797,314	5,739,443	6,783,572	6,772,340	11,232	0%
Operating	821,159	862,341	946,007	1,257,227	1,343,623	1,375,908	1,435,588	(59,680)	-4%
Capital	574,740	457,881	316,302	382,399	497,153	402,126	425,577	(23,451)	-6%
	5,102,505	5,237,348	5,581,950	6,436,940	7,580,219	8,561,605	8,633,505	(71,900)	-1%
Public Works									
Personnel	1,747,597	1,824,638	2,016,411	2,085,262	2,263,382	2,105,808	2,024,855	80,953	4%
Operating	1,013,271	1,156,045	1,219,722	1,219,925	1,326,219	1,397,928	1,753,704	(355,776)	-20%
Capital	466,323	304,805	514,648	1,474,150	628,614	333,800	389,365	(55,565)	-14%
	3,227,191	3,285,488	3,750,781	4,779,337	4,218,215	3,837,536	4,167,924	(330,388)	-8%
Parks & Recreation									
Personnel	804,129	876,688	974,289	1,004,205	1,083,545	1,249,094	1,292,669	(43,575)	-3%
Operating	502,022	593,912	742,554	702,286	616,264	689,898	743,549	(53,651)	-7%
Capital	27,591	87,083	90,809	121,234	256,357	215,335	295,000	(79,665)	-27%
	1,333,742	1,557,683	1,807,652	1,827,725	1,956,166	2,154,327	2,331,218	(176,891)	-8%
Total Departmental									
Personnel	7,538,261	8,008,413	8,788,786	9,478,437	10,829,868	12,016,708	11,975,663	41,045	0%
Operating	3,148,533	3,485,840	3,810,226	4,195,552	4,370,297	4,718,462	5,150,913	(432,511)	-8%
Capital	1,154,558	881,857	969,046	2,362,934	1,671,787	968,522	1,130,742	(162,220)	-14%
	11,841,352	12,376,110	13,568,058	16,036,923	16,871,952	17,703,631	18,257,318	(553,687)	-3%
Other Financing Sources & Uses									
Debt Proceeds	589,292	6,738	-	-	-	-	-	-	-
Transfers to Debt Service	(2,319,414)	(1,950,980)	(1,962,965)	(2,483,006)	(2,668,795)	(2,640,775)	(2,640,775)	-	0%
Other Transfers & Uses	(665,696)	(2,070,089)	(1,044,618)	(165,796)	(1,375,997)	(749,069)	(577,133)	171,936	-30%
Total Other Financing Sources/Uses	(2,395,818)	(4,014,331)	(3,007,583)	(2,648,802)	(4,044,792)	(3,389,844)	(3,217,908)	171,936	-5%
Total Revenues Over Expenditures									
	1,489,811	508,471	1,994,131	2,471,066	1,136,701	987,762	248,902	738,880	
Unreserved Fund Balance, 10-01	2,386,488	3,825,172	4,106,801	5,968,130	8,795,402	10,050,583			
Prior Period Adjustments	-	-	-	310,590	-	-			
Change in Reserve for Encumbrances	(51,124)	(226,841)	(132,801)	45,616	118,483	(596,431)			
Unreserved Fund Balance, 9-30	3,825,175	4,106,802	5,968,131	8,795,402	10,050,586	10,441,934			

PRELIMINARY

GENERAL FUND

Summary Statement of Revenues, Expenditures, and
Changes in Fund Balance- Budgetary Basis
For the Month Ended November 30, 2008

PRELIMINARY

with comparatives: 11-30-03; 11-30-04; 11-30-05; 11-30-06; and 11-30-07

	11/30/2003	11/30/2004	11/30/2005	11/30/2006	11/30/2007	11/30/2008	Amended Budget	Budgetary Variance Over/(Under)	% Budget
Revenues									
Sales, Use, & luxury Taxes	738,906	881,740	980,246	992,065	929,471	860,341	11,896,353	(11,036,012)	-93%
Payment in Lieu of Taxes	22,930	27,463	39,864	39,112	40,746	35,064	2,035,000	(1,999,936)	-98%
Ad Valorem Taxes	378,587	323,419	367,362	562,631	78,697	73,986	3,981,000	(3,907,014)	-98%
Licenses & Permits	87,015	100,767	83,043	145,820	161,829	54,374	2,074,000	(2,019,626)	-97%
Other Revenues	165,819	157,269	119,895	194,084	183,926	142,620	1,263,157	(1,120,537)	-89%
Total Revenues	1,393,256	1,490,657	1,580,410	1,933,713	1,394,669	1,166,384	21,249,510	(20,083,126)	-95%
Expenditures									
General Government									
Personnel	172,571	234,255	229,896	237,633	268,929	289,578	2,062,332	(1,772,754)	-86%
Operating	61,392	68,319	98,571	118,261	70,755	104,586	1,365,972	(1,261,386)	-92%
Capital	-	-	-	-	-	-	-	-	N/A
	233,962	302,574	328,467	355,894	339,684	394,164	3,428,304	(3,034,140)	-89%
Public Safety									
Personnel	482,258	614,487	674,304	810,153	977,466	1,017,842	7,238,105	(6,220,263)	-86%
Operating	100,470	86,978	115,518	191,562	148,216	131,103	1,269,668	(1,138,565)	-90%
Capital	-	-	-	-	-	4,825	19,167	(14,362)	-75%
	582,728	701,465	789,822	1,001,715	1,125,683	1,153,771	8,526,960	(7,373,189)	-86%
Public Works									
Personnel	221,730	304,889	308,995	369,517	323,475	328,870	2,467,221	(2,138,351)	-87%
Operating	74,105	66,640	123,215	168,128	165,571	148,024	1,466,546	(1,318,522)	-90%
Capital	-	-	-	22,701	-	-	80,350	(80,350)	-100%
	295,835	371,529	432,210	560,346	489,046	476,894	4,014,117	(3,537,223)	-88%
Parks & Recreation									
Personnel	102,102	138,017	142,124	146,365	182,800	177,106	1,337,544	(1,160,438)	-87%
Operating	51,608	59,302	72,344	98,207	94,788	91,751	585,422	(493,661)	-84%
Capital	-	31,155	-	-	200,000	192,255	192,000	265	0%
	153,710	228,475	214,469	244,572	477,588	461,132	2,114,966	(1,653,834)	-78%
Total Departmental									
Personnel	978,661	1,291,649	1,355,320	1,563,668	1,752,670	1,813,397	13,105,202	(11,291,805)	-86%
Operating	287,574	281,239	409,648	576,159	479,331	475,474	4,687,608	(4,212,134)	-90%
Capital	-	31,155	-	22,701	200,000	197,090	291,537	(94,447)	-32%
	1,266,236	1,604,043	1,764,968	2,162,528	2,432,001	2,485,961	18,084,347	(15,598,386)	-86%
Other Financing Sources & Uses									
Debt Proceeds									
Debt Proceeds	-	-	-	-	-	-	-	-	-
Transfers to Debt Service	(285,194)	(388,682)	(386,292)	(534,836)	(540,298)	(544,792)	(2,610,186)	(2,065,394)	79%
Other Transfers & Uses	(40,960)	(58,872)	(53,471)	(26,415)	(30,982)	(22,444)	(558,852)	(536,408)	96%
Total Other Financing Sources/Uses	(326,153)	(447,554)	(439,764)	(561,251)	(571,280)	(567,235)	(3,169,038)	(2,601,803)	82%
Total Revenues Over Expenditures									
	(199,133)	(560,940)	(614,321)	(790,065)	(1,608,611)	(1,888,812)	(3,875)	(1,882,937)	
Unreserved Fund Balance, 10-01	3,825,172	4,106,801	5,968,130	8,795,402	10,050,583	10,441,934			
Prior Period Adjustments	-	-	-	-	-	-			
Change in Reserve for Encumbrances	-	-	-	-	-	-			
Unreserved Fund Balance, 11-30	3,626,039	3,545,861	5,353,809	8,005,337	8,441,972	8,555,122			

PRELIMINARY

2006 Construction Fund
Statement of Sources and Uses
as of December 31, 2008

	FY 2006	FY 2007	FY 2008	FY 2009	Total
Revenues					
Proceeds- Debt Issuance	12,167,768.68	-	-	-	12,167,768.68
Interest	182,078.84	452,594.67	106,603.26	4,899.85	746,176.62
Other Revenue	-	-	3,437.00	-	3,437.00
Total Revenues	12,349,847.52	452,594.67	110,040.26	4,899.85	12,917,382.30
Expenditures					
Costs of Issuance	61,352.49	-	-	-	61,352.49
City Hall Construction	-	3,772,619.67	2,916,381.19	231,137.06	6,920,137.92
City Hall Eqpt/Furniture/Furnishings	-	-	271,989.94	-	271,989.94
City Hall Irrigation & Landscaping	-	-	65,383.19	26.51	65,409.70
Library Expansion	-	37,140.31	49,829.45	18,200.00	105,169.76
US 90 Sewer	-	868,637.64	1,140,925.32	3,845.00	2,013,407.96
Recreation Property	1,711,281.78	511.06	-	-	1,711,792.84
Total Expenditures	1,772,634.27	4,678,908.68	4,444,509.09	253,208.57	11,149,260.61
Rev Over/(Under) Exp	10,577,213.25	(4,226,314.01)	(4,334,468.83)	(248,308.72)	1,768,121.69

	Issuance Budget	Revised Project Budget	Actual Exp, 12/31/2008	End of Project Adj	Remaining Balance	
Costs of Issuance	-	-	61,352.49	61,352.49	-	
City Hall Construction	7,000,000	7,578,690	6,920,137.92	(121,989.94)	536,562.14	
City Hall Eqpt/Furniture/Furnishings	-	150,000	271,989.94	121,989.94	-	
City Hall Irrigation	-	107,500	65,409.70	-	42,090.30	
Library Expansion	1,000,000	1,000,000	105,169.76	-	894,830.24	
US 90 Sewer	2,400,000	2,400,000	2,013,407.96	-	386,592.04	Final contractor pmt July
Recreation Property	1,700,000	1,700,000	1,711,792.84	11,792.84	-	
	12,100,000	12,936,190	11,149,260.61	73,145.33	1,860,074.72	

Available fund balance	1,768,121.69
Remaining project balance	<u>(1,860,074.72)</u>
Available for future projects/cost overruns	<u>(91,953.03)</u>

NEW BUSINESSES

December-08

CITY LIMITS		CONTRACTORS			
RETAILERS		1	NETHERLAND REFRIGERATION	1	
CHRIS MYERS NISSAN	1	1	GRANITE CONNECTION LLC	1	
ALL OTHER		9	DOUG HOLLYHAND REALTY INC	1	
INSURANCE CENTER LLC	1	1	FITZSIMMONS HVAC & REFRIGERATION	1	
PRIME FITNESS TRAINING SYSTEM	1	1	PROFESSIONAL LANDSCAPING INC	1	
BEBO'S EXPRESS NO 3	1	1	MAXWELL CONSTRUCTION	1	
CAMEL TOWING	1	1	JOHNSON CONTROLS INC	1	
AFTER FIVE BAND	1	1	WILLIS SERVICE CO, INC	1	
MOES ORIGINAL BBQ	1	1	JOHN O FREEMAN GENERAL CONTRACTOR	1	
BANGKOK THAI CUISINE	1	1	FOSTER'S PAINTING INC	1	
DSW INC #41253	1	TOTAL CONTRACTORS		10	
WALLACE UPSHAW	1				
TOTAL INSIDE CITY LIMITS		10	TOTAL NEW BUSINESSES		33

OUTSIDE CITY LIMITS		CLOSED BUSINESSES IN DAPHNE		
CREATIVE CATERING	1	1	VINO E GRAPPA LLC	1
IOD INCORPORATED	1	1	FROSTY DOG	1
MERRITT OIL COMPANY	1	TOTAL BUSINESSES CLOSED IN DAPHNE		2
BROTHER NATURE TREE SPECIALIST	1			
SUMSOUND 2 INC	1			
C & F DISKJOCKEY SOURCE	1			
ARCH ALUMINUM & GLASS CO.	1			
WIN WHOLESALE	1			
PAWNEE LEASING CO	1			
MIZZ CLEAN	1			
NISCAYAH INC	1			
UNIVERSAL FOREST PRODUCTS	1			
CASSANDRA BELL	1			
TOTAL OUTSIDE CITY LIMITS		13		

Buildings and Property Committee Minutes

Friday, January 9, 2009

10:00 a.m.

City of Daphne

City Hall

Committee

Councilman John Lake, Chairman

Mayor Fred Small-Absent

Councilman August A. Palumbo

Sandra Morse, Director Daphne Civic Center

Richard Merchant, Buildings Inspector

Frank Barnett, Maintenance Supervisor-absent

Minutes

The meeting opened at 10:10 a.m. with a discussion of the appraisal for the Richard Scardamelia Pavilion at Bayfront Park. Councilman Palumbo stated that he would contact Mayor Small who was absent from the meeting to gain the status of the appraisal.

The Committee discussed a proposal made by the Bay Rivers Art Guild for usage of the Daphne Civic Center for a period of September 18, 2008 thru October 4th, 2008 at various times for the purpose of organizing a community theatre and presenting "The Wiz" as a fundraiser. The correspondence from Bay Rivers Art Guild presented a request to partner with the City of Daphne for the beginnings of the local theatre. Ms. Martha Lynch a 30 year directorial professional in the theater arts in the Washington, D.C area and many volunteers has consented to assist the City of Daphne and Bay Rivers Art Guild with the proposed cultural partnership for the creation of a theatre group in the City of Daphne.

Councilman Palumbo stated that he opposed the number of days in the request and requested that Ms. Morse gain additional information. Councilman Palumbo stated that he would like Ms. Morse to find out if the Director and other trades would be paid.

Motion by Chairman Lake for Ms. Morse to meet with Ms. Valley O'Neal of Bay Rivers Art Guild to discuss details of the request and present the findings at the next Buildings and Property Committee meeting. **Seconded** by Councilman Palumbo. **MOTION APPROVED.**

Councilman Palumbo presented an Artist Release of Liability Form and an Agreement To Decorate Daphne City Hall With Artwork Provided By The Bay Rivers Art Guild for the art work that is displayed at City Hall. **Motion** by Chairman Lake to present to the form and

Agreement to the Council for approval for the art work from Bay Rivers Art Guild. **Seconded** by Councilman Palumbo. **Motion Approved.**

Richard Merchant, Building Inspector presented a bid of \$2,800.00 from Big Red Container, Inc. for the demolition and removal of the mobile home at 27188 Parker Lane, Daphne, Alabama. **Motion** by Councilman Palumbo to present to the Council the request for \$2,800.00 for the stated purpose and a request for the city attorney to take the necessary action against the property owner. **Seconded** by Chairman Lake. **Motion Approved.**

Mr. Frank Barnett of the Public Works Department presented an estimate of \$2,500 for a thermal scan of the roof of the Daphne Civic Center which would serve as a cost savings in the future to determine exactly what part of the roof is in need of repair. The Committee stated that money has been approved for roof repair of the Civic Center. Request was made to inquire if this is a new money request or could existing roof money be used. (Ms. Briley, Finance Director recommended to use the existing appropriated funds). **Motion** by Chairman Lake to request approval from the Council for \$2,500.00 for the thermal scan (to be used from existing funds) **Seconded** by Councilman Palumbo. **Motion Approved.**

Ms. Sharon Cureton, HR, Director presented ideas for a job description for a Volunteer Coordinator. Councilman Lake in past meetings had requested the volunteer position as a way to increase and coordinate a community base of volunteers. Ms. Cureton presented a description and stated that she would need to make necessary corrections and would forward the corrected copy to Ms. Morse for inclusion in the Council packet. **Motion** by Councilman Palumbo to present the non-paid volunteer position to the Council for approval. **Seconded** by Chairman Lake. **Motion Approved.** (Description not provided)

The Committee discussed the Civic Center Ordinance and discussed the need for a special work session by the Buildings and Property Committee to review the ordinance. **Motion** by Councilman Palumbo for the City Council to pass the request for the Daphne Civic Center/Bayfront not to accept any new bookings for recurring same day monthly rentals pending the revised terms of the ordinance. **Seconded** by Chairman Lake. **Motion Approved.**

Meeting Adjourned at 11:36 a.m.

**AGREEMENT TO DECORATE DAPHNE CITY HALL
WITH ARTWORK PROVIDED BY THE
BAY RIVERS ART GUILD**

KNOW ALL MEN BY THESE PRESENTS that, the City of Daphne, Alabama (hereinafter referred to as the "**CITY**") is an Alabama municipal corporation formed pursuant to the laws of the State of Alabama, and is presently engaged in the construction and decoration of the new Daphne City Hall building; and

WHEREAS, the **CITY** desires to decorate its hallways with art work provided by local artists possessing membership in the Bay Rivers Art Guild; and

WHEREAS, local artists possessing membership in the Bay Rivers Art Guild desire to have their artwork placed within City Hall of the City of Daphne for the aesthetic quality of City Hall and for potential purchase by members of the public interested in the their individual pieces of artwork; and,

WHEREAS, the **CITY** finds that the decoration of City Hall with artwork by local artists within the Bay Rivers Art Guild provides the public purpose of pleasing and aesthetic quality for all visitors within City Hall;

NOW THEREFORE, for and in consideration of the mutual promises and covenants herein contained, which are hereby acknowledged, the **CITY** and Bay Rivers Art Guild do hereby mutually covenant and agree as follows:

SECTION 1: PLACEMENT OF ARTWORK

The **CITY** shall allow artwork provided by local artists with membership in the Bay Rivers Art Guild to adorn the halls of City Hall for decorating and aesthetic purposes. The **CITY** shall further ensure that the individual piece of artwork, in addition to the name of the individual artist, type, and title of painting, along with a label identifying the artwork as being showcased through BRAG, shall be placed in a manner that is readily accessible and legible by all interested patrons and any other information concerning the artist that may be warranted.

SECTION 2: GRANT OF ARTWORK

Bay Rivers Art Guild, and each individual artist belonging thereto, hereby grants unto the **CITY** various pieces of artwork for decorative and aesthetic purposes within City Hall of the **CITY**. Bay Rivers Art Guild, and each individual artist belonging

thereto, also places said artwork within City Hall for the purpose of advertising said artwork for potential sale to individual patrons within City Hall.

SECTION 3: INDEMNITY

The *CITY* and Bay Rivers Art Guild, and each individual artist belonging thereto, hereby acknowledge and agree that all pieces of artwork donated to be used in City Hall for decorative and aesthetic purposes are done so freely and with the full acknowledgment and consent of individual artists and further that the *CITY* shall in no way bear any responsibility for theft, marring, defacing, or destruction in any form for all pieces of artwork displayed. All pieces of artwork donated are done so freely and without any reservation. The parties also agree that the *CITY* is not responsible for the replacement of, or tender of fair market value, or any value, for artwork that is stolen, marred, defaced, or destroyed while on City Hall premises.

SECTION 4: INSURANCE

At all times during which the artwork is to be on display within City Hall, the *CITY* shall maintain no general liability insurance for said pieces of artwork, nor will the *CITY* cover any reasonable risk associated therewith in this Agreement.

SECTION 5: WAIVER

Bay Rivers Art Guild, and each individual artist belonging thereto, acknowledges that the *CITY's* placement of artwork within the City Hall building is at the artist's risk as the *CITY* does not and shall not provide any warranties, express or implied, or other representations, other than the name of the individual artist and piece of artwork, if any, as to the quality of each individual work of art. Negligence in any form on behalf of the *CITY*, its officers, employees and agents, or any other person, including the general public at large, allowed within or on City Hall premises is expressly waived by Bay Rivers Art Guild, and each individual artist belonging thereto.

SECTION 6: PAYMENT AND REMOVAL OF ARTWORK

The *CITY* and Bay Rivers Art Guild, and each individual artist belonging thereto, hereby agree that the *CITY* shall not be responsible for any facilitation of payment from interested purchasers to either Bay Rivers Art Guild or the individual artist for the purchase of a piece of artwork. It is acknowledged by all parties to this agreement that it is the responsibility of interested purchasers from the public to contact Bay Rivers Art Guild or the individual artist regarding payment and transfer of possession of the artwork. Bay Rivers Art Guild, and each individual artist belonging thereto, hereby agree to provide the *CITY* with documentation regarding the removal of any piece of artwork from City Hall premises. Said documentation shall include, but is not limited to, date of

removal, proof of purchase, and identification of the removing party. No individual shall be allowed to remove a piece of artwork from City Hall premises without providing a designee from the *CITY* with said documentation and providing a valid photo identification.

SECTION 7: GOVERNING LAWS

This Agreement shall be deemed and have been made in the State of Alabama and shall be governed, constructed in accordance with the laws of the State of Alabama, without giving any effect to any choice of law provisions arising thereunder.

SECTION 8: ENTIRE AGREEMENT

This Agreement, in addition to individual liability release forms for each artist donating his artwork(s) pursuant to this agreement, constitutes the entire agreement between the *CITY* and Bay Rivers Art Guild, and each individual artist belonging thereto, and any other agreements, whether written or oral are hereby superseded. No modification of this Agreement shall be effective unless in writing and signed by authorized representative of each party hereto. The *CITY* reserves the right to remove from its premises any artwork(s) whose artist(s) has not signed the aforementioned individual liability release form.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by the duly authorized representatives on this the ___ day of _____, 2008.

CITY OF DAPHNE, ALABAMA

BY: _____
FRED SMALL
As Its Mayor

Date and Time Signed _____

ATTEST:

DAVID L. COHEN
CITY CLERK, MMC

BAY RIVERS ART GUILD
A Non-Profit Organization

BY: _____

As its President

Date and Time Signed _____

STATE OF ALABAMA
COUNTY OF BALDWIN

I, the undersigned, a Notary Public, in and for said County in said State, do hereby certify that, **FRED SMALL**, whose name as Mayor of the City of Daphne, Alabama, a Municipal Corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this date that, being informed of the content of this instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said Corporation, on the date the same bears date.

Given under my hand and seal this the ___ day of _____, 2008.

NOTARY PUBLIC
Commission Expires: _____

**STATE OF ALABAMA
COUNTY OF BALDWIN**

I, the undersigned, a Notary Public, in and for said County in said State, do hereby certify that, _____, whose name as President of Bay Rivers Art Guild, Non-Profit Organization, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this date that, being informed of the content of this instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said Corporation, on the date the same bears date.

Given under my hand and seal this the ___ day of _____, 2008.

NOTARY PUBLIC
Commission Expires: _____

**STATE OF ALABAMA
COUNTY OF BALDWIN**

I, the undersigned, a Notary Public, in and for said County in said State, do hereby certify that, _____, whose is signed to the foregoing instrument, and who is known to me, acknowledged before me on this date that, being informed of the content of this instrument, he, executed the same voluntarily for and as the act of said on the date the same bears date.

Given under my hand and seal this the ___ day of _____, 20 ____.

NOTARY PUBLIC

Commission Expires: _____

BIG RED Container, Inc.

24001 State Highway 181
Daphne, Alabama 36526
Office:(251) 990-5047
Fax:(251) 990-5097

November 18, 2008

The City of Daphne
Ragan Lambert
Building Dept.
P.O. Box 400
Daphne, AL 36526

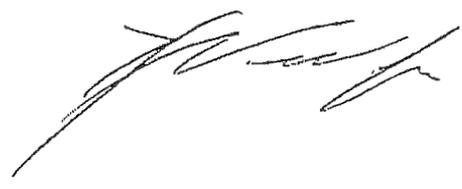
RE : 27188 Parker Lane

Ragan,

Bid for demolition and removal of mobile home at 27188 Parker Lane would be \$2,800.00. If you have any questions, please call.

Respectfully
Big Red Container, Inc.

Ken Weed



City of Daphne

VOLUNTEER COORDINATOR (Unpaid)

POSITION DESCRIPTION

The fundamental reason this position exists is to plan, develop, and implement volunteer, fund raising, and community service programs, recruit volunteers, promote gift giving, and formulate informational programs in support of the City of Daphne.

Job Duties

- Consult with managers and staff to determine needs for volunteer services
- Establish goals and objectives for the volunteer program
- Attend professional and community meetings to recruit interested parties for volunteer service
- Develop and maintain relationships with clergy, individuals and organizations within the community necessary to support the outreach activities of the volunteer program
- Recruit, train, and retain volunteers
- Screen and refer volunteer applicants to appropriate departments
- Orient and train volunteers; establish tasks, develop directories and volunteer policies
- Serve as liaison between administration, staff and volunteers; establish positive working relationships and reconcile personnel problems
- Develop and provide written protocols for all volunteers
- Attend and participate in scheduled department meetings to facilitate staff understanding of the volunteer program and identify needed volunteers
- Participate in fund raising activities
- Promote public awareness of gift giving to the City and need for volunteers by writing press releases and making public appearances
- Schedule and coordinate volunteer recognition and appreciation events
- Maintain a database of volunteer workers, hours of work, skills
- Track volunteer activity; prepare and present reports to management
- Write requests for individual, corporate, or foundation donations on behalf of the City of Daphne
- Receive and acknowledge gifts in conformance with policies

- Develop and implement fund raising strategies and informational programs to encourage support of the City

Qualifications

High school diploma or GED; Bachelor's degree in marketing or related field preferred. Experience in professional fund raising, professional volunteer management, and public relations. Candidates with proficiency in Microsoft office software and willingness to speak in public and present self professionally are encouraged to apply.

Position Information

This position will be supervised by _____ and will be located in City Hall. The hours are part time and can be flexible depending on the volunteer performing the duties.

City of Daphne

Permit Activity Report

2008-12-31

Permit Code: BL BUILDING PERMIT

Residential - NEW - R3 BL Permits

Txpld - Loc#	Contractor Name / Location Name	Permit # / Project #	Master Permit #	Job Location Address	Paid	Status	Issue Date	App Date	Job Value/Cost	Permit Fee
5483-1	MITCHELL CONSTRUCTION	08-1114		28029 8TH AVE	Yes	A	12/22/2008	12/22/2008	\$78,030.00	\$410.00
	MITCHELL CONSTRUCTION	08-GI		DAPHNE, AL 36526						
418-1	BAY AREA CUSTOM HOMES	08-1069		30178 LOBLOLLY CIRCLE	Yes	A	12/01/2008	12/01/2008	\$140,280.00	\$720.00
	BAY AREA CUSTOM HOMES			DAPHNE, AL 36526						
										Sub Division: TIMBERCREEK
2054-1	HERITAGE HOMES OF MOBILE	08-1078		116 MEADOW CIRCLE	Yes	A	12/03/2008	12/03/2008	\$96,900.00	\$500.00
	HERITAGE HOMES OF MOBILE	08-GG		DAPHNE, AL 36526						
										Sub Division: LAKE FOREST
5474-1	J.D. HAMILTON & ASSOCIATES	08-1085		368 RIDGEWOOD DR	Yes	A	12/08/2008	12/08/2008	\$116,640.00	\$600.00
	J.D. HAMILTON & ASSOCIATES	08-GH		DAPHNE, AL 36526						
										Sub Division: LAKE FOREST
Total Residential - NEW - R3 BL Permit(s)								4	\$431,850.00	\$2,230.00
Total Residential - NEW BL Permit(s)								4	\$431,850.00	\$2,230.00
Total Residential BL Permit(s)								4	\$431,850.00	\$2,230.00

Non Residential - NEW - B2 BL Permits

Txpld - Loc#	Contractor Name / Location Name	Permit # / Project #	Master Permit #	Job Location Address	Paid	Status	Issue Date	App Date	Job Value/Cost	Permit Fee
3866-1	ROY LEWIS CONSTRUCTION CO.	08-1095		7028 HWY 90	Yes	A	12/12/2008	12/12/2008	\$540,196.00	\$3,346.00
	ROY LEWIS CONSTRUCTION CO.			DAPHNE, AL 36526						
										Sub Division: COMMERCIAL
Total Non Residential - NEW - B2 BL Permit(s)								1	\$540,196.00	\$3,346.00
Total Non Residential - NEW BL Permit(s)								1	\$540,196.00	\$3,346.00
Total Non Residential BL Permit(s)								1	\$540,196.00	\$3,346.00
Total BL Permit(s)								5	\$972,046.00	\$5,576.00
Grand Totals							5	\$972,046.00	\$5,576.00	

City of Daphne

Periodic Report of Permits Issued by Improvement

12/31/2008

	Code	Permit Count	# Of Units	Valuation	Permit Fee
BUILDING PERMIT					
Residential					
REINSPECTION FEE	R3	BL	2		\$150.00
NEW	R3	BL	4	\$431,850.00	\$2,230.00
REPAIR	R3	BL	2	\$101,000.00	\$535.00
REMODEL	R3	BL	2	\$87,600.00	\$498.00
RE-ROOF	R3	BL	1	\$19,800.00	\$115.00
ADDITION	R3	BL	1	\$58,080.00	\$310.00
STORAGE BUILDING	R2	BL	1	\$2,500.00	\$30.00
MISCELLANEOUS	R1	BL	1	\$40,000.00	\$215.00
Non-Residential					
NEW	B2	BL	1	\$540,196.00	\$3,346.00
REMODEL	B2	BL	1	\$15,000.00	\$90.00
Total - BUILDING PERMIT			16	\$1,296,026.00	\$7,519.00
Grand Total			16	0.00	\$1,296,026.00
					\$7,519.00

Revenue Summary Report By Type and Code

2008-12-31

Transaction Date Between: 12/01/2008 And 12/31/2008

Type	Code	Code Description	Gross Revenue	Remitted Disc.	Net Revenue
Permit	BL	BUILDING PERMIT	\$9,130.00	\$0.00	\$9,130.00
	EL	ELECTRICAL PERMIT	\$883.50	\$0.00	\$883.50
	ME	MECHANICAL PERMIT	\$792.50	\$0.00	\$792.50
	BL	PLUMBING PERMIT	\$25.00	\$0.00	\$25.00
	PL	PLUMBING PERMIT	\$796.50	\$0.00	\$796.50
Total For Permit(s)			\$11,627.50	\$0.00	\$11,627.50
Grand Total			\$11,627.50	\$0.00	\$11,627.50

EL	12/15/2008	611	1	BOWDEN & ASSOCIATES	12/15/2008	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	No
EL	12/22/2008	3941	1	SCOTT ELECTRIC	12/22/2008	\$43.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$43.50	No
EL	12/29/2008	1704	1	FULTON ELECTRICAL CO	12/29/2008	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	No
EL	12/30/2008	2888	1	MAC'S ELECTRIC	12/30/2008	\$60.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$60.00	No
EL	12/30/2008	2001	1	HARRIS ELECTRIC	12/30/2008	\$40.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40.00	No
EL	12/30/2008	4912	1	OWNER	12/30/2008	\$35.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$35.00	No
EL	12/31/2008	4293	1	TATE ELECTRIC	12/31/2008	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	No
EL	12/31/2008	4703	1	WHITNEY L. CADWELL EL	12/31/2008	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	No
ME	12/01/2008	5237	1	HUTCHISSON HVAC SER	12/01/2008	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	No
ME	12/05/2008	426	1	BAY BREEZE HEATING &	12/05/2008	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30.00	No
ME	12/08/2008	1866	1	GRAYSON AIR CONDITIO	12/08/2008	\$45.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$45.00	No
ME	12/09/2008	5402	1	BOUTWELL'S AIR MASTE	12/09/2008	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	No
ME	12/10/2008	2020	1	HEAD'S HEATING & AIR C	12/10/2008	\$105.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$105.00	No
ME	12/12/2008	411	1	BATCHELOR'S SERVICE	12/12/2008	\$25.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00	No
ME	12/12/2008	5500	1	WENDCO OF ALABAMA	12/12/2008	\$25.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00	No
ME	12/12/2008	5501	1	WILLIS SERVICE CO	12/12/2008	\$37.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$37.50	No
ME	12/17/2008	411	1	BATCHELOR'S SERVICE	12/17/2008	\$25.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00	No
ME	12/19/2008	2020	1	HEAD'S HEATING & AIR C	12/19/2008	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	No
ME	12/23/2008	1386	3	DIVERSIFIED CONTRACTI	12/23/2008	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50.00	No
ME	12/29/2008	411	1	BATCHELOR'S SERVICE	12/29/2008	\$45.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$45.00	No
ME	12/30/2008	4912	1	OWNER	12/30/2008	\$45.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$45.00	No
ME	12/30/2008	193	1	ALLEN'S SERVICES, INC.	12/30/2008	\$30.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30.00	No
PL	12/02/2008	3439	1	PERSONS SERVICE CO.	12/02/2008	\$104.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$104.00	No
PL	12/03/2008	5209	1	HARTS ALL SERVICE	12/03/2008	\$75.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$75.00	No
PL	12/03/2008	1486	1	ED DISMUKES PLUMBING	12/03/2008	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	No
PL	12/11/2008	3192	1	MODERN PLUMBING CO.	12/11/2008	\$25.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00	No
PL	12/12/2008	2913	1	MANLEY PLUMBING	12/12/2008	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	No
PL	12/17/2008	5066	1	MONROE VALUE PLUMBI	12/17/2008	\$110.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	No
PL	12/18/2008	4912	1	OWNER	12/18/2008	\$25.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00	No
PL	12/30/2008	3345	1	P & G PLUMBING	12/30/2008	\$25.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00	No
PL	12/30/2008	4912	1	OWNER	12/30/2008	\$20.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20.00	No
PL	12/31/2008	463	1	BBW PLUMBING	12/31/2008	\$172.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$172.50	No
PL	12/31/2008	4981	1	ERNEST PICKETT	12/31/2008	\$20.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20.00	No
Total Net Revenue / Discount / Net Revenue For Permit(s)									\$11,627.50	\$0.00	\$11,627.50		
Grand Total Gross Revenue / Discount / Net Revenue									\$11,627.50	\$0.00	\$11,627.50		

CERTIFICATE OF OCCUPANCY

DEC. 2008

<u>OWNER</u>	<u>ADDRESS</u>	<u>SUBDIVISION</u>	<u>PERMIT</u>	<u>DATE CLOSED</u>
PRECISION HOMES	9974 CUMBRIA DRIVE	OLD FIELD	08-822	11/26/2008
BRAD AND AMY WALTERS	9569 BELLA DRIVE	TIAWASSEE TRACE	08-337	12/2/2008
PRECISION ONE BUILT HOMES	9984 CUMBRIA DRIVE	OLD FIELD	08-821	12/1/2008
J D HAMILTON ASSOCIATES	136 LAKESHORE DR	LAKE FOREST	08-777	12/3/2008
CHRISTINA WHITE	1153 WILSON AVE		08-837	12/8/2008
COLONY HOMES	8765 DRIFTON CT	BROOKHAVEN	08-730	12/10/2008
COLONY HOMES	8768 DRIFTON CT	BROOKHAVEN	08-729	12/10/2008
COLONY HOMES	8771 BAINBRIDGE DR	BROOKHAVEN	08-728	12/10/2008
MITCHELL HOMES	10223 ESTIA DRIVE	HISTORIC MALBIS	08-613	12/12/2008
COLONY HOMES	8792 BAINBRIDGE DR	BROOKHAVEN	08-732	12/15/2008
RIVERWOOD PROPERTIES	9912 DEMITRIOUS (SHELL ONLY)	COMMER.	08-684	12/15/2008
JBSM DEVELOPMENT	25878 POLLARD RD	APARTMENTS	08-0078	12/16/2008

CERTIFICATE OF OCCUPANCY

DEC. 2008

<u>OWNER</u>	<u>ADDRESS</u>	<u>SUBDIVISION</u>	<u>PERMIT</u>	<u>DATE CLOSED</u>
JSBM DEVELOPMENT	25878 POLLARD RD	APARTMENTS	08-0078	12/16/2008
VALUE PLACE	29758 FREDERICK BLVD	COMMERCIAL	08-193	12/12/2008
BEBO'S CARWASH	1806 HWY 98	COMMERCIAL	08-503	12/16/2008
RALPH AND MELANIE MILLER	8840 S LAMHATTY LANE		08-406	12/18/2008
DAVID STAPLETON	301 GRAYS LANE		08-184	12/19/2008
GLOVER BUILDERS	107 WORCHESTER LANE	LAKE FOREST	08-582	12/19/2008
DOBBINS CUSTOM HOMES	1314 JOHNSON RD		08-845	12/21/2008
DAN MOONEY CUSTOM HOMES	403 DRYER AVENUE		08-255	12/22/2008
CHRIS MEYERS NISSAN	29788 FREDERICK BLVD	COMMERCIAL	08-640	12/23/2008
BENCHMARK HOMES	27236 LASHAY DR	MADISON PLACE	08-900	12/23/2008
SHOPPES OF DAPHNE	2004 HWY 98	COMMERCIAL	08-685	12/23/2008
SHOPPES OF DAPHNE	2004 HWY 98	STE E AND F	08-974 &08-975	12/23/2008
OXFORD GROUP	7966 AMERICAN WAY	COMMERCIAL	08-879	12/23/2008

CERTIFICATE OF OCCUPANCY

DEC. 2008

<u>OWNER</u>	<u>ADDRESS</u>	<u>SUBDIVISION</u>	<u>PERMIT</u>	<u>DATE CLOSED</u>
COLONY HOMES	9838 BELLATON AVE	BELLATON	08-719	12/30/2008
COLONY HOMES	8773 DRIFTON CT	BROOKHAVEN	08-1001	12/30/2008
COLONY HOMES	8812 BAINBRIDGE DRIVE	BROOKHAVEN	08-735	12/30/2008
COLONY HOMES	8828 BAINBRIDGE DRIVE	BROOKHAVEN	08-733	12/30/2008
COLONY HOMES	8778 DRIFTON CT	BROOKHAVEN	08-1000	12/30/2008
COLONY HOMES	8764 DRIFTON CT	BROOKHAVEN	08-1002	12/30/2008
COLONY HOMES	8782 DRIFTON CT	BROOKHAVEN	08-731	12/30/2008
DAPHNE INN LLC	29793 WOODROW LANE	COMMERCIAL	08-0054	12/31/2008

PLANNING/ZONING/BUILDING DEVELOPMENT OUTLINE FOR DECEMBER 2008

SUBDIVISIONS CORPORATE LIMITS	NUMBER OF LOTS	NO. RESIDENTIAL AND COMMERCIAL PERMITS ISSUED
ASHLEY PLACE, PHASE ONE	20	
AUSTIN PLACE, PHASE ONE	14	
AUSTIN PLACE, PHASE TWO	9	
BELLATON, PHASE ONE	59	
BELLATON, PHASE TWO	56	
BLACKSHER PLACE, PHASE ONE	8	
BRISTOL CREEK, PHASE ONE	40	
BROOKHAVEN, PHASE ONE	52	
BROOKSIDE, PHASE ONE		
CANTERBURY PLACE, PHASE ONE	36	
CANTERBURY PLACE, PHASE TWO	34	
CANTERBURY PLACE, PHASE THREE	40	
CANTERBURY PLACE, PHASE FOUR	13	
CHARLESTON OAKS, PHASE ONE	24	
CHATEAUGUAY SQUARE, PHASE ONE	12	
CREEKSIDE, PHASE ONE	37	
CREEKSIDE, PHASE TWO	50	
CREEKSIDE, PHASE THREE	5	
DAPHNE COMMERCIAL PARK, PHASE ONE	25	
DELACHASE SQUARE, PHASE ONE	6	
DEERWOOD SQUARE	26	
EAGLE CREEK, PHASE ONE	32	
EAGLE CREEK, PHASE TWO	42	
FRANKLIN SQUARE, PHASE ONE	17	
FRENCH SETTLEMENT, PHASE ONE	31	
HARBOR PLACE, PHASE ONE	25	
HIDDEN CREEK, PHASE ONE	9	
HISTORIC MALBIS, PHASE ONE	122	
HISTORIC MALBIS, PHASE TWO, PART A	101	
HISTORIC MALBIS, PHASE TWO, PART B	69	
HISTORIC MALBIS, PHASE THREE, PART A	8	
HWY 64 COMMERCIAL PARK, PHASE ONE	15	
JACKSON SQUARE, PHASE ONE	29	
KAYLAR PLACE		
KRYSTAL RIDGE, PHASE ONE	10	

PLANNING/ZONING/BUILDING DEVELOPMENT OUTLINE FOR DECEMBER 2008

LACASA DI SAN FRANCESCO, PHASE ONE	24	
LACASA DI SAN FRANCESCO, PHASE TWO	13	
LAKE FOREST		2
LAUREL PLACE, PHASE ONE	15	
MADISON PLACE, PHASE ONE	67	
MADISON PLACE, PHASE TWO		
OAK CREEK, PHASE ONE	34	
OAKSTONE, PHASE ONE	12	
OLD FIELD, PHASE ONE		
OTTAWA SPRINGS, PHASE ONE	64	
PECAN TRACE, PHASE ONE	29	
POLO TRACE, PHASE ONE	18	
POTTERS MILL, PHASE THREE	24	
SAINT CHARLES PLACE, PHASE ONE	22	
SAINT CHARLES VILLAGE		
SEHOY, PHASE ONE	75	
SEHOY, PHASE TWO	32	
SEHOY, PHASE THREE	57	
SEHOY, PHASE FOUR	53	
SEHOY, PHASE FIVE	29	
STRATFORD GLEN, PHASE ONE	34	
STRATFORD GLEN, PHASE ONE B	17	
STRATFORD GLEN, PHASE TWO	29	
STRATFORD GLEN, PHASE THREE	47	
SUNSET BAY VILLAS		
TIAWASEE TRACE, PHASE ONE	51	
TIMBERCREEK BUSINESS PARK		
TIMBERCREEK, PHASE ONE	191	
TIMBERCREEK, PHASE TWO	81	
TIMBERCREEK, PHASE THREE	54	
TIMBERCREEK, PHASE FOUR	55	
TIMBERCREEK, PHASE FIVE	26	
TIMBERCREEK, PHASE SIX	85	
TIMBERCREEK, PHASE SEVEN	72	
TIMBERCREEK, PHASE EIGHT	52	
TIMBERCREEK, PHASE NINE	93	1

PLANNING/ZONING/BUILDING DEVELOPMENT OUTLINE FOR DECEMBER 2008

TIMBERCREEK, PHASE TEN	31	
TRACE CROSSING, PHASE ONE	14	
VAN AVENUE, PHASE ONE	8	
VICTORIA SQUARE, PHASE ONE		
WOOD FOREST, PHASE ONE	26	
YANCEY BRANCH, PHASE ONE	28	

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Permit Activity Report

2008 Yearly Report

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Permit Code: BL BUILDING PERMIT

Residential - NEW - R1 BL Permits

Txpld - Loc#	Contractor Name / Location Name	Permit # / Project #	Master Permit #	Job Location Address	Paid	Status	Issue Date	App Date	Job Value/Cost	Permit Fee
1288-1	DAVID STAPLETON BUILDERS	08-184		301 GRAYS LANE	Yes	I	03/05/2008	03/05/2008	\$293,310.00	\$1,485.00
	DAVID STAPLETON BUILDERS	08-EQ		DAPHNE, AL 36526						
1400-1	BILL DOBBINS HOMES	08-837		1153 WILSON AVE	Yes	A	09/16/2008	09/16/2008	\$124,680.00	\$640.00
	BILL DOBBINS HOMES			DAPHNE, AL 36526						
1399-1	DOBBINS CUSTOM HOMES	08-845		1314 JOHNSON RD.	Yes	I	09/17/2008	09/17/2008	\$124,200.00	\$640.00
	DOBBINS CUSTOM HOMES			DAPHNE, AL 36526						
2106-1	HONS BUILDERS	08-505		606 BELROSE AVE	Yes	A	06/09/2008	06/09/2008	\$35,130.00	\$195.00
	HONS BUILDERS			DAPHNE, AL 36526						
Total Residential - NEW - R1 BL Permit(s)								4	\$577,320.00	\$2,960.00

Residential - NEW - R3 BL Permits

Txpld - Loc#	Contractor Name / Location Name	Permit # / Project #	Master Permit #	Job Location Address	Paid	Status	Issue Date	App Date	Job Value/Cost	Permit Fee
5115-1	FRIDAY CONSTRUCTION	08-516		133 LAKE FRONT DR	Yes	A	06/11/2008	06/11/2008	\$114,000.00	\$585.00
	FRIDAY CONSTRUCTION	08-FK		DAPHNE, AL 36526						
3047-1	MDH CONSTRUCTION SERVICES, I	08-361		27626 OAKACHOY LOOP	Yes	I	04/28/2008	04/28/2008	\$164,550.00	\$840.00
	MDH CONSTRUCTION SERVICES, I			DAPHNE, AL 36526						
5447-1	TORY DUTTON CONSTRUCTION	08-440		27941 TAWASHA CT	Yes	A	05/22/2008	05/22/2008	\$291,600.00	\$1,475.00
	TORY DUTTON CONSTRUCTION	08-FH		DAPHNE, AL 36526						
5440-1	KEITH LAMB CUSTOM HOMES	08-392		29954 D'OLIVE RIDGE	Yes	A	05/02/2008	05/02/2008	\$372,870.00	\$1,880.00
	KEITH LAMB CUSTOM HOMES			DAPHNE, AL 36526						
5474-1	J.D. HAMILTON & ASSOCIATES	08-1085		368 RIDGEWOOD DR	Yes	A	12/08/2008	12/08/2008	\$116,640.00	\$600.00
	J.D. HAMILTON & ASSOCIATES	08-GH		DAPHNE, AL 36526						
2054-1	HERITAGE HOMES OF MOBILE	08-1078		116 MEADOW CIRCLE	Yes	A	12/03/2008	12/03/2008	\$96,900.00	\$500.00
	HERITAGE HOMES OF MOBILE	08-GG		DAPHNE, AL 36526						
4906-1	JOHN LASSITER HOME CONSTRUC	08-1		10378 TAMPARY ST.	Yes	I	01/02/2008	01/02/2008	\$170,880.00	\$870.00
	JOHN LASSITER HOME CONSTRUC			DAPHNE, AL 36526						
284-1	ART LAMI HOMES	08-378		111 HOPE DRIVE	Yes	A	05/01/2008	05/01/2008	\$123,180.00	\$635.00
	ART LAMI HOMES			DAPHNE, AL 36526						
5472-1	MARQUIS PROPERTIES LLC	08-699		9689 BELLA DR	Yes	A	08/13/2008	08/13/2008	\$192,300.00	\$980.00
	MARQUIS PROPERTIES LLC	08-FS		DAPHNE, AL 36526						

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5115-1	FRIDAY CONSTRUCTION FRIDAY CONSTRUCTION	08-515	104 SUMMIT CIR. DAPHNE, AL 36526	Yes	I	06/11/2008	06/11/2008	\$98,700.00	\$510.00
									Sub Division: LAKE FOREST
84-1	ADAMS HOMES, LLC ADAMS HOMES, LLC	08-357 08-FC	9012 BROOKSIDE DRIVE DAPHNE, AL 36526	Yes	A	04/25/2008	04/25/2008	\$101,520.00	\$525.00
									Sub Division: BROOKSIDE
5391-1	METROPOL ONE LLC METROPOL ONE LLC	08-517	133 GREENWOOD DR DAPHNE, AL 36526	Yes	I	06/11/2008	06/11/2008	\$120,930.00	\$620.00
									Sub Division: LAKE FOREST
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-521 08-FL	7725 ELIZABETH DR DAPHNE, AL 36526	Yes	I	06/12/2008	06/12/2008	\$109,500.00	\$565.00
									Sub Division: MADISON PLACE
5373-1	COLONY HOMES COLONY HOMES	08-376 08-FG	9837 EVANSTON ST DAPHNE, AL 36526	Yes	A	04/30/2008	04/30/2008	\$198,480.00	\$1,110.00
									Sub Division: BELLETON
1836-1	GLOVER BUILDERS INC. GLOVER BUILDERS INC.	08-582	107 WORCHESTER DRIVE DAPHNE, AL 36526	Yes	I	07/01/2008	07/01/2008	\$132,000.00	\$675.00
									Sub Division: LAKE FOREST
5373-1	COLONY HOMES COLONY HOMES	08-583	8791 BAINBRIDGE DR. DAPHNE, AL 36526	Yes	I	07/01/2008	07/01/2008	\$132,300.00	\$680.00
									Sub Division: BROOKHAVEN
5373-1	COLONY HOMES COLONY HOMES	08-584	8795 BAINBRIDGE DR DAPHNE, AL 36526	Yes	I	07/01/2008	07/01/2008	\$125,190.00	\$645.00
									Sub Division: BROOKHAVEN
5115-1	FRIDAY CONSTRUCTION FRIDAY CONSTRUCTION	08-368	131 EAGLE DR DAPHNE, AL 36526	Yes	I	04/29/2008	04/29/2008	\$97,260.00	\$505.00
									Sub Division: LAKE FOREST
5483-1	MITCHELL CONSTRUCTION MITCHELL CONSTRUCTION	08-1114 08-GI	28029 8TH AVE DAPHNE, AL 36526	Yes	A	12/22/2008	12/22/2008	\$78,030.00	\$410.00
									Sub Division:
5301-1	DAN MOONEY CUSTOM HOMES DAN MOONEY CUSTOM HOMES	08-255 08-EU	403 DRYER AVENUE DAPHNE, AL 36526	Yes	I	03/25/2008	03/25/2008	\$271,440.00	\$1,375.00
									Sub Division:
5390-1	J. ROBERT MILLER J. ROBERT MILLER	08-41	8664 HICKORY CT DAPHNE, AL 36526	Yes	A	01/15/2008	01/15/2008	\$313,650.00	\$1,585.00
									Sub Division: TIMBERCREEK
5391-1	METROPOL ONE LLC METROPOL ONE LLC	08-48 08-EM	127 LAKESHORE DR DAPHNE, AL 36526	Yes	I	01/17/2008	01/17/2008	\$121,260.00	\$625.00
									Sub Division:
922-1	CHRIS LEIGH HOMES, INC. CHRIS LEIGH HOMES, INC.	08-157	29962 D'OLIVE RIDGE DAPHNE, AL 36526	Yes	A	02/25/2008	02/25/2008	\$229,830.00	\$1,165.00
									Sub Division: TIMBERCREEK
418-1	BAY AREA CUSTOM HOMES BAY AREA CUSTOM HOMES	08-191 08-ER	8539 PINE RUN DAPHNE, AL 36526	Yes	A	03/05/2008	03/05/2008	\$319,620.00	\$1,615.00
									Sub Division: TIMBERCREEK
1658-1	FOSTER HOME BUILDERS FOSTER HOME BUILDERS	08-61	29319 ACORN KNOLL DR DAPHNE, AL 36526	Yes	A	01/23/2008	01/23/2008	\$355,260.00	\$1,795.00
									Sub Division: OAK CREEK
5193-1	CDA LLC CDA LLC	08-86 08-EN	122 GREENWOOD DRIVE DAPHNE, AL 36526	Yes	I	02/01/2008	02/01/2008	\$99,000.00	\$510.00
									Sub Division: LAKE FOREST

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3017-1	MCDONOUGH HOMES, INC. MCDONOUGH HOMES, INC.	08-121	24609 CHANTILLY LANE DAPHNE, AL 36526	Yes	I	02/15/2008	02/15/2008	\$234,270.00	\$1,190.00
									Sub Division: BELLATON
4846-1	HOME OWNER HOME OWNER	08-139	107 MELLATTAU CIR. DAPHNE, AL 36526	Yes	A	02/19/2008	02/19/2008	\$167,550.00	\$855.00
									Sub Division: LAKE FOREST
3047-1	MDH CONSTRUCTION SERVICES, I MDH CONSTRUCTION SERVICES, I	08-360 08-FE	27634 OAKACHOY LOOP DAPHNE, AL 36526	Yes	I	04/28/2008	04/28/2008	\$167,940.00	\$855.00
									Sub Division: SEHOY
5391-1	METROPOL ONE LLC METROPOL ONE LLC	08-221 08-ET	370 RIDGEWOOD DR DAPHNE, AL 36526	Yes	I	03/12/2008	03/12/2008	\$128,460.00	\$660.00
									Sub Division: LAKE FOREST
84-1	ADAMS HOMES, LLC ADAMS HOMES, LLC	08-358 08-FD	8022 BROOKSIDE DRIVE DAPHNE, AL 36526	Yes	I	04/25/2008	04/25/2008	\$96,120.00	\$500.00
									Sub Division: BROOKSIDE
5115-1	FRIDAY CONSTRUCTION FRIDAY CONSTRUCTION	08-276 08-EV	119 EAGLE DRIVE DAPHNE, AL 36526	Yes	I	04/01/2008	04/01/2008	\$116,880.00	\$600.00
									Sub Division: LAKE FOREST
4912-1	OWNER OWNER	08-298 08-EX	28041 OAKACHOY LOOP DAPHNE, AL 36526	Yes	I	04/09/2008	04/09/2008	\$222,120.00	\$1,130.00
									Sub Division: SEHOY
5391-1	METROPOL ONE LLC METROPOL ONE LLC	08-326 08-FA	116 MONTCLAIR PLACE DAPHNE, AL 36526	Yes	I	04/16/2008	04/16/2008	\$132,690.00	\$680.00
									Sub Division: LAKE FOREST
4912-1	OWNER OWNER	08-406	8840 S. LAMHATTY LANE DAPHNE, AL 36526	Yes	I	05/08/2008	05/08/2008	\$282,660.00	\$1,430.00
									Sub Division: TIAWASEE TRACE
1718-1	G.E. HOMES G.E. HOMES	08-335	9533 MARCHAND AVE DAPHNE, AL 36526	Yes	A	04/21/2008	04/21/2008	\$188,430.00	\$960.00
									Sub Division: SEHOY
4846-1	HOME OWNER HOME OWNER	08-337	9569 BELLA DR DAPHNE, AL 36526	Yes	I	04/21/2008	04/21/2008	\$216,030.00	\$1,100.00
									Sub Division: BELLATON
5373-1	COLONY HOMES COLONY HOMES	08-345	9807 BELLATON AVE DAPHNE, AL 36526	Yes	I	04/22/2008	04/22/2008	\$214,080.00	\$1,090.00
									Sub Division: BELLATON
2147-1	HYMAN HOMES, INC. HYMAN HOMES, INC.	08-532	29973 D'OLIVE RIDGE DAPHNE, AL 36526	Yes	A	06/16/2008	06/16/2008	\$387,810.00	\$1,955.00
									Sub Division: TIMBERCREEK
5401-1	GULF COAST CUSTOM HOMES GULF COAST CUSTOM HOMES	08-144 08-EO	9647 BELLA DRIVE DAPHNE, AL 36526	Yes	I	02/20/2008	02/20/2008	\$205,560.00	\$1,045.00
									Sub Division: BELLATON
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-20 08-EL	105 MELLATTAU CIRCLE DAPHNE, AL 36526	No	I	01/08/2008	01/08/2008	\$134,130.00	\$690.00
									Sub Division: LAKE FOREST
5391-1	METROPOL ONE LLC METROPOL ONE LLC	08-777 08-FW	136 LAKESHORE DR DAPHNE, AL 36526	Yes	I	08/28/2008	08/28/2008	\$121,260.00	\$625.00
									Sub Division:
922-1	CHRIS LEIGH HOMES, INC. CHRIS LEIGH HOMES, INC.	08-787 08-FX	9614 KASEY COURT DAPHNE, AL 36526	Yes	A	09/03/2008	09/03/2008	\$206,640.00	\$1,050.00
									Sub Division: BELLETON

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1718-1	G.E. HOMES G.E. HOMES	08-857	27574 LACHLAN AVE. DAPHNE, AL 36526	Yes	A	09/23/2008	09/23/2008	\$201,840.00	\$1,025.00
									Sub Division: SEHOY
1718-1	G.E. HOMES G.E. HOMES	08-858	27562 LACHLAN CT DAPHNE, AL 36526	Yes	A	09/23/2008	09/23/2008	\$148,710.00	\$760.00
									Sub Division: SEHOY
4526-1	VAN ALLER CONSTRUCTION VAN ALLER CONSTRUCTION	08-877	7222 INDIGO LANE DAPHNE, AL 36526	Yes	A	09/26/2008	09/26/2008	\$121,950.00	\$625.00
									Sub Division: INDIGO PLACE
4526-1	VAN ALLER CONSTRUCTION VAN ALLER CONSTRUCTION	08-878	7196 INDIGO LANE DAPHNE, AL 36526	Yes	A	09/26/2008	09/26/2008	\$121,950.00	\$625.00
									Sub Division: INDIGO PLACE
5373-1	COLONY HOMES COLONY HOMES	08-735	8812 BAINBRIDGE DR DAPHNE, AL 36526	Yes	I	08/21/2008	08/21/2008	\$129,240.00	\$665.00
									Sub Division: BROOKHAVEN
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-900 08-GA	27236 LASHAY DRIVE DAPHNE, AL 36526	Yes	I	10/03/2008	10/03/2008	\$105,840.00	\$545.00
									Sub Division: MADISON PLACE
5483-1	MITCHELL CONSTRUCTION MITCHELL CONSTRUCTION	08-850 08-FZ	28217 3RD AVE DAPHNE, AL 36526	Yes	A	09/22/2008	09/22/2008	\$78,030.00	\$410.00
									Sub Division:
5373-1	COLONY HOMES COLONY HOMES	08-1000 08-GC	8778 DRIFTON CT DAPHNE, AL 36526	Yes	I	11/04/2008	11/04/2008	\$129,240.00	\$670.00
									Sub Division: BROOKHAVEN
5373-1	COLONY HOMES COLONY HOMES	08-1001 08-GD	8773 DRIFTON CT DAPHNE, AL 36526	Yes	I	11/04/2008	11/04/2008	\$124,380.00	\$640.00
									Sub Division: BROOKHAVEN
5373-1	COLONY HOMES COLONY HOMES	08-1002 08-GE	8764 DRIFTON CT DAPHNE, AL 36526	Yes	I	11/04/2008	11/04/2008	\$127,440.00	\$655.00
									Sub Division:
3017-1	MCDONOUGH HOMES, INC. MCDONOUGH HOMES, INC.	08-1014	9629 BELLA DRIVE DAPHNE, AL 36526	Yes	A	11/07/2008	11/07/2008	\$210,900.00	\$1,070.00
									Sub Division: BELLATON
5373-1	COLONY HOMES COLONY HOMES	08-1017	8808 BAINBRIDGE DRIVE DAPHNE, AL 36526	Yes	A	11/10/2008	11/10/2008	\$124,860.00	\$640.00
									Sub Division: BROOKHAVEN
5474-1	J.D. HAMILTON & ASSOCIATES J.D. HAMILTON & ASSOCIATES	08-1046 08-GF	103 CHATWOOD CIRCLE DAPHNE, AL 36526	Yes	A	11/20/2008	11/20/2008	\$137,130.00	\$705.00
									Sub Division: LAKE FOREST
418-1	BAY AREA CUSTOM HOMES BAY AREA CUSTOM HOMES	08-1069	30178 LOBLOLLY CIRCLE DAPHNE, AL 36526	Yes	A	12/01/2008	12/01/2008	\$140,280.00	\$720.00
									Sub Division: TIMBERCREEK
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-178	7730 AVERY LANE DAPHNE, AL 36526	Yes	I	03/04/2008	03/04/2008	\$101,760.00	\$525.00
									Sub Division: MADISON PLACE
5373-1	COLONY HOMES COLONY HOMES	08-729	8768 DRIFTON CT. DAPHNE, AL 36526	Yes	I	08/21/2008	08/21/2008	\$129,240.00	\$665.00
									Sub Division: BROOKHAVEN
5373-1	COLONY HOMES COLONY HOMES	08-728	8771 BAINBRIDGE DR. DAPHNE, AL 36526	Yes	I	08/21/2008	08/21/2008	\$135,990.00	\$695.00
									Sub Division: BROOKHAVEN

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TxpId - Loc#	Contractor Name / Location Name	Permit # / Project #	Master Permit #	Job Location Address	Paid	Status	Issue Date	App Date	Job Value/Cost	Permit Fee
5373-1	COLONY HOMES	08-731		8782 DRIFTON CT.	Yes	I	08/21/2008	08/21/2008	\$135,990.00	\$695.00
	COLONY HOMES			DAPHNE, AL 36526						
									Sub Division: BROOKHAVEN	
5373-1	COLONY HOMES	08-734		30091 D'OLIVE RIDGE	Yes	A	08/21/2008	08/21/2008	\$247,530.00	\$1,255.00
	COLONY HOMES			DAPHNE, AL 36526						
									Sub Division: TIMBERCREEK	
5373-1	COLONY HOMES	08-711		24667 CHANTILLY LANE	Yes	A	08/15/2008	08/15/2008	\$213,480.00	\$1,085.00
	COLONY HOMES			DAPHNE, AL 36526						
									Sub Division: BELLATON	
5373-1	COLONY HOMES	08-733		8828 BAINBRIDGE DR	Yes	I	08/21/2008	08/21/2008	\$135,990.00	\$695.00
	COLONY HOMES			DAPHNE, AL 36526						
									Sub Division: BROOKHAVEN	
5373-1	COLONY HOMES	08-730		8765 DRIFTON CT.	Yes	I	08/21/2008	08/21/2008	\$135,990.00	\$695.00
	COLONY HOMES			DAPHNE, AL 36526						
									Sub Division: BROOKHAVEN	
5373-1	COLONY HOMES	08-732		8792 BAINBRIDGE DR.	Yes	I	08/21/2008	08/21/2008	\$124,380.00	\$640.00
	COLONY HOMES			DAPHNE, AL 36526						
									Sub Division: BROOKHAVEN	
5373-1	COLONY HOMES	08-720		9823 EVANSTON ST	Yes	A	08/19/2008	08/19/2008	\$159,660.00	\$815.00
	COLONY HOMES	08-FT		DAPHNE, AL 36526						
									Sub Division: BELLETON	
5373-1	COLONY HOMES	08-719		9838 BELLATON AVE	Yes	I	08/19/2008	08/19/2008	\$206,490.00	\$1,050.00
	COLONY HOMES			DAPHNE, AL 36526						
									Sub Division: BELLATON	
Total Residential - NEW - R3 BL Permit(s)								68	\$11,397,810.00	\$58,265.00

Residential - NEW - R2 BL Permits

TxpId - Loc#	Contractor Name / Location Name	Permit # / Project #	Master Permit #	Job Location Address	Paid	Status	Issue Date	App Date	Job Value/Cost	Permit Fee
4846-1	HOME OWNER	08-571		27300 MAIN ST	Yes	A	06/27/2008	06/27/2008	\$66,600.00	\$350.00
	HOME OWNER			DAPHNE, AL 36526						
									Sub Division:	
Total Residential - NEW - R2 BL Permit(s)								1	\$66,600.00	\$350.00

Residential - NEW - R4 - HIGH DENSITY RESIDENTIAL BL Permits

TxpId - Loc#	Contractor Name / Location Name	Permit # / Project #	Master Permit #	Job Location Address	Paid	Status	Issue Date	App Date	Job Value/Cost	Permit Fee
482-1	BENCHMARK HOMES, INC.	08-85		7351 FRANKLIN SQ. CT.	Yes	I	02/01/2008	02/01/2008	\$103,890.00	\$535.00
	BENCHMARK HOMES, INC.			DAPHNE, AL 36526						
									Sub Division: FRANKLIN SQUARE	
5068-1	PRECISION 1 BUILT HOMES	08-822		9974 CUMBRIA DRIVE	Yes	I	09/12/2008	09/12/2008	\$134,730.00	\$690.00
	PRECISION 1 BUILT HOMES	08-FY		DAPHNE, AL 36526						
									Sub Division: OLD FIELD	
3173-1	MITCHELL HOMES	08-81		10209 ESTIA ST	Yes	I	01/31/2008	01/31/2008	\$105,030.00	\$545.00
	MITCHELL HOMES			DAPHNE, AL 36526						
									Sub Division: HISTORIC MALBIS	
4059-1	SNOW CONSTRUCTION	08-292		30910 PINE CT	Yes	I	04/08/2008	04/08/2008	\$269,820.00	\$1,365.00
	SNOW CONSTRUCTION			DAPHNE, AL 36526						
									Sub Division: TIMBERCREEK	

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3173-1	MITCHELL HOMES MITCHELL HOMES	08-613	10223 ESTIA ST DAPHNE, AL 36526	Yes	A	07/11/2008	07/11/2008	\$97,110.00	\$505.00
								Sub Division: HISTORIC MALBIS	
3173-1	MITCHELL HOMES MITCHELL HOMES	08-614	10231 ESTIA ST DAPHNE, AL 36526	Yes	I	07/11/2008	07/11/2008	\$106,920.00	\$550.00
								Sub Division: HISTORIC MALBIS	
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-151	7339 FRANKLIN SQ. DR. DAPHNE, AL 36526	Yes	I	02/22/2008	02/22/2008	\$100,770.00	\$520.00
								Sub Division: FRANKLIN SQUARE	
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-150 08-EP	7706 AVERY LANE DAPHNE, AL 36526	Yes	I	02/22/2008	02/22/2008	\$104,040.00	\$540.00
								Sub Division: MADISON PLACE	
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-149	7335 FRANKLIN SQ. DR. DAPHNE, AL 36526	Yes	I	02/22/2008	02/22/2008	\$102,540.00	\$530.00
								Sub Division: FRANKLIN SQUARE	
3173-1	MITCHELL HOMES MITCHELL HOMES	08-1047	29975 GREGOR ST. DAPHNE, AL 36526	Yes	A	11/21/2008	11/21/2008	\$107,670.00	\$555.00
								Sub Division: HISTORIC MALBIS	
5474-1	J.D. HAMILTON & ASSOCIATES J.D. HAMILTON & ASSOCIATES	08-709	125 LAKESHORE DR DAPHNE, AL 36526	Yes	I	08/15/2008	08/15/2008	\$121,260.00	\$625.00
								Sub Division: LAKE FOREST - LOMA ALTA PHA	
3173-1	MITCHELL HOMES MITCHELL HOMES	08-82	10215 ESTIA ST DAPHNE, AL 36526	Yes	I	01/31/2008	01/31/2008	\$104,400.00	\$540.00
								Sub Division: HISTORIC MALBIS	
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-366 08-FF	7363 FRANKLIN SQUARE DAPHNE, AL 36526	Yes	I	04/29/2008	04/28/2008	\$100,770.00	\$520.00
								Sub Division: FRANKLIN SQUARE	
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-513 08-FJ	7371 FRANKLIN SQ CT DAPHNE, AL 36526	Yes	I	06/10/2008	06/10/2008	\$111,210.00	\$575.00
								Sub Division: FRANKLIN SQUARE	
5373-1	COLONY HOMES COLONY HOMES	08-759 08-FU	9837 CUMBRIA DR DAPHNE, AL 36526	Yes	I	08/25/2008	08/25/2008	\$137,580.00	\$705.00
								Sub Division: OLDFIELD	
5373-1	COLONY HOMES COLONY HOMES	08-760	23935 DEVONFIELD LANE DAPHNE, AL 36526	Yes	I	08/25/2008	08/25/2008	\$137,610.00	\$705.00
								Sub Division: OLD FIELD	
5373-1	COLONY HOMES COLONY HOMES	08-761 08-FV	9943 CUMBRIA DR DAPHNE, AL 36526	Yes	I	08/25/2008	08/25/2008	\$121,800.00	\$625.00
								Sub Division: OLDFIELD	
5373-1	COLONY HOMES COLONY HOMES	08-762	9911 CUMBRIA DRIVE DAPHNE, AL 36526	Yes	I	08/25/2008	08/25/2008	\$127,470.00	\$655.00
								Sub Division: OLD FIELD	
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-443	7383 FRANKLIN SQ. DR. DAPHNE, AL 36526	Yes	I	05/23/2008	05/23/2008	\$101,760.00	\$525.00
								Sub Division: FRANKLIN SQUARE	
482-1	BENCHMARK HOMES, INC. BENCHMARK HOMES, INC.	08-442	7375 FRANKLIN SQ. DR. DAPHNE, AL 36526	Yes	A	05/23/2008	05/23/2008	\$103,890.00	\$535.00
								Sub Division: FRANKLIN SQUARE	
2220-1	J. A. MACLAY, JR. J.A. MACLAY, JR.	08-510	30355 GREEN CT DAPHNE, AL 36526	Yes	A	06/10/2008	06/10/2008	\$137,460.00	\$705.00
								Sub Division: TIMBERCREEK	

City of Daphne

Permit Activity Report

2008-12-31

Txpld - Loc#	Contractor Name / Location Name	Permit # / Project #	Master Permit #	Job Location Address	Paid	Status	Issue Date	App Date	Job Value/Cost	Permit Fee
3035-1	MCLAUGHLIN BUILDERS	08-791		10075 CUMBRIA DRIVE	Yes	A	09/04/2008	09/04/2008	\$129,480.00	\$665.00
	MCLAUGHLIN BUILDERS			DAPHNE, AL 36526			Sub Division: OLD FIELD			
3035-1	MCLAUGHLIN BUILDERS	08-792		23821 DEVONFIELD LN.	Yes	I	09/04/2008	09/04/2008	\$131,250.00	\$675.00
	MCLAUGHLIN BUILDERS			DAPHNE, AL 36526			Sub Division: OLD FIELD			
5068-1	PRECISION 1 BUILT HOMES	08-821		9984 CUMBRIA DR.	Yes	I	09/12/2008	09/12/2008	\$139,530.00	\$715.00
	PRECISION 1 BUILT HOMES			DAPHNE, AL 36526			Sub Division: OLD FIELD			
5474-1	J.D. HAMILTON & ASSOCIATES	08-708		126 LAKESHORE DR	Yes	I	08/15/2008	08/15/2008	\$121,260.00	\$625.00
	J.D. HAMILTON & ASSOCIATES			DAPHNE, AL 36526			Sub Division: LAKE FOREST - LOMA ALTA PHA			
482-1	BENCHMARK HOMES, INC.	08-70		8118 PECAN CT	Yes	I	01/28/2008	01/28/2008	\$103,890.00	\$535.00
	BENCHMARK HOMES, INC.			DAPHNE, AL 36526			Sub Division: PECAN TRACE			
482-1	BENCHMARK HOMES, INC.	08-320		7359 FRANKLIN SQ. DR.	Yes	I	04/15/2008	04/15/2008	\$100,560.00	\$520.00
	BENCHMARK HOMES, INC.			DAPHNE, AL 36526			Sub Division: FRANKLIN SQUARE			
4912-1	OWNER	08-313		1 YACHT CLUB DR	Yes	A	04/14/2008	04/14/2008	\$282,300.00	\$1,430.00
	OWNER	08-EZ		DAPHNE, AL 36526			Sub Division:			

Total Residential - NEW - R4 - HIGH DENSITY RESIDENTIAL BL Permit(s) 28 \$3,546,000.00 \$18,215.00

Residential - NEW - R4 - MULTI-FAMILY BL Permits

Txpld - Loc#	Contractor Name / Location Name	Permit # / Project #	Master Permit #	Job Location Address	Paid	Status	Issue Date	App Date	Job Value/Cost	Permit Fee
5323-1	TRUSTMARK SOUTH CONSTRUCTI	08-301		25806 POLLARD RD UN 118-119	Yes	I	04/09/2008	04/09/2008	\$134,100.00	\$690.00
	TRUSTMARK SOUTH CONSTRUCTI			DAPHNE, AL 36526			Sub Division:			
5323-1	TRUSTMARK SOUTH CONSTRUCTI	08-89		25806 POLLARD RD UTS 114 & 214	Yes	A	02/04/2008	02/04/2008	\$177,720.00	\$905.00
	TRUSTMARK SOUTH CONSTRUCTI			DAPHNE, AL 36526			Sub Division: ST. CHARLES VILLAGE			
5323-1	TRUSTMARK SOUTH CONSTRUCTI	08-375		25806 POLLARD RD. - CLUB HOUSE	Yes	A	04/30/2008	04/30/2008	\$143,000.00	\$858.00
	TRUSTMARK SOUTH CONSTRUCTI			DAPHNE, AL 36526			Sub Division: ST. CHARLES VILLAGE			
5474-1	J.D. HAMILTON & ASSOCIATES	08-911		55 & 56 LAKESHORE DR	Yes	A	10/07/2008	10/07/2008	\$273,600.00	\$1,385.00
	J.D. HAMILTON & ASSOCIATES	08-GB		DAPHNE, AL 36526			Sub Division: LAKE FOREST			
5474-1	J.D. HAMILTON & ASSOCIATES	08-873		57 & 58 LAKESHORE DR	Yes	A	09/25/2008	09/25/2008	\$273,600.00	\$1,385.00
	J.D. HAMILTON & ASSOCIATES			DAPHNE, AL 36526			Sub Division:			
5323-1	TRUSTMARK SOUTH CONSTRUCTI	08-302		25806 POLLARD RD UTS. 116 & 117	Yes	I	04/09/2008	04/09/2008	\$134,100.00	\$690.00
	TRUSTMARK SOUTH CONSTRUCTI			DAPHNE, AL 36526			Sub Division: ST. CHARLES VILLAGE			
5369-1	CHANCELLOR ENTERPRISES	08-78		25878 POLLARD RD.	Yes	I	01/29/2008	01/29/2008	\$4,276,000.00	\$25,656.00
	CHANCELLOR ENTERPRISES			DAPHNE, AL 36526			Sub Division: AUDUBON PARK APARTMENTS			

City of Daphne

Permit Activity Report

2008-12-31

5323-1	TRUSTMARK SOUTH CONSTRUCTI	08-88	25806 POLLARD RD UT'S 115 & 215	Yes	A	02/04/2008	02/04/2008	\$177,720.00	\$905.00	
	TRUSTMARK SOUTH CONSTRUCTI		DAPHNE, AL 36526				Sub Division: ST. CHARLES VILLAGE			
Total Residential - NEW - R4 - MULTI-FAMILY BL Permit(s)								8	\$5,589,840.00	\$32,474.00
Total Residential - NEW BL Permit(s)								109	\$21,177,570.00	\$112,264.00
Total Residential BL Permit(s)								109	\$21,177,570.00	\$112,264.00

Non Residential - NEW - B2 BL Permits

Txpld - Loc#	Contractor Name / Location Name	Permit # / Project #	Master Permit #	Job Location Address	Paid	Status	Issue Date	App Date	Job Value/Cost	Permit Fee
5412-1	FJB CONSTRUCTION, INC.	08-206		29685 HWY 181(BURGER KING)	Yes	I	03/07/2008	03/07/2008	\$454,000.00	\$2,724.00
	FJB CONSTRUCTION, INC.			DAPHNE, AL 36526				Sub Division:		
4886-1	GAILLARD BUILDERS, INC.	08-444		28651 HWY 98	Yes	I	05/23/2008	05/23/2008	\$763,000.00	\$4,578.00
	GAILLARD BUILDERS, INC.			DAPHNE, AL 36526				Sub Division:		
4912-1	OWNER	08-689		26244 EQUITY DR	Yes	A	08/07/2008	08/07/2008	\$122,000.00	\$832.00
	OWNER	08-FR		DAPHNE, AL 36526				Sub Division:		
5469-1	CAPITAL BUILDERS LLC	08-685		2004 HWY 98	Yes	A	08/07/2008	08/07/2008	\$469,268.00	\$2,915.00
	CAPITAL BUILDERS LLC	08-FQ		DAPHNE, AL 36526				Sub Division:		
5468-1	U S GENERAL CONSTRUCTION INC	08-684		9912 DIMITRIOUS AVE	Yes	I	08/06/2008	08/06/2008	\$681,481.00	\$4,192.00
	U S GENERAL CONSTRUCTION INC	08-FP		DAPHNE, AL 36526				Sub Division: COMMERCIAL		
4699-1	WHITE-SPUNNER CONSTRUCTION	08-640		29788 FREDERICK BLVD	Yes	I	07/18/2008	07/18/2008	\$5,680,000.00	\$34,080.00
	WHITE-SPUNNER CONSTRUCTION			DAPHNE, AL 36526				Sub Division:		
3866-1	ROY LEWIS CONSTRUCTION CO.	08-1095		7028 HWY 90	Yes	A	12/12/2008	12/12/2008	\$540,196.00	\$3,346.00
	ROY LEWIS CONSTRUCTION CO.			DAPHNE, AL 36526				Sub Division: COMMERCIAL		
4313-1	TERMAC CONSTRUCTION INC.	08-503		1806 US HWY 98	Yes	I	06/09/2008	06/09/2008	\$907,000.00	\$5,542.00
	TERMAC CONSTRUCTION INC.	08-FI		DAPHNE, AL 36526				Sub Division:		
5410-1	CONSTRUCTION SERVICES - BRYA	08-193		29758 FREDERICK BLVD	Yes	I	03/05/2008	03/05/2008	\$2,700,166.00	\$16,301.00
	CONSTRUCTION SERVICES - BRYA	08-ES		DAPHNE, AL 36526				Sub Division: COMMERCIAL		
5431-1	ZEUNE CONSTRUCTION & DEV. IN	08-327		7165 HWY 90 E	Yes	A	04/16/2008	04/16/2008	\$1,259,000.00	\$7,654.60
	ZEUNE CONSTRUCTION & DEV. IN	08-FB		DAPHNE, AL 36226				Sub Division:		
3672-1	REED CONSTRUCTION LLC	08-291		29710 URGENT CARE DRIVE	Yes	I	04/08/2008	04/08/2008	\$806,000.00	\$4,836.00
	REED CONSTRUCTION CO., INC.	08-EW		DAPHNE, AL 36526				Sub Division: COMMERCIAL		
5353-1	CATAMOUNT CONSTRUCTORS	08-124		29653 ANCHOR CROSS BLVD.	Yes	I	02/15/2008	02/15/2008	\$3,125,000.00	\$18,750.00
	CATAMOUNT CONSTUCTORS			DAPHNE, AL 36526				Sub Division:		

Revenue Summary Report By Type and Code

2008 Yearly Report 2008-12-31

Transaction Date Between: 01/01/2008 And 12/31/2008

Type	Code	Code Description	Gross Revenue	Remitted Disc.	Net Revenue
Permit	BL	BUILDING PERMIT	\$322,703.10	\$0.00	\$322,703.10
	EL	BUILDING PERMIT	\$35.00	\$0.00	\$35.00
	LD	BUILDING PERMIT	\$50.00	\$0.00	\$50.00
	BL	ELECTRICAL PERMIT	\$20.00	\$0.00	\$20.00
	EL	ELECTRICAL PERMIT	\$90,221.00	\$0.00	\$90,221.00
	ME	MECHANICAL PERMIT	\$64,848.16	\$0.00	\$64,848.16
	PL	MECHANICAL PERMIT	\$110.00	\$0.00	\$110.00
	BL	PLUMBING PERMIT	\$55.00	\$0.00	\$55.00
	PL	PLUMBING PERMIT	\$45,709.34	\$0.00	\$45,709.34
Total For Permit(s)			\$523,751.60	\$0.00	\$523,751.60
Grand Total			\$523,751.60	\$0.00	\$523,751.60

City of Daphne

Periodic Report of Permits Issued by Improvement

12/31/2008

	Code	Permit Count	# Of Units	Valuation	Permit Fee
BUILDING PERMIT					
Residential					
DECK	R3	BL	2	\$8,192.34	\$75.00
	R4 - HIGH DENSITY R	BL	1	\$1,500.00	\$25.00
REINSPECTION FEE	R3	BL	22	\$0.00	\$1,200.00
SITE	R1	BL	3		\$150.00
	R3	BL	29		\$1,600.00
SCREEN PORCH	R3	BL	1	\$4,500.00	\$40.00
NEW	R1	BL	4	\$577,320.00	\$2,960.00
	R3	BL	68	\$11,397,810.00	\$58,265.00
	R2	BL	1	\$66,600.00	\$350.00
	R4 - HIGH DENSITY R	BL	28	\$3,546,000.00	\$18,215.00
	R4 - MULTI-FAMILY	BL	8	\$5,589,840.00	\$32,474.00
REPAIR	R1	BL	1	\$20,000.00	\$115.00
	R3	BL	7	\$159,771.00	\$1,165.00
	R2	BL	1	\$30,000.00	\$180.00
	R4 - MULTI-FAMILY	BL	1	\$2,795.00	\$30.00
REMODEL	R1	BL	2	\$190,000.00	\$980.00
	R3	BL	12	\$392,941.00	\$2,213.00
	R2	BL	1	\$8,500.00	\$60.00
RE-ROOF	R1	BL	4	\$37,375.00	\$255.00
	R3	BL	54	\$376,003.00	\$2,785.00
	R2	BL	3	\$15,919.00	\$135.00
	R4 - HIGH DENSITY R	BL	1	\$900.00	\$20.00
FENCE	R1	BL	1	\$2,560.00	\$30.00
	R3	BL	1		\$20.00
ADDITION	R1	BL	3	\$865,000.00	\$4,395.00
	R3	BL	20	\$879,587.00	\$5,073.00
	R2	BL	1	\$100,000.00	\$515.00
	R4 - HIGH DENSITY R	BL	1	\$30,000.00	\$190.00
POOL	R1	BL	1	\$42,400.00	\$230.00
	R3	BL	16	\$404,965.00	\$2,280.00
	R2	BL	1	\$20,000.00	\$115.00
	R4 - MULTI-FAMILY	BL	1	\$105,500.00	\$633.00
VINYL SIDING	R1	BL	1	\$4,995.00	\$40.00
	R3	BL	2	\$39,360.00	\$230.00
SUNROOM	R3	BL	2	\$66,520.00	\$365.00
	R4 - HIGH DENSITY R	BL	1	\$21,000.00	\$120.00
GARAGE	R3	BL	4	\$60,246.00	\$365.00
	R2	BL	2	\$8,600.00	\$80.00
CARPORT	R3	BL	1	\$20,000.00	\$115.00
	R2	BL	2	\$20,000.00	\$130.00
STORAGE BUILDING	R1	BL	1	\$3,382.00	\$35.00
	R3	BL	10	\$35,601.00	\$345.00
	R2	BL	1	\$2,500.00	\$30.00
MISCELLANEOUS	R1	BL	3	\$47,000.00	\$275.00
	R3	BL	12	\$113,033.97	\$775.00
	R2	BL	1		\$50.00

		Code	Permit Count	# Of Units	Valuation	Permit Fee
MISCELLANEOUS	R4 - MULTI-FAMILY	BL	1		\$22,545.28	\$130.00
DEMOLITION	R1	BL	1			\$50.00
	R3	BL	3			\$100.00
Non-Residential						
DECK	B2	BL	1		\$4,400.00	\$30.00
REINSPECTION FEE	B2	BL	2			\$100.00
NEW	B2	BL	16		\$23,512,111.00	\$141,880.60
	B1	BL	2		\$278,838.00	\$1,674.00
	C-I	BL	1		\$85,000.00	\$510.00
REPAIR	B2	BL	3		\$138,777.00	\$934.00
REMODEL	B3	BL	1		\$42,500.00	\$258.00
	B2	BL	10		\$513,312.00	\$3,200.50
	B1	BL	3		\$270,000.00	\$1,620.00
RE-ROOF	B2	BL	5		\$70,480.00	\$456.00
	R	BL	1		\$20,000.00	\$120.00
POOL	B2	BL	4		\$196,750.00	\$1,210.00
	B1	BL	1		\$155,000.00	\$1,030.00
SUNROOM	B2	BL	1		\$35,000.00	\$190.00
MISCELLANEOUS	B2	BL	7		\$137,123.00	\$1,035.00
	B1	BL	1			\$250.00
DEMOLITION	B2	BL	3		\$35,469.00	\$264.00
Total - BUILDING PERMIT			410		\$50,835,521.59	\$294,770.10
Grand Total			410	0.00	\$50,835,521.59	\$294,770.10

**AGREEMENT TO DECORATE DAPHNE CITY HALL
WITH ARTWORK PROVIDED BY THE
BAY RIVERS ART GUILD**

KNOW ALL MEN BY THESE PRESENTS that, the City of Daphne, Alabama (hereinafter referred to as the "**CITY**") is an Alabama municipal corporation formed pursuant to the laws of the State of Alabama, and is presently engaged in the construction and decoration of the new Daphne City Hall building; and

WHEREAS, the **CITY** desires to decorate its hallways with art work provided by local artists possessing membership in the Bay Rivers Art Guild; and

WHEREAS, local artists possessing membership in the Bay Rivers Art Guild desire to have their artwork placed within City Hall of the City of Daphne for the aesthetic quality of City Hall and for potential purchase by members of the public interested in the their individual pieces of artwork; and,

WHEREAS, the **CITY** finds that the decoration of City Hall with artwork by local artists within the Bay Rivers Art Guild provides the public purpose of pleasing and aesthetic quality for all visitors within City Hall;

NOW THEREFORE, for and in consideration of the mutual promises and covenants herein contained, which are hereby acknowledged, the **CITY** and Bay Rivers Art Guild do hereby mutually covenant and agree as follows:

SECTION 1: PLACEMENT OF ARTWORK

The **CITY** shall allow artwork provided by local artists with membership in the Bay Rivers Art Guild to adorn the halls of City Hall for decorating and aesthetic purposes. The **CITY** shall further ensure that the individual piece of artwork, in addition to the name of the individual artist, type, and title of painting, along with a label identifying the artwork as being showcased through BRAG, shall be placed in a manner that is readily accessible and legible by all interested patrons and any other information concerning the artist that may be warranted.

SECTION 2: GRANT OF ARTWORK

Bay Rivers Art Guild, and each individual artist belonging thereto, hereby grants unto the **CITY** various pieces of artwork for decorative and aesthetic purposes within City Hall of the **CITY**. Bay Rivers Art Guild, and each individual artist belonging

thereto, also places said artwork within City Hall for the purpose of advertising said artwork for potential sale to individual patrons within City Hall.

SECTION 3: INDEMNITY

The *CITY* and Bay Rivers Art Guild, and each individual artist belonging thereto, hereby acknowledge and agree that all pieces of artwork donated to be used in City Hall for decorative and aesthetic purposes are done so freely and with the full acknowledgment and consent of individual artists and further that the *CITY* shall in no way bear any responsibility for theft, marring, defacing, or destruction in any form for all pieces of artwork displayed. All pieces of artwork donated are done so freely and without any reservation. The parties also agree that the *CITY* is not responsible for the replacement of, or tender of fair market value, or any value, for artwork that is stolen, marred, defaced, or destroyed while on City Hall premises.

SECTION 4: INSURANCE

At all times during which the artwork is to be on display within City Hall, the *CITY* shall maintain no general liability insurance for said pieces of artwork, nor will the *CITY* cover any reasonable risk associated therewith in this Agreement.

SECTION 5: WAIVER

Bay Rivers Art Guild, and each individual artist belonging thereto, acknowledges that the *CITY's* placement of artwork within the City Hall building is at the artist's risk as the *CITY* does not and shall not provide any warranties, express or implied, or other representations, other than the name of the individual artist and piece of artwork, if any, as to the quality of each individual work of art. Negligence in any form on behalf of the *CITY*, its officers, employees and agents, or any other person, including the general public at large, allowed within or on City Hall premises is expressly waived by Bay Rivers Art Guild, and each individual artist belonging thereto.

SECTION 6: PAYMENT AND REMOVAL OF ARTWORK

The *CITY* and Bay Rivers Art Guild, and each individual artist belonging thereto, hereby agree that the *CITY* shall not be responsible for any facilitation of payment from interested purchasers to either Bay Rivers Art Guild or the individual artist for the purchase of a piece of artwork. It is acknowledged by all parties to this agreement that it is the responsibility of interested purchasers from the public to contact Bay Rivers Art Guild or the individual artist regarding payment and transfer of possession of the artwork. Bay Rivers Art Guild, and each individual artist belonging thereto, hereby agree to provide the *CITY* with documentation regarding the removal of any piece of artwork from City Hall premises. Said documentation shall include, but is not limited to, date of

removal, proof of purchase, and identification of the removing party. No individual shall be allowed to remove a piece of artwork from City Hall premises without providing a designee from the *CITY* with said documentation and providing a valid photo identification.

SECTION 7: GOVERNING LAWS

This Agreement shall be deemed and have been made in the State of Alabama and shall be governed, constructed in accordance with the laws of the State of Alabama, without giving any effect to any choice of law provisions arising thereunder.

SECTION 8: ENTIRE AGREEMENT

This Agreement, in addition to individual liability release forms for each artist donating his artwork(s) pursuant to this agreement, constitutes the entire agreement between the *CITY* and Bay Rivers Art Guild, and each individual artist belonging thereto, and any other agreements, whether written or oral are hereby superseded. No modification of this Agreement shall be effective unless in writing and signed by authorized representative of each party hereto. The *CITY* reserves the right to remove from its premises any artwork(s) whose artist(s) has not signed the aforementioned individual liability release form.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by the duly authorized representatives on this the ___ day of _____, 2009.

CITY OF DAPHNE, ALABAMA

BY: _____
FRED SMALL
As Its Mayor

Date and Time Signed _____

ATTEST:

DAVID L. COHEN
CITY CLERK, MMC

**BAY RIVERS ART GUILD
A Non-Profit Organization**

BY: _____

As its President

Date and Time Signed _____

**STATE OF ALABAMA
COUNTY OF BALDWIN**

I, the undersigned, a Notary Public, in and for said County in said State, do hereby certify that, **FRED SMALL**, whose name as Mayor of the City of Daphne, Alabama, a Municipal Corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this date that, being informed of the content of this instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said Corporation, on the date the same bears date.

Given under my hand and seal this the ___ day of _____, 2009.

NOTARY PUBLIC
Commission Expires: _____

**STATE OF ALABAMA
COUNTY OF BALDWIN**

I, the undersigned, a Notary Public, in and for said County in said State, do hereby certify that, _____, whose name as President of Bay Rivers Art Guild, Non-Profit Organization, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this date that, being informed of the content of this instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said Corporation, on the date the same bears date.

Given under my hand and seal this the ___ day of _____, 2009.

NOTARY PUBLIC
Commission Expires: _____

STATE OF ALABAMA)
COUNTY OF BALDWIN)

ARTIST RELEASE OF LIABILITY FORM

I, _____, do hereby affirm that I am a member of the Bay Rivers Art Guild and that I am the maker of a piece(s) of artwork(s) that adorns the halls of the City Hall building of the City of Daphne, AL. I, of my own free volition and will, have purposely donated said artwork(s) for the public purpose of providing aesthetic quality to the general public and all visitors to the City Hall building. I also donate my artwork(s) to the City of Daphne City Hall for the purpose of selling said artwork(s) to an interested party should a potential transaction arise.

I hereby certify by my signature below that I have read and/or have been presented with an opportunity to read and further agree to be bound by all terms of the *AGREEMENT TO DECORATE DAPHNE CITY HALL WITH ARTWORK PROVIDED BY THE BAY RIVERS ART GUILD*, dated _____. I understand that I am donating my artwork(s) to the City at my own risk, with no expectation of pecuniary gain, nor any expectation of receiving back into my possession said donated artwork(s), and agree that I will take no action against the City of Daphne, its agents, officer, employees, or any other, including the general public for any negligence, or theft of, or marring, defacing, or destroying in any manner of my artwork. I further agree that the City has a right to remove my artwork(s) from the City Hall premises should I refuse to sign this release form and that my signing of this release form is mandatory for my artwork to be placed in the halls of the City of Daphne City Hall.

I hereby certify that I have read, understand, and agree to be bound by the terms of this document, and the *AGREEMENT TO DECORATE DAPHNE CITY HALL WITH ARTWORK PROVIDED BY THE BAY RIVERS ART GUILD*, and do so freely, knowingly, and voluntarily without duress of any kind.

Done, this the _____ day of _____, 20____.

(please print signature)

(signature)

**Member of BAY RIVERS ART GUILD
A Non-Profit Organization**

**STATE OF ALABAMA
COUNTY OF BALDWIN**

I, the undersigned, a Notary Public, in and for said County in said State, do hereby certify that, _____, whose is signed to the foregoing instrument, and who is known to me, acknowledged before me on this date that, being informed of the content of this instrument, he, executed the same voluntarily for and as the act of said on the date the same bears date.

Given under my hand and seal this the ___ day of _____, 20____.

NOTARY PUBLIC
Commission Expires: _____

Public Safety Committee
Wednesday, January 7, 2009

Councilman Greg Burnam, Chairman Councilman Gus Palumbo Councilman Fire Chief James White PW Sup. Bill Eady	Police Chief David Carpenter Captain Scott Taylor Captain Daniel Bell Tracy Bishop - Secretary
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Committee Members Attending:

Councilman Greg Burnam, Councilman Gus Palumbo, Chief James White, Mr. Bill Eady, and Captain Daniel Bell

CALL TO ORDER

Councilman Burnam **convened** the meeting at 4:30 p.m.

PUBLIC PARTICIPATION –

None

APPROVAL OF MINUTES FROM PREVIOUS MEETING

Minutes from December 2008 Meeting

Mr. Burnam made a motion to approve the December minutes with a second from Mr. Palumbo. The motion passed.



FIRE DEPARTMENT

A. New Business

1. Statistics for November 2008 were reviewed. Chief White advised that they are very close to getting the Safer Grant which will fund the hiring of 9 more firefighters. Search and Rescue has been put back under the umbrella of the Fire Department. They will work arm in arm with the Fire Department personnel. Chief is planning an Open House in April to show the public what Search and Rescue does for the community.

B. Old Business

POLICE DEPARTMENT

A. New Business

1. Statistics for November 2008 were reviewed. Captain Bell advised that vehicle 209 is in and is the replacement for the high speed pursuit car that was totalled. He informed those in attendance of those in active duty military, and those that will be graduating

FTO program and the academy. Mr. Palumbo mentioned an e-mail he received from Henry Lawson and a location at 440 Ridgewood Drive where cars are not making the curve and going into their yard. Captain Bell stated that this problem is not speed, but driver error, and there is no correction for that. Mr. Palumbo stated he would pass that along to Mr. Lawson at a Thursday meeting.

Old Business

OTHER BUSINESS

Mr. Palumbo mentioned that Mr. Boulware needs the PSC meeting changed to another Wednesday due to work conflicts. It was decided to change future PSC meetings to the second Wednesday of each month starting in February 2009.

ADJOURN

There being no further business to discuss, Mr. Burnam adjourned the meeting at 5:00 p.m. The next meeting will be Wednesday, February 11, 2009 at 4:30 p.m. at City Hall Council Chambers.

Respectfully submitted,

Daphne Public Safety Committee

CITY OF DAPHNE
FIRE DEPARTMENT MONTHLY REPORT
Report Period: November 2008

	Current:	FY to Date:
Suppression:		
1-Fire/Explosion:	-	-
10-Fire, Other	0	5
11-Structure Fire/Commercial	0	2
11-Structure Fire/Residential	2	23
12-Fire in Mobile Property used as fixed structure	0	0
13-Mobile Property (vehicle) Fire	0	20
14-Natural Vegetation Fire	2	22
15-Outside Rubbish Fire	2	10
16-Special Outside Fire	0	3
17-Cultivated Vegetable Crop Fire	0	0
2-Overpressure Rupture:	0	0
3-Rescue Call and Emergency Medical Service Incidents:	109	1592
4-Hazardous Conditions (No fire):	2	67
5-Service Call:	19	154
6-Good Intent Call:	12	156
7-False Alarm & False Call:	11	173
8-Severe Weather & Natural Disaster:	0	6
9-Other Situation:	0	2
Total Emergency Calls:	153	1962
Monthly Total Calls:	159	2236
Response Time:		
Highest:	14	14
Lowest:	1	<1
Average (Minutes/Seconds) :	1/14	4/11
Miscellaneous Reports:		
Training Hours	15	1524.17
Property Loss - \$	16,530	1,815,785.00
Fire Personnel Injuries by Fire/Civilian Injuries by Fire	0	1/0
Advance Life Support Rescues	68	782
Number of Patients Treated	108	1473
Total Mutual Aid Given	1	29
Total Mutual Aid Received	0	3
Child Passenger Safety Seat Inspections/Installations	9	130
Fire Prevention Awareness/Education:		
Classes	3	159
Persons Attending	66	5653
Bureau of Fire Prevention:		
Plan Reviews	4	64
Final/Certificate of Occupancy	1	14
General/Annual Inspections	120	1310
General/Re-Inspections (Violation Follow-up - Annual)	27	207
Business Licenses	2	88
Consultations-	0	44
All Other/Misc. Activities	0	17
Total Activities:	154	1744

Authorized by:

James White

Chief James White

CITY OF DAPHNE
FIRE DEPARTMENT MONTHLY REPORT
Report Period: November 2008

Daphne Police Department		Monthly Report					November 2008			
Patrol Division		Detective Division:		JAIL:		Animal Control		Crimes Reported This Month:		
(Capt. Bell/Lt. Hempfleng)		(Capt. Bell/Lt. Beedy)		(Capt. Taylor/Lt. Yelding)		(Capt. Taylor/ Lt. Yelding)				
						YTD				
# Complaints	1,027	# New Cases Received:	42	Total Arrestees Received & Processed:	147	333		Arson	0	
# Misd. Arrests	67	# Previous Unsolved Cases:	124	Arrestees by Agency:			#Complaints	67	Burglary – Commercial	4
# Felony Arrests	6	# Cases Solved:	6	Daphne PD	119	274	#Follow-ups	101	Burglary – Residence	4
DUI Arrests	14	Resulting in Total Arrests:	8	BCSO	1	2	#Citations	2	Burglary - Vehicle	0
Alias Warrant Arrests	32	Felonies:	5	Silverhill PD	8	17	#Warnings	12	Criminal Mischief	2
Citations	338	Misdemeanors:	3	Spanish Fort PD	17	38	#Felines Captured	25	Disorderly Conduct	3
Close Patrols	498	Houses Searched	0	Troopers	1	1	#Canines Captured	32	Domestic Disturbance	15
Warnings	137			Other Agencies	1	1	#Other Captured	13	False Info to Police	0
Motorist Assists	252						#Returned to Owner	14	Felony Assault	0
Roadway Accidents	43	Warrants:					#Adopted Out	22	Felony Theft	10
Private Property Accidents	11	Bettner Served	28				#Euthanized	35	Harassment	10
Traffic Homicide	0	Agency Assists	19	Highest	38				Identity Theft	6
		Recalls (Pd Fines)	16	Lowest	26				Indecent Exposure	0
DRUG REPORT		Total Warrants Served	63						Kidnapping	0
ROUTINE PATROL/SPECIAL OPS				Meals Served	2,917				Menacing	0
		Sex Offender:		Medical Cost	\$6,365.05	\$12,400.63			Misdemeanor Assault	1
# Misd. Marijuana Arrest	3	New Registration:	0	Worker Inmate Hours	476.25	1,018			Misdemeanor Theft	22
# Felony Marijuana Arrest	1	Contact Verification	0						Murder	1
# Controlled Substance Arrest:	4	Total # registered in Daphne	2						Other Death Investigations	2
# Drug Paraphernalia Arrest	2	DARE:							Public Intoxication	0
Vehicles Searched	52	# Hours Report Writing:	13						Public Lewdness	0
		# Students Instructed SRO	100						Receiving Stolen Property	0
Drugs Seized:	4	# Students Instructed DARE	350						Reckless Endangerment	0
Type: Cocaine/Marij/Presc.Pills		# Police Reports by SRO	6						Resisting Arrest	0
Money Seized	0	# Arrest by SRO	5						Robbery	0
Vehicles Seized	0								Sex Crime Investigations	1
		CODE ENFORCEMENT:							Suicide	0
Commercial Vehicle Inspections	4	Warnings:	3						Suicide, attempted	0
		Citations	5						Theft of Services	0
		Warning Compliance	8						Unauthorized Use of Services	0
		Follow – Up	0						Weapon Offenses	0
									White Collar Crimes	0
Approved by:				David Carpenter, Chief of Police						

Ordinance Committee

Wednesday, January 7, 2009

City Hall Council Chambers

5:30 p.m.

Councilman Greg Burnam

Councilman Gus Palumbo

Councilman

I. CALL TO ORDER/MEMBERS PRESENT

The meeting started at 5:00 P.M.

Councilman Palumbo, Councilman Burnam, and Councilman Boulware (5:22 P.M. Arrived)

Also present: David Cohen, Jay Ross, Eric Bussey, and Danny Bell

II. PUBLIC PARTICIPATION

None

III. ORDINANCE REVIEW/DISCUSSION

a. Grinder Pumps for sewage regulations

A discussion with regard to grinder pumps was held. The fact that the Daphne Utility Board was going to a conference which will discuss the latest technology for grinder pumps, the committee decided to await the Daphne Utility Board recommendations from the conference.

b. Garbage Collection Ordinance

Mr. Ross and Mr. Bussey explained that the city had three options with regard to delinquent garbage bill collection. The options are the following:

- a. Summons to appear in municipal court.
- b. Civil lien on the property for collection.
- c. Non Collection

The committee discussed the various options and decided to recommend that the mayor appoint someone from public works to be placed in charge to issue a municipal offense citation ticket and appear in court for non payment of garbage fees. The committee stated that the city should send a letter stating that the individual would have 30 days to pay current charges and set up a payment schedule for the arrears with the finance department.

Motion by Mr. Burnam Seconded by Mr. Palumbo To present a motion to the City Council to have the city attorney immediately acquire a current list of all residents delinquent on payment of garbage fees and send out demand letters for payment in full. All residents who do not comply within 30 days of receipt of such letter by full payment or by payment of current month's fees and arrangement with

the city finance department of a six-month payment schedule for arrears will be promptly issued a summons to appear in municipal court for failure to pay such fees as required by city ordinance.

ALL IN FAVOR

NONE OPPOSED

MOTION CARRIED

IV. OTHER BUSINESS

Motion by Mr. Burnam Seconded by Mr. Palumbo To move the ordinance committee meeting to 2nd Wednesday of every month preceding the public safety committee meeting.

ALL IN FAVOR

NONE OPPOSED

MOTION CARRIED

V. ADJOURN

Motion by Mr. Burnam Seconded by Mr. Boulware To adjourn at 6:15 P.M.

ALL IN FAVOR

NONE OPPOSED

MOTION CARRIED

**PROPOSED MOTION AT THE
JANUARY 20, 2009 COUNCIL MEETING
REGARDING
DELINQUENT GARBAGE FEES**

That the city attorney immediately acquire a current list of all residents delinquent on payment of garbage fees and send out demand letters for payment in full. All residents who do not comply within 30 days of receipt of such letter by full payment or by payment of current month's fees and arrangement with the city finance department of a six-month payment schedule for arrears will be promptly issued a summons to appear in municipal court for failure to pay such fees as required by city ordinance.

**CITY COUNCIL MEETING
REPORTS OF SPECIAL COMMITTEES**

NOTES:

BOARD OF ZONING ADJUSTMENTS REPORT:

DOWNTOWN REDEVELOPMENT AUTHORITY REPORT:

INDUSTRIAL DEVELOPMENT BOARD:

LIBRARY BOARD:

PLANNING COMMISSION REPORT:

RECREATION BOARD REPORT:

UTILITY BOARD REPORT:

**CITY COUNCIL MEETING
MAYOR'S REPORT**

NOTES:

CASE NO. 2008-11

ABC LICENSE ROUTING

DATE RECEIVED BY REVENUE DIV. 12-01-08 (initial) YCS

DATE FORWARDED TO POLICE DEPT. 12-01-08 YCS

DATE RECEIVED BY POLICE DEPT. 12/1/08 Watt

DATE: 1.5.09 APPROVED [Signature] DISAPPROVED _____

POLICE DEPT SIGNATURE [Signature]

DATE RETURNED TO REVENUE DIV. 1-5-09 Watt

DATE FORWARDED TO CITY CLERK 1-5-09 YCS

DATE RECEIVED BY CITY CLERK 1-5-09 RH

SCHEDULED DATE ON AGENDA 1-20-09 RH

Council Action: _____ APPROVED _____ DISAPPROVED _____ TABLED

COMMENTS: _____

Rescheduled for Council Agenda Date: _____

Council Action: _____ APPROVED _____ DISAPPROVED _____ TABLED

COMMENTS: _____

DATE RETURNED TO REVENUE DIV.: _____

DATE RETURNED TO TAXPAYER _____
OR TO ABC FIELD OFFICE _____ (per taxpayer request)



STATE OF ALABAMA ALCOHOLIC BEVERAGE CONTROL BOARD



ALCOHOL LICENSE APPLICATION
Confirmation Number: 20081125160427396

Type License: 020 - RESTAURANT RETAIL LIQUOR State: \$300.00 County: \$400.00

Type License: State: County:

Trade Name: MOES ORIGINAL BBQ DAPHNE Filing Fee: \$50.00

Applicant: MOES ORIGINAL BAR B QUE DAPHNE LLC Transfer Fee:

Location Address: 6423 BAY FRONT PARK DR DAPHNE, AL 36526

Mailing Address: 26669 HARBOR RIDGE DR; ORANGE BEACH, AL 36561

County: BALDWIN Tobacco sales: NO Tobacco Vending Machines:

Sale of Products Containing Ephedrine: NO Type Ownership: LLC

Book, Page, or Document info: INSTRUMENT 1169758 Do you sell Draft Beer: Y

Date Incorporated: 11/25/2008 State incorporated: AL County Incorporated: BALDWIN

Date of Authority: 11/25/2008

Name: Title: Date and Place of Birth: Residence Address:

MARK HOWELL WHITE 03B60622 - CO	MEMBER	08/07/1979 JEFFERSON AL	26669 HARBOR RIDGE DR ORANGE BEACH, AL 36561

Has applicant complied with financial responsibility ABC RR 20-X-5-.14? YES

Does ABC have any actions pending against the current licensee? NO

Has anyone, including manager or applicant, had a Federal/State permit or license suspended or revoked? NO

Has a liquor, wine, malt or brewed license for these premises ever been denied, suspended, or revoked? NO

Are the applicant(s) named above, the only person(s), in any manner interested in the business sought to be licensed? YES

Are any of the applicants, whether individual, member of a partnership or association, or officers and directors of cooperation itself, in any manner monetarily interested, either directly or indirectly, in the profits of any other class of business regulated under authority of this act? NO

Does applicant own or control, directly or indirectly, hold lien against any real or personal property which is rented, leased or used in the conduct of business by the holder of any vinous, malt or brewed beverage, or distilled liquors permit or license issued under authority of this act? NO

Is applicant receiving, either directly or indirectly, any loan, credit, money, or the equivalent thereof from or through a subsidiary or affiliate or other licensee, or from any firm, association or corporation operating under or regulated by the authority of this act? NO

Contact Person: MARK WHITE

Business Phone: 251-981-7427

Fax:

Home Phone: 970-376-3823

Cell Phone:

E-mail:



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
ALCOHOL LICENSE APPLICATION



Confirmation Number: 20081125160427396

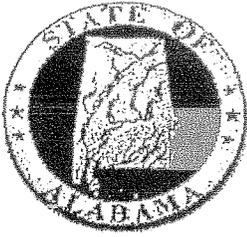
If applicant is leasing the property, is a copy of the lease agreement attached? YES
Name of Property owner/lessor and phone number: MARK WHITE/ ANGIE SUMRELL 970-376-7848
What is lessors primary business? MOES ORIGINAL BBQ
Is lessor involved in any way with the alcoholic beverage business? YES
Is there any further interest, or connection with, the licensee's business by the lessor? NO

Does the premise have a fully equipped kitchen? YES
Is the business used to habitually and principally provide food to the public? YES
Does the establishment have restroom facilities? YES
Is the premise equipped with services and facilities for on premises consumption of alcoholic beverages? YES

Will the business be operated primarily as a package store? NO
Building Dimensions Square Footage: 2400 Display Square Footage:
Building seating capacity: 95 Does Licensed premises include a patio area? YES
License Structure: ONE STORY License covers: ENTIRE STRUCTURE
Number of licenses in the vicinity: 6 Nearest: .2
Nearest school: 1 miles Nearest church: 1 miles Nearest residence: 4 blocks
Location is within: CITY LIMITS Police protection: CITY

Has any person(s) with any interest, including manager, whether as sole applicant, officer, member, or partner been charged (whether convicted or not) of any law violation(s)?

Name:	Violation & Date:	Arresting Agency:	Disposition:
MARK HOWELL WHITE	DUI 03/2004	HOMEWOOD AL	PAID FINES
MARK HOWELL WHITE	12/2003 DUI	EAGLE COUNTY CO	PAID FINES



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
ALCOHOL LICENSE APPLICATION
Confirmation Number: 20081125160427396



Initial each

Signature page

In reference to law violations, I attest to the truthfulness of the responses given within the application.

In reference to the Lease/property ownership, I attest to the truthfulness of the responses given within the application.

In reference to ACT No. 80-529, I understand that if my application is denied or discontinued, I will not be refunded the filing fee required by this application.

In reference to Special Retail or Special Events retail license, I agree to comply with all applicable laws and regulations concerning this class of license, and to observe the special terms and conditions as indicated within the application.

In reference to the Club Application information, I attest to the truthfulness of the responses given within the application.

In reference to the transfer of license/location, I attest to the truthfulness of the information listed on the attached transfer agreement.

In accordance with Alabama Rules & Regulations 20-X-5-.01(4), any social security number disclosed under this regulation shall be used for the purpose of investigation or verification by the ABC Board and shall not be a matter of public record.

The undersigned agree, if a license is issued as herein applied for, to comply at all times with and to fully observe all the provisions of the Alabama Alcoholic Beverage Control Act, as appears in Code of Alabama, Title 28, and all laws of the State of Alabama relative to the handling of alcoholic beverages.

The undersigned, if issued a license as herein requested, further agrees to obey all rules and regulations promulgated by the board relative to all alcoholic beverages received in this State. The undersigned, if issued a license as herein requested, also agrees to allow and hereby invites duly authorized agents of the Alabama Alcoholic Beverage Control Board and any duly commissioned law enforcement officer of the State, County or Municipality in which the license premises are located to enter and search without a warrant the licensed premises or any building owned or occupied by him or her in connection with said licensed premises. The undersigned hereby understands that he or she violate any provisions of the aforementioned laws his or her license shall be subject to revocation and no license can be again issued to said licensee for a period of one year. The undersigned further understands and agrees that no changes in the manner of operation and no deletion or discontinuance of any services or facilities as described in this application will be allowed without written approval of the proper governing body and the Alabama Alcoholic Beverage Control Board.

I hereby swear and affirm that I have read the application and all statements therein and facts set forth are true and correct, and that the applicant is the only person interested in the business for which the license is required.

Applicant Name (print): Mark White

Signature of Applicant:

Notary Name (print): Charlotte M. Ferrigan

Notary Signature:

Commission expires: 02/04/2012

Application Taken: 11/25/08

App. Inv. Completed: 11/25/08

Forwarded to District Office:

Submitted to Local Government: 11/25/08

Received from Local Government:

Received in District Office:

Reviewed by Supervisor:

Forwarded to Central Office:



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
ALCOHOL LICENSE APPLICATION
Confirmation Number: 20081125160427396



Private Clubs / Special Retail / or Special Events licenses ONLY

Private Club

Does the club charge and collect dues from elected members?

Number of paid up members:

Are meetings regularly held?

How often?

Is business conducted through officers regularly elected?

Are members admitted by written application, investigation, and ballot?

Has Agent verified membership applications for each member listed?

Has at least 10% of members listed been confirmed and highlighted?

Agent's Initials:

For what purpose is the club organized?

Does the property used, as well as the advantages, belong to all the members?

Do the operations of the club benefit any individual member(s), officer(s), director(s), agent(s), or employee(s) of the club rather than to benefit of the entire membership?

Special Retail

Is it for 30 days or less?

More than 30 days?

Franchisee or Concessionaire of above?

Other valid responsible organization:

Explanation:

Special Events / Special Retail (7 days or less)

Starting Date: Ending Date:

Special terms and conditions for special event/special retail:

Other Explanations

Is the lessor involved in any way with the alcohol beverage business?: LESSOR IS ALSO ONLY MEMBER OF MOES ORIGINAL BBQ DAPHNE LLC

CITY ATTORNEY'S REPORT

NOTES:

DEPARTMENT HEAD'S COMMENTS

MOORE ENGINEERING COMPANY

FACSIMILE TRANSMISSION

FROM: MOORE ENGINEERING COMPANY
555 North Section Street
Fairhope Al. 36532

Telephone: { 251 } 990-8200
Fax. No. { 251 } 990-6070

Date: 1/13/09
Re: MAYDAY BOAT RAMP
From: ACK MOORE
Total Pages Including This Header 10

IF YOU DO NOT RECEIVE ALL OF THE PAGES ,PLEASE
TELEPHONE OR FAX IMMEDIATELY

TO: COMPANY: CITY OF DAPHNE, AL.

FAX NO: 621 - 3538

ATTN: DAVID COHEN

Message FOR YOUR INFORMATION TO THE STATE
(a) Revised Boat Trailer Parking Layout
(b) Surveying estimate for Boat Ramp
(c) Soils testing for Parking Area and Boat Ramp

555 North Section Street
Fairhope, Alabama 36532
251-928-6777
251-990-6070 Fax

MOORE SURVEYING, INC.

January 12, 2009
City of Daphne
C/O David Cohen, City Clerk
Daphne, Alabama 36526

Re: Surveying at May Day Pier

Dear Mr. Cohen:

We at Moore Surveying are pleased to offer you a fee proposal for the Surveying services located at May Day Pier in Daphne, Alabama.

The "Scope of Work" will include profiles from the existing shore line to 250 to 300 feet out in the Bay at the boat ramp, 50 feet North and South, Elevations around the existing pavement and parking at the boat ramp, plotting of profiles and cross-sections at a scale to be determined .

The Fee for this work will be as follows: \$ 1,400.00

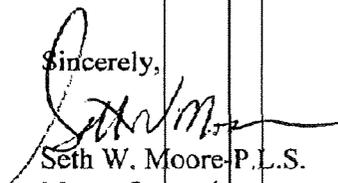
Attached are Moore Surveying General Terms and Conditions.

We would start the work three (3) days after you have approved and returned a signed copy to us.

We are look forward to working with you on this project. If you approve please sign this proposal and return.

If there are any questions, please call on me.

Sincerely,


Seth W. Moore-P.L.S.

Moore Surveying
Email: mooresurveying@bellsouth.net

City of Daphne

Approved by: _____

Date: _____

**SEE US FOR ALL YOUR SURVEYING AND
ENGINEERING NEEDS**

MOORE SURVEYING, INC.
GENERAL TERMS AND CONDITIONS

1. It is understood that this Proposal is valid for a period of (15) fifteen days. Upon the expiration of that period of time or the delay or suspension of the services, MOORE reserves the right to review the proposed basis of payment and fees, to allow for changing costs, as well as to adjust the period of performance to conform work loads. References herein to "MOORE" are deemed to refer to Moore Surveying Company, Inc. and to its affiliates, subsidiaries, and officers, employees and representatives of such companies.
2. Invoices will be submitted periodically (customarily on a monthly basis), and terms are net cash in U.S. dollars, due and payable upon receipt of invoice. Unpaid balances shall be subject to an additional charge at the rate of one-and-one-half (1.5) percent per month from the date of invoice. In addition, MOORE may, after giving seven (7) days written notice to CLIENT, suspend services without liability until the CLIENT has paid in full all amounts due MOORE on account of services rendered and expenses incurred, including interest on past-due invoices. Payment of invoices is not subject to discounting by CLIENT. Time is of the essence in payment of invoices, and timely payment is a material part of the consideration of any Agreement between MOORE and CLIENT.
3. Unless the Proposal provides otherwise, the proposed fees constitute MOORE's estimate of the effort and charges required to complete the Project as we understand it to be defined. For those projects involving conceptual or process development work, activities are often not fully definable in the initial planning. In any event, as the project progresses, the facts developed may dictate a change in direction, additional effort or suspension in effort, which may alter the scope. MOORE will inform the CLIENT of such situations so that negotiation of change in scope and adjustment to the time of performance can be accomplished as required. If such change, additional effort, or suspension of effort results in an increase or decrease in the cost of or time required for performance of the services, whether or not changed by any order, an equitable adjustments shall be made and the Agreements modified accordingly.

Costs and schedule commitments shall be subject to renegotiation for unreasonable delays caused by the CLIENT's failure to provide specified facilities or information, or for delays caused by unpredictable occurrence or force majeure, such as fires, floods, riots, strikes, unavailability of labor materials, delays or defaults by suppliers of materials or services, process shutdown, acts of God or of the public enemy, or acts or regulations of any governmental agency. Temporary work stoppage caused by any of the above will result in additional cost (reflecting a change in scope) beyond that outlined in this proposal.
4. Where the method of contract payment is based on a cost reimbursement (i.e. hourly rates or time-and-materials) basis, the following provisions shall apply:
 - a. The minimum time segment for charging of field work is four (4) hours. The minimum time segment for charging the work done in MOORE's office is one-half hour. Where applicable, rental charges will be applied to the Project to cover the cost of pilot-scale facilities or equipment, apparatus, instrumentation, or other technical machinery. When such charges are applicable, the CLIENT will be advised at the start of an assignment, task, or phase.
 - b. Expenses properly chargeable to the work which are reimbursable at cost shall include travel and subsistence expenses of personnel when away from their office on business directly or indirectly connected with the Project; identifiable communication, shipping, printing, and reproduction costs; professional and technical subcontractors; identifiable drafting and stenographic supplies; computer time and software; and expendable materials and supplies purchased specifically for the Project. A fifteen (15) percent handling and administrative charge will be added to those foregoing items which are purchased from outside sources. When MOORE, subsequent to initiation of services, finds that specialized equipment is needed to perform the services, it will purchase the equipment as a reimbursable expense.
 - c. Invoices for effort on a cost-reimbursement basis will be submitted showing labor (hours worked) and total expenses, but not actual documentation. If request by CLIENT, documentation will be provided at cost of providing such documentation, including labor and copying costs.
5. No termination of the Project by the CLIENT shall be effective unless seven days written notice of intent to terminate, together with the reasons and details therefore, has been received by a principal or officer of MOORE and an opportunity for consultation been given. A final invoice will be calculated on the first or

fifteenth of the month (which ever comes first) following receipt of such termination notice and the elapse of the seven-day period (the effective date of termination).

Either MOORE or the CLIENT may terminate any Agreement, in whole or in part, in writing, if the other party substantially fails to fulfill its obligations under the Agreement through no fault of the terminating party. Where method of contact payment is "lump sum", the final invoice will include all services and expenses associated with the Project up to the effective date of termination. In any event, an equitable adjustment shall be made to provide for termination settlement costs MOORE incurs relating to commitments which had become firm before termination, and for a reasonable profit for services performed.

6. MOORE will serve as the professional representative of CLIENT as defined by this Proposal or under any Agreement and will provide advice, consultation, and services to the CLIENT in accordance with generally accepted professional practice. Therefore, estimates of cost, approvals, recommendations, opinions, and decisions by MOORE are made on the basis of MOORE's experience, qualifications, and professional judgment. MOORE makes no guarantee, expressed or implied, regarding the services or work to be provided under this Proposal or any related Agreement. Notwithstanding any other provision of these General Terms and Conditions, and unless otherwise subject to a greater limitation, MOORE's liability to the CLIENT for any loss or damage, including, but not limited to, special and consequential damages, arising out of or in connection with this Proposal or any related Agreement from any cause, including MOORE's professional negligence, errors, or omissions, shall not exceed the greater of \$5,000.00 or the total compensation received by MOORE hereunder, and CLIENT hereby releases MOORE from any liability above such amount.
7. MOORE agrees to purchase at its own expense, Worker's Compensation Insurance and Comprehensive General Liability insurance and will, upon request, furnish insurance certificates to CLIENT. MOORE agrees to indemnify CLIENT for the hazards covered by MOORE's insurance subject to the limitation of liability contained in Section 6. MOORE agrees to purchase whatever additional insurance is requested by CLIENT (presuming such insurance is available, from carriers acceptable to MOORE) provided the premiums for additional insurance are reimbursed by CLIENT.
8. It is understood and agreed that, in seeking the professional services of MOORE under this Agreement, CLIENT may be requesting MOORE to undertake uninsurable obligations for CLIENT's benefits involving the presence or potential presence of hazardous substances. Therefore, except for activities relating to hazardous water disposal, cleanup or environmental liability including specification of a product, material or process containing asbestos; failure to detect the existence or proportion of asbestos in a product, material or process; the abatement, replacement, replacement or removal of a product, material or process containing asbestos; and also except for activities resulting in the actual, alleged or threatened discharge, dispersal, release or escape of pollutants ("pollutants" meaning any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste and waste materials to be recycled, reconditioned or reclaimed)(which exposure is excluded from MOORE's insurance coverage) MOORE shall indemnify the CLIENT for any loss or damage solely caused by the professional negligence, errors or omissions of MOORE in performance of the services under this Proposal or any related Agreement, subject to the limitation of liability contained in Section 6.
9. With respect to claims, damages, losses and expenses which are related to hazardous waste disposal or cleanup or environmental liability, as described in Section 8, and to the extent the same are not covered by the insurance maintained by MOORE described in Section 7, CLIENT shall, to the extent permitted by law, defend, indemnify and hold harmless MOORE and its employees, independent professional associates, consultants and subcontractors from and against all such claims, damages, losses and expenses arising out of or resulting from the performance of the MOORE services under this Agreement including, but not limited to, MOORE's professional negligence, errors or omissions. Client agrees to name MOORE and MOORE's independent associates, consultants and subcontractors as additional insured under all insurance policies and bonds carried by CLIENT with respect to the Project.
10. CLIENT shall not offer to employ or employ any MOORE employee assigned to the Project during the term of this Proposal or any Agreement or for a period of six months after completion of the services or Project under this Proposal or any Agreement.
11. MOORE shall maintain as confidential and not disclose to others without CLIENT's prior written consent, all information obtained from CLIENT, not otherwise previously known to MOORE or in the public domain, as CLIENT expressly designates in writing to be "CONFIDENTIAL". The provisions of this paragraph shall not apply to information in whatever form which (1) is published or comes into the public domain through no fault of MOORE, (2) is furnished by or obtained from a third party who is under no obligation to keep

information confidential, or (3) is required to be disclosed by law on order of a court, administrative agency or other authority with proper jurisdiction.

CLIENT agrees that MOORE may use and publish CLIENT's name and a general description of MOORE's services with respect to the Project in describing MOORE's experience and qualifications to other clients or potential clients.

12. All documents, including drawings and specifications, prepared or furnished by MOORE (and MOORE's independent professional associates, consultants, and subcontractors) pursuant to this Agreement are instruments of service in respect of the Project and MOORE shall retain an ownership and property interest therein whether or not the Project is completed. CLIENT may make and retain copies for information and reference in connection with the Project, however, such documents are not intended or represented to be suitable for reuse by CLIENT or to others on extensions of the Project or on any other project. Any reuse without written verification or adaptation by MOORE for the specific purpose intended will be at CLIENT's sole risk and without liability or legal exposure to MOORE or to MOORE'S independent professional associates, consultants or subcontractors, and CLIENT shall indemnify and hold harmless MOORE and MOORE's independent professional associates, consultants or subcontractors from any and all costs, expenses, fees, losses, claims, demands, liabilities, suits, actions and damages whatsoever arising out of or resulting therefrom. Any such verification or adaptation will entitle MOORE to further compensation at rates to be agreed upon by CLIENT and MOORE.
13. To the extent they are inconsistent or contradictory, express terms of this Proposal take precedence over these General Terms and Conditions. It is understood and agreed that the services or work performed under this Proposal or any Agreement are not subject to any provision of any Uniform Commercial Code. Any terms and conditions set forth in CLIENT's purchase order, requisition, or notice or authorization to proceed are inapplicable to the services under this Proposal or any related Agreement, except when specifically provided for in full on the face of such purchase order, requisition, or notice or authorization and specifically accepted in writing by MOORE. MOORE's acknowledgment of receipt of any purchase order, requisition, notice or authorization of MOORE's performance of work subsequent to receipt thereof does not constitute acceptance of any terms or condition other than those set forth herein.
14. The technical and pricing information contained in this Proposal or Agreement is to be considered Confidential and Proprietary and is not to be disclosed or otherwise made available to third parties without the express written consent of MOORE.
15. This Agreement is to be governed by and constructed in accordance with the law of the principal place of business of MOORE.



thompson
ENGINEERING

January 14, 2009

Moore Engineering Company
555 North Section Street
Fairhope, Alabama 36532

To: Mr. Ack Moore

**Re: Proposal to Perform a Subsurface Investigation and Foundation Report
For Mayday Park Pile Supported Boat Launch and Parking Area
Daphne, Alabama
Thompson Engineering Proposal No.: 09-2115-9004**

Thompson Engineering is pleased to provide this proposal to perform a subsurface investigation and foundation report for the proposed pile supported boat launch and parking area at Mayday Park in Daphne, Alabama. This proposal provides details of the investigation, the deliverables, a cost estimate and our schedule for completing the work. This proposal is valid for 60 days from January 14, 2009.

1.0 INTRODUCTION

This is a proposal to conduct a subsurface investigation and issue a geotechnical report for the project referenced above. Our scope of work includes drilling and sampling at the project site, testing soil samples to determine their engineering properties, and performing engineering analyses that culminates in a written report with our conclusions and recommendations regarding parking pavement design and pile foundations.

2.0 PROJECT DESCRIPTION

The project site is located at the west end of College Street in Daphne, Alabama. We understand current plans are to construct a new boat launch and parking area at Mayday Park. The pile supported section of the boat launch extends approximately 135 feet away from the shoreline and will be constructed of prestressed concrete deck slabs supported by 12-inch square precast concrete piling. A timber bulkhead is planned at the shore line. Utilities have not been located to Thompson Engineering's knowledge therefore; Alabama One-Call will be contacted prior to drilling activities.

2970 Collage Hill Road, Ste. 18D
Mobile, AL 36606
251.666.2443 ph. / 251.666.6422 fax
www.thompsonengineering.com

A THOMPSON HOLDINGS INC. COMPANY

3.0 GEOTECHNICAL INVESTIGATION

Specifically, the subsurface investigation consists of five (5) Standard Penetration Test (SPT) borings to be performed to a depth of 6 feet within the parking and boat launch drive areas, one (1) SPT borings to be performed to 70-feet near the shoreline / bulkhead area, and one (1) marine SPT boring to be performed to 70-feet below the mudline. Within the borings, soil samples will be taken continuously to 7.5-ft., at 8.5-ft., and on 5-ft. intervals to the specified boring termination depths.

Soil samples will be returned to our laboratory for visual classification and production of Soil Boring Logs. An allowance for grain sizes tests, Atterberg Limits and UU Triaxial Strength tests have been included. Samples will be retained in our laboratory for 90 days after the final report is issued.

4.0 DELIVERABLES

The results of the field work and laboratory tests will be used in engineering analyses that will culminate in a written report. This report will contain our conclusions and recommendations for the design and construction of the shallow foundations and the associated roadways and parking areas. Specifically, we will provide the following in our final report:

- Soil boring logs with Unified Soil Classification System assignment for soil types, and a soil profile as appropriate.
- Depth to groundwater.
- Site preparation recommendations for parking and drive areas.
- Pavement design recommendations.
- Recommendations for design, capacity and installation of precast piling.
- Bulkhead design recommendations.

5.0 COST AND SCHEDULING

We propose performing the scope of work outlined in this proposal in accordance with the attached Fee Estimate for a Lump Sum amount of \$17,000.00. Further, if the scope of work changes, including changes to the number of borings and boring depths, addition or reduction in costs will be based on the attached Fee Schedule. Before proceeding we will discuss potential changes to this scope of work.

Depending upon when this work is authorized, we anticipate mobilizing to the site within two weeks after all required permits have been obtained. We estimate the field work can be completed in four days. A draft report can be issued approximately three weeks after the field work has been completed.

fee estimate / geotechnical services / Mayday Park Boat Launch

C C C C C C C C

Description	Unit	Estimated Quantity	Unit Fees	Subtotal	
FIELD SERVICES					
Engineer (Site Visit & Boring Layout)	Hour	4	92.50	\$370.00	
Landside Mobilization of Drill Rig/Crew/Equipment	Lump Sum	1	328.00	\$328.00	
Soil Test Borings (ASTM D-1586) - 5 ea. @ 5 ft. & 1 @ 70 ft.	Depths of 0' to 50'	LF	80	13.50	\$1,080.00
	Depths of 50' to 100'	LF	20	15.50	\$310.00
	Depths of 100' to 150'	LF	0	19.00	\$0.00
Marine Mobilization of Drill Rig/Crew/Equipment	Lump Sum	1	3,000.00	\$3,000.00	
Barge Rental	Day	1	5,000.00	\$5,000.00	
Soil Test Borings (ASTM D-1586) - 1 ea. @ 70 ft., estimated water depth 5 feet	Depths of 0' to 50'	LF	50	14.75	\$737.50
	Depths of 50' to 100'	LF	20	17.00	\$340.00
	Depths of 100' to 150'	LF	0	20.25	\$0.00
Casing	LF	40	10.00	\$400.00	
Shelby Tubes	Each	4	55.00	\$220.00	
Field Services Subtotal =				\$11,785.50	
LABORATORY ACTIVITIES					
Visual Classifications & Boring Logs (Tech III)	Hour	8	49.50	\$396.00	
No. 200 Wash	Each	10	33.00	\$330.00	
Atterberg Limits	Each	6	55.00	\$330.00	
Unconsolidated Undrained Triaxial Strength	Each	2	125.00	\$250.00	
Laboratory Services Subtotal =				\$1,306.00	
PROFESSIONAL SERVICES					
Engineering Analysis, Report, & Coordination	Engineer Assoc. II	Hour	15	92.50	\$1,387.50
	Project Engineer	Hour	20	110.00	\$2,200.00
	Senior Engineer	Hour	2	132.50	\$265.00
Professional Services Subtotal =				\$3,852.50	
SERVICES SUBTOTAL =				\$16,944.00	
Total LUMP SUM Fee =				\$17,000.00	

Proposal #09-2115-9004

Moore Engineering Co.

January 14, 2009

**CITY COUNCIL MEETING
RESOLUTIONS, ORDINANCES, ORDERS & OTHER BUSINESS**

NOTES:

RECOMMENDATIONS

COUNCIL COMMENTS:

**CITY OF DAPHNE
RESOLUTION 2009- 02**

**A RESOLUTION AUTHORIZING AN AMENDMENT OF THE CERTIFICATE OF
INCORPORATION OF THE UTILITIES BOARD OF THE CITY OF DAPHNE**

WHEREAS, the Utilities Board of the City of Daphne (“Daphne Utilities”) is required to receive consent from the City of Daphne to amend its Certificate of Incorporation pursuant to the provisions of Ala. Code §11-50-312(b); and

WHEREAS, the management of Daphne Utilities has determined that it is in the best interest of Daphne Utilities to make certain amendments to its Certificate of Incorporation; and

WHEREAS, the Board of Directors of Daphne Utilities has proposed an amendment to amended to paragraph (4) of the Certificate of Incorporation which was approved by the City of Daphne pursuant to Resolution 1998-36 on April 6, 1998; and

WHEREAS, a second amendment to paragraph four (4) shall result in the revocation of that certain amendment as approved by the Daphne City Council on April 6, 1998 and the new amendment shall result in paragraph four (4) of the Certificate of Incorporation to read as follows:

“The corporate power shall be exercised by a Board of Directors, which shall consist of five members, which shall be the maximum and minimum number thereof. The governing body of the City of Daphne may elect the Mayor of the City of Daphne and one councilmember as directors; unless the Mayor elects not to serve in which case the governing body of the City of Daphne may select a second councilmember. No other officers of the City of Daphne may be elected as Directors. The members of the Board of Directors shall be elected in the manner and hold office for the term as provided by law.”

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Daphne does hereby consent to the amendment to paragraph four (4) of Daphne Utilities’ Certificate of Incorporation as described herein above and that it further be resolved that City of Daphne Resolution 1998-36 be rescinded.

**ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE,
ALABAMA on this ____ day of _____, 2009.**

John Lake, Council President

Date & Time Signed: _____

Fred Small, Mayor

Date & Time Signed: _____

ATTEST:

David L. Cohen, City Clerk, MMC

**RESOLUTION 2009 - 03
PREPAID TRAVEL**

**BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA
HEREBY AUTHORIZES THE FOLLOWING:**

prepaid travel expenses are approved for the purpose and amount indicated below for the following:

***Amos Bauer, Mechanic, ALDOT Annual Vehicle Training, Guntersville, AL,
January 21-23, 2009 - \$105***

***Eric Seals, Mechanic, ALDOT Annual Vehicle Training, Guntersville, AL, January
21-23, 2009 - \$105***

A complete expense summary with receipts will be submitted and approved by the Mayor upon return from the above.

**APPROVED AND ADOPTED BY THE CITY COUNCIL, CITY OF DAPHNE, ALABAMA on
this ____ day of _____, 2009.**

John Lake, Council President

Date & Time Signed:_____

Fred Small, Mayor

Date & Time Signed:_____

ATTEST:

David L. Cohen, City Clerk MMC

RESOLUTION 2009 - 04

A RESOLUTION DECLARING CERTAIN PERSONAL PROPERTY SURPLUS AND AUTHORIZING THE MAYOR TO DISPOSE OF SUCH PROPERTY

WHEREAS, the Department Heads of the City of Daphne have determined that the items listed below are no longer required for public or municipal purposes; and

WHEREAS, the items listed below are recommended for disposal.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Daphne that

1- The property listed below is hereby declared to be surplus property, and

FD-FS#2		Generator-Gas - Continental Motors-TD427	TD427
FD-FS#3		Generator-Gas	3L952231
PW-ADMIN	297	1997 Ford Crown Vic	2FALP71W3VX134830 1FAFP71W1YX17341
PD	499	1999 Ford Taurus	7 2FAFP71W8YX17341
PD-Patrol	400	2000 Ford Crown Vic	5 2FAFP71W1YX17341
PD-Det	600	2000 Ford Crown Vic	7
CIVIC CENTER		Old Uniforms	

2- The Mayor is authorized to advertise and accept bids through Govdeals.com as contracted for the sale of such personal property, and

3- The Mayor is authorized to sell said property to the highest bidder and deposit any and all proceeds to the General Fund. The Mayor is further authorized to direct the disposition of any property which is not claimed by any bidder.

ADOPTED AND APPROVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, this ___ day of _____, 2009.

John Lake, Council President
Date & Time Signed: _____

Fred Small, Mayor
Date & Time Signed: _____

ATTEST:

David L. Cohen, City Clerk MMC

**RESOLUTION 2009-05
MERCY MEDICAL ZONING CONCERNS**

WHEREAS, City of Daphne residents have raised concerns over the permitted uses on the Mercy Medical campus: and

WHEREAS, the City of Daphne acknowledges a need for further discussion on said uses

NOW THEREFORE BE IT RESOLVED, that the City of Daphne will require any subleases or change in use to or on the Mercy Medical Campus to require public input and discussion.

BE IT FURTHER RESOLVED, that the City of Daphne will request the Board of Zoning Adjustments (BZA) to review definitions and permitted uses on the Mercy Medical Campus and report said findings to the City Council.

ADOPTED AND APPRVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, on this the _____ day of _____, 2009.

John Lake,
Council President
Date & Time Signed:_____

Fred Small,
Mayor
Date & Time Signed:_____

ATTEST:

David L. Cohen,
City Clerk, MMC

**CITY OF DAPHNE
ORDINANCE NO.: 2009- 03**

AN ORDINANCE AMENDING JOB CLASSIFICATION SCHEDULE

WHEREAS, Ordinance 2004-52 as adopted January 3, 2005, established the City of Daphne Job Classification Schedule; and

WHEREAS, in order to insure that the City’s Job Classification Schedule remains current, Human Resources was charged with coordinating an annual review of a percentage of jobs in order to determine whether revisions to the Job Classification Schedule was warranted; and

WHEREAS, the Archer Company has conducted such review and certain revisions are recommended for implementation; and

WHEREAS, Ordinance 2004-52 requires that subsequent revisions or amendments to the Job Classification Schedule be approved by the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, that: (1) the reclassifications and amendments as recommended by the Archer Company are hereby approved and funded at an annual cost of \$13,920 and (2) the following amendments are hereby incorporated into the City of Daphne Job Classification Scheduled effective with the pay period beginning January 15, 2009:

	<u>From Grade</u>	<u>To Grade</u>
Recreation Coordinator	17	19
Athletic Coordinator	23	20
Site Containment Inspector	17	20
Reclassified as Environmental Programs Manager		
Public Works Suprv-Parks Reclassified as Parks Maintenance Supervisor		

ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS ____ DAY OF _____, 2009.

JOHN LAKE, Council President
Date and time signed _____

FRED SMALL, Mayor
Date and time signed _____

ATTEST:

DAVID COHEN, City Clerk, MMC

ORDINANCE NO. 2009 - 04
Ordinance to Rezone Property Located on the West Side of U.S. Highway 98
(1.69 Acres)
Johnny Littleton

WHEREAS, the owners of certain real property within the City of Daphne, Alabama, have requested that said property be rezoned from B-1, Local Business District to B-2, General Business District to said property is located on the West side of U.S. Highway 98, being more particularly described as follows:

LEGAL DESCRIPTION

COMMENCING AT A POINT WHERE THE NORTH RIGHT-OF-WAY LINE OF GRANT STREET, AS RECORDED IN MISCELLANEOUS BOOK 1, PAGES 230 AND 287 OF THE BALDWIN COUNTY, ALABAMA, PROBATE RECORDS, INTERSECTS THE WEST RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 98 (4 LANE); THENCE NORTH 00 DEG. 35' 10" EAST ALONG SAID WEST RIGHT-OF-WAY 426.34 FEET; THENCE NORTH 89 DEG. 23' 00" WEST 30.22 FEET; THENCE NORTH 00 DEG. 43' 49" EAST 354.01 FEET; THENCE IN A NORTHEASTERLY DIRECTION ALONG A CURVE HAVING A RADIUS OF 11,579.24 FEET AND AN ARC LENGTH OF 100.94 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 00 DEG. 54' 39" EAST 100.94 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE ALONG SAID CURVE AND ALONG SAID WEST RIGHT-OF-WAY HAVING A RADIUS OF 11,579.24 FEET AND AN ARC LENGTH OF 219.87 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 01 DEG. 40' 39" EAST 219.87 FEET; THENCE NORTH 89 DEG. 54' 59" WEST 335.44 FEET; THENCE SOUTH 01 DEG. 40' 40" WEST 219.82 FEET; THENCE SOUTH 89 DEG. 54' 28" EAST 335.44 FEET TO SAID WEST RIGHT-OF-WAY AND THE POINT OF BEGINNING AND CONTAINING 1.69 ACRES MORE OR LESS AND LYING IN GRANT SECTION 37, TOWNSHIP 4 SOUTH, RANGE 2 EAST BALDWIN COUNTY, ALABAMA.

WHEREAS, the Planning Commission of the City of Daphne on November 20, 2008 has considered said request and set forth an affirmative recommendation to the City Council of the City of Daphne that said property be rezoned; and,

WHEREAS, after proper publication, a public hearing was held by the City Council on Monday, January 5, 2009 concerning the requested rezoning.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, that said property described above is hereby rezoned from B-1, Local Business to B-2, General Business District, and that the zoning ordinance and zoning map be amended to reflect the said zoning change.

ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS _____ day of _____, 2009.

John Lake, Council President

Date & Time Signed:_____

Fred Small, Mayor

Date & Time Signed:_____

ATTEST:

David L. Cohen
City Clerk, MMC

JOHNNY LITTLETON
ZONING AMENDMENT

EXHIBIT "A"

LEGAL DESCRIPTION

COMMENCING AT A POINT WHERE THE NORTH RIGHT-OF-WAY LINE OF GRANT STREET, AS RECORDED IN MISCELLANEOUS BOOK 1, PAGES 230 AND 287 OF THE BALDWIN COUNTY, ALABAMA, PROBATE RECORDS, INTERSECTS THE WEST RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 98 (4 LANE); THENCE NORTH 00 DEG. 35' 10" EAST ALONG SAID WEST RIGHT-OF-WAY 426.34 FEET; THENCE NORTH 89 DEG. 23' 00" WEST 30.22 FEET; THENCE NORTH 00 DEG. 43' 49" EAST 354.01 FEET; THENCE IN A NORTHEASTERLY DIRECTION ALONG A CURVE HAVING A RADIUS OF 11,579.24 FEET AND AN ARC LENGTH OF 100.94 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 00 DEG. 54' 39" EAST 100.94 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE ALONG SAID CURVE AND ALONG SAID WEST RIGHT-OF-WAY HAVING A RADIUS OF 11,579.24 FEET AND AN ARC LENGTH OF 219.87 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 01 DEG. 40' 39" EAST 219.87 FEET; THENCE NORTH 89 DEG. 54' 59" WEST 335.44 FEET; THENCE SOUTH 01 DEG. 40' 40" WEST 219.82 FEET; THENCE SOUTH 89 DEG. 54' 28" EAST 335.44 FEET TO SAID WEST RIGHT-OF-WAY AND THE POINT OF BEGINNING AND CONTAINING 1.69 ACRES MORE OR LESS AND LYING IN GRANT SECTION 37, TOWNSHIP 4 SOUTH, RANGE 2 EAST BALDWIN COUNTY, ALABAMA.

REFERENCE: BIG DADDY EASTERN SHORE CAR LOT

BIG DADDY'S EASTERN SHORE CAR LOT

ZONING AMENDMENT

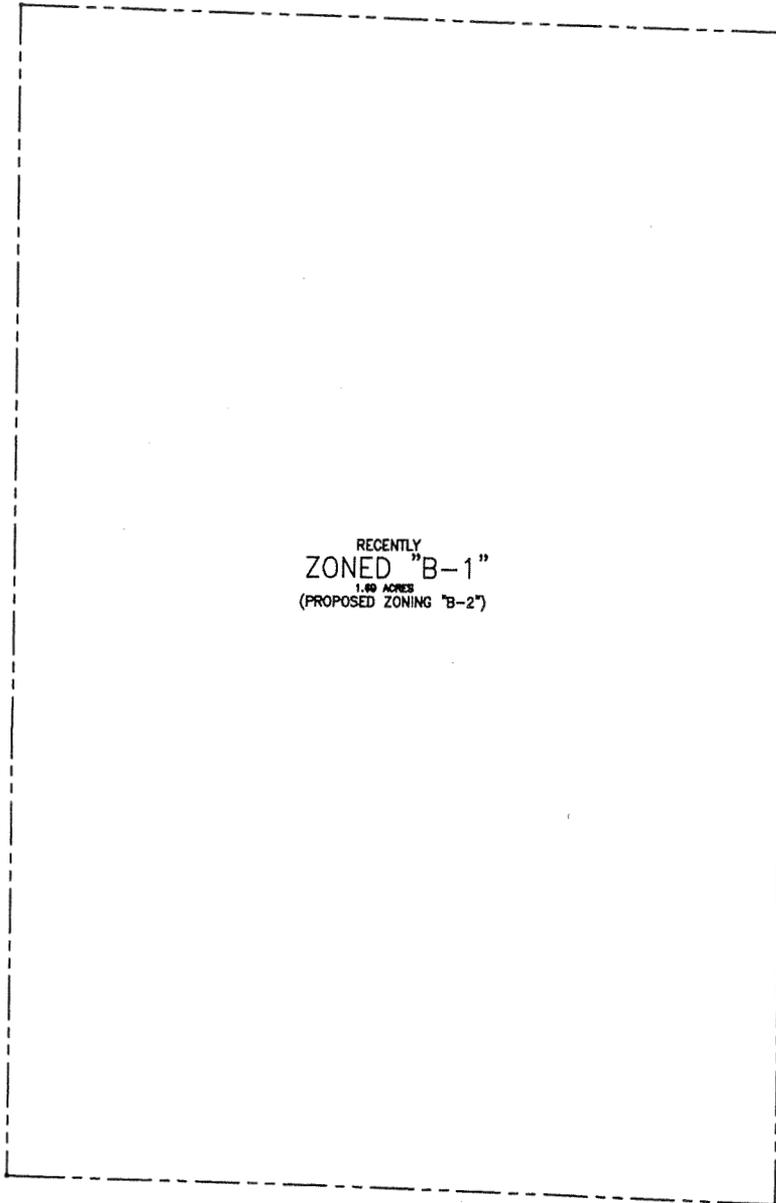
EXHIBIT "B"

B-2 ZONING



NORTH

TRI BOND LLC
3609 LOWER WETUMPKA ROAD
P.O. BOX 8277
MONTGOMERY, AL 36110



B-1 ZONING

LINDA CHIN
3723 SWANSEA DRIVE
MOBILE, AL 36608

RECENTLY
ZONED "B-1"
1.80 ACRES
(PROPOSED ZONING "B-2")

B-1 ZONING

VICTOR LEJEUNE
HOLLIE LEJEUNE
126 HOPE DR
DAPHNE, AL 36526

HWY 98 SERVICE ROAD

WAFFLE HOUSE #365
P.O. BOX 6450
NORCROSS, GA 30091

B-1 ZONING

McDONALDS CORPORATION
C/O TR SELLS
851 EAST I-65 SERVICE RD, SUITE 500
MOBILE, AL 36606

MEMORANDUM

TO: CITY CLERK, DAVID L. COHEN
FROM: BIG SANDY, LLC
SUBJECT: BIG SANDY LLC REZONING FROM B-2 TO R-4
DATE: 1/15/2009
CC: REBECCA HAYES

Dear Mr. Cohen,

Big Sandy, LLC request that the council table the vote on the rezoning ordinance until the next regular scheduled meeting on February 2, 2009.

Sincerely,



Richard Inge

ORDINANCE NO. 2009 - 05
Ordinance to Rezone Property Located on the Southeast Corner of
U.S. Highway 98 and Johnson Road (19.85 Acres)
Big Sandy L.L.C.

WHEREAS, the owners of certain real property within the City of Daphne, Alabama, have requested that said property be rezoned from B-2, General Business District to R-4, High Density Single Multi-Family Residential District to said property is located on the Southeast Corner of U.S. Highway 98 and Johnson Road, being more particularly described as follows:

LEGAL DESCRIPTION:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 29, TOWNSHIP 5 SOUTH, RANGE 2 WEST; THENCE RUN SOUTH 627.00 FEET TO A POINT; THENCE RUN N-89°31'00"-E, 1510.40, TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 98; THENCE RUN S-89°48'32"-E, 140.06 FEET TO THE POINT OF BEGINNING; THENCE RUN N-89°44'02"-E, 223.53 FEET TO A POINT; THENCE RUN N-00°04'54"-E, 210.59 FEET TO A POINT; THENCE RUN S-89°58'28"-E 220.89 FEET TO A POINT; THENCE RUN S-00°36'14"-E, 210.23 FEET TO A POINT; THENCE RUN N-89°59'05"-E 354.02 FEET TO A POINT; THENCE RUN S-00°41'37"-E, 106.74 FEET TO A POINT; THENCE RUN S-88°46'44"-E 256.55 FEET TO A POINT ON THE WEST LINE OF DAPHMONT SUBDIVISION, UNIT ONE, AS RECORDED ON MAP BOOK 5, PAGE 7, IN THE OFFICE OF THE JUDGE OF PROBATE, BALDWIN COUNTY, ALABAMA; THENCE RUN S-00°46'19"-E, ALONG THE WEST LINE OF SAID DAPHMONT SUBDIVISION, UNIT ONE, 418.00 FEET TO A POINT; THENCE LEAVING THE WEST LINE OF SAID DAPHMONT SUBDIVISION, UNIT ONE, RUN S-54°35'56"-W, 477.50 FEET TO A POINT; THENCE RUN S-88°42'46"-W, 680.40 FEET TO A POINT; THENCE RUN N-00°21'19"-E, 404.21 FEET TO A POINT; THENCE RUN S-89°31'09"-W, 210.75 FEET TO A POINT ON THE EAST RIGHT-OF-WAY OF U.S. HIGHWAY 98; THENCE RUN N-05°41'54"-E, 12.66 FEET ALONG THE EAST RIGHT-OF-WAY OF SAID U.S. HIGHWAY 98 TO A POINT; THENCE RUN S-88°41'48"-E ALONG THE EAST RIGHT-OF-WAY OF SAID U.S. HIGHWAY 98, 29.78 FEET TO A POINT; THENCE RUN N-05°56'30"-E ALONG THE EAST RIGHT-OF-WAY LINE OF SAID U.S. HIGHWAY 98, 199.71 FEET TO A POINT; THENCE LEAVING SAID EAST RIGHT-OF-WAY LINE RUN S-89°36'05"-E, 160.37 FEET TO A POINT; THENCE RUN N-01°19'34"-E, 208.78 FEET TO THE POINT OF BEGINNING. CONTAINING 19.85 ACRES, MORE OR LESS.

WHEREAS, the Planning Commission of the City of Daphne on November 20, 2008 has considered said request and set forth an affirmative recommendation to the City Council of the City of Daphne that said property be rezoned; and,

WHEREAS, after proper publication, a public hearing was held by the City Council on Monday, January 5, 2009 concerning the requested rezoning.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, that said property described above is hereby rezoned from B-2, General Business District to R-4, High Density Multi-Family Residential District, and that the zoning ordinance and zoning map be amended to reflect the said zoning change.

ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA,
THIS _____ day of _____, 2009.

John Lake, Council President
Date & Time Signed:_____

Fred Small, Mayor
Date & Time Signed:_____

ATTEST:

David L. Cohen
City Clerk, MMC

BIG SANDY LLC
ZONING AMENDMENT
EXHIBIT "A"

LEGAL DESCRIPTION:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 29, TOWNSHIP 5 SOUTH, RANGE 2 WEST; THENCE RUN SOUTH 627.00 FEET TO A POINT; THENCE RUN N-89°31'00"-E, 1510.40, TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 98; THENCE RUN S-89°48'32"-E, 140.06 FEET TO THE POINT OF BEGINNING; THENCE RUN N-89°44'02"-E, 223.53 FEET TO A POINT; THENCE RUN N-00°04'54"-E, 210.59 FEET TO A POINT; THENCE RUN S-89°58'28"-E 220.89 FEET TO A POINT; THENCE RUN S-00°36'14"-E, 210.23 FEET TO A POINT; THENCE RUN N-89°59'05"-E 354.02 FEET TO A POINT; THENCE RUN S-00°41'37"-E, 106.74 FEET TO A POINT; THENCE RUN S-88°46'44"-E 256.55 FEET TO A POINT ON THE WEST LINE OF DAPHMONT SUBDIVISION, UNIT ONE, AS RECORDED ON MAP BOOK 5, PAGE 7, IN THE OFFICE OF THE JUDGE OF PROBATE, BALDWIN COUNTY, ALABAMA; THENCE RUN S-00°46'19"-E, ALONG THE WEST LINE OF SAID DAPHMONT SUBDIVISION, UNIT ONE, 418.00 FEET TO A POINT; THENCE LEAVING THE WEST LINE OF SAID DAPHMONT SUBDIVISION, UNIT ONE, RUN S-54°35'56"-W, 477.50 FEET TO A POINT; THENCE RUN S-88°42'46"-W, 680.40 FEET TO A POINT; THENCE RUN N-00°21'19"-E, 404.21 FEET TO A POINT; THENCE RUN S-89°31'09"-W, 210.75 FEET TO A POINT ON THE EAST RIGHT-OF-WAY OF U.S. HIGHWAY 98; THENCE RUN N-05°41'54"-E, 12.66 FEET ALONG THE EAST RIGHT-OF-WAY OF SAID U.S. HIGHWAY 98 TO A POINT; THENCE RUN S-88°41'48"-E ALONG THE EAST RIGHT-OF-WAY OF SAID U.S. HIGHWAY 98, 29.78 FEET TO A POINT; THENCE RUN N-05°56'30"-E ALONG THE EAST RIGHT-OF-WAY LINE OF SAID U.S. HIGHWAY 98, 199.71 FEET TO A POINT; THENCE LEAVING SAID EAST RIGHT-OF-WAY LINE RUN S-89°36'05"-E, 160.37 FEET TO A POINT; THENCE RUN N-01°19'34"-E, 208.78 FEET TO THE POINT OF BEGINNING. CONTAINING 19.85 ACRES, MORE OR LESS.

REFERENCE: SPRINGS @ EASTERN SHORE

REVISION DATE: NOVEMBER 6, 2008

**CITY OF DAPHNE
ORDINANCE NO. 2009 - 06**

**AN ORDINANCE TO PROVIDE FOR THE ECONOMIC DEVELOPMENT OF
THE CITY BY IT ACTING AS A CONDUIT ISSUER OF ITS GULF
OPPORTUNITY ZONE LIMITED OBLIGATION NOTE (TAMERON
AUTOMOTIVE EASTERN SHORE PROJECT) TO INDUCE TAMERON
PROPERTIES, LLC, TO MAINTAIN THE LOCATION OF ITS EASTERN
SHORE TAMERON AUTOMOTIVE DEALERSHIP FACILITY WITHIN THE
CORPORATE LIMITS OF THE CITY THEREBY PRESERVING AND
ENHANCING THE CITY'S TAX BASE**

WHEREAS, the City Council of the City of Daphne hereby finds and declares that the purpose of this ordinance is to provide for the economic development of the City within the meaning of Amendment No. 750 to the Constitution of the State of Alabama of 1901, as amended, by preserving and expanding the tax base of the City.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, as follows:

Section 1. Further findings and declarations

The City Council of the City of Daphne, Alabama (herein called the "City"), does hereby find and declare as follows:

(a) Tameron Properties, LLC, an Alabama limited liability company (herein called the "Company"), owns and operates a Honda automobile dealership FACILITY in the City, but intends to relocate it to a new location within Baldwin County;

(b) The City desires that the Company locate the said new facility within the corporate limits of the City, so that the City's tax base will be preserved and enhanced;

(c) The City and the Company agreed on or before _____, _____, that the Company would locate the said new facility within the corporate limits of the City (the land, building and immovable fixtures being herein together called the "Automotive Facility") if the City would submit an application to the Director of Finance of the State of Alabama for an allocation under the Gulf Opportunity Zone Act of 2005 U.S.C. _____ (hereinafter called the "Gulf Opportunity Act") to issue tax exempt debt obligations to reimburse a portion of the costs of constructing the Automotive Facility;

(d) Pursuant to the foregoing undertakings, the Company has substantially completed the Automotive Facility and is ready to proceed with the long term financing of the portion of the costs of the Automotive Facility with respect to which the GO Zone allocation has been made;

(e) The City submitted such an application for GO Zone authority with the Alabama Director of Finance on August 22, 2006, (herein called the "Inducement Date"); and the said request was granted by the Alabama Director of Finance on July 18, 2007;

(f) After several amendments, the said GO Zone Allocation currently permits an issuance of tax exempt obligations in an amount not to exceed \$10,000,000;

(g) The Company will lease the Automotive Facility (not including any equipment or movable fixtures pertaining thereto) to the City under a Ground Lease Agreement dated as of January 1, 2009 (herein called the "Ground Lease"), in order to provide the City with a requisite interest in the Automotive Facility as required by applicable Alabama law;

(h) The City will sell and issue its \$9,000,000 principal amount Gulf Opportunity Zone Limited Obligation Note (Tameron Automotive Eastern Shore Project (herein called the "Note"), to Compass Mortgage Corporation, or its designee, to obtain the funds necessary to pay a portion of the costs of acquiring and constructing those portions of the Automotive Facility qualifying for financing under the Gulf Opportunity Act; and

(i) The City and the Company will enter into a Lease Agreement dated as of January 1, 2009 (herein called the "Lease"), under which the City will sublease the Automotive Facility to the Company in return for debt service rentals sufficient to provide the City with money sufficient to pay the debt for the Note (herein called the "Basic Rent").

Section 2. **The Note**

The Note shall bear interest at a variable per annum interest rate computed on the basis of a 360 day year composed of 12 consecutive 30-day months and equal to the sum of (i) 113.75 basis points plus (ii) sixty-five per cent (65%) of 30-day LIBOR floating. Interest shall be paid on the Note on February 2, 2009, and on the first business day of each calendar month thereafter until and including the final maturity date of the Note (each such date being herein called a "Note Payment Date"). A business day for purposes of this ordinance (the "Authorizing Ordinance") shall be deemed to be any day on which Compass Bank, Birmingham, Alabama, or its successor, shall be authorized to be open by the regulatory authorities having supervision over it. Principal of the Note shall be paid in on such Note Payment Date in an amount equal to the principal component of a level 20 year debt service amortization ending in January 1, 2029. The said principal amount shall be recomputed each January 1, beginning on January 1, 2010, to take into

account fluctuations in the rate of interest and the amounts of principal and interest actually paid since the amortization amount was last so computed.

The Note shall be issued as a single fully registered promissory note in the form described in Section 3 of the Authorizing Ordinance. The City Treasurer shall register the Note as a claim against the City and shall serve as the paying agent and registrar for the Note. The Note may be redeemed on any business day provided that the City shall have provided written notice to the holder of the Note of such redemption at least thirty (30) calendar, but not more than sixty (60) calendar, days before the date fixed for redemption (which such repayment shall be made only with the prior written consent of the Company and its prepayment of Basic Rent in an amount sufficient to provide funds to effect the said redemption). The redemption price shall be equal to the outstanding principal amount of the Note to be redeemed plus the interest accrued thereon until the date fixed for redemption.

Principal of and interest on shall be payable by check or draft mailed or otherwise delivered by the City Treasurer to the registered owner of the Note at its address as it appears on the registry books pertaining to the Note maintained by the City Treasurer; provided that the final payment of such principal and interest shall be made only upon surrender of the Note to the City Treasurer. The last day of the calendar month prior to the month in which the principal of and interest on the Note is due shall be the record date for the payment of such principal and interest to the registered owner of the Note on the said respective record dates. The City Treasurer shall, if so directed in a written notice, consent to the Basic Rent to be paid by the Company under the Lease to be paid directly to the holder of the Note in such manner as shall be acceptable to them.

Section 3. No General Obligation. Not Chargeable Against Debt Limit

The indebtedness evidenced and ordered paid by the Note is not and shall never be a general obligation of the City, and the full faith and credit of the City are not pledged for its payment. The said indebtedness shall be a limited special obligation of the City payable only from the Basic Rent paid by the Company under the Lease and any other sources of payment provided by the Lease. Neither the State of Alabama nor Baldwin County is obligated in any way for the payment of the Note.

The Note is not intended to be chargeable against the City is constitutional debt limit, nor shall it even be so chargeable.

Section 4. Form of Note

The Note, the City Treasurer's certificate in its capacity as the registrar for the Note, the City Treasurer's certificate and the assignment pertaining to the Note shall be in substantially the following forms:

(Form of Note)

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF ALABAMA
CITY OF DAPHNE
GULF OPPORTUNITY ZONE LIMITED OBLIGATION NOTE
(TAMERON AUTOMOTIVE EASTERN SHORE PROJECT)

<u>INTEREST RATE</u>	<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>CUSIP</u>
_____	_____	_____	_____

Subject to prior payment and other provisions as herein provided, the City Treasurer of the City of Daphne, a municipal corporation of the State of Alabama (the "City"), is hereby ordered and directed to pay to _____ or registered assigns, to whom the City acknowledges itself to be indebted in the principal amount hereafter set out, the sum of \$_____ DOLLARS on the date specified above with interest thereon from the date hereof until the maturity hereof at the rate of interest specified above (computed on the basis of a 360-day year of twelve consecutive 30-day months) payable on the first business day of each calendar month beginning with February, 2009 ("Note Payment Date"), and continuing to the maturity date specified above. The principal of the Note will be paid on each Note Payment Date in an amount equal to the principal component of a level amortization of principal and interest to the maturity date specified above. The said amortization shall be recomputed as of the first day of each calendar year beginning with 2010. The final payment of principal and interest shall only be made upon the surrender of the Note to the City Treasurer. Each prior payment of principal and interest will be remitted by the City Treasurer by check or draft mailed or otherwise delivered to the registered holder thereof at its address on the registry books of the City Treasurer on the record date established by the City. The registered holder of the Note and Tameron Properties, LLC (the "Company") as the lessee under that certain Lease Agreement dated as of January 1, 2009 (the "Lease"), the rental under which is pledged to the payment of the debt evidenced by the Note may agree to a mutually agreeable arrangement under which the Company pays the "Basic Rent" under the Lease directly to the said registered holder.

The principal of the Note shall bear interest after its maturity date shown above at the rate specified above under the heading for the interest rate of the Note.

The City has entered into a ground lease agreement dated as of January 1, 2009 (the "Ground Lease"), under which it is leasing an automotive dealership facility from the Company (the "Automotive Facility"). The leasehold interest of the City in the Automotive Facility is subject to a prior mortgage to Compass Bank and other "Permitted Encumbrances" described in the Ground Lease. The Company and the City have entered

into the Lease under which the City will sublease its interest in the Automotive Facility to the Company in return for rental payments by the Company thereunder (the "Basic Rent") calculated to be sufficient to pay the principal of and interest on the Note.

This Note is a duly authorized warrant of the City designated as its \$9,000,000 initial principal amount Gulf Opportunity Zone Limited Obligation Note (Tameron Automotive Eastern Shore Project). The Note has been issued pursuant to the provisions Amendment 750 to the Constitution of Alabama (1901), Sections 11-47-2 and 11-81-4 of the Code of Alabama and an ordinance duly adopted by the City Council of the City (the "Authorizing Ordinance").

As indicated above, the City has pledged the Basic Rent paid under the Lease as the source of payment for the Note and as security for the same. The Note is not a general obligation of the City and is payable solely from the Basic Rent and any other sources of payment provided by the Lease.

The Note is subject to redemption, in whole or in part, at any time at the option of the City with the prior written consent of the Company at and for a redemption price equal to the principal amount to be redeemed plus the interest accrued thereon to the date fixed for redemption.

By execution of the Note, the City acknowledges that it is indebted to the registered owner hereof in the principal amount hereof in accordance with the terms hereof.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by the Note is lawfully due without condition, abatement or offset of any description; that the Note has been registered as a claim against the City in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Note do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

This Note is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the City Treasurer and only upon surrender of this Note to the City Treasurer for cancellation, and upon any such transfer a new Note of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Authorizing Ordinance. Each holder, by receiving or accepting this Note, shall consent and agree and shall be estopped to deny that, insofar as the City is concerned, this Note may be transferred only in accordance with the provisions of the Authorizing Ordinance.

The City Treasurer shall not be required to transfer or exchange this warrant during the period commencing on or after the penultimate business day of any calendar

month and ending on the then next succeeding first business day of the next calendar month nor shall the City Treasurer be required to transfer this Note within a period beginning 45 days before the date fixed for redemption of this Note and ending on said redemption date.

The Authorizing Ordinance provides that all payments by the City to the person in whose name the Note is registered shall to the extent thereof fully discharge and satisfy all liability for the same. ANY TRANSFEREE OF THE NOTE TAKES IT SUBJECT TO ALL PAYMENTS OF PRINCIPAL, INTEREST AND PREMIUM IN FACT MADE WITH RESPECT HERETO.

Execution by the City Treasurer of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this warrant to be executed with the signature of the Mayor, has caused its official seal to be hereunto imprinted, has caused the Note to be attested by signature of its City Clerk, and has caused this Note to be dated the date hereinabove specified.

CITY OF DAPHNE, ALABAMA

By _____
Its Mayor

Attest:

City Clerk

(Form of Registration Certificate)

Date of Registration:

This Note was registered in the name of the above-registered owner on the date of registration shown above.

CITY TREASURER OF THE CITY
OF DAPHNE, ALABAMA

By _____
Its Authorized Officer

(Form of City Treasurer's Certificate)

I hereby certify that his Note was at the time of the issuance thereof duly registered by me as a claim against the CITY OF DAPHNE, ALABAMA.

City Treasurer of the
CITY OF DAPHNE, ALABAMA

(Form of Assignment)

For value received _____ hereby sell(s), assign(s), and transfer(s) unto _____ the within Note and hereby irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Note on the books of the City Treasurer.

DATED this _____ day of _____, _____.

Note: The signature on this assignment must correspond With the name of the registered owner as it appears on the Face of the within Note in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company or Firm*)

By _____
(Authorized Officer)

Medallion Number: _____

* Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchange Medallion Program (SEMP) or New York Stock Exchange Medallion Signature Program (MSP)

Section 5. Execution of Note by City

The Note shall be executed on behalf of the City by the Mayor and attested by the City Clerk, and the seal of the City shall be impressed on the Note; provided that the signatures of the said Mayor and the City Clerk on the Note may be facsimile signatures

of the said officers imprinted thereon, and the seal of the City appearing on the Note may be facsimile of such seal imprinted thereon (it being understood that a condition to the validity of the Note is the appearance on such Note of a Registration Certificate, substantially in the form hereinabove provided, executed by the manual signature of the City Treasurer and a City Treasurer's Certificate, substantially in the form hereinabove provided, executed by the manual or facsimile signature of the City Treasurer of the City). Signatures on the Note by persons who are officers of the City at the times such signatures were written or printed shall continue to be effective although such persons cease to be such officers prior to the delivery of the Note, whether initially issued or exchanged for a Note of different denominations from those initially issued.

Section 6. City Treasurer's Certificate on Note

A City Treasurer's Certificate by the City Treasurer of the City, in substantially the form hereinabove recited, duly executed by the manual or facsimile signature of the said officer, shall be endorsed on each of the Notes and shall be essential to its validity. Such certificate shall be conclusive of the due registration of the claim against the City represented by the Note.

Section 7. Registration and Transfer of Warrants.

The Note shall be registered as to principal, interest and premium (if any) and shall be transferable only on the registry books of the City Treasurer pertaining to the Note. The City Treasurer shall be the registrar and transfer agent of the City and shall keep at its office proper registry and transfer books in which it will note the registration and transfer of the Note as is presented for those purposes, all in the manner and to the extent hereinafter specified. The Note shall be transferable only on the transfer books of the City Treasurer. No transfer of any Note shall be valid hereunder unless the Note is presented at the office of the City Treasurer with written power to transfer signed by the registered owner thereon in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the City Treasurer whereupon the City shall execute, and the City Treasurer shall authenticate and deliver to the transferee a new Note, registered in the name of such transferee and of like tenor as that presented for transfer. The person in whose name any Note is registered on the books of the City Treasurer shall be the sole person to whom on whose order payments on account of the principal thereof and of the interest and premium (if any) thereon may be made. Each registered owner of the Note, by receiving or accepting the Note, shall consent and agree and shall be estopped to deny that, insofar as the City and the City Treasurer are concerned, the Note may be transferred only in accordance with the provisions of this ordinance.

The City Treasurer shall not be required to register or transfer the Note on or after the penultimate business day of any calendar month. The City Treasurer shall not be required to register or transfer the Note duly called for redemption (in whole or in part), during the period of forty-five (45) days next preceding the date fixed for such redemption.

Section 8. Date of Note

The Note shall be dated the date of its issuance.

Section 9. Person to Whom Payment of Interest on Note is to be Made

Interest on the Note shall be payable in lawful money of the United States of America and shall be payable in accordance with the provisions hereof to the registered owner of the Note on the respective record dates.

Section 10. Persons Deemed Owners of Notes

The City and the City Treasurer may deem and treat the person in whose name a Note is registered as the absolute owner thereof for all purposes; they shall not be affected by notice to the contrary; and all payments by any of them to the person in whose name a Note is registered shall to the extent thereof fully discharge and satisfy all liability for the same.

Section 11. Replacement of Mutilated, Lost, Stolen or Destroyed Notes

In the event the Note is mutilated, lost, stolen or destroyed, the City may execute and deliver a new Note of like tenor as that mutilated, lost, stolen or destroyed Note, if there is first furnished to the City and the City Treasurer evidence of such loss, theft or destruction satisfactory to each of them, together with indemnity satisfactory to each of them. The City may charge the Holder with the expense of issuing any such new Note.

Section 12. General Provisions Respecting Redemption of Warrants

Any redemption of Notes pursuant to the Authorizing Ordinance shall be effected in the following manner:

(a) If so requested in writing by the Company which shall confirm that it will prepay Basic Rent under the Lease to provide sufficient funds for a redemption, the City Council shall adopt a resolution in which it shall call for redemption, all or a part of the Note.

(b) The City (or the City Treasurer on its behalf) shall also cause to be forwarded by United States registered or certified mail to the registered owner of the Note, at the address of such registered owner as such address appears on the registry books of the City Treasurer pertaining to the Note, a notice stating the following: the Note (and, in case less than the entire outstanding principal amount of the Note is to be redeemed, the principal amount thereof to be redeemed) has been called for redemption and will become due and payable at the specified redemption price on a specified redemption date and that all interest thereon will cease after the date fixed for redemption thereof. Such notice shall be so mailed not more than sixty (60) nor less than thirty (30)

days prior to the date fixed for redemption, but the registered owner of the Note may waive the requirements of this subparagraph.

(c) Not later than the date fixed for redemption, the City (i) shall deposit or cause to be deposited from prepayments of Basic Rent under the Lease with, or otherwise make available to, the City Treasurer the total redemption price of the Note so called for redemption, and (ii) shall furnish to the City Treasurer a certified copy of the resolution referred to in the foregoing subparagraph (a) of this section.

When the provisions of the foregoing subparagraphs (a), (b) and (c) of this section have been complied with, the Note so called for redemption (or, in the case of an Note called for redemption in part, the portion thereof called for redemption) shall become due and payable (at the place or places at which the same shall be payable), at the redemption price and on the redemption date specified in such notice anything herein or in the Note to the contrary notwithstanding, and if the entire principal amount of the Note is to be redeemed, the registered owner of the Note shall then and there surrender it for redemption at the principal office of the City Treasurer; and out of the moneys so deposited with it, the City Treasurer shall make provision for payment of the Note (or portions thereof) so called for redemption, at the redemption price and on the redemption date so specified. All interest maturing after such redemption date on the Note (or portions thereof) so called for redemption on the said date shall cease to accrue or be payable.

Section 13. Sale of the Note

The Note has been heretofore sold and awarded to Compass Mortgage Corporation at and for a purchase price equal to \$9,000,000. The Mayor is hereby authorized and directed to deliver the Note to the Compass Mortgage Corporation upon payment to the City of the said purchase price and to execute on behalf of the City all necessary receipts and certificates in connection therewith.

Section 14. Authorization of Ground Lease and Lease

The Mayor is hereby authorized and directed to execute and deliver on behalf of the City the Ground Lease and the Lease in substantially the form presented to the meeting of the City Council at which the Authorizing Ordinance was adopted (which form shall be preserved in the records of the City pertaining to the said meeting of the City Council. In evidence of the said approval, the Mayor is directed to sign manually the Ground Lease and the Lease on behalf of the City, with such changes therein and additions thereto as shall be necessary to conform to the provisions of the Authorizing Ordinance and such other changes and additions as the Mayor may deem appropriate or necessary. The City Clerk is hereby authorized and directed to affix the seal of the City to the Ground Lease and the Lease and to attest the same.

The Mayor, City Clerk and City Treasurer are hereby authorized and directed to perform in the manner of the City all actions required of them by the terms of the Ground Lease and the Lease.

Section 15. General Authorization

The Mayor, City Clerk and City Treasurer are hereby authorized to take any and all actions and to sign such certification and annulling agreements on behalf of the City as are in the said officers' judgment necessary or desirable to carrying out the transactions contemplated by the ordinance.

Section 16. Use of Proceeds from the Note.

The proceeds from the sale of the Note shall be paid to the Company.

Section 17. Creation of Contract.

The provisions of the Authorizing Ordinance shall constitute a contract between the City and the registered owner of the Note.

Section 18. Provisions of Authorizing Ordinance Severable

The provisions of the Authorizing Ordinance is hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of the Authorizing Ordinance.

APPROVED AND ADOPTED this _____ day of _____, 2009.

Council President

Mayor

Attest:

City Clerk



LEASE AGREEMENT

between

CITY OF DAPHNE, ALABAMA

and

TAMERON PROPERTIES, LLC

Dated as of January 1, 2009

Relating to

\$_____

CITY OF DAPHNE, ALABAMA

**Gulf Opportunity Zone Limited Obligation Note
(Tameron Automotive Eastern Shore Project)**

Dated January 1, 2009

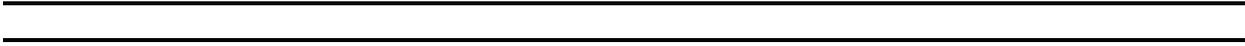


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between
CITY OF DAPHNE, ALABAMA
and
TAMERON PROPERTIES, LLC

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Exhibit A

LEASE AGREEMENT between **CITY OF DAPHNE, ALABAMA**, a municipal corporation organized and existing under the laws of the State of Alabama, party of the first part (herein called the "City"), and **TAMERON PROPERTIES, LLC**, a limited liability company organized and existing under the laws of the State of Alabama, party of the second part (herein called the "Company"),

RECITALS

Pursuant to this Lease Agreement the Company is undertaking to lease the "Automotive Facility" hereinafter defined from the City for use as an automotive dealership facility. In order to finance the costs of acquiring said Automotive Facility, including all immovable fixtures incidental or necessary in connection therewith, that will constitute part of said Automotive Facility, the City will issue \$_____ principal amount of its Gulf Opportunity Zone Limited Obligation Note (Tameron Automotive Eastern Shore Project), dated January 1, 2009 (herein called the "Note"), under an ordinance duly adopted by the governing body of the City (herein called the "Authorizing Ordinance"). In order to secure the payment of the principal of and the interest and premium (if any) on the Note, the City will pledge and assign under the Authorizing Ordinance the City's interest in this Lease Agreement (other than certain expense payment and indemnification rights and certain rights which are herein expressly provided to be exercised by the City), including particularly the "Basic Rent" payable hereunder by the Company for the use of said Automotive Facility and its leasehold interest under the Ground Lease as defined in this Lease.

NOW, THEREFORE, THIS LEASE AGREEMENT

WITNESSETH:

That in consideration of the respective representations, warranties and agreements herein contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND USE OF PHRASES

Section 1.1 Definitions.

Unless the context clearly indicates a different meaning, the following words and phrases, as used herein, shall have the following respective meanings:

"Act" means the statutes codified as Code of Alabama 1975, Title 11, Chapter 47, as amended and supplemented and at the time in force and effect.

"Affiliate" of any designated Person means any Person which, directly or indirectly, controls, or is controlled by, or is under common control with, such designated Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession,

directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person whether through the ownership of voting securities or by contract or otherwise.

"Authorized City Representative" means the person or persons at the time designated as such by written consent furnished to the Company, containing the specimen signature or signatures of such person or persons and signed on behalf of the City by its Mayor.

"Authorized Company Representative" means the person or persons (which may be the Company) at the time designated as such by written certificate furnished to the City, containing the specimen signature or signatures of such person or persons and signed by the Manager of the Company.

"Authorizing Ordinance" means the ordinance adopted by the City Council on _____, under which (i) the City is authorized to enter into the Ground Lease and the Lease, (ii) the Note is authorized to be issued, and (iii) the City's interest in this Lease Agreement is to be pledged as security for payment of the principal of and the interest and premium (if any) on the Note, as said ordinance now exists and as it may hereafter be supplemented and amended.

"Authorizing Ordinance Indebtedness" means all indebtedness of the City at the time secured by the Authorizing Ordinance, including, without limitation, all principal of and interest and premium (if any) on the Note.

"Automotive Facility" means the automotive dealership facility, as it may at any time exist, including all immovable equipment, furnishings, fixtures and facilities incidental or necessary in connection therewith that are allowed to be financed under the GO Zone Act, and all other property and rights of every kind that are or become subject to the demise of the Lease.

"Automotive Facility Costs" means the following: (i) all costs and expenses incurred in connection with the acquisition, construction, reconstruction and renovation of the Automotive Facility, including the costs of preliminary investigations, surveys, estimates and plans and specifications; (ii) all expenses incurred in connection with the issuance and sale of the Note including (without limitation) all legal, accounting, financial, underwriting, printing, recording and filing fees and expenses; and (iii) the reimbursement to the Company of all amounts paid directly by the Company in respect of any of the aforesaid costs and expenses and of all amounts advanced by the Company to the City for the payment of such costs and expenses.

"Automotive Facility Site" means the property that is leased by the Company under the Ground Lease and specifically described in Exhibit A.

"Bank" means Compass Mortgage Corporation or its successors or assigns.

"Basic Rent" means (i) the moneys payable by the Company pursuant to the provisions of Section 5.2 hereof, (ii) any other moneys payable by the Company pursuant to the Lease to provide for the payment of the principal of and the interest and premium (if any) on the Note (other than the aforesaid moneys payable pursuant to Section 5.2 hereof), and (iii) any other moneys payable by the Company pursuant to the Lease that are herein referred to as Basic Rent.

"Bond Counsel" means Independent Counsel whose opinions respecting the legality or validity of securities issued by or on behalf of states or political subdivisions thereof are nationally recognized.

"City" means the party of the first part hereto and includes its successors and assigns.

"Code" means the Internal Revenue Code of 1986, as amended and at the time in force and effect.

"Company" means the party of the second part hereto and, subject to the provisions of Section 8.6 hereof, includes its successors and assigns and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

"Compass Mortgage" means that certain Future Advance Mortgage, Assignment of Rents and Leases and Security Agreement dated as of July 26, 2007, between the Company and Compass Bank.

"Counsel" means any attorney duly admitted to practice law in any state of the United States of America or the District of Columbia (including any officer or full-time employee of the City, the Company or an Affiliate of either thereof who is so admitted to practice), it being understood that "Counsel" may also mean a firm of attorneys all of whose members are so admitted to practice.

"Determination of Taxability" means a determination, made in accordance with the provisions of Section 5.4 hereof, that the interest income on the Note is includable in the gross income of the Holder thereof for purposes of federal income taxation as a result of the occurrence of a Event of Taxability.

"Economic Development Amendment" means Amendment No. 750 to the Constitution of Alabama of 1901.

"Eminent Domain," when used herein with reference to any taking of property, means the power (actual or claimed) of any governmental authority or any person, firm or corporation acting under governmental authority (actual or claimed) to take such property, and for purposes of the Lease, a taking of property under the exercise of the power of Eminent Domain shall include a conveyance made, or a use granted or taken, under either the threat or the fact of the exercise of governmental authority.

"Event of Default" means an "Event of Default" as specified in Section 10.1 hereof.

"Event of Taxability" means an event which causes the interest income on the Note to become includable in the gross income of the Holder thereof for purposes of federal income taxation as a result of any of the conditions or circumstances set forth in Section 5.4 hereof.

"fully paid," "payment in full" or any similar expression with respect to the Authorizing Ordinance Indebtedness, means that the entire Authorizing Ordinance Indebtedness has been paid in

full or duly provided for pursuant to Section ____ of the Authorizing Ordinance and that the lien and pledge of the Authorizing Ordinance has been cancelled, satisfied and discharged in accordance with the provisions of said Section ____ thereof.

"Ground Lease" or **"Ground Lease Agreement"** means that certain Ground Lease Agreement dated _____, between the Company and the City, as said Ground Lease Agreement now exists and as it may hereafter be supplemented and amended.

"Governmental Unit" means "governmental unit" as said term is used in Section 147(f) of the Code and the applicable regulations thereunder.

"GO Zone Act" means the Gulf Opportunity Zone Act of 2005.

"Holder," when used in conjunction with a Note, means the Person in whose name such Note is registered on the registry books of the Paying Agent pertaining to the Note.

"Independent Appraiser" means a person, firm or corporation not regularly employed or retained by the City, the Company or an Affiliate of the Company and regularly engaged in the business of appraising real or personal property (as appropriate to the property being appraised or valued) and otherwise competent, in the opinion of the Paying Agent, to determine the value of the property in question.

"Independent Counsel," when used to describe Counsel who is an individual attorney, means that he is not an officer or full-time employee of the City, the Company or an Affiliate of the Company and, when used to describe Counsel consisting of a firm of attorneys, means that none of the members of such firm is an officer or full-time employee of the City, the Company or an Affiliate thereof.

"Insurance Consultant" means a firm of insurance professionals knowledgeable as to the insurance requirements of automotive dealership facilities.

"Lease" or **"this Lease Agreement"** means this Lease Agreement as it now exists and as it may from time to time be modified, supplemented or amended as permitted by Section ____ of the Authorizing Ordinance.

"Lease Term" means the period beginning on the date of the delivery of this Lease Agreement and continuing until the later of (i) 11:59 o'clock, P.M., on _____ or (ii) the date on which the Note shall have been paid in full or payment shall have been duly provided therefor.

"Net Condemnation Award" means the total amount received as compensation for any part of the Automotive Facility taken under the exercise of the power of Eminent Domain, plus damages to any part of the Automotive Facility not taken (including any compensation referable to the interest of the Company in the part of the Automotive Facility taken and as damages to the interest of the Company in any part thereof not taken, but not including any compensation belonging to the Company pursuant to the provisions of Section 7.4 hereof), which compensation shall consist of (i)

all awards received pursuant to administrative or judicial proceedings conducted in connection with the exercise of the power of Eminent Domain, plus (ii) all amounts received as the result of any settlement of compensation claims (whether in whole or in part) negotiated with the condemning authority, less (iii) all attorneys' fees and other expenses incurred in connection with the receipt of such compensation, including attorneys' fees and expenses relating to such administrative or judicial proceedings and to such settlement negotiations (other than any that may be paid directly by the Company).

"Net Insurance Proceeds" means the total insurance proceeds recovered by the City, the Company and the Paying Agent on account of any damage to or destruction of the Automotive Facility or any part thereof, less all expenses (including attorneys' fees and any extraordinary expenses of the Paying Agent) incurred in the collection of such proceeds.

"Note" means the Gulf Opportunity Zone Limited Obligation Note (Tameron Automotive Eastern Shore Project), authorized to be issued under the Authorizing Ordinance in the principal amount of \$_____.

"Note Fund" means the Tameron Properties, LLC Note Fund created in Section ____ of Authorizing Ordinance and maintained by the Paying Agent.

"Note Initial Purchaser" means the Bank.

"Note Investment Proceeds" means the net income derived from the investment and reinvestment of proceeds of the Note (including income derived from the investment and reinvestment of previously derived income), it being understood that such net income shall consist of the aggregate interest received from investments plus any profit actually realized from the purchase of investments at a discount, less any accrued interest and any premium paid as a part of the purchase price of any investments.

"Note Issuance Expenses" means the expenses of issuing the Note to the extent, and only to the extent, that, in determining the amounts of the "proceeds" of the Note for purposes of the "substantially all" test provided by Treasury Regulations Section 1.103-8(a)(1)(i) and Section 1.103-10(b)(1)(ii), such expenses are properly deductible from the aggregate amount (excluding accrued interest) received by the City from the sale of the Note.

"Note Payment Date" means the _____ day of each month, commencing with _____, on which any principal or interest with respect to the Note shall mature and be due and payable or on which any principal amount of the Note shall be required by the Authorizing Ordinance to be redeemed prior to the stated maturity thereof.

"Note Principal Proceeds" means the aggregate amount (excluding accrued interest, if any) received by the City from the sale of the Note, less the Note Issuance Expenses.

"Note Proceeds" means the Note Investment Proceeds and the Note Principal Proceeds.

"outstanding," when used with reference to the Note, means, at any date as of which the amount of the Note outstanding is to be determined, the Note which has been theretofore authenticated and delivered by the Paying Agent under the Authorizing Ordinance, except (i) those portions of such Note purchased for retirement which have been delivered to and cancelled by the Paying Agent, (ii) those portions of such Note cancelled by the Paying Agent because of payment at or after their respective maturities or redemption prior to their respective maturities, (iii) those portions of such Note for the payment or redemption of which provisions shall have been made with the Paying Agent as provided in Section ____ of the Authorizing Ordinance, and (iv) those portions of such Note in exchange for which, or in lieu of which, other Notes have been authenticated and delivered under the Authorizing Ordinance. In determining whether the holder of a requisite principal amount of outstanding Note has concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions of the Authorizing Ordinance, any portion of the Note which is owned by the Company or any Affiliate thereof shall be disregarded and deemed not to be outstanding hereunder for the purpose of any such determination.

"Paying Agent" means the City Treasurer of the City.

"Permitted Encumbrances" means, as of any particular time, any of the following: (i) liens granted pursuant to the Compass Mortgage; (ii) the Ground Lease, the Lease and the Authorizing Ordinance; (iii) liens imposed by law, such as mechanics', workmen's, materialmen's, carriers' and other like liens arising in the ordinary course of business, securing obligations which are not overdue or which are being contested in good faith and by appropriate proceedings (so long as there have been set aside on the books of the Company with respect to any such obligation so contested reserves which are adequate in the opinion of the Company); (iv) liens for property taxes not delinquent or for taxes which are being contested in good faith and by appropriate proceedings (so long as there shall have been set aside on the books of the Company with respect to any such taxes so contested reserves which are adequate in the opinion of the Company); and (v) utility, access, drainage and other easements and rights-of-way, mineral rights, covenants running with the land, zoning restrictions, environmental regulations and other restrictions and encumbrances affecting the use of real property, minor encroachments shown by survey or minor irregularities in the title to real property, none of the foregoing of which, individually or in the aggregate, materially impair the leasehold interest of the City to any part of the Automotive Facility or the use by the Company of the Automotive Facility for the purposes for which it was designed.

"Person" means any natural person, corporation, partnership, joint venture, trust, government or governmental body, political subdivision, or other legal entity as in the context may be possible or appropriate.

"premium," when used with reference to the redemption or purchase for retirement of the Note, means the amount (if any) by which the redemption or purchase price (in all cases exclusive of accrued interest) of such Note exceeds the principal of the Note so redeemed or purchased for retirement, as the case may be.

"Public Securities" means bonds, notes or other obligations of a state, a territory or a possession or any political subdivision of the United States of America or any political subdivision of any of the foregoing or of the District of Columbia.

"Qualifying Automotive Facility Costs" means Automotive Facility Costs that are expended for the purpose of acquiring, constructing, reconstructing and renovating nonresidential real property (including fixed improvements associated with such property) located in the gulf opportunity zone and described more particularly in Section 1400N of the Code.

"Substantial User" means, with respect to any "facilities," a "substantial user" of such "facilities" within the meaning of Section 147(a) of the Code and the applicable regulations thereunder.

"Taxability Redemption Date" means the redemption date on which the Note is required to be redeemed, pursuant to the provisions of Section ____ of the Authorizing Ordinance and this Lease Agreement, as the result of a Determination of Taxability.

Section 1.2 Definitions Contained in the Authorizing Ordinance.

Unless the context clearly indicates a different meaning, any words, terms or phrases that are used in the Lease as defined terms without being herein defined and that are defined in the Authorizing Ordinance shall have the meanings respectively given them in the Authorizing Ordinance.

Section 1.3 Use of Phrases.

"Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to the Lease as an entirety and not solely to the particular portion in which any such word is used. The definitions set forth in Section 1.1 hereof include both singular and plural. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties by the City.

The City makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Status of the City. The City is a municipal corporation duly organized and validly existing under the laws of the State of Alabama, and as such the City has the full power and authority under the Act and the Economic Development Amendment to enter into the Lease and to consummate the transactions contemplated thereby.

(b) Litigation. There are no actions, suits or proceedings pending (nor, to the best knowledge and belief of the City, are any actions, suits or proceedings threatened) against or affecting the City or any property of the City in any court, or before an arbitrator of any kind, or before or by any governmental body, which might materially and adversely affect the transactions contemplated by this Lease Agreement or the Ground Lease or which might adversely affect the validity or enforceability of this Lease Agreement or any other agreement or instrument to which the City is or is to be a party relating to the transactions contemplated by this Lease Agreement or the Ground Lease.

(c) Sale and Other Transactions are Legal and Authorized. The sale and issuance of the Note, the execution, delivery and performance of this Lease Agreement and the Ground Lease and the adoption and performance of the Authorizing Ordinance, and the compliance with all the provisions of each thereof and of the Note by the City (i) are within the power and authority of the City, (ii) will not conflict with or result in a breach of any of the provisions of, or constitute a default under, or result in or require the creation of any lien or encumbrance (other than Permitted Encumbrances) upon any property of the City relating to the Automotive Facility under, the Act, the Economic Development Amendment or any agreement or other instrument relating to the Automotive Facility to which the City is a party, any agreement or other instrument to which the City is a party or by which it may be bound, or any license, judgment, decree, order, law, statute, ordinance or governmental regulation applicable to the City, and (iii) have been duly authorized by all necessary official action on the part of the City.

(d) Governmental Consents. Neither the nature of the City, nor any of its activities or properties, nor any relationship between the City and any other Person, nor any circumstance in connection with the offering, sale, issuance or delivery of the Note is such as to require a consent, approval or authorization of, or filing, registration or qualification with, any governmental body on the part of the City in connection with the execution, delivery and performance of either this Lease Agreement or the Ground Lease and the adoption and performance of the Authorizing Ordinance or the offering, sale, issuance or delivery of the Note, other than (i) the due filing and/or recording of the deed by which the City acquired title to the Automotive Facility Site, the Lease and the Ground Lease, (ii) an allocation for the Note from the State of Alabama and (iii) the filing of Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues, with the Internal Revenue Service. The State Industrial Development Authority has issued a Notice of Allocation with respect to the Note.

(e) Public Approval. The issuance of the Note has been approved by the City (the City being the Governmental Unit on behalf of which the Note is being issued and in whose political jurisdiction the Automotive Facility will be located), said approval having been made by the applicable elected representative of such Governmental Unit after a public hearing following reasonable public notice, all in accordance with the provisions of Section 147(f) of the Code and the applicable regulations thereunder.

(f) Compliance with Economic Development Amendment. The City has taken all actions necessary to comply with the requirements of the Economic Development Amendment.

(g) No Default. No event has occurred and no condition exists which would constitute an "Event of Default" under this Lease Agreement, as "Event of Default" is herein defined, or which would become such an "Event of Default" with the passage of time or with the giving of notice or both.

(h) The Note. The Note, when issued and paid for in accordance with the Authorizing Ordinance and when duly authenticated by the Paying Agent, will constitute legal, valid and binding special obligations of the City payable solely from the sources provided in the Authorizing Ordinance.

(i) Tax Exempt Status of the Note. The City intends for the Note to be issued in compliance with the conditions necessary for the interest income thereon to be excluded from gross income for purposes of federal income taxation, and the City understands that such exclusion constitutes a principal inducement to the purchase of the Note by the Note Initial Purchaser and will constitute a principal inducement to the purchase of the Note by any subsequent purchaser thereof.

Section 2.2 **Representations and Warranties by the Company.**

The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Organization of Company. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Alabama. The Company has the corporate power and authority to own its properties and assets and to carry on its business as now being conducted and has all requisite power to enter into the Ground Lease and this Lease Agreement and to consummate the transactions contemplated hereby.

(b) Authorization and Validity of the Ground Lease and this Lease Agreement. The Company has, by all necessary corporate action, duly authorized the execution, delivery and performance of the Ground Lease and this Lease Agreement, and when duly executed and delivered by the City, the Ground Lease and this Lease Agreement will constitute a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with their respective terms.

(c) Burdensome and Conflicting Agreements. The Company is not a party to any instrument or agreement or subject to any judgment, order, rule or regulation of any court or governmental body which materially and adversely affects, or in the future may (so far as the Company can now reasonably foresee) materially and adversely affect the business, prospects, operations, properties, assets or condition (financial or otherwise) of the Company. Neither the execution and delivery of the Ground Lease or this Lease Agreement nor the offering, sale and issuance of the Note, nor the consummation of the transactions herein contemplated, nor the fulfillment of or compliance with the terms and provisions hereof conflicts with, or results in a breach of, or constitutes a default under, or results in or requires the creation of any lien in respect of any properties or assets of the Company pursuant to, or requires any authorization, consent, approval, exemption or other action by, or any notice to, any Person (other than those already obtained, taken or made and which continue in full force and effect) pursuant to the terms,

conditions or provisions of any applicable law, rule, regulation, corporate charter, bylaw, agreement, instrument, judgment or order by which the Company is bound or to which the Company or any of its properties is subject.

(d) Governmental Consents. Neither the business or property of the Company, nor any relationship between the Company and any other Person nor any circumstance in connection with the offering, sale, issuance or delivery of the Note is such as to require on the part of the Company any consent, approval, permit, exemption, action, order or authorization of, or filing, registration or qualification with, or with respect to, any court, regulatory agency or other governmental body in connection with the execution and delivery of the Ground Lease or this Lease Agreement or the offering, sale, issuance or delivery of the Note other than those already obtained, taken or made and which continue in full force and effect.

(e) Litigation. There is no action, suit, inquiry, investigation or proceeding pending or overtly threatened against or affecting the Company at law or in equity or before or by any court or governmental body (nor, to the best knowledge and belief of the Company, is there any basis therefor) which might result in any material adverse change in the business, prospects, operations, properties or assets or in the condition (financial or otherwise) of the Company, or which might materially and adversely affect the transactions contemplated by the Ground Lease or this Lease Agreement, or which might impair the ability of the Company to comply with its obligations under any of said agreements to which it is a party.

(f) No Defaults. No event has occurred and no condition exists which, upon the issuance of the Note, would constitute an Event of Default or which would become such an Event of Default with the passage of time or with the giving of notice or both. The Company is not in default in any respect under any agreement or other instrument to which it is a party or by which it is bound, on any judgment, order, rule or regulation of any court or other governmental body applicable to it, to the extent in any such case that the default in question would materially and adversely affect the transactions contemplated by the Ground Lease or this Lease Agreement or would impair the ability of the Company to comply with its obligations hereunder. The Company is not in default under the payment of the principal of or the interest on any of its indebtedness and is not in default under any instrument or agreement under and subject to which any indebtedness of the Company has been incurred, and no event has occurred or is continuing under the provisions of any such instrument or agreement which constitute or will constitute an event of default thereunder.

(g) Licenses, Permits, Etc. All licenses, permits or other approvals required in connection with the acquisition, construction, installation and operation of the Automotive Facility have been duly obtained and are in full force and effect except for any such licenses, permits or other approvals (i) which are not yet required and which will be duly obtained not later than the time required or (ii) the failure to obtain which will not materially and adversely affect the acquisition, construction, installation and operation of the Automotive Facility.

(h) Automotive Facility's Compliance with Statutes and Regulations. The operation of the Automotive Facility for the purpose for which it was designed and acquired will not conflict with any zoning, planning or similar regulations applicable thereto and will comply in all material respects with all applicable statutes, regulations, orders and restrictions.

(i) Relationship of Qualifying Automotive Facility Costs to Amount of Note. Based upon reasonable estimates as of the date of the delivery of this Lease Agreement, those costs of acquiring, constructing and installing the Automotive Facility that constitute Qualifying Automotive Facility Costs are expected to amount, in the aggregate, to not less than ninety-five percent (95%) of the Note Proceeds.

(j) Tax Exempt Status of the Note. The Company intends for the Note to be issued in compliance with the conditions necessary for the interest income thereon to be excluded from gross income of the Holder thereof for purposes of federal income taxation, and the Company understands that such exclusion constitutes a principal inducement to the purchase of the Note by the Note Initial Purchaser and will constitute a principal inducement to the purchase of any of the Note by any subsequent purchaser thereof.

(k) Average Maturity of the Note. The "average maturity" of the Note does not exceed 120 percent of the average reasonably expected economic life of the facilities being financed with the proceeds of the Note, all within the meaning of Section 147(b) of the Code and the applicable regulations thereunder.

(l) Note Proceeds Used for Purchase of Land. Based upon reasonable estimates as of the date of the delivery of this Lease Agreement, not more than twenty-five percent (25%) of the proceeds of the Note will be used for the purchase of land.

(m) Note Proceeds Used for Costs of Issuance. Not more than two percent (2%) of the proceeds of the Note will be used for the payment of costs of issuance within the meaning of Section 147(g) of the Code and the applicable regulations thereunder.

(n) Full Disclosure. Neither any information furnished by the Company to the Note Initial Purchaser in connection with the sale and issuance of the Note and the other transactions contemplated by the Ground Lease or this Lease Agreement, nor the representations and warranties made by the Company in the Ground Lease or this Lease Agreement or in any document in writing furnished by the Company to the Note Initial Purchaser in connection with the transactions contemplated hereby, contain (except to the extent, as to any such representation or warranty not made in this Lease Agreement or in a document required to be furnished pursuant to this Lease Agreement, corrected in any other written communication subsequently furnished by the Company to the Note Initial Purchaser prior to the execution and delivery of this Lease Agreement) any untrue statement of a material fact or omit a material fact necessary to make the statements contained therein or herein, in light of the circumstances in which they were made, not misleading at the times they were made.

ARTICLE III

DEMISING CLAUSES

Section 3.1 Demising Clauses.

For and during the Lease Term, the City hereby demises and leases to the Company, subject to Permitted Encumbrances, and the Company hereby rents from the City, subject to Permitted Encumbrances, the following described properties and related rights:

I

The leasehold interest of the City in the parcel of land specifically described in Exhibit A attached hereto and made a part hereof acquired pursuant to the Ground Lease.

II

The Automotive Facility and all other buildings, structures and other improvements now or hereafter situated on the Automotive Facility Site, all permits, easements, licenses, rights-of-way, contracts, leases, privileges, immunities and hereditaments pertaining or applicable to the Automotive Facility Site and all fixtures now or hereafter owned by the City and installed on the Automotive Facility Site or in the Automotive Facility or in any of such other buildings, structures and improvements now or hereafter located on the Automotive Facility Site, it being the intention hereof that all property, rights and privileges hereafter acquired for use as a part of or in connection with or as an improvement to the Automotive Facility Site shall be as fully covered hereby as if such property, rights and privileges were now owned by the City and were specifically described herein.

ARTICLE IV

ISSUANCE OF THE NOTE

Section 4.1 Agreement to Issue Note.

In order to finance the acquisition of the Automotive Facility, the City will, simultaneously with the delivery hereof, issue and sell the Note and, as security therefor, adopt and carry out the Authorizing Ordinance. All the terms and conditions of the Authorizing Ordinance (including, without limitation, those relating to the amounts and maturity date or dates of the principal of the Note, the interest rate or rates thereof and the provisions for redemption thereof prior to their respective maturities) are hereby approved by the Company, and to the extent that any provision of the Authorizing Ordinance is relevant to the calculation of any rental or other amount payable by the Company hereunder or to the determination of any other obligation of the Company hereunder, the Company hereby agrees that such provision of such instrument shall be deemed a part hereof as fully and completely as if set out herein.

ARTICLE V

DURATION OF LEASE TERM AND RENTAL PROVISIONS

Section 5.1 Duration of Lease Term.

The Lease Term of the Lease shall begin on the date of the delivery of this Lease Agreement and, subject to the provisions hereof, shall continue until the later of (i) 11:59 o'clock, P.M. _____ or (ii) the date on which the Note shall have been paid in full or payment shall have been duly provided therefor. The City will deliver to the Company sole and exclusive possession of the Automotive Facility (or such portion or portions thereof as are then in existence) on the commencement date of the Lease Term, subject to the inspection and other rights reserved in Section 8.3 hereof, and the Company will accept possession thereof at such time; and provided however, that the City will be permitted such possession of the Automotive Facility as shall be necessary and convenient for it to make any repairs, restorations, additions or improvements required or permitted to be made by the City pursuant to the provisions of the Lease.

Section 5.2 Basic Rent.

For the use and occupancy of the Automotive Facility during the Lease Term, the Company will, not later than 10:00 A.M. on each Note Payment Date, beginning with _____ in the year ____ and continuing until and including _____, in the year ____, pay directly to the Bank, for the account of the City, installments of Basic Rent. Each installment of Basic Rent shall be paid in immediately available funds and shall be in an amount equal to the sum of

- (a) the interest becoming due with respect to the then outstanding Note on such Note Payment Date next succeeding the due date of such installment, plus
- (b) the principal (if any) maturing, or required by the terms of the Authorizing Ordinance to be redeemed, with respect to the then outstanding Note on such Note Payment Date next succeeding the due date of such installment.

Anything to the contrary contained in the Lease notwithstanding, there shall be credited against any installment of Basic Rent due hereunder (including components of principal and interest) any amount then held in the Note Fund to the extent that such amount has not theretofore been credited on a previously due installment of Basic Rent; provided, however, that moneys in the Note Fund shall not be credited against any such installment if such moneys (i) are held therein for payment of matured but unpaid portions of the Note, portions of the Note called for redemption but not yet redeemed and matured but unpaid interest on the Note, (ii) are held therein pursuant to instructions from the Company for the future redemption or purchase of the Note, (iii) are held therein subject to the restrictions contained in Section ____ of the Authorizing Ordinance and cannot be applied as a credit against such installment without violating such restrictions or (iv) are held therein for the payment of unmatured portions of the Note not called for redemption if such Notes is considered fully paid pursuant to the provisions of Section ____ of the Authorizing Ordinance by reason of the fact that such moneys are so held in the Note Fund.

Anything to the contrary contained in the Lease notwithstanding, if for any reason, after the payment by the Company of such installments of Basic Rent as are required to be paid by it pursuant to any provisions of the Lease, the moneys then held by and available to the Paying Agent for payment or redemption of the principal of and the interest and premium (if any) on the Note is not sufficient to pay, on the due or required redemption date thereof, the principal maturing or required to be redeemed with respect to the Note plus the interest and premium (if any) due with respect to the Note, the Company will promptly pay to the Bank (for the account of the City) such additional Basic Rent as, when added to the aforesaid moneys held by and available to the Paying Agent, will equal an amount sufficient to pay such principal, interest and premium (if any).

Nothing herein contained shall be construed as imposing on the City any duty or responsibility of giving any notice to the Company of the amount on deposit in the Note Fund, or of the amount of any credits against Basic Rent available to the Company, as of any rent payment date, but the City shall respond to any reasonable requests that the Company may make for such information. The City shall not be obligated to give any prior notice to the Company of the due date or amount of any installment of Basic Rent, and failure to receive any such prior notice, even if customarily given by the City, shall not relieve the Company of its obligation to pay such installment of Basic Rent when it is due and payable.

Section 5.3 Additional Rent—City's Expenses.

In addition to the Basic Rent and all other rental payments due from the Company hereunder, the Company will also pay, as additional rent, the reasonable and necessary expenses, not otherwise provided for, which may be incurred by the City (including the City Treasurer in its capacity as Paying Agent), or for which the City (including the City Treasurer in its capacity as Paying Agent) may in any way become liable, as a result of issuing the Note, acquiring the Automotive Facility and leasing the same to the Company, or being a party to the Lease or the Authorizing Ordinance; provided, however, that so long as no Event of Default shall have occurred and be continuing, the Company's liability under this Section 5.3 shall not include expenses voluntarily incurred by the City without prior request or approval by the Company, unless such expenses are necessary to enable the City to perform its obligations under the Lease and the Authorizing Ordinance.

Section 5.4 Concerning a Determination of Taxability.

The Company understands and agrees (i) that one of the principal inducements to the purchase of the Note by the Holder thereof is that under existing law the interest thereon will be excluded from gross income for purposes of federal income taxation, and (ii) that, as a result of a mistake in any one or more representations, or as a result of the breach of any one or more warranties or covenants, the interest on the Note may, under the provisions of Section 103 and related sections of the Code, be or become includable in gross income for purposes of federal income taxation. Therefore, upon the occurrence of a Determination of Taxability, the Company shall be obligated to pay, in addition to all other Basic Rent and additional rentals due from the Company hereunder, the special installment of Basic Rent provided for in Section 5.5 hereof.

A Event of Taxability shall result from the interest on the Note becoming includable in the gross income of the Holder thereof for purposes of federal income taxation as a result of any of the following conditions or circumstances:

- (a) less than 95% of the net proceeds of the Note are used for Qualifying Automotive Facility Costs for purposes of Section 1400N of the Code; or
- (b) the Note constitute "arbitrage bonds" within the meaning of Section 148 of the Code; or
- (c) the taking of any action by the City or the Company, or the failure of the City or the Company to take any action, or any mistake in or untruthfulness of any representation of the City or the Company contained in the Lease or in any certificate of the City or the Company delivered pursuant to the Lease or the Authorizing Ordinance or in connection with the issuance of the Note, if such action or omission, or such mistake in or untruthfulness of such representation, has the effect of causing the interest on the Note to be or become includable in the gross income of the Holder thereof for purposes of federal income taxation;

provided that no Event of Taxability shall be deemed to have occurred with respect to the Note if the interest thereon shall be includable in the gross income of any Holder thereof for purposes of federal income taxation for any period solely because during that period such note was held by a Person who is a Substantial User of the Automotive Facility or by a related person (as such terms are used in Section 147(a) of the Code); provided further that no Event of Taxability shall be deemed to have occurred if the interest income on the Note becomes subject to (i) the minimum tax imposed on individuals and corporations pursuant to the provisions of Section 55 of the Internal Revenue Code, or (ii) in the case of United States branches of foreign corporations, the branch profits tax imposed by Section 884 of the Internal Revenue Code; and provided further that no Event of Taxability shall be deemed to have occurred if the interest income on the Note becomes includable in the gross income of the Holder thereof for purposes of federal income taxation as a result of a change in federal tax law or the applicable regulations thereunder occurring after the issuance of the Note.

A Determination of Taxability shall be deemed to have occurred on the first to occur of the following:

- (a) the date on which the Company determines that the interest income on the Note is includable in the gross income of the Holder thereof for purposes of federal income taxation by filing with the Paying Agent a statement to that effect, supported by any tax schedule, return or other document which discloses that a Event of Taxability has occurred; or
- (b) the date on which the Company or any Holder of the Note shall be notified by private ruling, technical advice or any other written communication from an authorized official of the Internal Revenue Service that, based upon any filings of the Company, or upon any review or audit of the Company, or upon any other grounds whatsoever, a Event of Taxability has occurred.

Anything herein contained to the contrary notwithstanding, no Determination of Taxability shall result from any ruling or technical advice of the Internal Revenue Service unless the Company initiated the request for such ruling or advice or was afforded the opportunity to participate in such request and all other negotiations and communications with the Internal Revenue Service respecting such ruling or advice. Further, anything herein contained to the contrary notwithstanding, no Determination of Taxability shall result from any audit, investigation, suit, proceeding or any other action by the Internal Revenue Service that involves any Holder of the Note and that might be reasonably expected to lead to a Determination of Taxability, unless (i) the Company has received timely notice of such audit, investigation, suit, proceeding or other action, including, without limitation, notice of any preliminary notice of deficiency (the so-called "30-day letter") received by any Holder, (ii) subject to the conditions of this section, the Company has been afforded a reasonable opportunity to contest, through appropriate proceedings conducted in the name and behalf of any Holder of the Note, any assessment or other action by the Internal Revenue Service against any Holder of the Note based on a determination that the interest on the Note is includable in the gross income of the Holder thereof for purposes of federal income taxation, and (iii) such contest, if made, has been abandoned by the Company or has been finally decided by a court of competent jurisdiction from which no further appeal exists. Nothing herein contained shall be construed to impose upon the Company any obligation to contest any assessment or other action by the Internal Revenue Service providing the basis for a Determination of Taxability.

In order to afford the Company time in which to decide whether to contest any assessment or other action by the Internal Revenue Service in connection with a pending Determination of Taxability, no such determination shall be recognized as occurring for a period of sixty (60) days following the event which, in the absence of the right of the Company to contest, would otherwise have immediately constituted such a determination. Definitive recognition of the occurrence of a pending Determination of Taxability shall not be deferred for more than such initial sixty-day period unless, prior to the expiration thereof, the Company (i) notifies the Paying Agent in writing of its intention to contest the assessment or other action by the Internal Revenue Service giving rise to such determination and (ii) furnishes to the Paying Agent a written opinion of Independent Counsel having expertise in federal tax law (which counsel shall be selected by the Company but shall be acceptable to the Paying Agent) to the effect that there is a meritorious defense to the contention of the Internal Revenue Service that interest on the Note is subject to federal income taxation. If the Company notifies the Paying Agent in writing during such initial sixty-day period that it has decided not to contest any action of the Internal Revenue Service in connection with a pending Determination of Taxability, or if the Company does not notify the Paying Agent in writing of its intention to contest any such action or to furnish the Paying Agent with the opinion of Independent Counsel referred to in the preceding sentence prior to the expiration of such period, then, in either case, the pending Determination of Taxability shall be deemed to have occurred on the date of the event which, in the absence of the right of the Company to contest, would have immediately constituted such determination.

If a Determination of Taxability is finally determined to have occurred as the result of a judicial decision in any contest conducted by or otherwise involving the Company, or if any contest in connection with a Determination of Taxability is abandoned by the Company, then the Company shall promptly give written notice to the Paying Agent of such decision or abandonment, as the case

may be, and shall state therein the date determined by the Company to be that on which such decision or abandonment occurred, which date, subject to the right of the Paying Agent to designate a different date as hereinafter provided, shall be the date on which such Determination of Taxability shall be deemed to have occurred. If the Company fails to give the notice required by the preceding sentence within a reasonable time, or if the Company gives such notice but specifies therein a date for the Determination of Taxability that does not accord with the facts on which the determination of such date should have been based, or if such date has been otherwise determined in a manner prejudicial to the interests of the Holder of the Note, then, in any such case, the Paying Agent, in the exercise of its sole judgment, shall designate the date of occurrence of the Determination of Taxability based upon such information as may be available to it. If continued contest by the Company results in a deferral of a pending Determination of Taxability for more than three (3) years, then, regardless of the continuation of such contest, such determination shall be deemed to have occurred three years after the date on which, absent such contest, it would otherwise have occurred.

If the Company contests any action by the Internal Revenue Service that could result in a Determination of Taxability, and if such contest involves any Holder of the Note, either through the appeal of any proposed assessment or other adjustment in the federal income taxes of such Holder or through any proceeding brought in the name and behalf of such Holder, then, and in such case, as a condition precedent to the obligations of the Company to such Holder arising under Section 5.4 hereof as a result of a Determination of Taxability, such Holder shall be obligated to cooperate fully with the Company in such contest and, if requested by the Company, to give the Company complete control of the conduct of such contest on the part of such Holder, including, without limitation, the right to select counsel therefor and the right to settle or compromise the question of whether interest on the Note is includable in the gross income of such Holder for federal income tax purposes. In connection with such contest, the Company will pay, or cause to be paid, all legal and other expenses incurred by the Company in the name and behalf of any Holder of the Note, as well as any legal and other expenses directly incurred by such Holder with the written approval of the Company. The Company shall have the right to pay any tax deficiency or other charge assessed against the Holder of the Note which the Company deems it necessary or desirable to pay in connection with any contest, and any payment so made by the Company shall be credited against any special rental payments which may ultimately be owed to such Holder pursuant to the provisions of Section 5.4 hereof.

If the Company learns, from any source other than the other party, of any action by the Internal Revenue Service or any other condition or event that constitutes or could result in a Determination of Taxability, the party so learning of such action, condition or event shall give notice thereof to the other such party as promptly as practicable. Further, upon learning from any source of any action by the Internal Revenue Service or any other condition or event that constitutes or could result in a Determination of Taxability (including particularly, but without limitation thereto, the definitive occurrence of a pending Determination of Taxability), the Paying Agent shall give written notice of such action, condition or event as promptly as practicable to the Holder of the Note. In connection with such notice to the Holder of the Note, the Paying Agent may request, and make arrangements for obtaining, advice and information from such Holder concerning actions by the Internal Revenue Service which relate to the occurrence or probable occurrence of a Determination of Taxability.

As a condition precedent to the obligations of the Company to the Holder of the Note arising under Section 5.5 hereof as the result of a Determination of Taxability, such Holder shall be obligated to give timely written notice to the Company and to the Paying Agent of any audit, investigation, suit, proceeding or other action by the Internal Revenue Service that involves such Holder and that might reasonably be expected to lead to a Determination of Taxability. In the event that irreparable harm to the Company results from the failure of the Holder of the Note to give such notice to the Company and to the Paying Agent, the Company shall be discharged from such obligations (i.e., the obligations of the Company resulting from a Determination of Taxability) to such Holder, but the Company shall not be discharged by such failure from such obligations to the Holder of the Note who has not breached the duty to give notice to the Company and to the Paying Agent.

The parties hereto understand and agree that the additional payment of Basic Rent required from the Company by the provisions of Section 5.5 hereof upon the occurrence of a Determination of Taxability constitutes liquidated damages for all losses and liabilities incurred at any time by the Holder of the Note as a result of the interest thereon being or becoming includable in gross income for purposes of federal income taxation. It is understood and agreed therefore, that if the Company duly pays such additional Basic Rent upon the occurrence of a Determination of Taxability, then neither the City nor the Paying Agent nor the Holder of the Note shall have any additional claim against the Company on account of the untruthfulness of any representation by the Company, the breach of any warranty or covenant of the Company, or any action taken by the Company, or any other event whether or not within the control of the Company, which caused or may have caused the interest on the Note to be or become includable in gross income for purposes of federal income taxation. No provision of the Lease shall be construed or applied in such manner as to result in the multiple payment of the same loss, expense or claim of the Paying Agent or the Holder of the Note, and neither the Paying Agent nor any such Holder shall be entitled to recover moneys from the Company hereunder in payment of any such loss, expense or claim to the extent that the same has therefore been paid with moneys from another source.

If the Company receives written notice from the Holder of the Note or otherwise receives notice in writing indicating that the Internal Revenue Service has claimed that a Event of Taxability has occurred, the Company shall promptly notify the Paying Agent in writing of such claim. After receipt of any such notice, the Company shall not (i) cause or permit the Note to be redeemed at a redemption price (exclusive of accrued interest) less than 102% of the principal amount thereof, and (ii) shall not cause or permit the establishment of a trust for the payment or redemption of the Note pursuant to Section ____ of the Authorizing Ordinance, unless the Company furnishes to the Paying Agent an opinion of Bond Counsel stating in effect that (i) the Internal Revenue Service has abandoned its claim that a Event of Taxability has occurred or that such claim was determined to be incorrect in a judicial or administrative proceeding from which no further appeal may be taken by the Internal Revenue Service and (ii) a Event of Taxability has not occurred.

Section 5.5 Mandatory Prepayment of Basic Rent in the Event of a Determination of Taxability.

In the event of a Determination of Taxability, the Company will pay to the Bank for the account of the City and as a special installment of Basic Rent, an amount which will be sufficient to redeem and retire on the Taxability Redemption Date, at and for the applicable redemption price specified in Section ____ of the Authorizing Ordinance, the Note that will be outstanding on the Taxability Redemption Date, it being understood and agreed that (i) any portion of the Note which was paid or redeemed prior to the date of the Determination of Taxability shall not be considered outstanding for purposes of such redemption and (ii) any portion of the Note for the full retirement of which moneys or Federal Securities (as said term is defined in the Authorizing Ordinance), or both, were on the Taxability Redemption Date set aside as provided in the Authorizing Ordinance prior to the date of the Determination of Taxability shall not be considered outstanding for purposes of such redemption.

The special installment of Basic Rent required to be paid by the Company pursuant to this section shall be paid in immediately available funds on or before the close of business on the business day next preceding the Taxability Redemption Date; provided that if any of the moneys then held in the Note Fund (exclusive of any moneys held therein for the payment of matured but unpaid portions of the Note, portions of the Note called for redemption but not yet redeemed and matured but unpaid interest) are not restricted to other purposes and can be applied to the redemption of the Note, there shall be credited against such special installment of Basic Rent so much of such moneys as the Company may specify in writing to the City and the Paying Agent. If any Determination of Taxability occurs while the Lease is still in effect and all installments of Basic Rent referable to the Note has not yet become due and payable, then in such case the payment of the special installment of Basic Rent required by this section shall constitute a prepayment of the Basic Rent referable to the Note.

Section 5.6 Optional Prepayment of Basic Rent.

The Company may, at its option at any time and from time to time, prepay directly to the Bank, for the account of the City, such amount of Basic Rent as shall be sufficient to enable the City to redeem and retire, in advance of maturity, the Note in accordance with their terms and the terms of the Authorizing Ordinance. In the event of such prepayment, the City will cause the amount of Basic Rent so prepaid to be applied to redemption and retirement of the Note, in accordance with the provisions of the Authorizing Ordinance, on the earliest practicable date after receipt of such prepaid Basic Rent on which, under their terms and the terms of the Authorizing Ordinance, such Note may be redeemed, and will (upon being notified by the Company in writing of the Company's intention in this respect and without the necessity of the moneys therefor being deposited with the Paying Agent) take all action necessary under the provisions of the Authorizing Ordinance to effect such redemption. Prepayments of Basic Rent referable to the Note shall be applied to the redemption of the Note at the redemption prices and in accordance with the other terms and conditions set forth in Section ____ or Section ____, as applicable, of the Authorizing Ordinance.

Section 5.7 General Provisions Concerning Prepayment of Basic Rent.

The prepayment of Basic Rent pursuant to any provision of the Lease will result in a total or partial abatement of the Basic Rent that would thereafter have come due had it not been for such prepayment. After the prepayment of Basic Rent sufficient to pay, redeem and retire the outstanding Note, the Company shall be entitled to the use and possession of the Automotive Facility without the payment of any further Basic Rent but otherwise on all the same terms and conditions of the Lease.

Section 5.8 Obligations of Company Unconditional.

The obligation of the Company to pay the Basic Rent, to make all other payments provided for herein and to perform and observe the other agreements and covenants on its part herein contained shall be absolute and unconditional, irrespective of any rights of set-off, recoupment or counterclaim it might otherwise have against the City. The Company will not suspend, discontinue, reduce or defer any such payment or fail to perform and observe any of its other agreements and covenants contained herein or (except as expressly authorized herein) terminate the Lease for any cause, including, without limiting the generality of the foregoing, the failure of the City to complete the acquisition of the Automotive Facility, any acts or circumstances that may deprive the Company of the use and enjoyment of the Automotive Facility, failure of consideration or commercial frustration of purpose, or any damage to or destruction of the Automotive Facility or any part thereof, or the taking by Eminent Domain of title to or the right to temporary use of all or any part of the Automotive Facility, or any change in the tax or other laws, rules and regulations of the United States of America, the State of Alabama or any political or taxing subdivision or any department or agency of either thereof, or any change in the cost or availability of labor or energy adversely affecting the profitable operation of the Automotive Facility by the Company, or any failure of the City to perform and observe any agreement or covenant, whether express or implied, or any duty, liability or obligation arising out of or connected with the Lease.

The provisions of the first paragraph of this section shall remain in effect only so long as any of the Authorizing Ordinance Indebtedness remains outstanding and unpaid. Nothing contained in this section shall be construed to prevent the Company, at its own cost and expense and in its own name or in the name of the City, from prosecuting or defending any action or proceeding or taking any other action involving third persons which the Company deems reasonably necessary in order to secure or protect its rights hereunder. Further, nothing contained in this section shall be construed to release the City from the performance of any of the agreements on its part herein contained or to preclude the Company from instituting such action against the City as the Company may deem necessary to compel such performance, it being understood and agreed, however, that no such action on the part of the Company shall in any way affect the agreements on the part of the Company contained in the first paragraph of this section or in any way relieve the Company from performing any such agreements.

ARTICLE VI

PROVISIONS CONCERNING MAINTENANCE, ADDITIONS, PARTY WALLS, INSURANCE AND TAXES

Section 6.1 Maintenance, Additions, Alterations, Improvements and Modifications; Removal of Personal Property.

The Company will, at its own expense, keep the Automotive Facility in reasonably safe condition and keep all buildings, equipment and other facilities at any time forming part of the Automotive Facility in good repair and operating condition (reasonable wear and tear excepted), making from time to time all necessary and proper repairs thereto (including, without limitation, exterior and structural repairs.

The Company may, at its own cost and expense, make, or cause to be made, any additions, alterations, improvements or modifications to the Automotive Facility that it may deem desirable for its business purposes, provided that such additions, alterations, improvements or modifications do not (i) change the character of the Automotive Facility to such extent that it no longer constitutes "qualified project costs" under the GO Zone Act or (ii) significantly impair the value or utility of the Automotive Facility.

Subject to the privilege of making full use of the party wall easements created by Section 6.2 hereof, all additions, alterations, improvements or modifications to the Automotive Facility made, or caused to be made, by the Company shall

(a) be located wholly within the boundaries of the Automotive Facility Site,

(b) be located wholly within the boundaries of other adjacent land hereafter acquired by the City that has been subjected to the demise of the Lease and the lien of the Authorizing Ordinance if the Authorizing Ordinance Indebtedness has not been fully paid, or

(c) be located wholly within the boundaries of the Automotive Facility Site and such other adjacent land.

Prior to the payment in full of the Authorizing Ordinance Indebtedness, no additions, alterations, improvements or modifications to the Automotive Facility shall be located, in whole or in part, on any land adjacent to the Automotive Facility Site in accordance with the preceding clauses (b) and (c) unless the City and the Paying Agent shall have been furnished either (i) an opinion of Independent Counsel satisfactory to the Paying Agent to the effect that the City has good and marketable title to such land, subject only to Permitted Encumbrances, or (ii) a policy or policies of title insurance written by an insurer satisfactory to the Paying Agent in such land, except with respect to Permitted Encumbrances, in an amount approximately equal to the cost of such land and the improvements located or to be located thereon. Any such adjacent land so subjected to the demise hereof shall thenceforth be considered, for purposes of the Lease and the Authorizing

Ordinance as part of the Automotive Facility Site. All such additions, alterations, improvements and modifications to the Automotive Facility so made, or caused to be made, by the Company shall become a part of the Automotive Facility.

In the event that, after the completion of the original acquisition, construction and installation of the Automotive Facility, the Company determines to make, or to cause to be made, any additions, alterations, improvements or modifications to the Automotive Facility pursuant to the second paragraph of this section, then the City will execute and deliver, or cause to be executed and delivered, all contracts, orders, requisitions, instructions and other written instruments and do, or cause to be done, all other acts that may be necessary or proper in making such additions, alterations, improvements or modifications. In no event, however, will the City hereafter enter into any contract with respect to any such additions, alterations, improvements or modifications unless there is endorsed thereon a legend indicating that the Company has approved both the form and substance of such contract and such legend is signed on behalf of the Company by an Authorized Company Representative. Any obligation for the payment of money incurred or assumed by the City in connection with such additions, alterations, improvements or modifications shall be payable solely out of the proceeds derived by the City from any moneys made available to the City by the Company for such purpose.

The Company will not permit any mechanics' or other liens to stand against the Automotive Facility for labor, materials, equipment or supplies furnished in connection with the original acquisition, improvement and equipment of the Automotive Facility or in connection with any additions, alterations, improvements, modifications, repairs or renewals that may subsequently be made thereto. The Company may, however, at its own expense and in good faith, contest any such mechanics' or other liens and in the event of any such contest may permit any such liens to remain unsatisfied and undischarged during the period of such contest and any appeal therefrom, in either of which events such mechanics' or other liens shall (unless they are bonded or superseded in a manner satisfactory to the Paying Agent) be satisfied promptly.

At any time and from time to time, the Company may, at its own cost and expense, install on the Automotive Facility Site any equipment or other personal property which in the Company's judgment is necessary or convenient for its use and operation of the Automotive Facility, provided that the installation of such equipment or other personal property does not significantly impair the value or utility of the Automotive Facility. Any such equipment or personal property owned (or leased pursuant to any lease contract other than the Lease) by the Company may be removed by the Company at any time and from time to time without responsibility or accountability to the City or the Paying Agent, but the Company shall promptly repair at its own expense any damage to the Automotive Facility caused by the removal of any such equipment or other personal property.

Section 6.2 Party Wall Provisions.

If the Company purchases any unimproved part of the Automotive Facility Site pursuant to the provisions of Section 11.4 hereof, or if the Company purchases, leases or otherwise acquires any other land adjacent to the Automotive Facility Site, or if any unimproved portion of the Automotive Facility Site is released from the demise hereof, then, in any such event, all building walls now standing or hereafter erected on or contiguous to any common boundary between the Automotive

Facility Site and any land theretofore constituting part of the Automotive Facility Site that has been purchased by the Company, any other land adjacent to the Automotive Facility Site that has been purchased, leased or otherwise acquired by the Company or any land theretofore constituting part of the Automotive Facility Site that has been released from the demise hereof, as the case may be, shall be party walls, and each parcel of land on either side of such common boundary shall be subject to a reciprocal easement for the benefit of the other parcel, which easement on each side of such common boundary shall extend out fifteen feet from such boundary and shall be for the purposes of construction, inspection, maintenance, repair and replacement of any party wall now or hereafter erected on or contiguous to such common boundary.

To the extent permitted by applicable building codes and accepted principles of structural design, new buildings or other structures located on either side of any such common boundary may be structurally connected to any such party wall then in existence, but any party exercising such right of connection to an existing party wall shall indemnify and hold harmless the owner, mortgagee and lessee of the parcel of land on which such party wall was erected (as well as any other person having an interest in said parcel) against any and all losses and damages that may in any way result from the construction and connection of adjacent buildings and other structures to such party wall, including damage or loss occurring after the completion of construction as well as any that may occur during construction.

If a building or other structure now or hereafter located on a parcel of land on either side of any such common boundary utilizes a party wall with a building or other structure now or hereafter located on the parcel of land on the other side of such common boundary, and if all buildings or other structures utilizing such party wall are leased by the same person or are otherwise operated under common control, then such party wall may be constructed or modified to permit such openness between the buildings or other structures utilizing such party wall as may be deemed desirable by the Person exercising common control over such buildings or structures, and the utilities serving either of such parcels may be tied in or connected with the utilities serving the other of such parcels, but in the event that such parcels thereafter cease to be leased by the same person or otherwise operated under common control, the openings in such party wall shall be closed by using any materials or construction methods which will produce a completed wall of a structural quality equivalent to or better than the structural quality of the Automotive Facility, as it then exists, and separate utilities shall be provided for each of such parcels of land.

The covenants and agreements on the part of the City and the Company contained in this section shall run with all separate parcels of land into which the parcel of land described in the demising clauses of the Lease may be hereafter divided and shall be enforceable for the benefit of each such parcel by all present and future owners, lessees and mortgagees thereof.

Section 6.3 Taxes, Other Governmental Charges and Utility Charges.

The City and the Company acknowledge (i) that, under present law, the Automotive Facility is subject to a partial abatement of ad valorem taxes by the State of Alabama or by any political or taxing subdivision thereof and that, under present law, the revenues, income and profits (if any) of the City from the Automotive Facility are exempt from both federal and state taxation, (ii) that, as provided in Section 12.3 hereof, the partial abatement of ad valorem taxes applicable to the

Automotive Facility, as well as the exemption of revenues of the City from the leasing or sale thereof, from taxation by the State of Alabama and its political subdivisions constitute part of the contract between the City and the Company contained in this Lease Agreement, and (iii) that these factors, among others, induced the Company to enter into this Lease Agreement. Nevertheless, the Company will pay when due

(a) all taxes and governmental charges of any kind whatsoever that may lawfully be assessed or levied against or with respect to the Automotive Facility, including, without limiting the generality of the foregoing, any taxes levied upon or with respect to any part of the receipts, income or profits of the City from the Automotive Facility and any other taxes levied upon or with respect to the Automotive Facility which, if not paid, would become a lien on the Automotive Facility prior to or on a parity with the lien of the Authorizing Ordinance or a charge on the revenues and receipts therefrom prior to or on a parity with the charge thereon and pledge and assignment thereof made in the Authorizing Ordinance, and

(b) all assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on the Automotive Facility; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Company shall be obligated to pay only such installments as are required to be paid during any period while the Lease shall be in effect.

The City will forward to the Company any bills, statements, assessments, notices or other instruments asserting or otherwise relating to any such taxes, assessments or charges that are received by the City.

The Company may, at its own expense and in its own name and behalf or in the name and behalf of the City, in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless by such action the lien of the Authorizing Ordinance as to any part of the Automotive Facility shall be materially endangered, or the Automotive Facility or any part thereof shall become subject to loss or forfeiture, or the revenues of the City from the Automotive Facility shall become subject to a lien or charge thereon prior to or on a parity with the pledge and assignment thereof made in the Authorizing Ordinance, in any of which cases such taxes, assessments or charges shall (unless they are bonded or superseded in a manner satisfactory to the Paying Agent) be paid prior to their becoming delinquent. The City will cooperate fully with the Company in any such contest.

The Company will also pay, as the same respectively become due, all utility and other similar charges incurred in the operation, maintenance, use and upkeep of the Automotive Facility.

Section 6.4 **Insurance Required.**

The Company will, not later than the date of delivery of this Lease Agreement, take out and thereafter continuously maintain in effect or cause to be taken out and thereafter continuously

maintained in effect, insurance with respect to the Automotive Facility against such risks as are customarily insured against by Persons owning properties of like size and type as the Automotive Facility, paying as the same become due all premiums with respect thereto, including, but not necessarily limited to, the following:

(a) insurance against loss or damage to the Automotive Facility by fire, lightning, vandalism and malicious mischief, with uniform standard extended coverage endorsement limited only as may be provided in the standard form of extended coverage endorsement at the time in use in the State of Alabama, to such extent as is necessary to provide for full payment of the costs of repairing, restoring or replacing, the property damaged or destroyed or, if insurance to such extent is not available, to the extent of the full insurable value (as determined by a recognized insurer) of the Automotive Facility;

(b) comprehensive general liability insurance against liability for personal or bodily injury to or death of persons and for damage to or loss of property occurring on or about the Automotive Facility Site or in any way related to the use, occupancy or operation of the Automotive Facility, in amounts comparable to that maintained by other automotive dealership facilities in the State of Alabama, as determined by an Insurance Consultant engaged for such purpose at the expense of the Company; and

(c) workmen's compensation insurance and employee insurance as require by law.

All policies evidencing the insurance required by the terms of the preceding paragraph shall be taken out and maintained in generally recognized responsible insurance companies, qualified under the laws of the State of Alabama to assume the respective risks undertaken, shall contain an agreement on the part of the insurer issuing such policy that the same shall not be cancelled, terminated or permitted to lapse by such insurer unless thirty (30) days' prior written notice of such cancellation, termination or lapse in coverage shall have been given to the Paying Agent and City, and may be written with co-insurance provisions and deductible amounts comparable to those applicable to similar policies carried by Persons engaged in businesses of like size and type as the Company.

All such insurance policies, other than those evidencing the insurance required by clause (b) of the preceding paragraph and such other policies or portions thereof as may evidence insurance against liability for injury to persons or property of others, shall name as insureds the City, the Paying Agent and the Company (as their respective interests shall appear) and shall contain standard mortgage clauses providing for all recoveries thereunder in respect of losses greater than \$100,000 to be paid to the Paying Agent; provided that all recoveries (including those in respect of losses greater than \$100,000) may be adjusted by the Company, subject, in the case of the recovery in respect of a loss greater than \$100,000 to the approval of the Paying Agent. The insurance required by clause (b) of the preceding paragraph and such other insurance against liability for injury to or death of persons or damage to property of others shall cover the liability, in the several respects indicated, both of the City and of the Company.

All policies evidencing the insurance required to be carried by this section shall be deposited with the Paying Agent; provided, however, that in lieu thereof the Company may deposit with the Paying Agent a certificate or certificates of the respective insurers attesting the fact that such insurance is in force and effect. Prior to the expiration or cancellation of any such policy, the Company will furnish to the Paying Agent evidence reasonably satisfactory to the Paying Agent that such policy has been renewed or replaced by another policy or that there is no necessity therefor under the Lease. Anything herein to the contrary notwithstanding, any insurance required by the provisions hereof may be evidenced by a blanket policy covering risks in addition to those hereby required to be covered, but if and only if appropriate allocation certificates and loss payable endorsements are furnished to the City and the Paying Agent.

Section 6.5 Performance by City or Paying Agent of Certain Company Obligations; Reimbursement of Expenses.

In the event the Company fails to take out or maintain the full insurance coverage required by the Lease, fails to pay the taxes and other charges herein required to be paid at or prior to the time they are so required to be paid, or fails to keep the Automotive Facility in as reasonably safe condition as its operations or the operations of any user of the Automotive Facility permit and in good repair and operating condition, the City or the Paying Agent, after first notifying the Company of any such failure on its part and after the subsequent failure by the Company to perform the obligation with respect to which it is delinquent, may (but shall not be obligated to) perform any such obligation on behalf of the Company. Any expense incurred by the City or the Paying Agent in performing any of such obligations of the Company shall become an additional obligation of the Company to the City or to the Paying Agent, as the case may be, and shall be repaid by the Company, together with interest thereon, from the date such amount was paid by the City or the Paying Agent, as the case may be, until the date of its repayment by the Company, at a per annum rate equal to seven percent (7%) until such amount is repaid or at the maximum applicable non-usurious per annum rate of interest then permitted by the laws of the State of Alabama, whichever of the foregoing rates of interest is the lesser. Any remedy herein vested in the City or the Paying Agent for the collection of rental payments shall also be available to the City or the Paying Agent for the collection of all amounts so paid by the City or the Paying Agent in performing any of such obligations of the Company.

ARTICLE VII

**PROVISIONS RESPECTING DAMAGE,
DESTRUCTION AND CONDEMNATION**

Section 7.1 Damage and Destruction Provisions.

If, prior to full payment of the Authorizing Ordinance Indebtedness, the Automotive Facility is destroyed, in whole or in part, or is damaged, by fire or other casualty, the Company will continue to pay the rent required to be paid hereunder and will promptly repair, replace or restore the property destroyed or damaged to substantially the same condition as prior to the event causing such damage

or destruction with such changes, alterations or modifications (including the substitution and addition of other property) as will not significantly impair the operating utility of the Automotive Facility. The Company will apply so much as may be necessary of any Net Insurance Proceeds referable to such damage or destruction to the payment of the costs of such repair, replacement or restoration, and if such costs exceed the available Net Insurance Proceeds, the Company will provide any additional moneys required for the payment of such costs. In the event that the total costs of such repair, replacement and restoration are less than such Net Insurance Proceeds, the Company will pay into the Note Fund the amount by which such proceeds exceed said total costs.

All property acquired in connection with the repair, replacement or restoration of any part of the Automotive Facility pursuant to the provisions of this Section 7.1 shall be and become part of the Automotive Facility subject to the demise hereof and the lien of the Authorizing Ordinance and shall be held by the Company on the same terms and conditions as the property originally constituting the Automotive Facility.

Section 7.2 **Condemnation Provisions.**

If title to the Automotive Facility or any part thereof is taken under the exercise of the power of Eminent Domain, the entire condemnation award in respect of such taking [including, without limitation, (i) all amounts received as the result of any settlement of compensation claims negotiated with the condemning authority, and (ii) any amount awarded as compensation for the interest of the Company in the part of the Automotive Facility taken and as damages to the interest of the Company in any part thereof not taken, but not including any condemnation award belonging to the Company pursuant to the provisions of Section 7.4 hereof] shall be paid to the Paying Agent, whereupon such award shall be applied and certain related actions shall be taken in accordance with the succeeding provisions of this Section 7.2:

(a) Taking of All or Substantially All the Automotive Facility Prior to Full Payment of the Authorizing Ordinance Indebtedness. If all or substantially all the Automotive Facility is so taken by such exercise of the power of Eminent Domain, prior to full payment of the Authorizing Ordinance Indebtedness, the Lease shall terminate [except as to the provisions of this subsection (a) and Section 5.5 hereof] as of the forty-fifth (45th) day after the receipt by the Paying Agent of the final installment of the entire condemnation award in respect of such taking, unless the Company has theretofore exercised the option to purchase the Automotive Facility granted in Section 11.2 hereof. The City will cause the Company to be notified in writing, as promptly as practicable following such receipt by the Paying Agent of such final installment of the entire condemnation award, of the date on which such final installment was so received by the Paying Agent and the amount of the Net Condemnation Award in respect of such taking then held by the Paying Agent. On or before the close of business on the business day next preceding the date on which the Lease shall terminate pursuant to this subsection (a), the Company will pay to the Bank, for the account of the City, such additional Basic Rent as, when added to the total of the amounts then held in the Note Fund (exclusive of any amount held therein for payment of matured but unpaid portions of the Note, portions of the Note called for redemption but not yet redeemed and matured but unpaid

interest) plus the full amount of the Net Condemnation Award then held by the Paying Agent, will be sufficient to pay, redeem and retire the then outstanding Note on the aforesaid date on which the Lease shall terminate, including, without limitation, principal, premium (if any), interest to maturity or earliest practicable redemption date, as the case may be, expenses of redemption and all other Authorizing Ordinance Indebtedness. Any portion of the Net Condemnation Award not needed for payment of the Authorizing Ordinance Indebtedness shall be paid to the Company simultaneously with or promptly after the termination of the Lease.

(b) Taking of Less than Substantially All the Automotive Facility Prior to Full Payment of the Authorizing Ordinance Indebtedness. If less than substantially all the Automotive Facility is so taken by such exercise of the power of Eminent Domain, prior to full payment of the Authorizing Ordinance Indebtedness, the entire condemnation award in respect to such taking shall be paid to the Paying Agent; and all obligations of the Company under the Lease which are still capable of performance (including, without limitation, the obligation of the Company to pay the Basic Rent and all other rent due hereunder) shall continue in full force and effect, but with the consequences specified in the succeeding provisions of this subsection (b):

(1) If no part of the Automotive Facility or no part of any other structure located on the Automotive Facility Site is taken or damaged and if in the Company's opinion, expressed in a written statement delivered to the City and the Paying Agent, such taking does not significantly impair the operating utility of the Automotive Facility, the Net Condemnation Award in respect of the part of the Automotive Facility so taken shall be paid into the Note Fund.

(2) If any part of the Automotive Facility or any part of any other structure located on the Automotive Facility Site is taken or damaged, or if in the Company's opinion, expressed in a written statement delivered to the City and the Paying Agent, such taking significantly impairs the operating utility of the Automotive Facility, and if, in the event of such taking, the Company is not entitled to exercise the option to purchase the Automotive Facility granted in Section 11.2 hereof or if, in such event, being entitled to, it does not exercise such option, the Net Condemnation Award in respect of such taking shall, pursuant to directions to be given the City and the Paying Agent by the Company in a written statement to be forwarded to the City and the Paying Agent not more than sixty (60) days following such taking, be applied by the Paying Agent in one or more of the following ways (the amount, if any, to be applied in each such way to be specified in such written statement):

(I) payment of the costs of repairing, restoring, modifying, relocating or rearranging any portions of the Automotive Facility not taken but damaged or adversely affected by such taking,

all to the extent necessary for the Automotive Facility to have substantially the same operating utility that it had (or would have had if the Company had theretofore complied with all its obligations hereunder) prior to such taking;

(II) payment of the costs of purchasing such additional land and of acquiring (by construction or otherwise) such additional facilities as the Company may direct, which land and facilities (i) shall be acquired by the City and made subject to the demise of the Lease and to the pledge of the Authorizing Ordinance free of liens and encumbrances other than Permitted Encumbrances and (ii) shall be deemed a part of the Automotive Facility and made available for use and occupancy by the Company, without the payment of additional rent hereunder, to the same extent as if such land, facilities and equipment had originally constituted part of the Automotive Facility and had been specifically demised hereby;

(III) the redemption of Note prior to maturity in accordance with the terms of the Authorizing Ordinance and on the earliest practicable date permitted thereby or the purchase of Note for retirement, in which case such portion of the Net Condemnation Award to be used therefor shall be deposited in an escrow account to be established by the City and used for the redemption of the Note, provided, however, that no part of any such portion of the Net Condemnation Award shall be so deposited in said escrow account and so applied for the redemption or purchase of Note unless provision has theretofore been made, or is to be made simultaneously with such redemption or purchase, for the retirement in accordance with the terms of the Authorizing Ordinance of all the Note, either by redemption prior to their maturity or by payment thereof at their maturity

In the event that the Company does not comply with the conditions of this subparagraph (III), then the Net Condemnation Award shall be applied in accordance with the provisions of one or both of subparagraphs (I) and (II) of this subsection (b)(2).

In the event that the Net Condemnation Award held by the Paying Agent (or any specified portion thereof) is to be applied, pursuant to the provisions of subparagraphs (I) or (II) of this subsection (b)(2), for payment of the costs of repairing, restoring, modifying, relocating or rearranging any part of the Automotive Facility or for payment of the costs of acquiring additional property to become part of the Automotive Facility, as the case may be, such award (or specified portion thereof) shall be deposited with the Paying Agent who will hold said moneys in a separate bank account, and the City will cause disbursements to be made from such fund to pay such costs in the same manner (with the necessary changes in detail) as

provided in the Authorizing Ordinance for the disbursement of proceeds of the Note originally deposited in such fund. Any balance of the Net Condemnation Award (or any balance of the portion thereof specified for the payment of such costs) remaining after payment of all such costs shall be applied as follows: (i) if any Authorizing Ordinance Indebtedness is outstanding, such balance shall be paid into an escrow account to be established by the City and used for the redemption of the Note; and (ii) if all Authorizing Ordinance Indebtedness has been paid in full and no Event of Default shall have occurred and be continuing, such balance shall be paid to the Company.

In the event that the Net Condemnation Award (or the portion thereof specified for the payment of such costs) is not sufficient to pay in full the costs of such repair, restoration, modification, relocation or rearrangement, or the costs of acquiring such additional property, as the case may be, the Company (i) will nonetheless complete such repair, restoration, modification, relocation or rearrangement or the acquisition of such additional property, as the case may be, and will pay that portion of the costs thereof in excess of the amount of the Net Condemnation Award (or specified portion thereof) available for the payment of such costs, or (ii) will pay to the Paying Agent for the account of the City the moneys necessary to complete such repair, restoration, modification, relocation or rearrangement or the acquisition of such additional property, as the case may be, in which case the City will cause such undertakings to be so completed, and the Paying Agent will, upon completion of such undertakings and payment in full of the costs thereof, return to the Company any portion of such payment by the Company that is not needed therefor. The Company shall not, by reason of the payment of such excess costs (whether by direct payment thereof or payments to the Paying Agent therefor), be entitled to any reimbursement from the City or to any abatement or diminution of the rent provided for herein.

(c) Taking of All or Substantially All the Automotive Facility After Full Payment of the Authorizing Ordinance Indebtedness. If, after the full payment of the Authorizing Ordinance Indebtedness, title to all or substantially all the Automotive Facility is taken by such exercise of the power of Eminent Domain, the Net Condemnation Award referable to such taking shall be paid and belong to the Company. The Lease shall terminate as of the date on which the final condemnation award is received by the Company, and the City and the Company shall have no further rights or obligations hereunder except those which may theretofore have vested.

(d) Taking of Less Than Substantially All the Automotive Facility After Full Payment of Authorizing Ordinance Indebtedness. If, after full payment of the Authorizing Ordinance Indebtedness, title to less than substantially all the Automotive Facility is taken by such exercise of the power of Eminent Domain, the Lease shall continue in full force and effect, but neither the Company nor the City shall be obligated to correct or ameliorate in any way the condition of the Automotive Facility caused by such taking, and the Net Condemnation Award

referable to such taking shall be paid to the Company; provided, however, that the City will, to the extent and in the manner provided in Section 7.6 hereof, cooperate fully with the Company in carrying out such work of repairing, restoring, modifying, relocating or rearranging the Automotive Facility or in acquiring such additional property to form part of the Automotive Facility as the Company may, in its sole discretion, deem necessary or desirable.

In no event shall any of the Net Condemnation Award held by the Paying Agent be applied for payment of any costs described in subparagraphs (I) and (II) of subsection (b)(2) of this Section 7.2 unless and until (i) the City and the Paying Agent have been notified in writing by the Company that the Company irrevocably relinquishes any right it may have, on account of such taking, to exercise the option to purchase the Automotive Facility granted in Section 11.2 hereof, or (ii) the time within which the Company must exercise such option has expired without the Company having exercised such option. If, however, as a result of such taking, the Company is entitled to exercise such option and duly does so in accordance with the applicable provisions of said Section 11.2, then neither the Company nor the City shall be obligated to correct or ameliorate in any way the condition of the Automotive Facility caused by such taking, in which event so much (which may be all) of such Net Condemnation Award then held by the Paying Agent as shall be necessary to provide for the full retirement of the Note (as specified in Section 11.2 hereof) shall be paid or credited by the Paying Agent into the Note Fund and so much of the excess thereafter remaining (if any) as shall be necessary for the payment of any other Authorizing Ordinance Indebtedness shall be applied by the Paying Agent to the payment of such other Authorizing Ordinance Indebtedness. Any portion of such Net Condemnation Award remaining after payment in full of the entire Authorizing Ordinance Indebtedness shall be paid to the Company after or simultaneously with the exercise by the Company of such option.

Section 7.3 Condemnation of Right to Use of the Automotive Facility for Limited Period.

If the use, for a limited period, of all or part of the Automotive Facility is taken under the exercise of the power of Eminent Domain, the Lease (including, without limitation, the provisions hereof relating to the payment of Basic Rent) shall, unless as a result thereof the Company is entitled to exercise the option to purchase the Automotive Facility granted in Section 11.2 hereof and duly does so in accordance with the provisions of said Section 11.2, continue in full force and effect, but with the consequences specified in the succeeding provisions of this section. If the period of such taking expires on or before the expiration of the Lease Term, the Company shall be entitled to receive the entire condemnation award made therefor remaining, whether by way of damages, rent or otherwise, and shall upon being restored to possession restore the Automotive Facility to substantially the same condition as prior to such taking, with such changes, alterations and modifications as will not significantly impair the operating utility of the Automotive Facility. If such taking occurs during the Lease Term but the period of such taking expires after the expiration of the Lease Term, the Company shall be entitled to receive that portion of the award allocable to the period from the date of such taking to the end of the Lease Term, and the City shall be entitled to the remainder thereof; provided that if prior to the end of the Lease Term, the Company exercises either of the options to purchase the Automotive Facility granted in Sections 11.2 and 11.3 hereof, the Company (rather than the City) shall be entitled to receive the remainder of such award.

Section 7.4 Condemnation of Company-Owned Property.

The Company shall be entitled to any condemnation award or portion thereof made for damages to or the taking of its own property not included in the Automotive Facility, but any condemnation award resulting from damages to or the taking of all or any part of the leasehold estate or other interest of the Company in the Automotive Facility created by the Lease shall be applied in accordance with the provisions of Section 7.2 or 7.3 hereof, whichever may be applicable. In the event of any taking which involves both the Automotive Facility and property of the Company, the Company shall be responsible for all attorney's fees and other expenses properly allocable to the taking of its own property.

Section 7.5 Cooperation of the City in the Conduct of Condemnation Proceedings.

The City will cooperate fully with the Company in the handling and conduct of any prospective or pending condemnation proceeding with respect to the Automotive Facility or any part thereof and will follow all reasonable directions given to it by the Company in connection with such proceeding. In no event will the City settle, or consent to the settlement of, any prospective or pending condemnation proceeding with respect to the Automotive Facility or any part thereof without the prior written consent of the Company.

Section 7.6 Cooperation of the City with respect to Restoration of the Automotive Facility in the Event of Casualty or Condemnation.

If, as a result of the taking of title to less than substantially all the Automotive Facility or the taking of the temporary use of all or any part of the Automotive Facility through the exercise of the power of Eminent Domain, or if, as a result of any event causing destruction or damage to the Automotive Facility or any part thereof, the Company determines, in accordance with any applicable provision of this article, to acquire (by purchase, construction or otherwise) any additional property to replace any part of the Automotive Facility so taken, or to have the Automotive Facility repaired, replaced, restored, modified, relocated or rearranged in order to correct or ameliorate any condition caused by such taking, damage or destruction, as the case may be, then the City will execute and deliver, or cause to be executed and delivered, all contracts, orders, requisitions, instructions and other written instruments and do, or cause to be done, all acts that may be necessary or proper in carrying out all such undertakings with respect to the Automotive Facility. Any obligation for the payment of money incurred or assumed by the City in connection with such undertakings shall be payable solely out of any Net Condemnation Award or Net Insurance Proceeds held by the Paying Agent or from any other moneys made available to the City by the Company under the provisions of the Lease.

Section 7.7 Provisions Relating to the Incurring of Certain Expenses after Authorizing Ordinance Indebtedness Paid.

The City will not, at any time after full payment of the Authorizing Ordinance Indebtedness, incur any expenses in connection with the collection of any insurance proceeds or any condemnation

award with respect to the Automotive Facility, or any part thereof, without the prior written consent of the Company.

ARTICLE VIII

PARTICULAR COVENANTS OF THE COMPANY

Section 8.1 General Covenants.

The Company will not do or permit anything to be done in or about or with respect to the Automotive Facility that will affect, impair or contravene any policies of insurance that may be carried on the Automotive Facility against loss or damage by fire, casualty or otherwise. The Company will, in the use of the Automotive Facility and the public ways abutting the Automotive Facility Site, comply in all material respects with the Lease, the Ground Lease, the Authorizing Ordinance and all valid and applicable laws, ordinances, rules, regulations and orders of all governmental authorities or agencies; provided, however, that the Company may in good faith contest the validity of any such laws, ordinances, rules, regulations and orders or the application thereof to the Automotive Facility and in the event of any such contest defer compliance therewith during the period of such contest and the pendency of any appeal in connection therewith, unless by such action the rights or interests of the City or the Paying Agent with respect to the Automotive Facility or any part thereof shall be materially endangered or impaired.

Section 8.2 Release and Indemnification Covenants.

The Company releases the City (and each officer, employee and agent thereof) and the Paying Agent from, and will indemnify and hold the City (and each officer, employee or agent thereof) and the Paying Agent harmless against, any and all claims and liabilities of any character or nature whatsoever, regardless of by whom asserted or imposed, and losses of every conceivable kind, character and nature whatsoever claimed by or on behalf of any person, firm, corporation or governmental authority, arising out of, resulting from, or in any way connected with the Automotive Facility, including, without limiting the generality of the foregoing, (i) any actions relating to the acquisition of the Automotive Facility or any part thereof and (ii) the leasing of the Automotive Facility to the Company and the condition, use, possession or management of the Automotive Facility during the Lease Term; provided, however, that the Company shall not be obligated to indemnify any officer, employee or agent of the City against any claim, liability or loss in any way connected with the Automotive Facility unless such claim, liability or loss arises out of or results from official action taken in the name and behalf of the City by such officer or employee.

The Company acknowledges that it has furnished to prospective purchasers of the Note, or has caused to be so furnished, certain information concerning the business and financial condition of the Company, and the Company further acknowledges that it has sought and received the assistance and cooperation of the City in connection with the offering and sale of the Note. The Company will indemnify, hold harmless and defend the City (and each officer, employee and agent thereof) against

(a) any claim or liability whatsoever arising out of or based upon any untrue or misleading statement or alleged untrue or misleading statement of any material fact contained in any of the aforesaid information furnished, or caused to be furnished, by the Company to any prospective purchaser of the Note, or the omission or alleged omission to state in any such information any material fact necessary to make the statements contained therein not misleading in the light of the circumstances under which such statements were made, and

(b) any claim or liability arising out of any action taken by the City at the request of the Company (or any other person authorized to act on behalf of the Company) in connection with the offering and sale of the Note.

The Company will pay or reimburse all legal or other expenses reasonably incurred by the City (and each officer, employee and agent thereof), or the Paying Agent, as the case may be, in connection with the investigation or defense of any action or proceeding, whether or not resulting in liability, with respect to any claim, liability or loss in respect of which indemnity may be sought against the Company under the provisions of this section.

In the event that any action or proceeding is brought against any indemnifiable party (whether the City, or any of the City's officers, employees or agents, or the Paying Agent), in respect of which indemnity may be sought against the Company under the provisions of this section, such indemnifiable party shall, as a condition of the Company's liability under the provisions of this section, be obligated to notify the Company promptly in writing of the commencement of such action or proceeding and shall thereafter forward to the Company a copy of every summons, complaint, pleading, motion or other process received with respect to such action or proceeding. The Company may (and if so requested by such indemnifiable party, shall) at any time assume the defense of such indemnifiable party in connection with any such action or proceeding, and in such case the Company shall pay all expenses of such defense and shall have full and complete control of the conduct on the part of such party of any such action or proceeding, including, without limitation, the right to settle or compromise any claim giving rise to such action or proceeding upon such terms and conditions as the Company, in its sole discretion, shall determine and the right to select Counsel for such party; provided, however, that the City shall have the right to select its own Counsel in any such matter, which Counsel shall be subject to the approval of the Company, which approval shall not be withheld unreasonably. In the event that any claim is asserted against the City which would not be payable solely out of the proceeds of the Note or other funds advanced to the City by the Company or out of the proceeds of the sale or leasing of the Automotive Facility (viz., a general, not a limited, claim), the Company shall at the request of the City provide an indemnity bond with sureties satisfactory to the City. Any other provisions of this section to the contrary notwithstanding, the Company shall not be obligated to indemnify any such indemnifiable party for any liability resulting from the settlement of any action or proceeding, or for any legal or other expenses incurred in connection with the investigation or defense of any action or proceeding, if such settlement was made without the Company's consent, irrespective of whether the Company had, prior to such settlement, exercised its right to assume the defense of such indemnifiable party in connection with such action or proceeding; provided, however, that if the indemnifiable party desires to settle any claim in response to a bona fide offer of settlement, and if the Company is unwilling to settle the claim in accordance with the terms of such offer, then, in that case, the Company may

withhold its consent to the settlement of the claim in accordance with the terms of such offer only if it establishes an escrow with an escrow agent acceptable to both the Company and such indemnifiable party in a principal amount equal to the difference between the claimed amount for which the indemnifiable party is potentially liable and the amount of the rejected settlement offer. The moneys in such escrow may be held in cash or invested in Federal Securities (as defined in the Authorizing Ordinance) and any interest thereon shall accrue to the Company and be paid over to the Company as earned.

Nothing contained in this section shall be construed to indemnify the City, or any of the City's officers, employees or agents, or the Paying Agent, against, or to release any of such parties from liability for, any claim, liability or loss that may result from willful misconduct or gross negligence on the part of such parties.

Anything to the contrary herein contained notwithstanding, the covenants of the Company contained in this section shall, with respect to any claim, liability or loss for which the Company is obligated to provide indemnity, remain in full force and effect after the termination of the Lease until (i) any cause of action brought in respect of such claim, liability or loss shall be barred by the applicable statute of limitation or (ii) the payment in full or the satisfaction of such claim, liability or loss, including all reasonable expenses incurred by the indemnifiable party or parties in defending against such claim, liability or loss; provided, however, that in the event any action or proceeding arguably barred by the applicable statute of limitation is brought against any indemnifiable party hereunder, the Company shall be obligated to defend such indemnifiable party with respect to such action or proceeding, all to the end that the bar of the statute of limitation may be asserted by the Company against the party bringing such action or proceeding but may not be asserted by the Company against the indemnifiable party in order to avoid performing any of its obligations under this section.

Section 8.3 Inspection of Automotive Facility.

The Company will permit the City and its duly authorized agents at all reasonable times to examine and inspect the Automotive Facility or any part thereof. So long as any of the Authorizing Ordinance Indebtedness shall be outstanding and unpaid, the Company will also permit the City and its duly authorized agent to take such action as may be necessary and convenient to cause the Automotive Facility to be kept in as reasonably safe condition as its operations or the operations of any user of the Automotive Facility permit and the Automotive Facility to be kept in good repair and operating condition, all as and to the extent provided in Section 6.1.

Section 8.4 Covenants With Respect to Exemption of Interest on the Note from Federal Income Taxation.

The Note is being issued by the City in compliance with the conditions necessary for the interest income on the Note to be excludable from gross income for purposes of federal income taxation pursuant to the provisions of Section 1400N of the Code relating to "gulf opportunity zone bonds" substantially all the proceeds of which are to be used for the acquisition, construction, reconstruction and renovation of nonresidential real property (including fixed improvements of such property). The City and the Company covenant with each other for the benefit of the holder of the

Note, present and future, that neither of them will cause or permit the proceeds of the Note to be used in a manner which would cause the interest on the Note to lose the exclusion from federal income taxation conferred by Section 1400N of the Code.

The Company will file, or cause to be filed, with appropriate governmental authorities (whether state, federal or local) all statements and reports required to be filed as a condition of qualification of the Note as an issue the interest on which is excludable from gross income for purposes of federal income taxation, and the City will cooperate with the Company in connection with such filings to the extent reasonably requested by the Company.

Section 8.5 No-Arbitrage Covenants; Investment of Proceeds.

Neither the City nor the Company will take any action, or omit to take any action, with respect to the investment of any of the proceeds from the sale of the Note, or any revenues from the Automotive Facility accumulated by the City, if, as a result of such action by the City or the Company, or the omission of the City or the Company to take such action, as the case may be, such proceeds or revenues would be invested in a manner causing the Note to be "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable regulations thereunder. The Company shall be solely responsible for (i) determining that any such investment complies with the arbitrage limitations imposed by Section 148 of the Code, including without limitation the provisions of Section 148 of the Code relating to investment of "gross proceeds" of bonds, and (ii) calculating the amount of, and making payment of, any rebate due to the United States under Section 148(f) of the Code.

The Company will not cause or permit any proceeds of the Note to be invested in a manner contrary to the provisions of Section 148(f) of the Code and the applicable regulations thereunder and will assure compliance with such requirements on behalf of the City. The Company will timely pay to the United States of America, for the account of the City, all amounts required to be so paid in accordance with said Section 148(f) and will maintain, on behalf of the City, all records required to be maintained pursuant to said Section 148(f). The Company agrees to furnish to the City and the Paying Agent such reports, certificates and documentation (including, without limitation, certificates of accountants and opinions of counsel) as they may reasonably request to evidence compliance with the provisions of this section.

Section 8.6 Agreement to Maintain Corporate Existence.

So long as any of the Authorizing Ordinance Indebtedness shall be outstanding and unpaid, the Company will maintain its corporate existence, will not dissolve or otherwise dispose of all or substantially all its assets (either in a single transaction or in a series of related transactions), and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it; provided that it may, without violating the agreements contained in this section, consolidate with or merge into another United States Corporation, permit one or more other United States Corporations to consolidate with or merge into it, or transfer to another United States Corporation all or substantially all its assets, but if and only if

(a) the corporation surviving or resulting from such merger or consolidation (if it be one other than the Company) or the corporation to which such transfer shall be made, as the case may be, (i) expressly assumes in writing all the obligations of the Company contained in this Lease Agreement, (ii) furnishes to the City and the Paying Agent, promptly following such merger, consolidation or transfer, fully executed or appropriately certified copies of the writing by which such surviving or transferee corporation expressly assumes the obligations of the Company contained in this Lease Agreement and (iii) furnishes to the City and the Paying Agent an opinion of Counsel (who, although selected by the Company, shall not be unsatisfactory to the Paying Agent) stating in substance that the surviving, resulting or transferee corporation is a duly organized and existing United States Corporation and is bound by all the obligations of the Company contained in this Lease Agreement, and

(b) immediately after giving effect to such consolidation, merger or transfer, no Event of Default shall have occurred and be continuing.

If, after a transfer by the Company of all or substantially all its assets to another United States Corporation under the circumstances described in the preceding provisions of this section, the Company does not thereafter dissolve, it shall not have any further rights or obligations hereunder.

Section 8.7 Qualification in Alabama.

So long as the Lease shall be in effect, the Company will continuously remain qualified to do business in the State of Alabama. If, in accordance with the permissive provisions of Section 8.6 hereof, the Company should merge into a corporation not organized and existing under the laws of the State of Alabama, should consolidate with one or more corporations under circumstances wherein the consolidated corporation is not a corporation organized and existing under the laws of the State of Alabama or should transfer all or substantially all its assets to a corporation not organized under the laws of the State of Alabama, it will cause the corporation into which it merged, the corporation resulting from such consolidation or the corporation to which all or substantially all its assets were transferred, as the case may be, to qualify to do business in the State of Alabama and to remain so qualified at all times while the Lease shall be in effect.

Section 8.8 Further Assurances.

The Company will, at its own cost and expense, take all actions that may at the time and from time to time be necessary to perfect, preserve, protect and secure the interests of the City and the Paying Agent, or either of them, in and to the Automotive Facility and the revenues therefrom pledged and assigned in the Authorizing Ordinance, including, without limitation, the filing of all financing and continuation statements that may at the time be required under the Alabama Uniform Commercial Code. The Company further agrees, without in any way limiting the generality of the foregoing, to take any and all such actions that in the judgment of the City or the Paying Agent are necessary for the perfection, preservation, protection and securing of such interests.

ARTICLE IX
CERTAIN PROVISIONS RELATING TO
ASSIGNMENT, SUBLEASING AND MORTGAGING
AND TO THE NOTE

Section 9.1 Provisions Relating to Assignment and Subleasing by Company.

The Company may assign the Lease and the leasehold interest created thereby, and may sublease the Automotive Facility or any part thereof, but in any event without the prior consent of either the City or the Paying Agent. In no event shall any assignee of the Lease or any sublessee of the Automotive Facility or any part thereof or anyone claiming by, through or under any such assignment or sublease shall acquire by virtue thereof any greater rights in the Automotive Facility than the Company then has under the Lease, nor shall any such assignment or subleasing or any dealings or transactions between the City or the Paying Agent or any sublessee or assignee in any way relieve the Company from primary liability for any of its obligations hereunder. Thus, in the event of any such assignment or subleasing, the Company shall continue to remain primarily liable for payment of the rentals herein provided to be paid by it and for performance and observance of the other agreements and covenants on its part herein provided to be performed and observed by it.

Section 9.2 Assignment of the Lease and Mortgaging of the Automotive Facility by City.

It is understood and agreed that the City will assign its interest (other than its right to require the Company to pay certain expenses as provided in Sections 5.3 and 10.4 hereof, the indemnification rights contained in Section 8.2 hereof and certain other rights which are herein expressly provided to be exercised by the City) in the Lease and pledge any moneys receivable hereunder to the Paying Agent as security for payment of the principal of and the interest and premium (if any) on the Note. The rights of the Company under the Lease will be subordinated to the prior mortgage of the Automotive Facility. It is further understood and agreed that in the Authorizing Ordinance the City will obligate itself to follow the instructions of the Paying Agent or the Holder of the Note or a certain percentage of the latter in the election or pursuit of any remedies herein vested in it, as in the case may be applicable. Upon the assignment and pledge to the Paying Agent of the City's interest in the Lease, the Paying Agent shall have all rights and remedies herein accorded the City (other than the aforesaid rights reserved to the City), and any reference herein to the City shall be deemed, with the necessary changes in detail, to include the Paying Agent; and the Paying Agent and the holder of the Note shall be deemed to be third party beneficiaries of the covenants and agreements on the part of the Company contained in the Lease and shall, to the extent provided in the Authorizing Ordinance, be entitled to enforce performance and observance of the agreements and covenants on the part of the Company contained in the Lease to the same extent as if they were parties hereto. Subsequent to the issuance of the Note and prior to the payment of the Authorizing Ordinance Indebtedness in full, the City and the Company shall have no power to modify, alter, amend or (except as specifically authorized herein) terminate the Lease without the prior written consent of the Paying Agent and then only as provided in the Authorizing Ordinance. The City will not, so long as no Event of Default shall have occurred and be continuing, amend the

Authorizing Ordinance or any Authorizing Ordinance supplemental thereto without the prior written consent of the Company.

Without the prior written request or consent of the Company, the City will not, so long as no Event of Default shall have occurred and be continuing, hereafter issue any Notes or other securities (including refunding securities), other than the Note, that are payable out of or secured by a pledge of the revenues and receipts derived by the City from the leasing or sale of the Automotive Facility, nor, without such consent, will the City, so long as no Event of Default shall have occurred and be continuing, hereafter place any mortgage or other encumbrance (other than the Compass Mortgage, the Authorizing Ordinance and supplemental Authorizing Ordinances contemplated thereby) on the Automotive Facility or any part thereof.

Section 9.3 References to Note Ineffective after Authorizing Ordinance Indebtedness Paid.

Upon full payment of the Authorizing Ordinance Indebtedness and cancellation, satisfaction and discharge of the Authorizing Ordinance in accordance with the provisions of Section ____ thereof, all references in the Lease to the Note and the Paying Agent shall be ineffective and neither the Paying Agent, nor the holder of the Note shall thereafter have any rights hereunder, saving and excepting any that shall have theretofore vested. For purposes of the Lease, the Note shall be deemed fully paid if there exists, with respect thereto, the applicable conditions specified in Section ____ of the Authorizing Ordinance.

If the Authorizing Ordinance Indebtedness is fully paid prior to the end of the Lease Term, the Company shall be entitled to use of the Automotive Facility for the remainder of the Lease Term without the payment of any further Basic Rent (except for such Basic Rent as may be payable pursuant to the provisions of Section 5.5 hereof) but otherwise on all the same terms and conditions hereof.

Section 9.4 Disposition of Trust Fund Moneys after Full Payment of Authorizing Ordinance Indebtedness.

The City hereby assigns to the Company all surplus moneys (if any) that may remain in the Note Fund or that may otherwise be held by the Paying Agent after the Authorizing Ordinance Indebtedness has been fully paid, such assignment to be subject to the condition that the Lease shall not have been terminated prior to full payment of the Authorizing Ordinance Indebtedness as a result of the occurrence of an Event of Default. The City will provide in the Authorizing Ordinance for such surplus moneys to be paid to the Company in accordance with such assignment. It is understood and agreed that surplus moneys remaining in the Note Fund or otherwise held by the Paying Agent shall not include (i) any amounts so held for payment of matured but unpaid portions of the Note, portions of the Note called for redemption but not yet redeemed and matured but unpaid interest and (ii) any amounts held therein which are referable to unmatured portions of the Note and coupons if such Note is considered fully paid pursuant to the provisions of Section ____ of the Authorizing Ordinance by reason of the fact that such amounts are so held by the Paying Agent. The provisions of this section shall survive the expiration or prior termination of the Lease.

ARTICLE X

EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined.

The following shall be "Events of Default" under the Lease, and the term "Event of Default" shall mean, whenever it is used in the Lease, any one or more of the following events:

(a) failure by the Company to pay any installment of Basic Rent or to make any other payment required under the terms hereof [other than any payment referred to in clause (b) of this section] on the date that such installment or such payment shall become due and payable by the terms of the Lease;

(b) failure by the Company to perform or observe any agreement, covenant or condition required by the Lease to be performed or observed by it [other than the agreements and covenants referred to in the preceding clauses (a) and (b), of this section], which failure shall have continued for a period of sixty (60) days after written notice specifying, in reasonable detail, the nature of such failure and requiring the Company to perform or observe the agreement, covenant or condition with respect to which it is delinquent shall have been given to the Company by the City or the Paying Agent, unless (i) the City and the Paying Agent shall agree in writing to an extension of such period prior to its expiration, or (ii) during such sixty (60) day period or any extension thereof, the Company has commenced and is diligently pursuing appropriate corrective action, or (iii) the Company is by reason of *force majeure* at the time prevented from performing or observing the agreement, covenant or condition with respect to which it is delinquent;

(c) any material warranty, representation or other statement by or on behalf of the Company contained in the Lease or the issuance or sale of the Note, being false or misleading in any material respect at the time made;

(d) institution by the Company of proceedings to be adjudicated a bankrupt or insolvent, or consent by the Company to the filing of a bankruptcy or insolvency proceeding against it, or the filing by the Company of a petition or answer or consent seeking relief under Title 11 of the United States Code, as now constituted or as amended, or any other applicable federal or state bankruptcy or other similar law, or consent by the Company to the institution of proceedings thereunder or to the filing of any such petition, or consent by the Company to the appointment of, or the taking of possession of any of its property by, a receiver, paying agent, custodian or assignee in bankruptcy or insolvency of the Company or for all or a major part of its property, or an assignment by the Company for the benefit of its creditors, or a written admission by the Company of its inability to pay its debts generally as they become due, or the taking of any corporate action by the Company in furtherance of any of the foregoing events or actions; or

(e) the entry of a decree or order by a court of competent jurisdiction for relief in respect of the Company or adjudging the Company to be a bankrupt or insolvent or approving as properly filed a petition seeking the arrangement, adjustment or composition of its obligations under Title 11 of the United States Code, as now constituted or as amended, or any other applicable federal or state bankruptcy or other similar law, which decree or order shall have continued undischarged or unstayed for a period of sixty (60) days; or the entry of a decree or order of a court of competent jurisdiction for the appointment of a receiver, paying agent, custodian or assignee in bankruptcy or insolvency for the Company or for all or a major part of its property, which decree or order shall have remained in force undischarged or unstayed for a period of sixty (60) days.

The term "*force majeure*" as used herein means acts of God or the public enemy, strikes, lockouts, work slowdowns or stoppages or other labor disputes, insurrections, riots or other civil disturbances, orders of the government of the United States of America or of any state of the United States of America or of any of the departments, agencies, political subdivisions or officials of the United States of America or of any state thereof, or orders of any other civil or military authority, or partial or entire failure of public utilities, or any other condition or event beyond the reasonable control of the Company. The Company will, to the extent that it may lawfully do so, use its best efforts to remedy, alleviate or circumvent any cause or causes preventing it from performing its agreements and covenants hereunder; provided, however, that the settlement of strikes, lockouts and other labor disputes shall be entirely within the discretion of the Company, and the Company shall not be required to settle strikes, lockouts and other labor disputes by acceding to the demands of the opposing party or parties when such course is in its judgment against its best interests.

Section 10.2 Remedies on Default.

Whenever any Event of Default shall have happened and be continuing, the City may take any one or more of the following remedial actions:

(a) take possession of the Automotive Facility, exclude the Company from possession thereof and rent the same for the account of the Company, holding the Company liable for the balance of all rent and other amounts due under the Lease;

(b) terminate the Lease, take possession of the Automotive Facility, exclude the Company from possession thereof and lease the same for the account of the City, holding the Company liable for all rent and other amounts due under the Lease until the date such other lease is made for the account of the City and the Paying Agent;

(c) declare immediately due and payable Basic Rent in an amount equal to the principal amount of the outstanding Note plus interest accrued on such Note to the date of such declaration, whereupon such Basic Rent shall become immediately due and payable, but only if, concurrently with such declaration, the principal of and

accrued interest on the Note are also declared due and payable pursuant to Section ___ of the Authorizing Ordinance;

(d) have access to, and inspect, examine and make copies of, the books, records and accounts of the Company, but if and only if the Note is then outstanding; and

(e) take whatever legal proceedings may appear necessary or desirable to collect the rent then due, whether by declaration or otherwise, or to enforce any obligation, covenant or agreement of the Company under the Lease or any obligation of the Company imposed by any applicable law.

Section 10.3 No Remedy Exclusive.

No remedy herein conferred upon or reserved to the City or the Paying Agent is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Lease or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City or the Paying Agent to exercise any remedy reserved to it in this article, it shall not be necessary to give any notice, other than such notice as is herein expressly required.

Section 10.4 Agreement to Pay Attorneys' Fees.

In the event that, as a result of an Event of Default or a threatened Event of Default by the Company, the City or the Paying Agent should employ attorneys at law or incur other expenses in or about the collection of rent or the enforcement of any other obligation, covenant, agreement, term or condition of the Lease, the Company will, if the City or the Paying Agent is successful in such efforts or if a final judgment for either is rendered by a court of competent jurisdiction, pay to the City or to the Paying Agent or both, as the case may be, reasonable attorneys' fees and other reasonable expenses so incurred by the City and the Paying Agent.

Section 10.5 No Additional Waiver Implied by One Waiver.

In the event any agreement contained in the Lease should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. Further, neither the receipt nor the acceptance of any rent hereunder by the City, or by the Paying Agent on its behalf, shall be deemed to be a waiver of any breach of any covenant, condition or obligation herein contained or a waiver of any Event of Default even though at the time of such receipt or acceptance there has been a breach of one or more covenants, conditions or obligations on the part of the Company herein contained or an Event of Default (or both) and the City or the Paying Agent (or both) have knowledge thereof.

ARTICLE XI

OPTIONS

Section 11.1 **Options to Terminate the Lease During the Lease Term.**

The Company shall have the right, exercisable at its option, to cancel or terminate the Lease during the Lease Term upon compliance with the conditions specified in the succeeding provisions of this section:

(a) At any time prior to full payment of the entire Authorizing Ordinance Indebtedness, the Company may cancel or terminate the Lease by (i) giving the City and the Paying Agent written notice of such termination and specifying in such notice the date on which such termination is to be effective and (ii) paying to the Paying Agent for the account of the City, on or before the effective date of such termination, an amount which, when added to the total of the amounts then held in the Note Fund (exclusive of any amount held therein for payment of matured but unpaid portions of the Note, portions of the Note called for redemption but not yet redeemed and matured but unpaid interest), will be sufficient to pay, redeem and retire the outstanding Note on the earliest practicable date next succeeding the effective date of such termination on which under their terms and the terms of the Authorizing Ordinance they may be paid or redeemed, including, without limitation, principal, premium (if any), all interest to mature until and on such payment or redemption date, the expenses of redemption and all other Authorizing Ordinance Indebtedness then owed and that will accrue until the payment, redemption and retirement of the outstanding Note.

(b) At any time after the entire Authorizing Ordinance Indebtedness has been fully paid, the Company may cancel or terminate the Lease by giving the City written notice of such termination not less than ten (10) days prior to the date on which such termination is to be effective.

Any cancellation or termination of the Lease as aforesaid notwithstanding, any obligations or liabilities of the Company hereunder, actual or contingent, which have arisen on or before the effective date of such cancellation or termination shall remain in full force and effect.

Section 11.2 **Option to Purchase—Casualties.**

While any of the Authorizing Ordinance Indebtedness is outstanding and unpaid, the Company shall have the right and option, hereby granted by the City, to purchase the Automotive Facility if

(a) any part of the Automotive Facility is damaged or destroyed, by fire or other casualty, to such extent that, in the opinion of the Company in good faith, expressed in a written statement filed with the City and the Paying Agent, (a) the normal operations of the Company are substantially impaired and (b) the restoration

or repair of the property damaged or destroyed to the condition thereof immediately preceding such damage or destruction would not be economically practicable or desirable, or such restoration or repair cannot be accomplished within a period of 12 months or the Company is thereby prevented from carrying on its normal operations in any part of the Automotive Facility for a period of not less than 12 months, or

(b) under the exercise of the power of Eminent Domain, (i) title to all or substantially all the Automotive Facility is taken, or (ii) the temporary use of all or part of the Automotive Facility, or title to part of the Automotive Facility, is taken to such extent that, in the opinion of the Company in good faith, expressed in a written statement filed with the City and the Paying Agent, (x) the normal operations of the Company are substantially impaired and (y) the Company will thereby be prevented, or is likely to be thereby prevented, from making normal use of the Automotive Facility for a period of not less than four (4) consecutive months, or

(c) as a result of (i) any changes in the Constitution of the State of Alabama or the Constitution of the United States of America, (ii) any legislative or administrative action (whether local, state or federal) or (iii) any final decree, judgment or order of any court or administrative body (whether local, state or federal) entered after the contest thereof by the Company in good faith, the Lease becomes void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed herein or unreasonable burdens or excessive liabilities are imposed on the City or the Company, or

(d) the use and occupancy of the Automotive Facility by the Company is legally curtailed for any reason other than circumstances or conditions described in the preceding clauses (b) and (c).

To exercise such option, the Company

(1) shall, within ninety (90) days following the event authorizing the exercise of such option, give to the City and the Paying Agent written notice, signed by the Company, which shall contain a description of such event and shall state the reason why it authorizes the exercise of such option,

(2) shall specify in such notice the date of purchase, which (subject to the provisions of the last paragraph of this Section 11.2) shall be not less than forty-five (45) nor more than ninety (90) days after the date such notice is mailed or otherwise delivered,

(3) shall direct the Paying Agent in such notice to call for redemption the outstanding Note on the business day next succeeding the date of purchase specified by the Company in such notice,

(4) in the case of an authorizing event described in any of the preceding clauses (a), (b) or (d), shall certify in such notice that the Company has discontinued,

or will discontinue at the earliest practicable date, its use of the Automotive Facility and

(5) shall on the date of purchase pay to the Bank (for the account of the City), as and for the purchase price of the Automotive Facility, an amount which, when added to the total of the amounts then held in the Note Fund (exclusive of any amount held therein for payment of matured but unpaid portions of the Note, portions of the Note called for redemption but not yet redeemed and matured but unpaid interest), plus the amount of any Net Insurance Proceeds or Net Condemnation Award then held by the Paying Agent and referable to any damage, destruction or condemnation authorizing the exercise of such option, will be sufficient to pay, redeem and retire the outstanding Note on the business day next succeeding the date of purchase, including, without limitation, principal, premium (if any), all interest to mature until and on such payment or redemption date, expenses of redemption and all other Authorizing Ordinance Indebtedness; provided, however, that if on the date of purchase the entire Authorizing Ordinance Indebtedness has been paid in full, the Company shall not be required to pay any such amount in order to entitle it to exercise such option, in which event (any provision herein to the contrary notwithstanding) any Net Insurance Proceeds or Net Condemnation Award referable to any damage, destruction or condemnation authorizing the exercise of such option shall be paid to the Company simultaneously with or promptly after the exercise of such option.

Upon receipt of the amount required by this Section 11.2 to be paid by the Company as the purchase price of the Automotive Facility (if payment of any such amount is required), and if at such time the Company is not in default in payment of the rent or any other amounts due hereunder, the City will, by deed or other appropriate instrument complying with the provisions of Section 11.5 hereof, transfer and convey the Automotive Facility (or such portion thereof—which may be none—as is then in existence and is owned by the City) in its then condition, whatever that may be, to the Company.

In the event that the option granted by this Section 11.2 is exercised by the Company as a result of the taking of all or substantially all the Automotive Facility under the exercise of the power of Eminent Domain, the date of purchase of the Automotive Facility pursuant to such option shall not, irrespective of the date specified therefor pursuant to clause (2) of the first paragraph of this Section 11.2, be later than the date on which the Lease terminates in accordance with the provisions of Section 7.2(a) hereof, which date of termination is the forty-fifth (45th) day after the receipt by the Paying Agent of the final installment of the entire condemnation award in respect of such taking.

Section 11.3 Option to Purchase.

If the Company pays all rent and other amounts due hereunder, it shall have the right and option, hereby granted by the City, to purchase the Automotive Facility from the City at any time during Lease Term of the Lease after payment in full of the Authorizing Ordinance Indebtedness, at and for a purchase price equal to the sum of \$1,000. To exercise any such purchase option, the Company shall notify the City in writing not less than thirty (30) days prior to the date on which it proposes to effect such purchase and, on the date of such purchase, shall pay the aforesaid purchase

price to the City in cash or bankable funds, whereupon the City will, by deed or other instrument complying with the provisions of Section 11.5 hereof, transfer and convey the Automotive Facility (in its then condition, whatever that may be) to the Company. If at the end of the Lease Term no Event of Default shall have occurred and be continuing, the Company shall be deemed to have exercised such purchase option unless it notifies the City in writing to the contrary at least thirty (30) days before the end of the Lease Term, and, in the event of such automatic exercise by the Company of its option to purchase the Automotive Facility, the date of purchase shall be the last day of the Lease Term or such other date within one hundred eighty (180) days thereafter as shall be designated by the Company.

Section 11.4 Option to Purchase Unimproved Parts of Automotive Facility Site.

The Company shall have the right and option, hereby granted by the City, to purchase from the City, at any time and from time to time and on the terms and conditions hereafter specified in this section, any unimproved part of the Automotive Facility Site. In order to exercise such option the Company shall furnish to the City and the Paying Agent the following:

(a) a notice in writing containing (i) an adequate legal description of that part of the Automotive Facility Site with respect to which such option is to be exercised (including the acreage thereof) and (ii) a statement that the Company intends to exercise its option to purchase such part of the Automotive Facility Site on a date stated, which shall not be less than thirty (30) nor more than ninety (90) days from the date of such notice;

(b) a certificate signed by the Company stating (i) that no part of the Automotive Facility nor any other improvement (except for roads, walkways, ground level parking improvements, sewer, water, gas, electric and communication lines and the like, which shall be specified in such certificate) is located on the part of the Automotive Facility Site with respect to which such option is to be exercised, and (ii) that the severance of such part of the Automotive Facility Site from the Automotive Facility will not impair the operating utility of the Automotive Facility or unduly restrict ingress or egress to or from the Automotive Facility;

(c) a certificate signed by an Independent Appraiser and made and dated not more than sixty (60) days prior to the date of the notice provided for in clause (a) of this section stating the fair market value of that portion of the Automotive Facility Site requested to be released; and

(d) an amount, in cash or bankable funds, equal to (i) if any of the Authorizing Ordinance Indebtedness is then outstanding and unpaid, the fair market value specified in the Independent Appraiser's certificate provided for in clause (c) of this section, or (ii) if the Authorizing Ordinance Indebtedness has been fully paid, \$10 per acre (prorated for fractional parts of an acre) of the part of the Automotive Facility Site with respect to which such option is to be exercised.

The option granted by this section shall not be exercisable at any time prior to full payment of the Authorizing Ordinance Indebtedness if an Event of Default shall have occurred and be continuing. Upon the receipt by the City and the Paying Agent of the appropriate purchase price and the notice and certificate complying with the provisions of the preceding clauses (a) and (b), respectively, the City will execute and deliver to the Company a statutory warranty deed complying with the provisions of Section 11.5 hereof, conveying to the Company the part of the Automotive Facility Site with respect to which such option was exercised. If, at the time of any such purchase, any of the Authorizing Ordinance Indebtedness is outstanding and unpaid, the City will take all actions required by Section ___ of the Authorizing Ordinance to release such part of the Automotive Facility Site from the pledge of the Authorizing Ordinance and will pay into an escrow account to be established by the City the entire amount received by it from such purchase and apply said moneys to the redemption of the Note.

From and after the consummation of any purchase effected by the Company pursuant to the provisions of this section, any reference herein to the Automotive Facility Site shall be deemed to refer to the land that immediately prior thereto constituted the Automotive Facility Site, less and except that part so purchased by the Company under the provisions of this section. No purchase effected by the Company under the provisions of this section shall entitle the Company to any abatement or diminution of the rent payable hereunder.

Section 11.5 Options—In General.

Except to the extent otherwise specifically provided in Section 11.4 hereof, each of the options herein granted to the Company may be exercised by it even though an Event of Default shall have occurred and be continuing, it being understood and agreed, however, that all other applicable conditions specified herein to the exercise of such option (including payment of any amounts of money herein required to be paid by the Company) are met.

In the event of the exercise by the Company of any of the options to purchase the Automotive Facility or any part thereof granted in Sections 11.2, 11.3 and 11.4 hereof, the City will convey to the Company, after compliance by the Company with the conditions to purchase specified in the respectively applicable sections hereof, the property with respect to which such option was exercised by statutory warranty deed, bill of sale (in the case of personal property) or other appropriate instrument, subject only to Permitted Encumbrances, such liens, encumbrances and exceptions to which title to such property was subject when this Lease Agreement was delivered or such property was acquired by the City (whichever occurred last), those to the creation or suffering of which the Company consented and those resulting from the failure of the Company to perform or observe any of the agreements or covenants on its part herein contained.

In case that, at the time of the exercise by the Company of either of the options to purchase the Automotive Facility granted in Sections 11.2 and 11.3 hereof, there shall not have been collected by the City, the Paying Agent or the Company the entire insurance proceeds or condemnation award referable to any damage, destruction or condemnation with respect to the Automotive Facility which may have theretofore occurred, then in such case all Net Insurance Proceeds and all Net Condemnation Awards thereafter collected and referable to such damage, destruction or condemnation shall be paid to the Company, and the City will take all actions necessary to cause the

amount of any such proceeds or awards to be paid to the Company. The provisions of this paragraph shall survive the expiration of the term of the Lease or any prior termination of the Lease unless at the time of such expiration or termination the Company is in default in the payment of any amounts of money herein required to be paid by it.

ARTICLE XII

MISCELLANEOUS

Section 12.1 **Covenant of Quiet Enjoyment.**

So long as the Company performs and observes all the covenants and agreements on its part herein contained, it shall peaceably and quietly have, hold and enjoy the Automotive Facility during the Lease Term subject to all the terms and provisions hereof. At the end of the Lease Term, or upon any prior termination of the Lease, the Company will surrender to the City possession of all property then subject to the demise of the Lease (unless it is simultaneously purchasing such property from the City) in its then condition, whatever that may be.

Section 12.2 **Retention of Title to Automotive Facility by City; Granting of Easements; Landlord Lien Waiver.**

Without the prior written consent of the Company, the City will not itself, so long as no Event of Default shall have occurred and be continuing, (i) sell, convey or otherwise dispose of all or any part of the Automotive Facility (except as provided in Section ___ of the Authorizing Ordinance or to the Company as provided in Article XI hereof), (ii) mortgage or otherwise encumber the Automotive Facility or any part thereof (except as provided in Section 9.2 hereof), or (iii) dissolve or do anything that will result in the termination of its corporate existence (except as provided in Section ___ of the Authorizing Ordinance). The City will, however, grant such utility, access and other similar easements, permits and rights-of-way over, across or under the Automotive Facility Site as shall be requested in writing by the Company, provided that in connection with the grant of each such easement, permit or right-of-way the Company furnishes to the City and the Paying Agent a certificate signed by an Authorized Company Representative stating that such easement, permit or right-of-way is, or will be, useful or necessary in the operation of the Automotive Facility and will not materially interfere with or impair the use of the Automotive Facility for the purpose for which it was acquired or is held by the City. The Company will pay all reasonable expenses incurred by the City in connection with the granting of all such easements, permits and rights-of-way. City hereby subordinates to the security interest of Company's floor-plan lender and other institutional lenders any and all security interest, statutory or otherwise, in the furniture, fixtures, equipment, inventories, and other personal property of Company, including its inventory of vehicles and parts, and any additions or replacements thereof, placed upon the demised premises by the Company. Upon request of Company, City agrees to execute such subordination of security interest agreements and waivers of the landlord's liens, as required by Company or its institutional lender to protect said lender's security interest in the property of Company located on the demised premises.

Section 12.3 This Lease a Net Lease.

The Company recognizes and understands that it is the intention hereof that the lease herein made shall be a net lease and that until the Note is fully paid all Basic Rent shall be available for payment of the principal and the interest and premium (if any) on the Note. The Lease shall be construed to effectuate such intent.

Section 12.4 Statement of Intention Regarding Certain Tax Matters.

The City and the Company acknowledge and agree that it is their mutual intention that the Company, for federal and state income tax purposes, will be entitled to all deductions and credits with respect to the Automotive Facility (including, but not limited to, depreciation and investment credits) and that for such purposes the Lease will be deemed to be a financing of the Automotive Facility.

Section 12.5 Notices.

All notices, demands, requests and other communications hereunder shall be deemed sufficient and properly given if in writing and delivered in person to the following addresses or received by certified or registered mail, postage prepaid with return receipt requested, at such addresses:

(a) If to the City:

City of Daphne
Attn: Fred Small
PO Box 400
Daphne, Alabama 36526

(b) If to the Company:

Tameron Properties LLC
Attn: Thomas M. Acheson
1675 Montgomery Highway
Birmingham, Alabama 35216

with a copy to:

George M. Taylor
Burr & Forman LLP
420 North 20th Street
Suite 3400
Birmingham, Alabama 35203

(c) If to the Paying Agent:

City of Daphne
Attn: Kim Briley
PO Box 400
Daphne, Alabama 36526

Any of the above mentioned parties may, by like notice, designate any further or different addresses to which subsequent notices shall be sent. A copy of any notice given to the City, the Company or the Paying Agent pursuant to the provisions of the Lease shall also be given to that one of the foregoing four parties to whom notice is not herein required to be given, but the failure to give a copy of such notice to any party claiming the right to receive it pursuant to this sentence shall not invalidate such notice or render it ineffective unless notice to such party is otherwise herein expressly required. Any notice hereunder signed on behalf of the notifying party by a duly authorized attorney at law shall be valid and effective to the same extent as if signed on behalf of such party by a duly authorized officer or employee.

Whenever, under the provisions hereof, any request, consent or approval of the City or the Company is required or authorized, such request, consent or approval shall (unless otherwise expressly provided herein) be signed on behalf of the City by an Authorized City Representative and, on behalf of the Company by an Authorized Company Representative; and each of the parties and the Paying Agent are authorized to act and rely upon any such requests, consents or approvals so signed.

Section 12.6 Certain Prior and Contemporaneous Agreements Cancelled.

The Lease shall completely and fully supersede all other prior or contemporaneous agreements, both written and oral, between the City and the Company relating to the leasing of the Automotive Facility, all to the end that the City and the Company shall look to the Lease for ultimate definition and determination of their respective rights, liabilities and responsibilities respecting the Automotive Facility. The Company and the City acknowledge that they have no outstanding agreement, commitment or understanding, either express or implied, for the grant to the Company of any option to purchase the Automotive Facility or any part thereof other than those options contained in Article XI hereof.

Section 12.7 Limited Liability of City.

The City is entering into this Lease Agreement pursuant to the laws of the State of Alabama. No provision hereof shall be construed to impose a charge against the general credit of the City or any personal or pecuniary liability upon the City except with respect to the proper application of the proceeds to be derived from the sale of the Note, moneys made available by the Company to the City pursuant to the provisions hereof, and the revenues and receipts to be derived from any leasing or sale of the Automotive Facility, including insurance proceeds and condemnation awards. Further, none of the directors, officers, employees or agents of the City shall have any personal or pecuniary liability whatever hereunder or any liability for the breach by the City of any of the agreements on its part herein contained. Nothing contained in this section, however, shall relieve the City from the

observance and performance of the several covenants and agreements on its part herein contained or relieve any director, officer, employee or agent of the City from performing all duties of its respective offices that may be necessary to enable the City to perform the covenants and agreements on its part herein contained.

Section 12.8 Binding Effect.

The Lease shall inure to the benefit of, and shall be binding upon, the City, the Company and their respective successors and assigns. To the extent provided herein and in the Authorizing Ordinance, the Paying Agent and the holder of the Note shall be deemed to be third party beneficiaries hereof, but nothing herein contained shall be deemed to create any right in, or to be for the benefit of, any other person who is not a party hereto.

Section 12.9 Severability.

In the event any provision of the Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. Without in any way limiting the generality of the foregoing, the Company specifically acknowledges and agrees that the several purchase options granted it in Article XI hereof are fully severable from and independent of the other provisions hereof and that neither the invalidity or unenforceability of any of such purchase options shall invalidate or render unenforceable any other provision hereof nor excuse the Company from fully performing and observing any of the agreements and covenants on its part herein contained.

Section 12.10 No Merger of Title.

The City's interest under the Ground Lease shall not be deemed to create a merger of title, nor shall the Company's interest thereunder be deemed to constitute a merger of title, all to the end that the performance of the said agreements shall be accomplished in accordance with the provisions thereof.

Section 12.11 Article and Section Captions.

The article and section headings and captions contained herein are included for convenience only and shall not be considered a part hereof or affect in any manner the construction or interpretation hereof.

Section 12.12 Governing Law.

The Lease shall in all respects be governed by and construed in accordance with the laws of the State of Alabama.

IN WITNESS WHEREOF, the City and the Company have caused this Lease Agreement to be executed in their respective corporate names, have caused their respective corporate seals to be hereunder affixed, and have caused this Lease Agreement to be attested, all by their duly authorized officers, in eight (8) counterparts, each of which shall be deemed an original, and the parties hereto have caused this Lease Agreement to be dated as of January 1, 2009, although delivered by the parties hereto on February ____, 2009.

CITY OF DAPHNE, ALABAMA

By _____
Mayor

ATTEST:

City Clerk

[S E A L]

TAMERON PROPERTIES, LLC

By _____
Its Manager

STATE OF ALABAMA)
 :
BALDWIN COUNTY)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that _____, whose name as Mayor of CITY OF DAPHNE, ALABAMA, a municipal corporation under the laws of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he, as such Mayor and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN under my hand and seal, this _____ day of _____, 2009.

[NOTARIAL SEAL]

Notary Public
My Commission Expires: _____

STATE OF ALABAMA)
 :
_____ COUNTY)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Thomas M. Acheson, whose name as Manager of TAMERON PROPERTIES, LLC, an Alabama limited liability company, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

GIVEN under my hand and seal, this _____ day of _____, 2009.

[NOTARIAL SEAL]

Notary Public
My Commission Expires: _____

EXHIBIT A

to

LEASE AGREEMENT

between

CITY OF DAPHNE, ALABAMA

and

TAMERON PROPERTIES, LLC

dated as of January 1, 2009

The Automotive Facility Site consists of the following parcels of land:

Lot 2, according to the Map of the Final Plat of Eastern Shore Park, as said Map appears of record in the Office of the Judge of Probate, Baldwin County, Alabama, in Slide 2244-A and Slide 2244-B.

GROUND LEASE AGREEMENT dated as of January 1, 2009, between **TAMERON PROPERTIES, LLC**, a limited liability corporation under the laws of the State of Alabama (herein called the "Company"), and the **CITY OF DAPHNE, ALABAMA**, a municipality of the State of Alabama (herein called the "City"),

RECITALS

Pursuant to this Ground Lease Agreement the City is undertaking to lease the "Automotive Facility" hereinafter defined from the Company for use as an automotive dealership facility. The City has found and determined, pursuant to Amendment No. 750 of the Constitution of Alabama of 1901, as amended, that the sale and issuance of its Gulf Opportunity Zone Limited Obligation Note (Tameron Automotive Eastern Shore Project) (herein called the "Note") will promote the economic development of the City and of Baldwin County. The proceeds of the Note will be used to reimburse the Company for a portion of the costs of constructing the Automotive Facility, including all immovable fixtures incidental or necessary in connection therewith. The proceeds of the Note will be used. The said Automotive Facility is located on certain land situated within the now corporate limits of the City more particularly described on Exhibit A (herein called the "Site"). In that regard, the City will lease the Site and the Automotive Facility on it to the Company under a Lease Agreement dated as of January 1, 2009 (herein called the "Financing Lease"), the rentals paid by the Company under which shall be the sole source of payment for the Note. The City and the Company are entering into this Ground Lease Agreement in order for the City to have sufficient legal interest in the Site at the Automotive Facility to enter into and perform the Financing Lease.

NOW, THEREFORE,

THIS GROUND LEASE AGREEMENT

WITNESSETH:

In consideration of the premises and the agreements of the City and the Company contained herein, the Company hereby demises and leases to the City subject to any Permitted Encumbrances as hereinafter defined; and in consideration of such lease the City does hereby rent the Site from the Company, for and during the term hereof. This Ground Lease Agreement is made, however, upon and subject to the following terms and conditions which are hereby agreed to by the respective parties hereto:

Section 1. **Duration of Lease Term.** The term of the lease made hereby shall begin on the date of the delivery hereof and shall continue until the later of (i) 11:59 o'clock, P.M., on _____, _____, or (ii) the date on which the Note shall have been paid in full or payment shall have been duly provided therefor.

Section 2. **Warranty of Title.** The Company warrants to the City that the Company is seized of an indefeasible estate in fee simple in and to the Site and that so long as this Ground Lease Agreement shall remain in effect the City shall have peaceful possession of said property.

Section 3. **Title to the Automotive Facility.** The Company and the City agree that the Automotive Facility shall constitute permanent improvements to the Site and that all right, title and interest of the City in and to the Site and the Automotive Facility shall vest automatically in the Company upon termination hereof.

Section 4. **Option to Release Portions of Site.** The Company shall have, subject to the conditions hereinafter specified, the option (which option is hereby reserved by the Company and which option shall be prior and superior to the provisions of the Financing Lease) to release from the demise of this Ground Lease Agreement any part of the Site at any time and from time to time while it is not in default hereunder or under the Financing Lease, provided that the Company furnishes to the City the following:

(a) A notice in writing containing (i) an adequate description of that portion of the Site with respect to which such option is to be exercised and (ii) a statement that the Company intends to exercise its option to release such portion of the Site on a date stated, which shall not be less than fifteen (15) nor more than ninety (90) days from the date of such notice; and

(b) A certificate signed by an authorized representative of the Company stating (i) that no part of the Automotive Facility, no other improvement (except for roads, walkways, sewer, water, gas and electric lines and the like, which shall be specified in such certificate) and no building or other structure is located on the portion of the Site with respect to which such option is exercised, and (ii) that the severance of such portion of the Site will not impair the operating unity of the Automotive Facility or unduly restrict ingress or egress to or from any of the Automotive Facility.

Upon the receipt by City of a notice and certificate complying with the provisions of the preceding clauses (a) and (b), respectively, the Company and the City will execute an amendment hereto releasing from this Lease the portion of the Site with respect to which the option was exercised.

From and after the consummation of any release effected by the Company pursuant to the provisions of this section, any reference herein to the Site shall be deemed to refer to the land that immediately prior thereto constituted the Site, less and except that part so released by the Company under the provisions of this section. No release effected by the Company under the provisions of this section shall entitle the Company to any abatement or diminution of the rental payable by it under the Financing Lease.

Section 5. **Concerning the Financing Lease.** The parties hereto acknowledge that this Ground Lease Agreement has been entered into between the Company and the City in order to give the City a requisite property interest in the Site and the Automotive Facility to perform its obligations under the Financing Lease. It is agreed and understood that the lease of the Automotive Facility from the Company by the City pursuant to the Financing Lease will not (i) extinguish the leasehold interest created by this Ground Lease Agreement through merger thereof with the Company's fee simple interest in the Site or (ii) in any other way impair or destroy the leasehold interest created by this Ground Lease Agreement as a separate property right belonging to the City.

Section 6. **Option for Release of Obsolete and Worn-Out Equipment.** The Company shall have, subject to the conditions hereinafter specified, the option (which option is hereby reserved by the Company and which option shall be prior and superior to the provisions of the Financing Lease) to remove and release from the demise of this Ground Lease Agreement any worn-out or obsolete equipment or machinery constituting a part of the Automotive Facility, provided that the Company provides the City with a written certificate from an authorized representative of the Company describing in adequate detail the equipment or machinery to be so released from the demise of this Ground Lease Agreement and stating that such equipment or machinery is obsolete, worn-out or otherwise unusable in the operation of the Automotive Facility. If so requested by the Company and the Company shall provide one, the City shall execute and deliver a release of the said equipment or machinery from this Ground Lease Agreement. No release under this section shall entitle the Company to any abatement or diminution of rentals payable by it under the Financing Lease.

Section 7. **Successive Interest.** This Ground Lease Agreement shall be binding upon, and shall inure to the benefit of, the Company and the City and their respective successors and assigns.

Section 8. **Permitted Encumbrances.** This Ground Lease Agreement shall be subject to any of the following Permitted Encumbrances: (i) liens granted pursuant to the Future Advance Mortgage, Assignment of Rents and Leases and Security Agreement dated as of July 26, 2007 (herein called the "Compass Mortgage"), between the Company and Compass Bank (herein called "Compass"); (ii) liens imposed by law, such as mechanics', workmen's, materialmen's, carriers' and other like liens arising in the ordinary course of business, securing obligations which are not overdue or which are being contested in good faith and by appropriate proceedings (so long as there have been set aside on the books of the Company with respect to any such obligation so contested reserves which are adequate in the opinion of the Company); (iii) liens for property taxes not delinquent or for taxes which are being contested in good faith and by appropriate proceedings (so long as there shall have been set aside on the books of the Company with respect to any such taxes so contested reserves which are adequate in the opinion of the Company); and (iv) utility, access, drainage and other easements and rights-of-way, mineral rights, covenants running with the land, zoning restrictions, environmental regulations and other restrictions and encumbrances affecting the use of real property, minor encroachments shown by survey or minor irregularities in the title to real property, none of the foregoing of which, individually or in the aggregate, materially impair the leasehold interest of the City to any part of the Automotive Facility or the use by the Company of the Automotive Facility for the purposes for which it was designed.

Section 9. **Acknowledgements and Subordination.** This City hereby acknowledges that its rights under this Ground Lease are subject to and subordinate in all respects to the rights of Compass under the Compass Mortgage. This City further acknowledges that upon a foreclosure of the Compass Mortgage, its interests under this Ground Lease may be extinguished.

IN WITNESS WHEREOF, the Company and the City have caused this Ground Lease Agreement to be executed in their respective names, have caused the City's corporate seal to be hereunto affixed, and have caused this Ground Lease Agreement to be attested, by the City's duly authorized representative, and the parties hereto have caused this Ground Lease Agreement to be dated as of January 1, 2009, although executed by the Company on February ____, 2009, and by the City on February ____, 2009, and delivered by both said parties on February ____, 2009.

TAMERON PROPERTIES, LLC

By _____
Its Manager

CITY OF DAPHNE, ALABAMA

By _____
Mayor

ATTEST:

City Clerk

[S E A L]

STATE OF ALABAMA)
 :
JEFFERSON COUNTY)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that Thomas M. Acheson, whose name as Manager of TAMERON PROPERTIES, LLC, a limited liability company under the laws of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he, as such Manager and with full authority, executed the same voluntarily for and as the act of said company.

GIVEN under my hand and seal, this _____ day of _____, 2009.

[NOTARIAL SEAL]

Notary Public

My Commission Expires: _____

STATE OF ALABAMA)
 :
BALDWIN COUNTY)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that _____, whose name as Mayor of the CITY OF DAPHNE, ALABAMA, a municipality under the laws of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said City.

GIVEN under my hand and seal, this _____ day of _____, 2009.

[NOTARIAL SEAL]

Notary Public

My Commission Expires: _____

EXHIBIT A

The Site consists of the following parcels of land:

Lot 2, according to the Map of the Final Plat of Eastern Shore Park, as said Map appears of record in the Office of the Judge of Probate, Baldwin County, Alabama, in Slide 2244-A and Slide 2244-B.