

**CITY OF DAPHNE**  
**CITY COUNCIL MEETING AGENDA**  
**1705 MAIN STREET, DAPHNE, ALABAMA**  
**SEPTEMBER 15, 2014**  
**6:30 P.M.**

1. **CALL TO ORDER**
2. **ROLL CALL / INVOCATION /** Reverend Dan Morris with Daphne United Methodist Church
3. **APPROVE MINUTES:** Council meeting minutes / September 2, 2014  
Council Work Session minutes / September 8, 2014

**PRESENTATION:** Al Guarisco / Bocce Courts

**PUBLIC HEARING:** Amending the Land Use & Development Ordinance 2011-54 / Revisions  
To Appendix "H" Zoning Map

**4. REPORT STANDING COMMITTEES:**

**A. FINANCE COMMITTEE – Conaway**  
Review minutes / September 8<sup>th</sup>

**1. Ordinances:**

- a.) Appropriating Funds: Drainage Repair / Donette Loop Properties / **Ordinance 2014-40**
- b.) Appropriating Funds: Lancaster Way Drainage Crossing / **Ordinance 2014-41**
- c.) Appropriating Funds: Design Engineering for Sewer Projects:
  - Whispering Pines-Dauphine Acres
  - Douglas Road;
  - Van Buren Street
  - Schieffelin Lane-Jordan Lane East;
  - 6<sup>th</sup> Street; Greystone Subdivision / **Ordinance 2014-42**

**2. Resolutions:**

- a.) Bid Award: Lancaster Way Road Crossing / Sunset Contracting Inc. / **Resolution 2014-50**

**3. Motion:**

For \$1,000 to be paid to the YMCA out of the remaining Community Contribution monies  
Budgeted in the FY2014 budget.

**4. Financial Report:**

- Treasurers Report / August 2014
- Sales & Use Tax Collections / July 2014
- Lodging Tax Collections / July 2014

**B. BUILDINGS & PROPERTY COMMITTEE - Davis**  
Review minutes / September 2<sup>nd</sup>

**C. PUBLIC SAFETY - Rudicell**  
Review minutes / September 10<sup>th</sup>

**D. CODE ENFORCEMENT/ORDINANCE COMMITTEE - Scott**  
Review minutes / September 10<sup>th</sup>

**E. PUBLIC WORKS COMMITTEE / SOLID WASTE AUTHORITY – LeJeune**

- Review Public Works minutes / August 18<sup>th</sup>
- Review Beautification minutes / August 6<sup>th</sup>
- Review Daphne Museum minutes / August 11<sup>th</sup>
- Review Environmental Advisory Committee minutes / August 25<sup>th</sup>
- **MOTION:** To appoint Don Ouellette to the Environmental Advisory Committee
- **Need two council members to serve as liaisons to the committee**

**5. REPORTS OF SPECIAL BOARDS & COMMISSIONS:**

- A. **Board of Zoning Adjustments** – Adrienne Jones
- B. **Downtown Redevelopment Authority** – Conaway  
Review minutes / August 27<sup>th</sup>
- C. **Industrial Development Board** – Davis
- D. **Library Board - Lake**
- E. **Planning Commission** – Scott
- F. **Recreation Board** – LeJeune
- G. **Utility Board - Fry**

**6. REPORTS OF OFFICERS:**

- A. **Mayors Report**
- B. **City Attorney’s Report:**
- C. **Department Head Comments:**
- D. **City Clerk Report:**

**7. PUBLIC PARTICIPATION:**

**8. RESOLUTIONS & ORDINANCES:**

**RESOLUTIONS:**

- a.) **Bid Award: Lancaster Way Road Crossing / Sunset Contracting, Inc. . . . . . /Resolution 2014-50**
- b.) **Approving the Preliminary Official Statement with Respect to the Series  
2014 Warrants. . . . . /Resolution 2014-51**

**ORDINANCES:**

**2<sup>ND</sup> READ**

- a.) **Federal Emergency Management Agency (FEMA): Hazard Mitigation  
Grant Program (HMGP) disaster Assistance for Lamar and Willet White  
104 Gordon Circle. . . . . /Ordinance 2014-37**
- b.) **Amending the Land Use and Development Ordinance 2011-54  
Appendix “H” / Revision to Zoning Map. . . . . /Ordinance 2014-38**

**1<sup>ST</sup> READ**

- a.) **Appropriating Funds: Donette Loop Properties Drainage Repair. . . . . /Ordinance 2014-40**
- b.) **Appropriating Funds: Lancaster Way Drainage Crossing. . . . . /Ordinance 2014-41**
- c.) **Appropriating Funds: Design Engineering for Sewer Projects. . . . . /Ordinance 2014-42**
- d.) **An Ordinance Adopting the Rules of Procedure in All Instances  
for Meetings of the City Council / Repealing 2013-21. . . . . /Ordinance 2014-43**
- e.) **Adopting the Fiscal Year 2015 Operating Budget. . . . . /Ordinance 2014-44**

**9. COUNCIL COMMENTS**

**10. ADJOURN**

**CITY OF DAPHNE  
CITY COUNCIL**

**ROLL CALL**

**CITY COUNCIL:**

COUNCILWOMAN CONAWAY	PRESENT___	ABSENT___
COUNCILMAN RUDICELL	PRESENT___	ABSENT___
COUNCILMAN LAKE	PRESENT___	ABSENT___
COUNCILMAN SCOTT	PRESENT___	ABSENT___
COUNCILMAN LEJEUNE	PRESENT___	ABSENT___
COUNCILMAN DAVIS	PRESENT___	ABSENT___
COUNCIL PRESIDENT FRY	PRESENT___	ABSENT___

**MAYOR:**

MAYOR HAYGOOD	PRESENT___	ABSENT___
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**CITY CLERK:**

REBECCA HAYES	PRESENT___	ABSENT___
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**CITY ATTORNEY:**

JAY ROSS	PRESENT___	ABSENT___
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**SEPTEMBER 2, 2014  
CITY COUNCIL MEETING  
BUSINESS MEETING  
1705 MAIN STREET  
DAPHNE, AL  
6:30 P.M.**

**1. CALL TO ORDER:**

There being a quorum present Council President Fry called the meeting to order at 6:30 p.m.

**2. ROLL CALL/INVOCATION/PLEDGE OF ALLEGIANCE:**

Pastor Rife Stewart with Destiny Church gave the invocation.

**COUNCIL MEMBERS PRESENT:**

Tommie Conaway; Pat Rudicell; John Lake; Randy Fry; Ron Scott; Robin LeJeune; Joe Davis.

Also present: Rebecca Hayes, City Clerk; Kevin Boucher, Attorney, Adams & Reese; Richard Johnson, Public Works Director; Adrienne Jones, Community Development Director; Margaret Thigpen, Civic Center Director; Richard Merchant, Building Official; David Carpenter, Police Chief; James White, Fire Chief; David McKelroy, Recreation Director; Tonja Young, Library Director; Ashely Campbell, Environmental Programs Manager; Al Guarisco, Village Point Foundation; Tomasina Werner, Beautification Committee; Willie Robison, BZA.

Absent: Mayor Haygood; Vickie Hinman, HR Director; Michael Hoyt, Municipal Judge; Jay Ross, City Attorney; Christine Ciancetta, Deputy Finance Director;.

**3. APPROVE MINUTES: August 18, 2014 Council meeting minutes**

**August 18, 2014 Council Meeting Minutes**

There were no corrections to the August 4, 2014 council meeting minutes and the minutes stand approved as written.

**The Public Hearing for the Revisions to the Zoning Map was pulled as the Public Hearing is scheduled for the September 15, 2014 council meeting.**

**4. REPORT OF STANDING COMMITTEES:**

**A. FINANCE COMMITTEE – Conaway**

The next meeting will be Monday at 4:00 p.m.

**B. BUILDINGS & PROPERTY COMMITTEE - Davis**

The committee met before the council meeting, and the minutes will be in the next packet.

**C. PUBLIC SAFETY COMMITTEE – Rudicell**

The next meeting will be September 10<sup>th</sup> at 4:30 p.m.

**D. CODE ENFORCEMENT/ORDINANCE COMMITTEE – Scott**

The next meeting will be September 10<sup>th</sup> after the Public Safety meeting.

**SEPTEMBER 2, 2014  
CITY COUNCIL MEETING  
BUSINESS MEETING  
1705 MAIN STREET  
DAPHNE, AL  
6:30 P.M.**

***E. PUBLIC WORKS COMMITTEE*** – LeJeune

The August 6<sup>th</sup> Beautification minutes are in the packet. Gator Alley will reopen tomorrow. The next meeting will be September 15<sup>th</sup>.

**5. REPORTS OF SPECIAL BOARDS & COMMISSIONS:**

***A. Board of Zoning Adjustments*** – Adrienne Jones

No report.

***B. Downtown Redevelopment Authority*** – Conaway

The next meeting will be September 24<sup>th</sup> at 5:30 p.m.

***C. Industrial Development Board*** – Davis

The August 25<sup>th</sup> minutes are in the packet. The next meeting will be September 22<sup>nd</sup> at 6:00 p.m.

***D. Library Board*** – Lake

The next meeting will be September 11<sup>th</sup> at 4:00 p.m.

***E. Planning Commission*** – Scott

The July 24<sup>th</sup> minutes are in the packet. The Site Review meeting will be September 17<sup>th</sup> at 8:30 a.m., and the regular Planning Commission meeting will be September 25<sup>th</sup> at 5:00 p.m.

***F. Recreation Board*** – LeJeune

The next meeting will be September 10<sup>th</sup> at 6:30 p.m. Councilman LeJeune said he appreciated the help Richard Johnson and David McKelroy has given on creating the RFP for the recreation facilities.

***G. Utility Board*** – Fry

The July 30<sup>th</sup> minutes and August 12<sup>th</sup> Special Called meeting minutes are in the packet. The September 25<sup>th</sup> meeting will be held October 1<sup>st</sup>.

**6. REPORTS OF OFFICERS:**

***A. Mayor's Report***

***B. City Attorney's Report***

Mr. Boucher suggested council to enter into Executive Session at the end of the meeting to discuss a personnel issue which should not take more than 20 minutes and then come back and take any action necessary.

**SEPTEMBER 2, 2014  
CITY COUNCIL MEETING  
BUSINESS MEETING  
1705 MAIN STREET  
DAPHNE, AL  
6:30 P.M.**

**C. Department Head Comments**

**Margaret Thigpen Civic Center Director** – reported that the Premier Wedding Expo is on Sunday and tickets are \$10.

**D. City Clerk's Report**

a.) Parade Permit / Daphne High School Homecoming Parade / September 18, 2014

**MOTION BY Councilman Scott to approve the Parade Permit / Daphne High School Homecoming Parade / September 18, 2014. Seconded by Councilman LeJeune.**

**MOTION CARRIED UNANIMOUSLY**

**7. PUBLIC PARTICIPATION**

**Mr. Todd Martin – 6377 Jackson Oaks Drive** - spoke regarding the flooding of his property and ask council to apply to the Corp of Engineers to temporarily improve the south bank of Yancey Creek until the studies are complete. The rain events are doing damage to his and his neighbor's property.

**Mr. Ormand Thompson – 6389 Jackson Oaks Drive** – spoke regarding the runoff from the rains and the damage to his property, and asked council to look into the issue and assist in the mitigation of this problem.

**Mr. Malcolm Zellner – 27125 Main Street** – spoke regarding the flooding of his property numerous times, and the culvert is no longer solving the problem. Someone should be addressing this problem.

**Mr. Tom Morgan – 6301 Thompson Lane** – spoke regarding the flooding problem for his and his neighbor's property.

**Mr. Roy Hall – 6378 Jackson Oaks Drive** – spoke regarding the flooding of his property.

**Mrs. Brenda Blossman – 5425 Cardinal Lane** – spoke regarding flooding problems of her property.

**Mr. Matt Whitfield – 6534 Jackson Oaks Drive** – spoke regarding flooding of his property from Yancey Creek problems.

**8. RESOLUTIONS & ORDINANCES:**

**NO RESOLUTIONS TO CONSIDER**

SEPTEMBER 2, 2014  
CITY COUNCIL MEETING  
BUSINESS MEETING  
1705 MAIN STREET  
DAPHNE, AL  
6:30 P.M.

**ORDINANCES:**

**2<sup>ND</sup> READ**

- a.) Federal Emergency Management Agency (FEMA): Hazard Mitigation Grant Program (HMGP) disaster Assistance for Lamar and Willet White 104 Gordon Circle. .... /Ordinance 2014-37

MOTION BY Councilman Lake to waive the reading of Ordinance 2014-37. *Seconded by Councilman Scott.*

MOTION CARRIED UNANIMOUSLY

MOTION BY Councilman LeJeune that the vote to adopt Ordinance 2014-37 be postponed until the September 15, 2014 council meeting in order to gather more information. *Seconded by Councilman Davis.*

MOTION CARRIED UNANIMOUSLY

**1<sup>ST</sup> READ**

- a.) Amending the Land Use and Development Ordinance 2011-54 Appendix "H" / Revision to Zoning Map. .... /Ordinance 2014-38
- b.) Appropriating Funds: Authorized Settlement by the City Council. .... /Ordinance 2014-39

**ORDINANCE 2014-37 WAS CARRIED OVER TO THE SEPTEMBER 15, 2014 COUNCIL MEETING**

**ORDINANCE 2014-38 WILL BE ON THE SEPTEMBER 15, 2014 COUNCIL MEETIN AGENDA AS A FIRST READ WHEN THE PUBLIC HEARING IS SCHEDULED**

Ordinance 2014-39 will be considered after the Executive Session.

**SEPTEMBER 2, 2014  
CITY COUNCIL MEETING  
BUSINESS MEETING  
1705 MAIN STREET  
DAPHNE, AL  
6:30 P.M.**

**9. COUNCIL COMMENTS**

*Councilwoman Conaway* congratulated the Police Department for the city being selected as 9<sup>th</sup> safest in Alabama. The city is proud of the department, because she feels safe in Daphne being a female she feels she can go any place in Daphne knowing the city has people out in the community protecting them. She thanked the Police Department for all they do for the community.

*Councilman Lake* also congratulated the Police Department. He requested the Ordinance Committee consider the tree protection ordinance and look at two things: 1.) That any tree work done on city right-of-way be done by a certified arborist. 2.) That the arborist have a City of Daphne business license. Council needs to protect the trees in Daphne.

*Councilman Scott* spoke regarding the ALS Ice Bucket Challenge saying that Mike Dawson, a police officer with the city, has been diagnosed with ALS, and Chief Carpenter has already done the bucket challenge, by will do it again if the donations for Mike reaches \$10,000. \$9,317 has already been raised so he encouraged everyone to give a donation for Officer Dawson.

*Councilman Davis* mentioned that the I-10 Bridge meeting will be Monday, September 29<sup>th</sup> from 4:00 p.m. to 8:00 p.m. with the presentation starting at 5:00 p.m. He encouraged all to attend and fill out the comment sheets. The State and Federal government looks at volume and participation when considering a project.

**MOTION BY Councilman Scott to enter into Executive Session to discuss a personnel issue. The session will last for 20 minutes. *Seconded by Councilwoman Conaway.***

**Mr. Boucher, City Attorney, certified that the reason stated for entering into Executive Session is according to the Open Meetings Act.**

**ROLL CALL VOTE**

<b>Conaway</b>	<b>Aye</b>	<b>LeJeune</b>	<b>Aye</b>
<b>Rudicell</b>	<b>Aye</b>	<b>Davis</b>	<b>Aye</b>
<b>Lake</b>	<b>Aye</b>	<b>Fry</b>	<b>Aye</b>
<b>Scott</b>	<b>Aye</b>		

**MOTION CARRIED UNANIMOUSLY**

Council entered into Executive Session at 7:17 p.m.

Council returned from Executive Session at 8: 32 p.m.



**SEPTEMBER 2, 2014  
CITY COUNCIL MEETING  
BUSINESS MEETING  
1705 MAIN STREET  
DAPHNE, AL  
6:30 P.M.**

**10. ADJOURN:**

**MOTION BY Councilman LeJeune to adjourn. *Seconded by Councilman Rudicell.***

**MOTION CARRIED UNANIMOUSLY**

**THERE BEING NO FURTHER BUSINESS TO DISCUSS, THE MEETING ADJOURNED AT  
7:40 P.M.**

Respectfully submitted by,

Certification of Presiding Officer

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Rebecca A. Hayes,  
City Clerk

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Randy Fry,  
Council President

**SEPTEMBER 8, 2014  
CITY COUNCIL WORK SESSION  
1705 MAIN STREET  
DAPHNE, AL  
6:30 P.M.**

**COUNCIL MEMBERS PRESENT:** Tommie Conaway Pat Rudicell; John Lake; Randy Fry; Ron Scott; Robin LeJeune; Joe Davis.

Also present: Mayor Dane Haygood arrived at 6:35 p.m.; Rebecca Hayes, City Clerk; Jay Ross, City Attorney; Richard Johnson, Public Works Director; David McKelroy, Recreation Director; Christine Ciancetta, Deputy Finance Director; Ray Moore, Hutchinson, Moore and Rauch; Danny Lyndall, Daphne Utilities General Manager; .

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

**1. SEWERS / RICHARD JOHNSON / RAY MOORE**

Mr. Johnson presented council with information to finish up the sewerage of the city. He said that the Finance Committee made a positive motion to go forward with the engineering for this project. Mr. Moore handed out some booklets earlier with information and figures on the project.

Councilman Rudicell reminded council that they need to tie in this cost with the budget talks.

Consensus of council was to go forward with the engineering phase and have an ordinance on the September 15<sup>th</sup> agenda

Mayor Haygood asked Mr. Lyndall if Daphne Utilities could join the city in the cost of the sewerage.

Mr. Lyndall said that they have in the past helped with the cost and he will bring it up to the Utility Board.

**2. REQUEST FOR PROPOSAL (RFP) / RECREATION FACILITIES**

Councilman LeJeune said that he, Richard Johnson and David McKelroy met with the Mayor on Friday, and the Mayor had a lot of ideas and questions for the proposal. Richard Johnson gave a synopsis of the RFP.

The firms will come before council to make a proposal.

Mayor Haygood made a presentation on recreation facilities. He felt the RFP was too limiting in creativity, and said that there needs to be flexibility built in the RFP. He suggested having a master plan with phasing and assembling as you go according to funds. He also suggested partnering with corporations. He would like a sense of place and community built in to the plan. He mentioned that council needs to think about how much they want to spend. Mayor Haygood said that a grant writer is included in the budget.

**3. ANYTHING ELSE DEEMED NECESSARY**

Council received the FY2015 budget from the mayor at the Finance meeting today. The mayor will be sending the personnel request and capital request in a day or two. He said that personnel costs are growing faster than revenue.

Council set a Special Finance Committee meeting to discuss the budget set for September 18<sup>th</sup> at 5:30 p.m. and Council President Fry called a Special Called Council meeting set for September 23<sup>rd</sup> 6:30

**AUGUST 11, 2014  
CITY COUNCIL WORK SESSION  
1705 MAIN STREET  
DAPHNE, AL  
6:30 P.M.**

p.m. to discuss the budget, and requested that an ordinance adopting the budget be on the September 15<sup>th</sup> council meeting agenda for a first read.

**8. ADJOURN**

There being no further business to discuss the meeting adjourned at 8:15 p.m.

Respectfully submitted by,

Certification of Presiding Officer:

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Rebecca A. Hayes  
City Clerk

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Randy Fry  
Council President

**PUBLIC HEARING**

**SEPTEMBER 15, 2014**

**TO CONSIDER:**

- 1. Amending the Land Use & Development Ordinance 2011-54 /  
Revisions to Zoning Map**

**Recommendation: Unanimous Favorable**

**Ordinance 2014-38**

To: Office of the City Clerk  
From: Adrienne D. Jones,   
Community Development Director  
Subject: Revised City of Daphne Zoning Map  
Date: July 25, 2014

## MEMORANDUM

At the July 24, 2014, regular meeting of the City of Daphne Planning Commission, six members were present. The motion to set forth a **favorable recommendation** carried unanimously of the above-mentioned revision to the zoning map.

Attached please find the appropriate documentation and action of the Daphne Planning Commission.

Upon receipt of said documentation, please prepare an ordinance for placement on the City Council agenda of Monday, August 4, to set the public hearing for Tuesday, September 2, 2014.

Thank you,  
ADJ/jv

cc: file

attachment(s)

1. Zoning Map Six-Month Report (Copy Attached)
2. Zoning Map (Display - Posted in Council Chambers)



**CITY OF DAPHNE, ALABAMA  
ORDINANCE NO. 2014-**

**Zoning District Map  
Revision to the City of Daphne  
Land Use and Development Ordinance**

**WHEREAS**, the Planning Commission of the City of Daphne, Alabama at their regular meeting held on July 24, 2014 favorably recommended to the City Council of the City of Daphne certain amendments to the Daphne Land Use and Development Ordinance / Zoning District Map approved and adopted by No. 2011-54 and 2013-55; and

**WHEREAS**, said amendments are necessary due to various rezoning and annexation requests which have been approved since the adoption of 2013-55; and

**WHEREAS**, due notice of said proposed zoning map amendments has been provided to the public as required by law through publication and open display at the City of Daphne Public Library and City Hall; and

**WHEREAS**, a public hearing regarding the proposed Zoning District Map amendments was held by the City Council on September 15, 2014; and

**WHEREAS**, the City Council of the City of Daphne after due consideration and upon recommendation of the Planning Commission believe it in the best interest of the health, safety and welfare of the citizens of the City of Daphne to amend said Zoning District Map as recommended; and

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

**SECTION I: ZONING DISTRICT MAP**

The Zoning District Map referenced hereto as Exhibit "A" shall be the official zoning map of the City of Daphne, Alabama and shall be further designated in Appendix H of the City of Daphne Land Use and Development Ordinance, as set forth in Ordinance No. 2011-54 and its amendments.

**SECTION II: REPEALER**

Ordinance No. 2011-54, Appendix H "Exhibit A", and Ordinance No. 2013-55 is hereby repealed, and any Ordinance(s), parts of Ordinance(s) or Resolution(s) conflicting with the provisions of this Ordinance are hereby repealed insofar as they conflict.

ORDINANCE 2014-

REVISION TO ZONING MAP

PAGE 2

**SECTION III: EFFECTIVE DATE**

This Ordinance shall take effect and be in force from and after the date of its approval by the City of Daphne City Council and publication as required by law.

**ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2014.**

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**Dane Haygood, Mayor****ATTEST:**

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**Rebecca A. Hayes, City Clerk**

**ZONING & STREET MAP UPDATES****2014--January 1<sup>st</sup> through July 31<sup>st</sup>**

Every six months the Department of Community Development creates new official city zoning and street maps for the Council's adoption. All modifications shown on these two maps have been approved by the Planning Commission (recorded preliminary/final and/or final subdivision plat) and/or the City Council (annexation, zoning and/or street acceptance resolution).

- **ANNEXATION:** During this period the City limits remain 16.62 sq. miles. No land annexed into corporate limits.
- **ZONING:** No property has been rezoned, although the pre-zoning and annexation process has begun for land at the northwest intersection of County Roads 13 and 64 (anticipate Council action early September 2014).
- **INFRASTRUCTURE:** The city has accepted additional roads or rights of way for maintenance south of Profit Drive then renamed the right of way "Bailey Yelding, Jr. Dr." and in Bellaton Phase 3.
- **DEVELOPMENT:** 139 new single family residential lots have been created in the City; 9 new residential lots in our Extra-Territorial Jurisdiction.

Instrument	Approval	Action	Size
<i>Rezoning</i>	n/a		
<i>Annexation</i>	n/a		
<b>Street Acceptances</b>			
<i>R.O.W. acceptance N. of Johnson Rd &amp; S. Profit Dr</i>	01/06/14	Council Resolution #2014-01	
<i>Naming R.O.W. "Bailey Yelding, Jr. Drive"</i>	01/21/14	Council Resolution #2014-05	
<i>R.O.W. acceptance-Bellaton Subdivision</i>	04/21/14	Council Resolution #2014-17	
<b>Subdivisions---</b> Probate Slide Number	Date of PC Approval Recorded since last map revision	New lots created (from original lot)	Corporate Limits?
2502-C <i>Trott Subdivision</i>	01/23/14	4	No ETJ
2502-B <i>Bienvenue Estates</i>	02/27/14	1	No ETJ
2504-C <i>Orchard Farms Replat of Lots 1,2,5</i>	02/27/14	0-replat	No ETJ
2507-D <i>Colonnade at Eastern Shore, Replat of lot 1 Springs at Eastern Shore</i>	03/27/14	0- replat	Yes
2504-E <i>Bellaton Phase 3</i>	03/27/14	39	Yes
2505-C <i>Broadway-AL Highway 181</i>	03/27/14	1	No ETJ
2506-C <i>Terri Subdivision</i>	04/24/14	3	No ETJ
2509-A,B,C <i>Timbercreek Phase 11</i>	06/26/14	100	Yes
*Approved in 2013, recorded after last map update		--	--
(2505-F) *Honda Division, (2496-F)			
*Lazzari *(2501-A) Gipson			

**FIRST NOTICE OF PUBLIC HEARING**  
Notice is hereby given the first time that the City Council of the City of Daphne will hold a Public Hearing on September 15, 2014 at 6:30 pm in the Council Chambers at City Hall, 1705 Main Street, Daphne, Alabama. The public is welcome to attend and offer comments opposing or favoring a proposed Ordinance amending the Land Use Ordinance and Development Ordinance / Revision to Zoning Map. Any person with an American's with Disabilities Act disability must contact the City Clerk's office ten days prior to the Public Hearing, in order for accommodations to be made.

Rebecca A. Hayes, City Clerk  
**PROPOSED ORDINANCE:**  
**CITY OF DAPHNE, ALABAMA**  
**ORDINANCE NO. 2014-**  
**Zoning District Map**  
**Revision to the City of**  
**Daphne Land Use and**  
**Development Ordinance**

**WHEREAS**, the Planning Commission of the City of Daphne, Alabama at their regular meeting held on July 24, 2014 favorably recommended to the City Council of the City of Daphne certain amendments to the Daphne Land Use and Development Ordinance / Zoning District Map approved and adopted by No. 2011-54 and 2013-55; and

**WHEREAS**, said amendments are necessary due to various rezoning and annexation requests which have been approved since the adoption of 2013-55; and

**WHEREAS**, due notice of said proposed zoning map amendments has been provided to the public as required by law through publication and open display at the City of Daphne Public Library and City Hall; and

**WHEREAS**, a public hearing regarding the proposed Zoning District Map amendments was held by the City Council on September 15, 2014; and

**WHEREAS**, the City Council of the City of Daphne after due consideration and upon recommendation of the Planning Commission believe it in the best interest of the health, safety and welfare of the citizens of the City of Daphne to amend said Zoning District Map as recommended; and

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

**SECTION I: ZONING DISTRICT MAP**

The Zoning District Map referenced hereto as Exhibit "A" shall be the official zoning map of the City of Daphne, Alabama and shall be further designated in Appendix H of the City of Daphne Land Use and Development Ordinance, as set forth in Ordinance No. 2011-54 and its amendments.

**SECTION II: REPEALER**

Ordinance No. 2011-54, Appendix H "Exhibit A", and Ordinance No. 2013-55 is hereby repealed and any Ordinance(s), parts of Ordinance(s) or Resolution(s) conflicting with the provisions of this Ordinance are hereby repealed insofar as they conflict.

**SECTION III: EFFECTIVE DATE**

This Ordinance shall take effect and be in force from and after the date of its approval by the City of Daphne City Council and publication as required by law.

**ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA ON THE DAY OF**

Dane Haygood, Mayor

**ATTEST:**

Rebecca A. Hayes, City Clerk

The Courier  
August 8, 2014

**SECOND NOTICE OF  
PUBLIC HEARING**

Notice is hereby given the second time, the first notice was published on August 8, 2014, that the City Council of the City of Daphne will hold a Public Hearing on September 15, 2014 at 6:30 pm in the Council Chambers at City Hall, 1705 Main Street, Daphne, Alabama. The public is welcome to attend and offer comments opposing or favoring an Ordinance amending the Land Use Ordinance and Development Ordinance / Revision to Zoning Map as presented below. Any person with an American's with Disabilities Act disability must contact the City Clerk's office ten days prior to the Public Hearing, in order for accommodations to be made.

Rebecca A. Hayes,  
City Clerk

**PROPOSED ORDINANCE:  
CITY OF DAPHNE, ALABAMA  
ORDINANCE NO. 2014-  
Zoning District Map  
Revision to the City of Daphne  
Land Use and  
Development Ordinance**

WHEREAS, the Planning Commission of the City of Daphne, Alabama at their regular meeting held on July 24, 2014 favorably recommended to the City Council of the City of Daphne certain amendments to the Daphne Land Use and Development Ordinance / Zoning District Map approved and adopted by No. 2011-54 and 2013-55; and

WHEREAS, said amendments are necessary due to various rezoning and annexation requests which have been approved since the adoption of 2013-55; and

WHEREAS, due notice of said proposed zoning map amendments has been provided to the public as required by law through publication and open display at the City of Daphne Public Library and City Hall; and

WHEREAS, a public hearing regarding the proposed Zoning District Map amendments was held by the City Council on September 15, 2014; and

**/END SYNOPSIS**

The Courier  
August 15, 2014

**REPORT  
OF  
STANDING COMMITTEES**

**CITY OF DAPHNE  
FINANCE COMMITTEE MINUTES  
SEPTEMBER 8, 2014  
4:00 P.M.**

**I. CALL TO ORDER/ROLL CALL**

The meeting was called to order at 4:00 p.m. Present were Chairperson Mrs. Conaway, Councilman Joseph Davis, Councilman Ron Scott, Senior Accountant Suz anne Henson, and Accounting Technician Sue Moody.

The Mayor arrived at 4:06p.m. and left at 4:30p.m. Councilman Lake arrived at 4:15p.m. Also in attendance were Councilman Pat Rudicell, Councilman Robin LeJeune, Council President Randy Fry, Public Works Director Richard Johnson, Human Resource Director Vickie Hinman, and Civic Center Director Margaret Thigpen, Recreation Director David McKelroy.

**I. PUBLIC PARTICIPATION**

**III. HUMAN RESOURCES BUSINESS**

**A. Update on Human Resources Department Activity**

Mrs. Vickie Hinman reviewed the Human Resource Report including open position status.

<u>Positions</u>	<u>Status</u>
Revenue Officer	DOH: 9/11/2014
Recreation Program Coordinator	Open
Deputy Finance Director	Open
Finance Director	Open
PT Dispatcher	DOH: 8/28/2014
Police Officer	DOH: 10/2/2014
Children's Librarian	Promotion: 9/4/2014 ( <i>Assistant was promoted</i> )
(Lib.) Computer Services Technician	Open
Library Services Technician	Interviewing (Closed 8/29)
Accountant	Posting: 9/4 – 9/25

**Safety Committee meeting was rescheduled for September 10, 2014.**

HR projects/meetings:

- Employee Benefits/Wellness Fair follow-up
- Hosted Baldwin County SHRM monthly meeting Aug. 21, 2014
- W. C. Mediation – 8/28/2014
- W. C. Trial – 9/3/2014
- Supervisory Sexual Harassment training on Sept. 30 & Oct. 1

Mrs. Hinman noted that the Revenue Officer new hire would start work this Thursday, September 11, 2014. Mrs. Hinman noted a Recreation Program Coordinator position was filled but the applicant left after two days because she had received another job offer. Mr. Scott asked if Council could have a presentation from Human Resource on what this position's duties are. Mrs. Hinman discussed that the Recreation Director has specific duties he needs to be done by this position and noted there is a job description for this position. Mrs. Conaway asked how long the Recreation Program Coordinator position has been open since it was originally approved. Mrs. Hinman answered the position has been approved all of this fiscal year. The Mayor and Recreation Director arrived at the meeting and Mrs. Conaway asked the Mayor about the open position. The Mayor noted they needed to work on defining the position better to find the right applicant. Mr. Davis asked does the job description define the wide range of duties needed to be covered. Mr. McKelroy noted the job description does cover a wide range of duties between program coordinator and athletic coordinator. Mrs. Hinman noted the Library Computer Services Technician is still open but the Mayor wants to present a change in this position in the FY2015 budget. Mrs. Hinman noted the Finance Director and Deputy Finance Director positions are still open but the applications have been given to the Mayor to review a few weeks ago. Mrs. Conaway asked how

many applications were received. Mrs. Hinman noted there were about 30+ for the Finance Director position and approximately 40 for the Deputy Finance Director. Mrs. Hinman noted the Accountant position is being advertised because the current employee will be retiring around the end of the year. Mr. Scott asked who was retiring. Mrs. Hinman answered Mrs. Donna Page and we were hoping to get someone hired in time for Mrs. Page to do some training with them before she leaves. Mrs. Henson noted we are trying to get someone in to train over two recurring cycles of monthly job duties. Mrs. Henson noted that this will be a tight timeframe so hopefully we will get someone hired soon because she may retire before the end of the year. Mrs. Henson noted that the Mayor was supportive of getting someone in to start training before she leaves. Mr. Davis asked if all the open positions were existing positions included in the budget. Mrs. Hinman noted they are all budgeted.

Mrs. Henson noted that she had given a letter out as a handout from Prodissee Pantry thanking the City for the donations of canned goods brought in by the City of Daphne during the City's Health Benefit Fair. Mrs. Hinman noted this was the charity chosen for the Benefits Fair.

## **IV. CURRENT BUSINESS**

### **A. Financial Reports**

#### **1. Treasurer's Report: July, 2014**

Mrs. Henson reviewed the Treasurer's Report and noted:

- Total Unrestricted Funds - **\$ 8,121,861**
- Decrease from Last Year's Unrestricted Funds – **(\$ 738,110)**
- # of months of Unrestricted cash to cover monthly operating Expenses & Debt Service – **3.7** months compared to the previous year - **4.2** months
- Total City Funds - \$15,025,821

Included in the packet are graphs that show that the Unrestricted funds are down from the previous year. Mrs. Henson noted the current Encumbrances are listed at the bottom of the Treasurer's Report. Mrs. Henson noted that typically Council will review these encumbrances during the Budget process then new ones will be added for pending FY2014 purchases. Mr. Scott asked if the City had received the Riviera Pilot Tax. The Mayor noted he has spoken with Brad Pitt at Riviera and the check should be received very soon. The Mayor noted the check will be approximately \$1.7 million.

***The Treasurer's Report as of August 31, 2014 Total Unrestricted Funds - \$8,121,861 and Total City Funds - \$15,025,821 was presented to be filed for audit.***

#### **2. Sales and Use Taxes: July, 2014**

Mrs. Henson reviewed the Sales & Use Tax Reports and Graphs: \$1,139,121 was collected for July 2014:

- YTD Variance over Budget - \$104,490
- Percent change from last year's collections +6.9 %

Mrs. Henson noted that the previous Finance Director had begun the process of changing the monthly accrual process to report collections to month collected and not be accrued back to the previous month. Mrs. Henson noted there would be an adjustment at year end to actual but this would allow collections to be reported in month received. Mrs. Henson noted a true comparison will be reflected in the FY2015 reports when the new process has been completed for a full year. Mrs. Henson noted unless the new Finance Director changes the accrual process back this will be the new reporting format.

#### **3. Lodging Tax Collections, July, 2014**

*(Lodging Tax rate increased effective April 1, 2014)*

Mrs. Henson reviewed the Lodging Tax Collections Report and noted the collections for **July 2014** were **\$139,397** which is up \$45,087 from July's 2013's collections of \$94,310.

- YTD Variance over Budget: \$51,820; +59.2 %
- Percentage change from last year's collections: + 32.3 %

Discussion continued that the majority of the increase was due to the increase in rate in April.

#### **4. Lodging Tax Fund : Statement of Rev over Exp, July 30,2014 (draft/Unreconciled)**

Mrs. Henson reviewed the Lodging Tax Financial Draft Report and noted the fund balance is \$2,077,970 with Bayfront related balance of \$1,881,751 and Reserve for Recreation balance of \$187,237 and pending projects amount of \$8,982.

#### **6. Report: New Business Licenses – July, 2014**

The Business Licenses Report was not available for the packet but will be included in the October packet. Discussion was made during the Human Resource report that the new Revenue Officer position will begin employment with the City on September 11, 2014.

#### **6. Bills Paid Reports – July, 2014**

The Bills Paid Report was presented in the packet. Mr. Davis asked about bills paid to Hancock Bank and Visa. Mrs. Henson explained that Hancock Bank payments were for leases and the payment listed in the report was for the Fire Pumper Truck lease and the Visa payments were for departmental charges with most of those being training related. Mr. Davis asked what the JLS invoice was for. Mrs. Henson noted it was for the chiller rental at the Civic Center. Mr. Davis asked if all of the reimbursements have been collected on the West Minister project. Mrs. Henson noted a check dated July 14, 2014 in the amount of 2,690.33 was received from Presbyterian Retirement Corp. Mr. Scott noted that on the Adam's and Reese bill that one of the line item descriptions needed to be changed. Mr. Davis noted that the IDB/DRA allocation payments out of the Lodging Tax were now being made on a systematic schedule. Mrs. Henson noted that Mrs. Donna Page, Accountant has taken over preparing that payment and is preparing it monthly. Mrs. Henson noted Mrs. Page would be retiring in a couple months but her position is currently being advertised so training can take place.

#### **7. FY2015 Budget**

The Mayor noted he needed to leave the meeting but he wanted the members to know that Mrs. Ciancetta would be bringing down the FY2015 Budget Draft before 5:00p.m. to give to Council to start reviewing. The Mayor noted the Budget would include all funds but it would not include Capital or new Personnel request. The Mayor noted he was working on reducing a \$1.398 million deficit to a \$580,000 surplus. The proposed budget will include a \$3/month Garbage Collection fee increase. The Mayor noted he wanted to get the budget to the Council so the review process can begin.

#### **B. Appropriation Request: (Ordinance)**

##### **1. Mazie's Gulch & Palmetto Court (Creekside) Additional Appropriation –TABLED**

*(Sponsor Match)* - Emergency Watershed Protection (EWP) program project for repair: private property watershed issues: (NRCS-75% )

Mr. Johnson stated this project has previously been approved and is currently in process. Mr. Johnson noted that an additional appropriation will be needed for this project but that total cost is not known at this time and asked for the request to be tabled to the October Finance meeting when a final cost of the project should be available.

##### **2. Design Engineering to Sewer Six (6) Areas - \$97,841**

Mr. Johnson noted that Mr. Ray Moore, HMR and Mr. Danny Lyndall, General Manager of Daphne Utility Board were present for the presentation and they would be making a presentation at the Council Work Session following the Finance Meeting. Mr. Ray Moore reviewed the Sewer projects and the designated area that remaining sewer is needed in the City of Daphne. The six areas are as follows: **1) Whispering Pines/Dauphine Acres, 2) Douglas Road, 3) Van Buren Street, 4) Schieffelin Lane/Jordan Lane East, 5) 6<sup>th</sup> Street, & 6) Greystone Subdivision.** Mr. Moore discussed each area and showed the location of the areas on a map. Discussion continued that Mayor Bailey Yelding desire was to sewer all areas of the City of Daphne. Mr. Moore discussed that the estimated cost to sewer all six areas is \$1,581,349. Mr. Johnson noted that once the sewer projects are complete the Utility Board will be responsible for maintaining the infrastructure. Discussion continued on the need to complete the sewerage for the City of Daphne and that HMR should prepare the sewer projects to be put out to bid. Discussion was made on the funding of the sewer installation

and Mr. Lake discussed applying the PILOT tax. Discussion continued on appropriating monies for the engineering for the sewer projects.

***Motion by Mr. Davis to authorize HMR to prepare the sewer projects to go out for bid and to appropriate \$97,841 for engineering cost and to transfer monies from the General Fund to the Capital Reserve Fund for the engineering cost of the sewer projects for the 6 areas: 1) Whispering Pines/Dauphine Acres, 2) Douglas Road, 3) Van Buren Street, 4) Schieffelin Lane/Jordan Lane East, 5) 6<sup>th</sup> Street, & 6) Greystone Subdivision. Seconded by Mr. Lake. Motion carried.***

**3. Donette Loop Drainage Repairs- \$147,938 –NOT Reimbursed by FEMA – Capital Reserve Fund**

Mr. Johnson reviewed the history of the damages for this area and presented a request for Hatch Mott MacDonald to undertake the engineering and preparation of letting this project for bid. Mr. Johnson submitted a project estimate cost (\$147,938) included engineering cost of \$25,675 (\$11,615 -Survey, Design & \$14,060- Construction Engineering & Inspection + Material Testing). Mr. Johnson noted this project is NOT eligible for FEMA or NRCS assistance. Mrs. Henson noted monies are available in the Capital Reserve Fund for this project.

***Motion by Mr. Scott to authorize Hatch Mott MacDonald to prepare the Donette Loop Drainage Repairs project for bid and to appropriate \$147,938 from the Capital Reserve Fund for the estimated project cost. Seconded by Mr. Lake. Motion carried.***

**4. 2014-R-LANCASTER WAY ROAD CROSSING-\$14,226 (Construction-\$90,684 + CI&I & Material Testing-\$23,124= \$113,808 ( FEMA-75% /State EMA-12.5% / CITY-12.5%)**

Mr. Johnson submitted a recommendation letter as a handout at the meeting recommending the award of the bid to the qualifying low bidder Sunset Contracting for the repair of the roadway/drainage damage sustained during the April rain storm. Mr. Johnson listed the total project cost including engineering \$113,808 and the net appropriation needed after consideration of FEMA/State EMA reimbursements and previous engineering appropriations would be \$10,551.

***Motion by Mr. Davis to appropriate \$10,551 from General Fund for the Lancaster Way Road Crossing project with the balance reimbursable from FEMA/EMA. Seconded by Mr. Lake. Motion carried.***

***Motion by Mr. Scott to recommend to Council to award the 2014-R-RE03-LANCASTER Way ROAD CROSSING bid in the amount of \$90,683.71 as bid to Sunset Contracting Inc.. Seconded by Mr. Lake. Motion carried.***

## **V. OLD BUSINESS**

### **A. YMCA Contribution Request**

Mrs. Conaway discussed that the YMCA had come before the Finance Committee at a previous meeting and requested an appropriation. Discussion continued that \$2,500 was still available in the budget and a recommendation to contribute \$1,000 out of the \$2,500 available was discussed. Mrs. Conaway noted that there had also been a request from Fire Chief James White for YMCA to work with the City on a membership agreement for the firefighters since the YMCA is located centrally to all fire stations. Mr. Davis and Mr. Scott noted this would be the last community appropriation for FY2014.

***Motion by Mr. Scott for \$1,000 to be paid to the YMCA out of the remaining Communities Contribution monies budgeted in the FY2014 Budget. Seconded by Mr. Lake. Motion carried.***

## **VI. ADJOURN** The meeting adjourned at 5:22 p.m.

**Dane Haygood**  
Mayor

**Vickie Hinman**  
Human Resources Director



**Sherree Hilburn**  
Payroll and Benefits Coordinator

**Sandi Cushway**  
Human Resources Assistant

September 4, 2014

**HUMAN RESOURCES DEPARTMENT**  
**ACTIVITY REPORT**

<b><u>Positions</u></b>	<b><u>Status</u></b>
Revenue Officer	DOH: 9/11/2014
Recreation Program Coordinator	Open
Deputy Finance Director	Open
Finance Director	Open
PT Dispatcher	DOH: 8/28/2014
Police Officer	DOH: 10/2/2014
Children's Librarian	Promotion: 9/4/2014
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- Supervisory Sexual Harassment training on Sept. 30 & Oct. 1

Human Resources Department  
P.O. Box 400 Daphne, Alabama 36526  
Phone: (251) 621-3075 • Fax: (251) 621-4506



RECEIVED

SEP 08 2014

P.O. Box 7403  
Spanish Fort, AL 36577  
251-626-1720  
[www.prodiseepantry.org](http://www.prodiseepantry.org)

Daphne City Hall  
Attn: Sherree Hilburn  
P.O. Box 400  
Daphne, AL 36526

September 3, 2014

Dear Sherree,

Thank you so much for the donation of canned goods to Prodisee Pantry. This will go a long way in helping Prodisee Pantry bring hope by feeding physical, emotional and spiritual hunger! Our compassionate volunteers continue to assist an average of 1,000 families per month seeking help with basic human needs: food and a warm smile. These are the new faces of hunger, formerly middle-class families who are struggling financially due to the three big disasters in just a few years. It often times takes years for families who seek help with the most basic needs to recover. We've been blessed to be able to make sure they have healthy foods to eat, individual attention with information and coordination with supportive programs.

Please use this thank you as a tax deductible acknowledgement of your contribution in which no goods or services were received by the donor as a result of this gift. We thank you for your continuing support and prayers that help us fulfill our mission found in Matthew 25:35. *"I was hungry and you gave me food, I was thirsty and you gave me something to drink, I was a stranger and you welcomed me."*

Blessings,



Deann Servos  
Executive Director

***Prodisee Pantry brings hope by feeding physical, emotional and spiritual hunger!***  
Equal Opportunity Employer

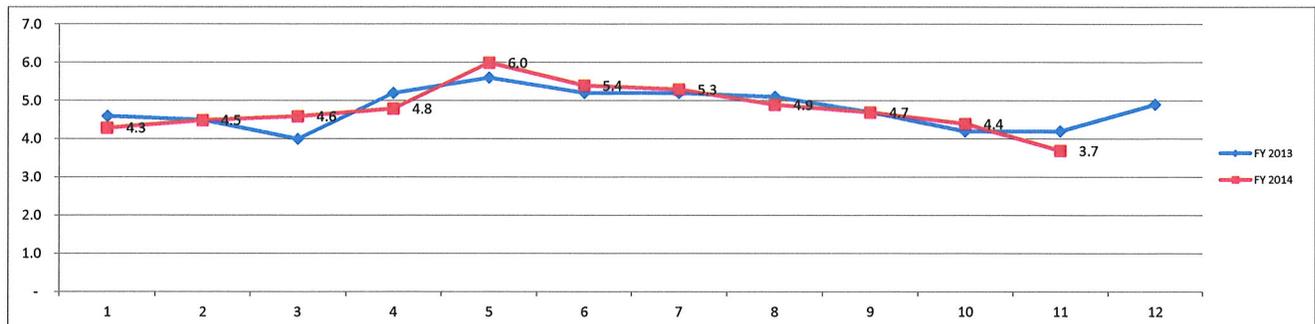
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**TREASURER'S REPORT**  
 As of August 31, 2014

September 15, 2014 Council Meeting

Account Type/Title	Bank / Brokerage	8/31/2014	7/31/2014	Increase (Decrease) from last Month	Balance Last Year 8/31/2013	Increase (Decrease) from Last Year
<b>GENERAL FUND &amp; ENTERPRISE FUNDS</b>	Compass Bank1	\$ 2,792,833	\$ 4,391,094	\$ (1,598,261)	\$ 3,617,297	\$ (824,464)
<b>INVESTMENT FUND</b>	Raymond James	5,204,064	5,170,700	33,364	\$ 5,129,111	\$ 74,953
<b>MUNICIPAL COURT</b>	Compass Bank2	124,964	115,670	9,294	\$ 113,563	\$ 11,401
<b>Total Unrestricted Funds</b>		<b>8,121,861</b>	<b>9,677,464</b>	<b>(1,555,603)</b>	<b>\$ 8,859,971</b>	<b>\$ (738,110)</b>
<b>SPECIAL REVENUE FUNDS</b>						
MUNICIPAL COURT	Compass Bank1	3,195	13,705	(10,510)	(43,425)	46,620
SELF INSURANCE	Compass Bank1	43,427	58,437	(15,010)	44,592	(1,165)
FLEX SPENDING	Compass Bank1	9,040	6,199	2,841	5,603	3,437
4 CENT GAS TAX	PNC Bank1	95,754	91,411	4,343	109,189	(13,435)
7 CENT GAS TAX	PNC Bank2	380,096	374,576	5,520	394,801	(14,705)
TREE & FLOWER	Compass Bank1	11,200	11,200	-	-	11,200
SAIL SITE	PNC3/Compass1	650	(1,436)	2,086	1,127	(477)
NON-MAJOR STORMS	Compass Bank1	(276,094)	(275,485)	(609)	2,166	(278,260)
BP OIL SPILL	Compass Bank1	426,768	426,768	0	428,838	(2,070)
FEDERAL DRUG FORFEITURES	Compass Bank1	37,939	40,939	(3,000)	51,058	(13,119)
LOCAL DRUG FORFEITURES	Compass Bank1	19,444	18,092	1,352	7,574	11,870
LIBRARY	Compass Bank1	(6,823)	(10,115)	3,292	32,347	(39,170)
CONCESSION STAND	Compass Bank1	(4,377)	(5,711)	1,334	(3,910)	(467)
COURT TRAINING & EQUIPMENT	Compass Bank2	26,340	26,344	(4)	23,468	2,872
COURT JUDICIAL ADMINISTRATIVE	Compass Bank2	79,011	76,468	2,543	42,182	36,829
COURT CORRECTION	Compass Bank2	183,465	189,312	(5,847)	249,622	(66,157)
LODGING TAX	Compass Bank1	2,057,914	1,967,848	90,066	922,795	1,135,119
		<u>3,086,950</u>	<u>3,008,552</u>	<u>78,398</u>	<u>2,268,027</u>	<u>818,923</u>
<b>CAPITAL PROJECT FUNDS</b>						
CAPITAL RESERVE	Wells Fargo Bank1	1,187,487	1,200,793	(13,306)	1,643,916	(456,429)
2012 CONSTRUCTION	Regions Bank	504,285	504,299	(14)	1,421,356	(917,071)
		<u>1,691,772</u>	<u>1,705,092</u>	<u>(13,320)</u>	<u>3,065,272</u>	<u>(1,373,500)</u>
<b>DEBT SERVICE FUNDS</b>						
DEBT SERVICE	Wells Fargo Bank2	2,125,238	1,241,405	883,833	1,673,679	451,559
<b>Total Restricted Funds</b>		<b>6,903,960</b>	<b>5,955,049</b>	<b>948,911</b>	<b>7,006,978</b>	<b>(103,018)</b>
<b>Total City Funds</b>		<b>\$ 15,025,821</b>	<b>\$ 15,632,513</b>	<b>\$ (606,692)</b>	<b>\$ 15,866,949</b>	<b>\$ (841,128)</b>

# of Months of UNRESTRICTED Cash to cover monthly  
 Operating Expenses & Debt Service

3.7      4.7      4.2



Encumbrances FY 03 - FY 13: **\$572,576**

# SALES & USE TAXES

## FY 2014 BUDGET vs ACTUAL

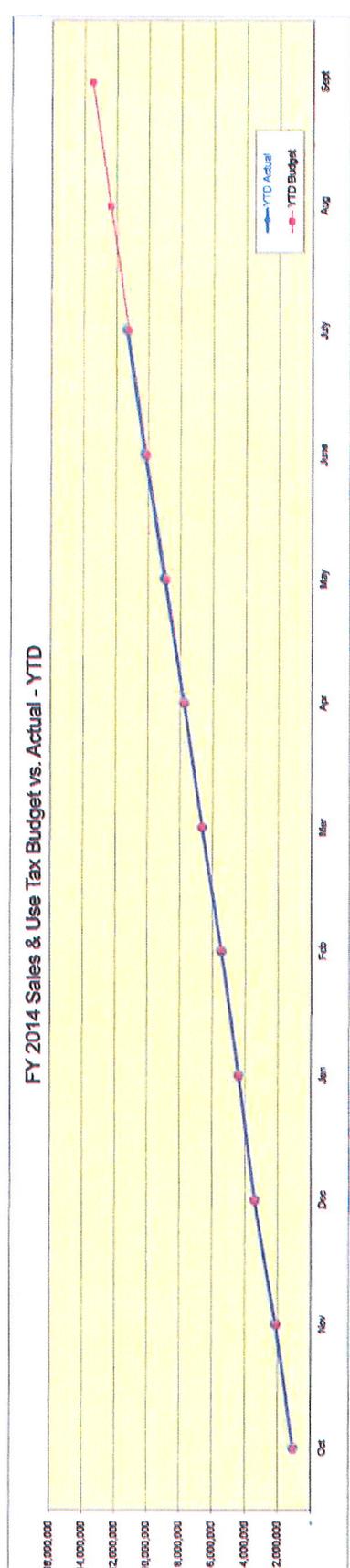
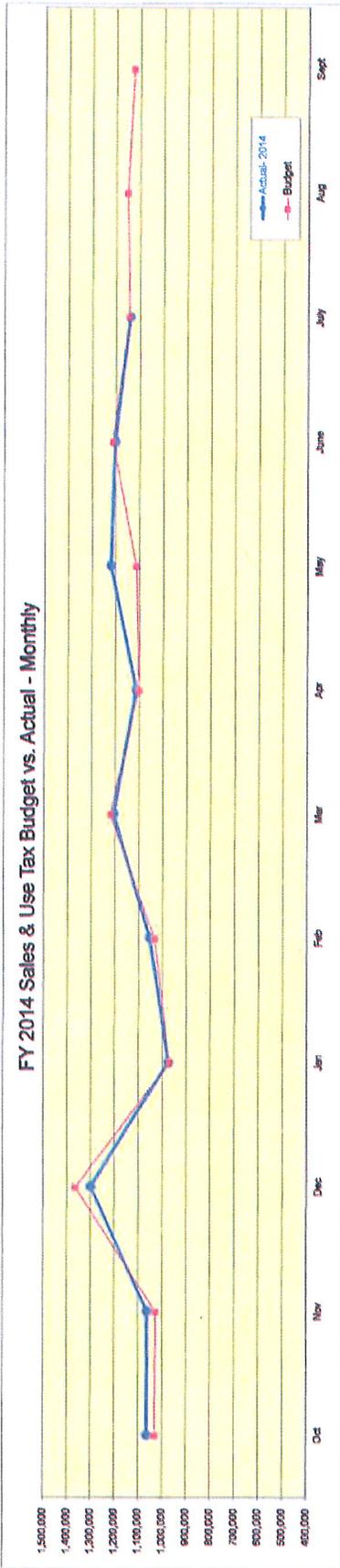
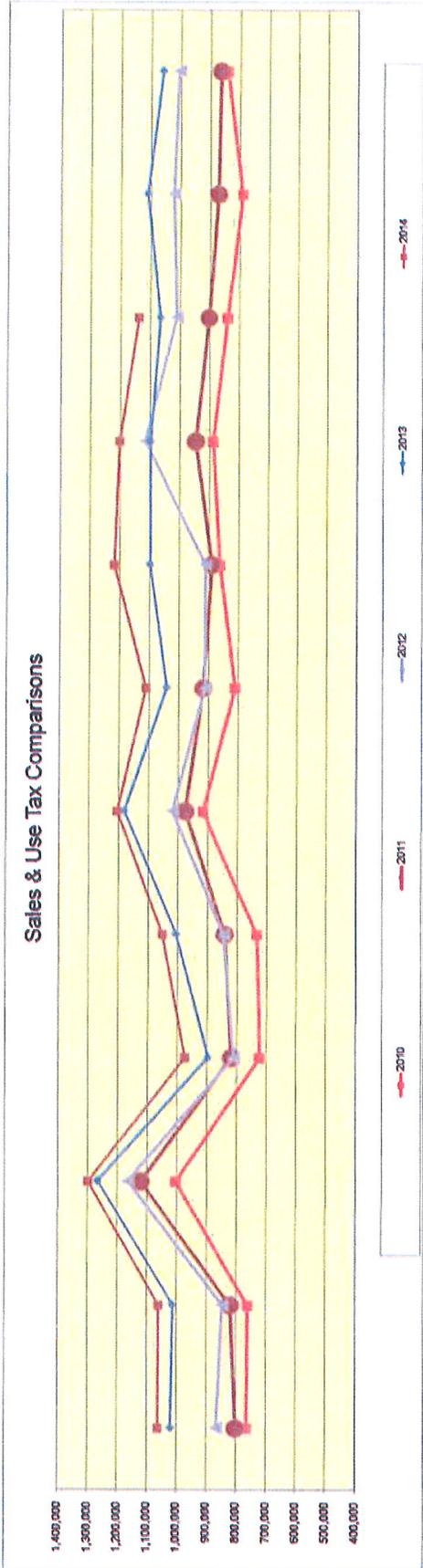
## ACTUAL COLLECTIONS

Month	7/8 Year																
	2010	2011	2012	2013	2014	Sparklines							Budget	Monthly Variance	YTD Variance	% of Budget	
October	764,841.13	800,512.03	864,727.27	1,019,065.37	1,062,861.14									1,031,207	31,654.56	31,854.56	3.1%
November	761,955.37	819,634.09	845,342.45	1,011,813.96	1,061,121.86									1,028,387	32,725.11	84,379.67	3.2%
December	1,004,037.20	1,121,383.45	1,165,135.62	1,266,051.50	1,299,075.20									1,364,761	(65,685.73)	(1,306.06)	-4.8%
January	723,504.26	817,230.14	809,785.59	895,717.19	974,224.69									969,137	5,087.76	3,781.70	0.5%
February	735,335.60	840,768.01	845,101.34	1,004,349.50	1,051,602.29									1,033,479	18,123.71	21,905.41	1.8%
March	916,657.55	976,181.39	1,018,721.43	1,181,007.55	1,205,342.67									1,220,063	(14,719.90)	7,185.51	-1.2%
April	809,588.73	916,536.59	911,438.60	1,039,769.87	1,110,085.05									1,101,677	8,407.73	15,593.24	0.8%
May	862,254.54	889,945.33	911,839.30	1,098,548.05	1,218,956.40									1,114,198	104,760.17	120,353.41	9.4%
June	887,262.68	946,206.78	1,114,149.53	1,097,507.32	1,202,126.66									1,213,130	(11,003.05)	109,350.36	-0.9%
July	839,192.33	902,457.24	1,010,193.08	1,065,215.02	1,139,120.72									1,143,981	(4,860.57)	104,489.79	-0.4%
August	790,713.80	871,437.04	1,021,267.76	1,110,126.44										1,153,572			
September	841,035.40	863,630.36	1,004,661.04	1,058,958.43										1,125,482			
<b>Totals</b>	<b>9,934,178.61</b>	<b>10,766,122.45</b>	<b>11,622,363.01</b>	<b>12,848,130.20</b>	<b>11,324,516.68</b>									<b>13,499,081</b>	<b>104,489.79</b>		<b>0.9%</b>

Budgeted Dollar Increase FY13 vs FY14: **650,951**  
 Budgeted Percent Increase FY13 vs FY14: **5.1%**

## Fiscal Year Changes Year Over Year

Month	Percent Change															
	2010-2011	2011-2012	2012-2013	2013-2014	Sparklines							2010-2011	2011-2012	2012-2013	2013-2014	
October	35,870.90	64,215.24	154,338.10	43,795.77									4.7%	8.0%	17.8%	4.3%
November	57,878.72	25,508.36	166,471.51	49,307.90									7.6%	3.1%	19.7%	4.9%
December	117,346.25	43,752.17	100,915.88	33,023.70									11.7%	3.9%	8.7%	2.6%
January	93,725.86	(7,444.55)	85,931.60	78,507.50									13.0%	-0.9%	10.6%	8.8%
February	107,432.41	4,333.33	159,248.16	47,252.79									14.6%	0.5%	18.8%	4.7%
March	59,523.84	42,540.04	162,286.12	24,335.12									6.5%	4.4%	15.9%	2.1%
April	106,947.86	(5,097.99)	128,331.27	70,315.18									13.2%	-0.8%	14.1%	6.8%
May	27,690.79	21,893.97	186,708.75	120,408.35									3.2%	2.5%	20.5%	11.0%
June	58,944.10	167,942.75	(16,642.21)	104,619.34									6.6%	17.7%	-1.5%	9.5%
July	63,264.91	107,735.84	55,021.94	73,905.70									7.5%	11.9%	5.4%	6.9%
August	80,723.24	149,630.72	88,658.68										10.2%	17.2%	8.7%	
September	22,594.96	141,030.68	54,297.39										2.7%	16.3%	5.4%	
<b>Annual \$ Chg</b>	<b>831,943.84</b>	<b>756,240.56</b>	<b>1,325,767.19</b>	<b>645,471.35</b>									<b>8.4%</b>	<b>7.0%</b>	<b>11.5%</b>	<b>6.0%</b>



**MONTHLY LODGING TAX COLLECTIONS**

**ACTUAL COLLECTIONS**

	FY 10	FY 11	FY 12	FY 13	FY 14	10 Year Spark Line
October	39,405.66	56,001.39	52,002.63	51,578.40	48,382.05	
November	33,763.37	48,329.73	47,568.08	43,459.48	43,912.92	
December	31,571.38	47,210.56	42,279.22	40,495.14	39,122.53	
January	42,883.70	49,006.12	41,917.34	47,548.01	43,198.04	
February	46,998.32	43,052.68	47,346.50	54,207.03	49,784.71	
March	52,771.52	67,422.43	70,058.33	64,325.47	71,954.97	
April	41,531.05	48,487.83	51,939.06	47,434.55	86,245.34	
May	66,820.96	57,880.48	54,740.45	68,448.49	107,155.55	
June	79,822.84	67,544.77	69,822.91	71,080.69	127,920.37	
July	91,906.47	76,631.86	79,417.80	94,310.47	139,397.37	
August	63,323.58	52,820.33	50,417.73	52,427.99	139,397.37	
September	52,662.79	45,216.75	46,968.89	45,148.35	139,397.37	
<b>Total</b>	<b>645,461.54</b>	<b>659,604.93</b>	<b>654,478.84</b>	<b>680,474.07</b>	<b>757,073.85</b>	

Ord 1997-23 adopted December 8, 1997 incr levy from 3% to 4%  
 Ord 2014-06 adopted February 17, 2014 incr levy from 4% to 6% - effective for Collections for April 2014 reflected in May 2014

**CHANGE IN DOLLARS**

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	9 Year Spark Line
October	(7,137.64)	16,595.83	(3,998.86)	(424.13)	(3,196.35)	
November	(6,415.32)	14,566.36	(761.65)	(4,108.60)	453.44	
December	(6,573.31)	15,639.18	(4,931.34)	(1,784.08)	(1,372.61)	
January	3,177.66	6,122.42	(7,088.78)	5,630.67	(4,349.97)	
February	299.31	(3,945.64)	4,283.82	6,860.53	(4,422.32)	
March	(459.33)	14,650.91	2,635.90	(5,732.86)	7,629.50	
April	(2,746.70)	6,956.78	3,451.23	(4,504.51)	38,810.79	
May	23,527.22	(8,940.48)	(3,140.03)	13,708.04	38,707.06	
June	23,328.73	(12,278.07)	2,278.14	1,267.78	56,829.68	
July	31,286.69	(15,274.61)	2,785.94	14,892.67	45,086.90	
August	18,696.76	(10,503.25)	(2,402.60)	2,010.26	139,397.37	
September	17,232.17	(7,446.04)	1,752.14	(1,820.54)	139,397.37	
<b>Total</b>	<b>94,206.24</b>	<b>16,145.39</b>	<b>(5,126.09)</b>	<b>25,995.23</b>	<b>174,176.12</b>	

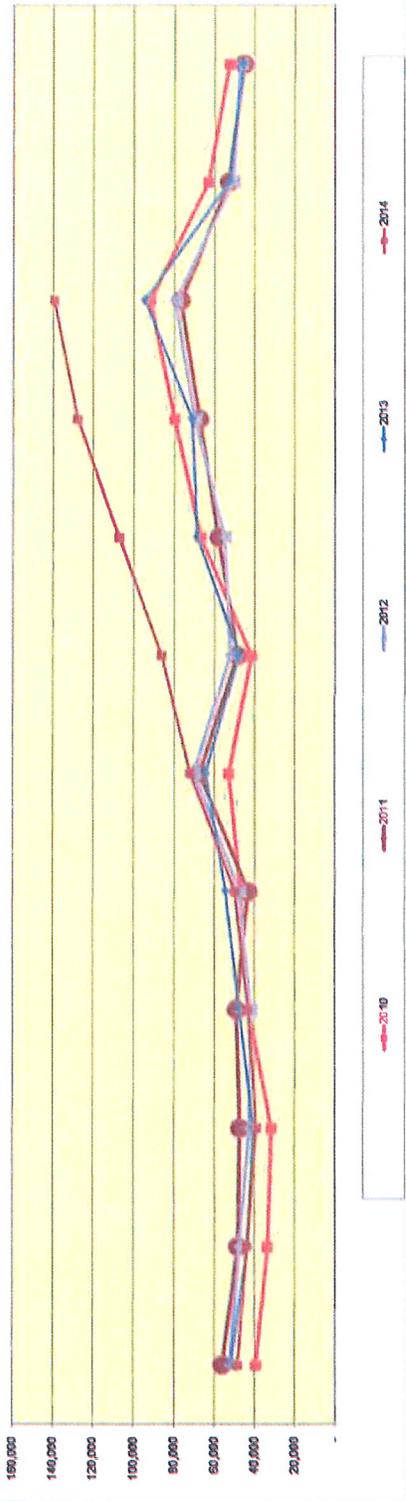
**FY 2014 BUDGET vs. ACTUAL**

	Budget	Monthly Variance	YTD Variance	% of Budget
October	50,915.78	(2,533.73)	(2,533.73)	-5.0%
November	44,297.04	(384.12)	(2,917.85)	-0.9%
December	41,338.02	(2,215.49)	(5,133.34)	-5.4%
January	46,404.03	(3,205.99)	(8,339.34)	-6.9%
February	49,026.58	758.13	(7,581.20)	1.5%
March	65,139.77	6,815.20	(766.00)	10.5%
April	48,460.57	37,794.77	37,018.76	78.0%
May	63,428.65	43,726.90	80,745.66	68.9%
June	73,763.60	54,156.77	134,902.43	73.4%
July	87,577.05	51,820.32	186,722.75	59.2%
August	56,033.71			
September	48,615.19			
<b>Total</b>	<b>675,000.00</b>	<b>186,722.75</b>	<b>186,722.75</b>	<b>27.7%</b>

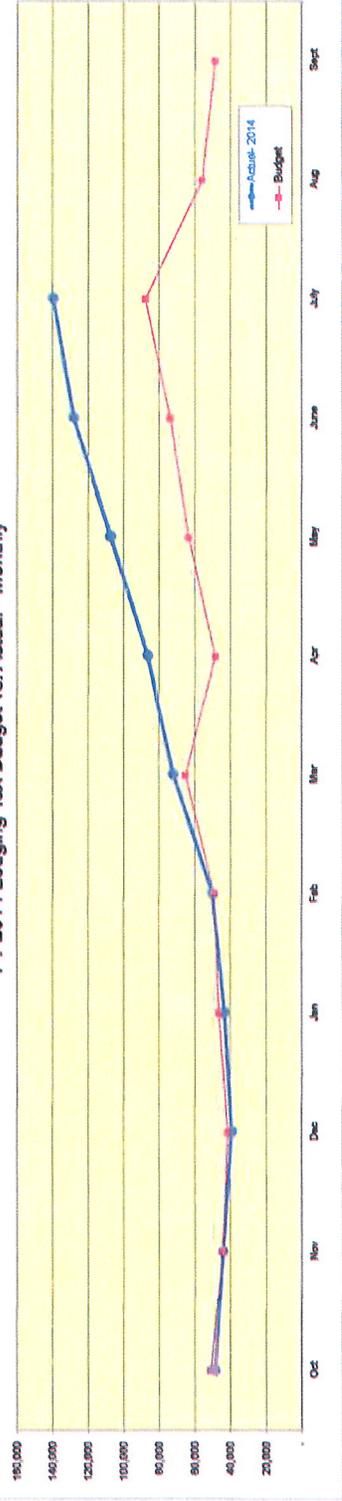
**CHANGE IN PERCENTAGE**

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	9 Year Spark Line
October	-18.1%	29.6%	-7.7%	-0.8%	-6.6%	
November	-19.0%	30.1%	-1.6%	-9.5%	1.0%	
December	-20.8%	33.1%	-11.7%	-4.4%	-3.5%	
January	7.4%	12.5%	-16.9%	11.8%	-10.1%	
February	0.6%	-9.2%	9.1%	12.7%	-8.9%	
March	-0.9%	21.7%	3.8%	-8.9%	10.6%	
April	-6.6%	14.3%	6.6%	-9.5%	45.0%	
May	35.2%	-15.4%	-5.7%	20.0%	36.1%	
June	29.2%	-18.2%	3.3%	1.8%	44.4%	
July	34.0%	-19.9%	3.5%	15.8%	32.3%	
August	29.5%	-19.9%	-4.8%	3.8%	139,397.37	
September	32.7%	-16.5%	3.7%	-4.0%	139,397.37	
<b>% Change</b>	<b>14.6%</b>	<b>2.8%</b>	<b>-0.8%</b>	<b>3.8%</b>	<b>25.9%</b>	

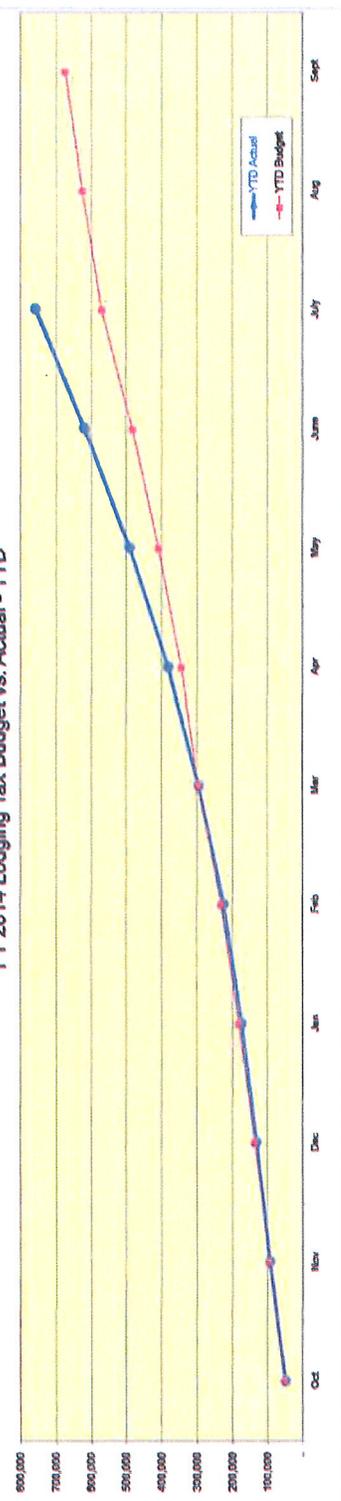
Lodging Tax Comparisons Year over Year



FY 2014 Lodging Tax Budget vs. Actual - Monthly



FY 2014 Lodging Tax Budget vs. Actual - YTD



**Lodging Tax Fund - DRAFT**  
**Statement of Revenues Over(Under)Expenditures**  
**For the Fiscal Year ended September 30, 2013**

	ACTUAL FY 1995-2004	ACTUAL FY 2005-2009	ACTUAL FY 2010	ACTUAL FY 2011	ACTUAL FY 2012	ACTUAL FY 2013	DRAFT URB* 8/31/14	Total
<b>Revenues</b>								
Lodging Taxes	1,596,764.95	2,863,011.18	643,461.54	659,604.93	654,478.84	680,474.07	802,222.20	7,900,017.71
Settlement	30,000.00	-	-	-	-	-	-	30,000.00
Donations	240,300.00	10,000.00	-	-	-	-	-	250,300.00
Grants	498,100.00	935,843.00	454,205.13	21,768.93	52,629.91	98,059.17	-	2,060,606.14
<b>Total Revenues</b>	<b>2,365,164.95</b>	<b>3,808,854.18</b>	<b>1,097,666.67</b>	<b>681,373.86</b>	<b>707,108.75</b>	<b>778,533.24</b>	<b>802,222.20</b>	<b>10,240,923.85</b>
<b>Expenditures</b>								
Industrial Development Board	45,002.65	143,255.34	32,173.09	32,980.25	32,723.95	34,023.69	80,467.59	400,626.56
Downtown Redevelopment Authority	-	-	-	-	97,877.29	34,023.69	37,853.71	169,754.69
Cost of Debt Issuance	112,241.61	-	-	-	-	-	-	112,241.61
	157,244.26	143,255.34	32,173.09	32,980.25	130,601.24	68,047.38	118,321.30	682,622.86
<b>BayFront Property Related Exp</b>								
Bay Front Property	4,684,723.62	666,067.18	-	-	-	-	-	5,350,790.80
Bay Front Parking Lot	-	94,932.03	10,861.03	-	-	-	24,028.11	129,821.17
Bay Front Swing Bench	-	-	3,896.87	-	-	-	-	3,896.87
Bay Front Park Improvements	-	-	2,358.75	500.00	-	-	-	2,858.75
Bay Front Park Deck	-	-	-	-	-	20,000.00	-	20,000.00
Bay Front Restrooms	-	-	44,139.11	1,947.28	-	-	-	46,086.39
Bay Front Invasive Species Grant	-	-	-	-	47,163.35	-	3,181.25	50,344.60
Boardwalk Parking Lot	-	-	-	-	-	-	17,459.00	17,459.00
Boardwalks & Walking Trails	-	-	-	-	2,535.00	-	-	2,535.00
Building Improvements	48,956.54	56,000.97	-	-	44,158.00	-	-	149,115.51
Captain O'Neal Sidewalk	-	-	25,413.49	-	-	-	-	25,413.49
D'Olive Creek Pedestrian Bridge	-	85,279.08	-	7,965.00	-	98,627.66	2,043.73	193,915.47
Gator Alley Bridge	-	-	-	-	-	8,174.90	1,097.45	9,272.35
May Day Playground Eqpt	-	30,792.49	-	-	-	-	-	30,792.49
May Day Boat Ramp	-	41,652.67	373,002.96	18,247.24	-	-	-	432,902.87
May Day Parking Lot	-	-	271,248.90	-	-	-	-	271,248.90
May Day Drainage	-	-	5,000.00	-	-	-	-	5,000.00
May Day Sand Movement Study	-	-	12,273.50	15,726.50	20,634.00	14,147.00	-	62,781.00
May Day Grounds & Landscaping	-	-	-	-	5,000.00	-	-	5,000.00
Mobile Bay NEP Contribution	-	-	-	-	7,000.00	-	-	7,000.00
Property Improvements	1,712.30	-	2,244.00	-	2,629.57	-	-	6,585.87
Village Point Grant	-	-	-	10,823.95	-	24,852.02	-	35,675.97
Williams Property (1/2) Brdwlk Prkng Lot	-	-	-	-	-	-	47,138.87	47,138.87
<b>Total Bay Front Related Exp</b>	<b>4,735,392.46</b>	<b>974,724.42</b>	<b>750,438.61</b>	<b>55,209.97</b>	<b>129,119.92</b>	<b>165,801.58</b>	<b>94,948.41</b>	<b>6,905,635.37</b>
<b>Recreation Exp</b>								
<i>(Rec Loan from GF-\$643,644 Forgiven 6/1/14)</i>								
Sports Complex Entrance Rd (FY12-14)	-	-	-	-	51,647.38	779,444.30	48,517.98	879,609.66
Softball/Football Lighting (FY11)	-	-	-	449,084.04	-	-	-	449,084.04
Bathroom/Concessions (2) (FY10-11)	-	-	1,152.00	273,593.93	-	-	-	274,745.93
Bleachers (4) (FY11)	-	-	-	50,000.00	-	-	-	50,000.00
Fence/Net Replacmnt-net of ins (FY11)	-	-	-	2,062.50	-	-	-	2,062.50
Repair-Blchr/Conces Roof-net of ins (FY11)	-	-	-	23,197.52	-	-	-	23,197.52
<b>Total Recreation Exp</b>	<b>-</b>	<b>-</b>	<b>1,152.00</b>	<b>797,937.99</b>	<b>51,647.38</b>	<b>779,444.30</b>	<b>48,517.98</b>	<b>1,678,699.65</b>
<b>Other Financing Sources (Uses)</b>								
Debt Proceeds	5,177,983.00	-	-	-	-	-	-	5,177,983.00
Transfers from General Fund	353,433.00	(353,433.00)	-	-	-	-	643,643.56	643,643.56
Transfers to Debt Service	(3,042,540.12)	(913,975.74)	(166,662.56)	(166,139.22)	(167,064.00)	(103,080.00)	(137,838.00)	(4,697,299.64)
Transfers to Gen Fund	(20,322.18)	-	-	-	-	-	-	(20,322.18)
<b>Other Financing Sources (Uses)</b>	<b>2,468,553.70</b>	<b>(1,267,408.74)</b>	<b>(166,662.56)</b>	<b>(166,139.22)</b>	<b>(167,064.00)</b>	<b>(103,080.00)</b>	<b>505,805.56</b>	<b>1,104,004.74</b>
<b>Rev &amp; Financing Sources Over (Under) Expend &amp; Financing Uses</b>	<b>(58,918.07)</b>	<b>1,423,465.68</b>	<b>147,240.41</b>	<b>(370,893.57)</b>	<b>228,676.21</b>	<b>(337,840.02)</b>	<b>1,046,240.07</b>	<b>2,077,970.71</b>

Reserve: In-Progress Projects: BdWalk Repairs: as of 8/14 **(8,982.90)**

Reserve for Recreation **(187,236.66)**

Unreserved **1,881,751.15**

Lodging Taxes were levied 9/95 @ 3%  
 12/97 increase to 4% (Ord 1997-28) / 4/14 increase to 6% (Ord 2014-06)  
 FY 01 IDB Contributions started / DTR Authority added FY 10  
 DTR: FY 10-\$32,173.09/ FY 11-\$32,980.25/FY 12-\$32,723.95=\$97,877.29  
 Current Allocations: 13% IDB  
                           5% Downtown Redevelopment  
                           32% Debt Service & Bay Front Property Uses:  
                                   Acq, Dev, & Maint  
                           50% Recreation Related Capital

As of June 1, 2014:  
 Original Recreation Loan \$1,678,700  
 Repaid from Collections \$ (1,035,056)  
 Loan Balance 6/1/14 \$643,644  
 Ord 2014-27 Debt Forgiven \$ (643,644)  
 Recreation Balance Owed \$0

\*URB = Unreconciled Balance

**AUGUST 18, 2014  
CITY COUNCIL MEETING  
BUSINESS MEETING  
1705 MAIN STREET  
DAPHNE, AL  
6:30 P.M.**

***C. Department Head Comments***

***James White – Fire Chief*** – reported there was a fire on Captain O’Neal.

***David Carpenter – Police Chief*** – reported that there was a bad storm and lighting this afternoon that held up traffic and kept the kids in school.

***David McKelroy*** – reported on the schedule for soccer games, and that fall registration of now going on.

***Margaret Thigpen Civic Center Director*** – reported that Taste of the Eastern Shore is Friday, and they had a press release last week on the event, and she is scheduled to be on Studio 10 to talk about the event.

*Table Per Scott Hutchinson - Final #'s Not Ready*

***Richard Johnson – Public Works Director*** – reported to council that HMR moved quickly to get qualified bidders for the Maize’s Gulch project and the bids came in higher than first thought and will bring an amended ordinance to appropriate funds for the difference which is \$10,500. The ordinance will be on the first meeting in September, go to Finance Committee and then the second read will be September 15<sup>th</sup>.

***Adrienne Jones – Planning Director*** – gave council a briefing on the progress of the comprehensive plan, and said she should have something documented by next month.

***D. City Clerk Report – Rebecca A. Hayes***

a.) Parade Permit / The Scott Ward Memorial Fund / November 15, 2014

**MOTION BY Councilman Scott to approve the Parade Permit / Scott Ward Memorial Fund / November 15, 2014 *Seconded by Councilman Rudicell.***

**MOTION CARRIED UNANIMOUSLY**

**7. PUBLIC PARTICIPATION**

***Mrs. Dorothy Morrison – 26197 Via del San Francesco*** spoke regarding the re-opening of Gator Alley on September 3<sup>rd</sup> at 9:00, and there will be a reception afterwards at the Hampton Inn.

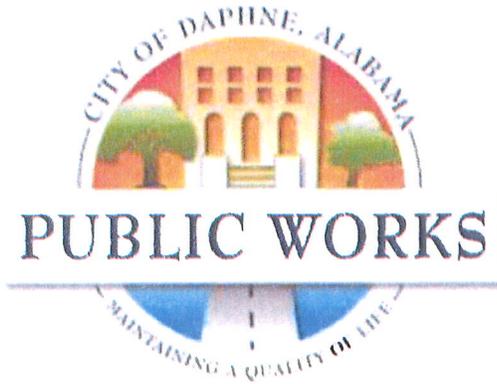
***Ronnie Champion – Daphne Search and Rescue*** – thanked the Mayor and Council and employees who helped put on the program Saturday. He said Governor Bentley and Lt. Governor Kay Ivey were present and were very impressed with the facility. There were 160 members in the facility and all were impressed. He also thanked council for the Carolina Skiff.

Dane Haygood  
Mayor

Rebecca Hayes  
City Clerk

Mike Hinson  
Finance Director/Treasurer

Richard D. Johnson, P.E.  
Director of Public Works



Tommie Conaway  
District 1

Pat Rudicell  
District 2

John L. Lake  
District 3

Randy Fry  
District 4

Ronald Scott  
District 5

Robin LeJeune  
District 6

Joe Davis, III  
District 7

To: Christine Ciancetta, Deputy Finance Director  
Suzanne Henson, Sr. Accountant

From: Richard D. Johnson, P.E.  
Public Works Director

Date: September 2, 2014

RE: Finance Committee Agenda

At their meeting held on August 18, 2014, the Public Works Committee made the following recommendations to be placed on the September Finance Committee Meeting:

\* 1) Motion by Tommie Conaway, Seconded by John Lake to favorably recommend to the Finance Committee to fund the sewerage of Whispering Pines and for HMR to provide those figures to Finance. Motion carried.

\* 2) Motion by Ron Scott, Seconded by John Lake to favorably recommend to the Finance Committee the funding of the Donnette Loop Drainage Repairs totaling \$147,938.00. Motion carried.

I have attached the information for the Donnette Loop Project and have contacted HMR for the cost estimate for Whispering Pines Sewer Project to be forwarded to Finance.

If you have any questions, please let me know.

/mth

**Summary of  
Sanitary Sewer Projects to be Completed  
Daphne, Alabama**

**Area 1**

Dauphine Acres / Whispering Pines  
(Gravity Sewer) \$1,254,825.00

**Area 2**

Douglas Road \$ 77,683.00  
(Low Pressure Sewer)

**Area 3**

Van Buren Street \$ 27,966.00  
(Low Pressure Sewer)

**Area 4**

Schieffelin Lane / Jordan Lane East \$ 83,823.00  
(Gravity Sewer)

**Area 5**

6th Street \$ 17,723.00  
(Gravity Sewer)

**Area 6**

Greystone Subdivision \$ 119,329.00  
(Low Pressure Sewer)

**Total \$1,581,349.00**



**CITY OF DAPHNE**  
**PUBLIC WORKS COMMITTEE AGENDA**  
 Time: 5:00 PM on August 18, 2014  
 Location: City Hall

**Mayor Dane Haygood**  
**Councilwoman Tommie Conaway, District 1**  
**Councilman John Lake, District 3**  
**Councilman Ron Scott, District 5**  
**Chairman - Councilman Robin LeJeune, District 6**

**I. CALL TO ORDER**

**II. PUBLIC PARTICIPATION & CORRESPONDENCE**

- A. Work Request Report – July 2014
- B. Vehicle/Equipment Maintenance Reports – July 2014
- C. Correspondence –
- D. Public Participation –
  - a. Pamela Yelding, 701 Deer Ave. re: paving DHS parking lot.
  - b. Jim Mead of Sain Associates – Traffic Services Presentation

**III. OLD BUSINESS**

- A. Minutes – July 21, 2014 Meeting
- B. Mosquito Report – July 2014
- C. Street Sweeper Report – July 2014
- D. Completion of City Sewer – Whispering Pines Corridor – Motion to Finance Committee

**IV. NEW BUSINESS**

- A. Donette Loop Drainage Proposal – Requested Motion to Finance Committee

*- Not reimb  
 by FEMA/DRCs  
 \* - Capital Reserve\**

**V. DIRECTOR'S REPORT**

- A. Fleet Depreciation Management Plan
- B. PW Budget Proposal Discussion: Personnel/Operating – Under Separate Cover

**VI. DAPHNE SOLID WASTE DISPOSAL AUTHORITY**

- A. Monthly Equipment Use Report – July 2014
- B. Monthly Recycle Tonnage Report (Tonnage Comparison) – July 2014
- C. Solid Waste New Customer Report – July 2014

**VII. MUSEUM COMMITTEE**

- A. Minutes – No meeting

**VIII. BEAUTIFICATION COMMITTEE**

- A. Minutes – August 6, 2014

**IX. ENVIRONMENTAL ADVISORY COMMITTEE**

- A. Minutes – No meeting. Next meeting August 25<sup>th</sup>

**X. PROJECT ENGINEER'S REPORTS**

- A. Hatch Mott MacDonald –
- B. HMR –
- C. Preble-Rish –
- D. Volkert –

**XI. FUTURE BUSINESS**

- A. Next Meeting – September 15, 2014

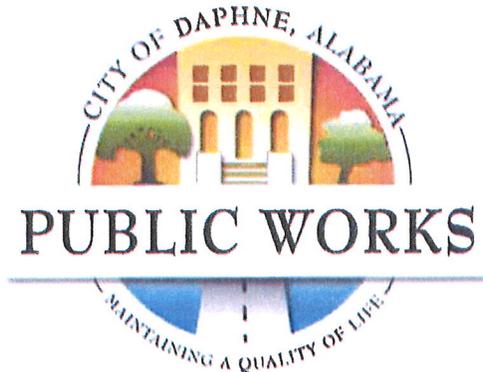
**XII. ADJOURNMENT**

Dane Haygood  
Mayor

Rebecca Hayes  
City Clerk

Finance Director/Treasurer

Richard D. Johnson, P.E.  
Director of Public Works



Tommie Conaway  
District 1

Pat Rudicell  
District 2

John L. Lake  
District 3

Randy Fry  
District 4

Ronald Scott  
District 5

Robin LeJeune  
District 6

Joe Davis, III  
District 7

## Memorandum

**To:** Councilman Robin LeJeune - Chairman, Public Works Committee

**From:** Richard D. Johnson, P.E.; Public Works Director *Richard D. Johnson*

**CC:** Finance; File

**Date:** August 13, 2014

**Re:** 103,105,107,109,111 & 113 Donette Loop Drainage Proposal

Councilman LeJeune:

The drainage system that runs behind the above referenced addresses has repeatedly failed during intense rainfall events, the last being the event of April 29 & 30, 2014. These catastrophic failures have resulted repetitive property damage and loss to these homeowners. This system was specified and installed by a predecessor Public Works Administration 12 or more years ago. The design for the system was not by a licensed engineer and the work was done "in house". The system was designed and installed deficient and no amount of supplemental "fixes" have or will make this system workable.

I am requesting a motion to Finance Committee to authorize Hatch Mott MacDonald to undertake project survey, design, advertisement and letting. The costs associated with all phases of the project are:

• Survey, Design, Advertisement & Letting (9.5%)	\$ 11,615.00	} \$25,675
• Estimated Construction Cost	-\$122,263.00	
• Construction Engineering & Inspection +Material Testing (11.5%)	\$ 14,060.00	
<b>Total:</b>	<b>\$147,938.00</b>	

\* This project is not eligible for any FEMA or NRCS assistance.

Yours,

RDJ



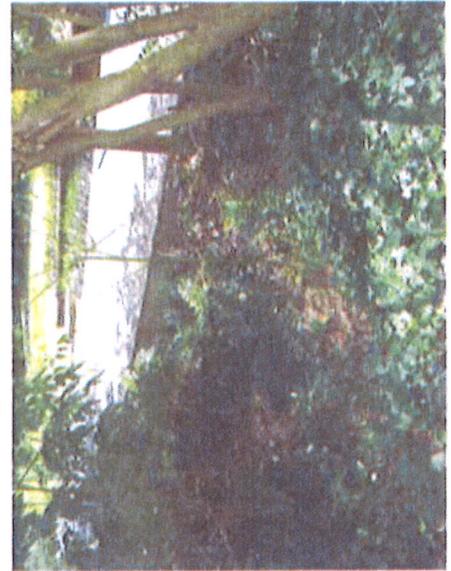
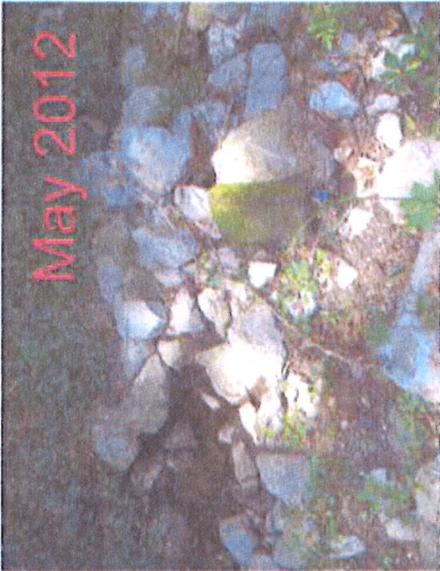
Hatch Mott MacDonald Alabama, LLC  
153 West I-65 Service Road North  
Mobile, Alabama 36608

**Project Total** \$122,263.00

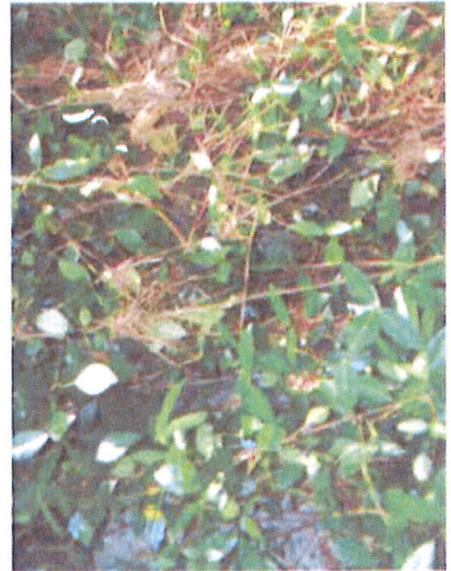
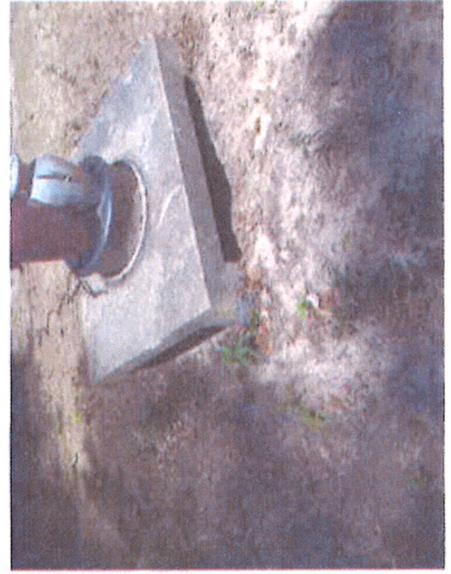
Project No. \_\_\_\_\_ Owner: City of Daphne  
Proj. Descr. Donnette Drainage HMM Proj.: \_\_\_\_\_

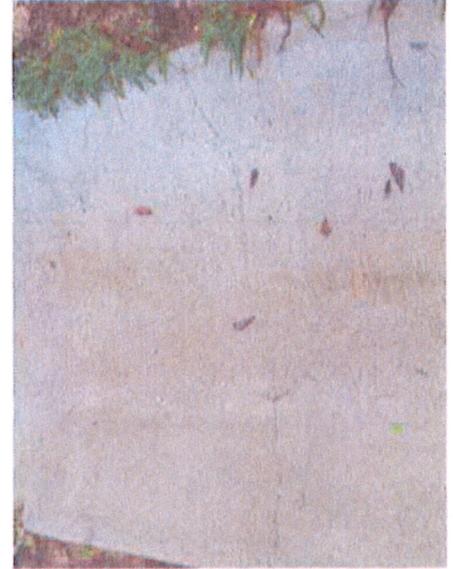
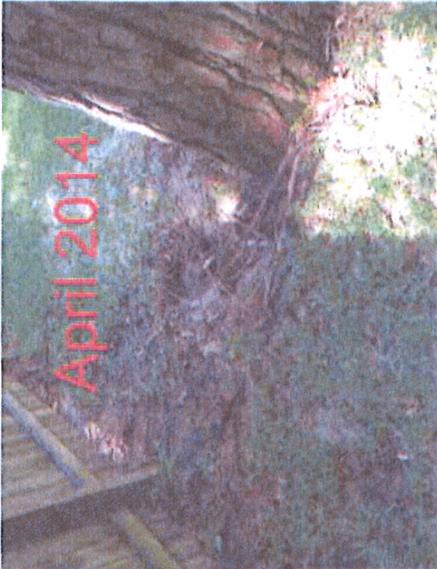
ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
201B	Selective Clearing	1.00	LS	\$10,000.00	\$10,000.00
206E	Removing Inlets	2.00	EACH	\$500.00	\$1,000.00
210A	Unclassified Excavation	1500.00	CY	\$7.00	\$10,500.00
214A	Structure Excavation	300.00	CY	\$10.00	\$3,000.00
214B	Foundation Backfill, Commercial	100.00	CY	\$40.00	\$4,000.00
260A	Cement Mortar Flowable Backfill, Mix 1	50.00	CY	\$300.00	\$15,000.00
430B	Aggregate Surfacing (ALDOT #467 or #57)	50.00	TON	\$45.00	\$2,250.00
530A	15" Roadway Pipe	30.00	LF	\$35.00	\$1,050.00
530B	42" Storm Sewer Pipe (Class 3 R.C.)	500.00	LF	\$50.00	\$25,000.00
600A	Mobilization	1.00	LS	\$10,000.00	\$10,000.00
610C	Loose Riprap, Class 2	30.00	TON	\$120.00	\$3,600.00
610D	Filter Blanket, Geotextile	25.00	SY	\$5.00	\$125.00
619A	42" Roadway Pipe End Treatment, Class 1	1.00	EACH	\$1,500.00	\$1,500.00
620A	Minor Structure Concrete	1.00	CY	\$1,000.00	\$1,000.00
621A	Junction Boxes, Type 1 Or 1P	2.00	EACH	\$2,000.00	\$4,000.00
621C	Inlets, Type B	2.00	EACH	\$3,000.00	\$6,000.00
637A	Fence reset	400.00	LF	\$15.00	\$6,000.00
650A	Topsoil, 4"	50.00	CYIP	\$12.00	\$600.00
652A	Seeding	1.00	ACRE	\$600.00	\$600.00
652C	Mowing	1.00	ACRE	\$600.00	\$600.00
654A	Solid Sodding	100.00	SY	\$7.00	\$700.00
656A	Mulching	1.00	ACRE	\$600.00	\$600.00
659C	Erosion Control Product, Type S4	270.00	SY	\$6.00	\$1,620.00
665B	Temporary Mulching	2.00	TONS	\$600.00	\$1,200.00
665F	Hay Bales	100.00	EACH	\$8.00	\$800.00
665I	Temporary Riprap, Class 2	10.00	TONS	\$100.00	\$1,000.00
665J	Silt Fence	500.00	LF	\$5.00	\$2,500.00
665K	Drainage Sump Excavation	3.00	CY	\$6.00	\$18.00
665O	Silt Fence Removal	500.00	LF	\$2.00	\$1,000.00
665O	Inlet Protection, Stage 3 or 4	2.00	EACH	\$400.00	\$800.00
665Q	Wattle	100.00	LF	\$12.00	\$1,200.00
680A	Geometric Controls	1.00	LS	\$5,000.00	\$5,000.00

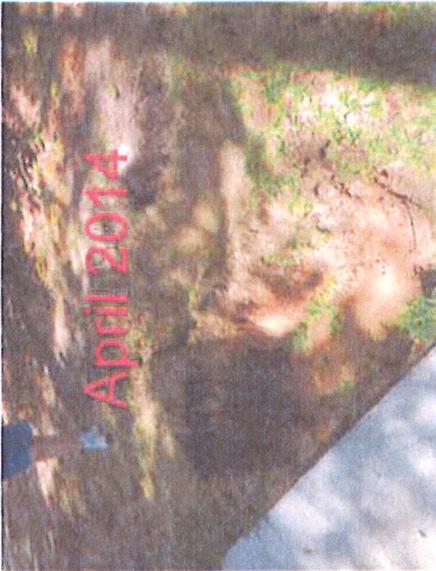
**MCR-2012-202 Project Total:** \$122,263.00



May 2012





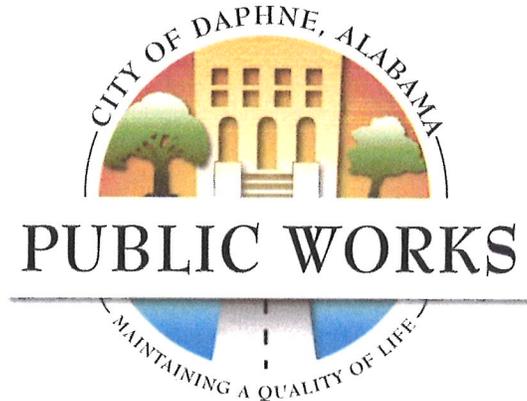


Dane Haygood  
Mayor

Rebecca Hayes  
City Clerk

Finance Director/Treasurer

Richard D. Johnson, P.E.  
Director of Public Works



Tommie Conaway  
District 1

Pat Rudicell  
District 2

John L. Lake  
District 3

Randy Fry  
District 4

Ronald Scott  
District 5

Robin LeJeune  
District 6

Joe Davis, III  
District 7

## Memorandum

**To:** Councilwoman Tommie Conaway - Chairwoman, Finance Committee

**Thru:** The Honorable Mayor Dane Haygood

**From:** Richard D. Johnson, P.E.; Public Works Director

**CC:** Preble-Rish Engineers; Finance; File

**Date:** September 2, 2014

**Re:** Project 04-2014-RE03- Lancaster Way Road Crossing

Mr. Mayor:

Based upon the bid tabulations provided by the Project Engineer, Preble-Rish Engineers, on August 27, 2014, it is my recommendation to award the Contract to Sunset Contracting for the repair of the roadway/drainage damage sustained during the April 29 & 20, 2014 flood event. They are the qualifying low bidder.

I further recommend the following appropriations be made:

- Lancaster Way Road Crossing Repair – Sunset Contracting \$ 90,683.71\*  
\*Note: 87.5% reimbursable FEMA/EMA PA Cat. C: Roads  
(FEMA/EMA: \$79,348.25 City Match: \$11,335.46)
- Survey, Design, Specification & Letting – Preble-Rish (10.5%) \$ 9,521.79\*\*  
\*\*Note: 87.5% reimbursable FEMA/EMA PA Cat. C: Roads  
(FEMA/EMA: \$8,331.57 City Match: \$1,190.22)
- Construction Engineering Inspection & Testing – Preble-Rish \$ 13,602.56\*\*\*  
\*\*\*Note: 87.5% reimbursable FEMA/EMA PA Cat. C: Roads  
(FEMA/EMA: \$11,902.24 City Match: \$1,700.32)

Project Total:	\$113,808.06
City Match:	\$ 14,226.00
Less Ord. 2014-24:	(\$ 3,675.00)
Appropriation Required:	\$ 10,551.00



August 27, 2014

Richard D. Johnson, P.E.  
Public Works Director  
26435 Public Works Road  
Daphne, AL 36526

**Re: Lancaster Way Road Crossing  
Project No. 04-2014-R-RE03  
Bid Recommendation**

Mr. Johnson:

Preble-Rish has reviewed all bids received on August 27, 2014 for the above mentioned project and found that the lowest responsive bidder to be Sunset Contracting, Inc. with a bid of \$90,683.71. We have verified that Sunset Contracting is licensed with the specialty MU, Municipal and Utility as a prime contractor with Alabama General Contractors Licensing Board. They are therefore qualified to provide services on this contract.

Preble Rish, having found Sunset Contracting, Inc. to be the lowest responsive bidder and properly licensed, would recommend that they be awarded the contractor Lancaster Way Road Crossing. Please find attached a copy of the bid tabulation for your review and sign in sheet from the bid opening.

If you have any questions or require any further information please let us know.

Sincerely,

**PREBLE-RISH, LLC**

A handwritten signature in blue ink, appearing to read 'Andrew N. Bobe'.

Andrew N. Bobe, P.E.  
Project Manager

9949 Bellaton Ave. Daphne, AL 36526  
251.990.9950 fax 251.990.9910



**PREBLE-RISH L.L.C.**  
CONSULTING ENGINEERS & SURVEYORS

Lancaster Way

Location: Area of Lot 26

Existing 73" x 45" C.M. Arch Pipe

**ENGINEER'S COST ESTIMATE**  
**8/27/2014**

QUANTITY	ITEM CODE	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT
100	634-A000	LIN FT	CHAINLINK FENCE, 4 FT. HIGH	\$10.09	\$1,009.00
1	641Q-510	EACH	RESET WATER METER BOX	\$445.31	\$445.31
20	650A-000	CU YD	TOPSOIL, 4 IN. THICK	\$35.63	\$712.60
0.50	652A-100	ACRE	SEEDING, As Directed By Engineer	\$950.00	\$475.00
110	654A-001	SQ YD	SOLID SODDING (BERMUDA)	\$9.50	\$1,045.00
0.50	656A-010	ACRE	MULCHING, As Directed By Engineer	\$950.00	\$475.00
0.50	665A-000	ACRE	TEMPORARY SEEDING, As Directed By Engineer	\$950.00	\$475.00
0.50	665B-001	ACRE	TEMPORARY MULCHING, As Directed By Engineer	\$950.00	\$475.00
200	665E-000	SQ YD	POLYETHYLENE, As Directed By Engineer	\$2.38	\$476.00
20	665F-000	EACH	HAY BALES	\$11.76	\$235.20
100	665J-002	LIN FT	SILT FENCE	\$5.94	\$594.00
100	665O-001	LIN FT	SILT FENCE REMOVAL	\$2.61	\$261.00
60	665Q-002	LIN FT	WATTLE	\$10.69	\$641.40
1	680A-001	LUMP SUM	GEOMETRIC CONTROLS	\$1,009.37	\$1,009.37
64	740B-000	SQ FT	CONSTRUCTION SIGNS	\$14.37	\$919.68
10	740D-000	EACH	CHANNELIZING DRUMS	\$78.38	\$783.80
16	740E-000	EACH	CONES (36 INCHES HIGH)	\$33.25	\$532.00
2	740F-002	EACH	BARRICADES, TYPE III	\$534.38	\$1,068.76
2	740I-002	EACH	WARNING LIGHTS, TYPE B	\$296.88	\$593.76
10	740M-001	EACH	BALLAST FOR CONE	\$5.94	\$59.40
<b>COST TO REPLACE IN-KIND TOTAL:</b>					<b>\$90,683.71</b>

**ENGINEERING SURVEYING AND LETTING**

10.50% \$ 9,521.79

**CONSTRUCTION (CE&I) FEE**

12.75% \$ 11,562.17

**MATERIALS TESTING**

2.25% \$ 2,040.38

*\$23,124*

**GRAND TOTAL**

**\$113,808.06**

CITY OF DAPHNE  
LANCASTER WAY ROAD CROSSING  
Bid Tabulation

Bid Opening Date 8/27/2014

ITEM	DESCRIPTION	UNIT	ACT. QTY.	SUNSET CONTRACTING			JAMES BROTHERS			AMMONS & BLACKMON		
				UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	
1	CLEARING & GRUBBING TREES	LUMP SUM	1	\$ 1,306.55	\$ 1,306.55	\$ 2,000.00	\$ 2,000.00	\$ 3,951.18	\$ 3,951.18	\$ -	\$ -	
2	REMOVING CONCRETE DRIVEWAY	SO YD	83	\$ 5.41	\$ 448.83	\$ 5.00	\$ 415.00	\$ 13.38	\$ 1,111.30	\$ -	\$ -	
3	REMOVING PIPE (24" x 45" C.M.A.P.)	LN FT	53	\$ 211.06	\$ 11,186.18	\$ 20.00	\$ 1,060.00	\$ 32.46	\$ 1,733.38	\$ -	\$ -	
4	REMOVE & RESET 3" R.C.P. CONNECT TO CONCRETE PAVED DITCH	LN FT	3	\$ 11.25	\$ 33.75	\$ 7.00	\$ 21.00	\$ 66.92	\$ 200.76	\$ -	\$ -	
5	REMOVING RETAINING WALL	LN FT	60	\$ 10.57	\$ 634.20	\$ 20.00	\$ 1,200.00	\$ 25.08	\$ 1,504.80	\$ -	\$ -	
6	REMOVING CONCRETE SLOPE PAVING (EAST & WEST)	SO YD	50	\$ 14.56	\$ 728.00	\$ 5.00	\$ 250.00	\$ 25.06	\$ 1,253.00	\$ -	\$ -	
7	REMOVING FENCE (CHAIN LINK)	LN FT	162	\$ 4.75	\$ 772.50	\$ 5.00	\$ 810.00	\$ 4.18	\$ 677.16	\$ -	\$ -	
8	REMOVING HEADWALLS	EACH	2	\$ 81.19	\$ 162.38	\$ 50.00	\$ 100.00	\$ 50.19	\$ 100.38	\$ -	\$ -	
9	MAILBOX RESET	EACH	1	\$ 212.50	\$ 212.50	\$ 100.00	\$ 100.00	\$ 49.68	\$ 49.68	\$ -	\$ -	
10	UNCLASSIFIED EXCAVATION	CU YD	222	\$ 14.22	\$ 3,156.84	\$ 10.00	\$ 2,220.00	\$ 19.12	\$ 4,246.44	\$ -	\$ -	
11	BORROW EXCAVATION A3 OR BETTER (BAND)	CU YD	262	\$ 11.90	\$ 3,121.80	\$ 5.00	\$ 1,310.00	\$ 19.52	\$ 5,117.20	\$ -	\$ -	
12	STRUCTURE EXCAVATION	CU YD	75	\$ 12.13	\$ 909.75	\$ 10.00	\$ 750.00	\$ 32.43	\$ 2,432.25	\$ -	\$ -	
13	FOUNDATION BACKFILL COMMERCIAL	CU YD	75	\$ 4.31	\$ 323.25	\$ 3.00	\$ 225.00	\$ 26.80	\$ 2,010.00	\$ -	\$ -	
14	ROADBED PROCESSING	SO YD	130	\$ 5.94	\$ 772.20	\$ 3.00	\$ 390.00	\$ 2.58	\$ 335.40	\$ -	\$ -	
15	CRUSHED AGGREGATE BASE COURSE, TYPE B, PLANT MINED, 6"	SO YD	130	\$ 8.91	\$ 1,158.30	\$ 13.00	\$ 1,690.00	\$ 4.99	\$ 648.70	\$ -	\$ -	
16	BITUMINOUS TREATMENT A	GALLON	13	\$ 148.44	\$ 1,929.72	\$ 150.00	\$ 1,950.00	\$ 212.18	\$ 2,758.34	\$ -	\$ -	
17	TACK COAT (0.10 GAL. SO YD)	TON	12.0	\$ 148.44	\$ 1,781.28	\$ 150.00	\$ 1,800.00	\$ 212.18	\$ 2,546.16	\$ -	\$ -	
18	SUPERPAVE BITUMINOUS CONCRETE WEARING SURFACE LAYER, 1 1/2"	TON	12.0	\$ 148.44	\$ 1,781.28	\$ 150.00	\$ 1,800.00	\$ 212.18	\$ 2,546.16	\$ -	\$ -	
19	SUPERPAVE BITUMINOUS CONCRETE BINDER LAYER, 3/4" MAXIMUM	TON	12.0	\$ 148.44	\$ 1,781.28	\$ 150.00	\$ 1,800.00	\$ 212.18	\$ 2,546.16	\$ -	\$ -	
20	FULL DEPTH SAWCUT ASPHALT BUTT JOINTS	LN FT	62	\$ 7.13	\$ 441.96	\$ 10.00	\$ 620.00	\$ 226.36	\$ 13,932.36	\$ -	\$ -	
21	24" SPAN 45° RISE ROADWAY PIPE (CLASS J, R.C.)	LN FT	40	\$ 283.18	\$ 11,327.20	\$ 300.00	\$ 12,000.00	\$ 335.21	\$ 13,408.40	\$ -	\$ -	
22	MORILLATION (1/4" MAX.)	LUMP SUM	1	\$ 10,825.62	\$ 10,825.62	\$ 10,000.00	\$ 10,000.00	\$ 4,301.15	\$ 4,301.15	\$ -	\$ -	
23	FLAMES CONNECT TO P.E.T.	CU YD	2	\$ 419.35	\$ 838.70	\$ 500.00	\$ 1,000.00	\$ 512.30	\$ 1,024.60	\$ -	\$ -	
24	SLOPE PAVING, FLAMES (CONNECT TO P.E.T.)	CU YD	2	\$ 342.00	\$ 684.00	\$ 300.00	\$ 600.00	\$ 278.44	\$ 556.88	\$ -	\$ -	
25	SLOPE PAVING, EAST SIDE (EMBANKMENT PROTECTION)	CU YD	25	\$ 342.00	\$ 8,550.00	\$ 300.00	\$ 7,500.00	\$ 55.15	\$ 1,378.75	\$ -	\$ -	
26	CONCRETE DRIVEWAY, 6 IN. THICK	SO YD	83	\$ 6.92	\$ 574.76	\$ 9.45	\$ 784.35	\$ 6.03	\$ 500.49	\$ -	\$ -	
27	13" SPAN 45° RISE ROADWAY PIPE END TREATMENT, CLASS 1, 24" SLOPE	EACH	1	\$ 5,170.70	\$ 5,170.70	\$ 4,500.00	\$ 4,500.00	\$ 6,032.26	\$ 6,032.26	\$ -	\$ -	
28	CONCRETE CURB, TYPE II (ALONG DRIVEWAY)	LN FT	62	\$ 10.70	\$ 663.40	\$ 30.00	\$ 1,800.00	\$ 23.87	\$ 1,472.14	\$ -	\$ -	
29	CHAINLINK FENCE, 4 FT. HIGH	LN FT	1	\$ 4,523.31	\$ 4,523.31	\$ 3,500.00	\$ 3,500.00	\$ 3,571.15	\$ 3,571.15	\$ -	\$ -	
30	RESET WATER METER BOX	EACH	1	\$ 35.63	\$ 35.63	\$ 250.00	\$ 250.00	\$ 23.71	\$ 23.71	\$ -	\$ -	
31	TOPSOIL - 4 IN. THICK	CU YD	29	\$ 95.00	\$ 2,755.00	\$ 1,000.00	\$ 2,900.00	\$ 29.94	\$ 868.26	\$ -	\$ -	
32	SEEDING, As Directed By Engineer	ACRE	11.0	\$ 475.00	\$ 5,225.00	\$ 2,000.00	\$ 2,200.00	\$ 1,235.50	\$ 1,359.05	\$ -	\$ -	
33	SOLID SODDING (BERMUDA)	SO YD	11.0	\$ 9.50	\$ 104.50	\$ 5.00	\$ 55.00	\$ 6.48	\$ 71.28	\$ -	\$ -	
34	MULCHING, As Directed By Engineer	ACRE	0.50	\$ 950.00	\$ 475.00	\$ 1,000.00	\$ 500.00	\$ 233.80	\$ 116.90	\$ -	\$ -	
35	TEMPORARY SEEDING, As Directed By Engineer	ACRE	0.50	\$ 950.00	\$ 475.00	\$ 1,000.00	\$ 500.00	\$ 233.80	\$ 116.90	\$ -	\$ -	
36	TEMPORARY MULCHING, As Directed By Engineer	ACRE	0.50	\$ 950.00	\$ 475.00	\$ 1,000.00	\$ 500.00	\$ 233.80	\$ 116.90	\$ -	\$ -	
37	POLYETHYLENE, As Directed By Engineer	SO YD	200	\$ 2.34	\$ 468.00	\$ 4.00	\$ 800.00	\$ 1.33	\$ 266.00	\$ -	\$ -	
38	HAY BALES	EACH	20	\$ 11.76	\$ 235.20	\$ 10.00	\$ 200.00	\$ 15.53	\$ 310.60	\$ -	\$ -	
39	SILT FENCE	LN FT	100	\$ 5.94	\$ 594.00	\$ 7.00	\$ 700.00	\$ 5.02	\$ 502.00	\$ -	\$ -	
40	SILT FENCE REMOVAL	LN FT	100	\$ 2.61	\$ 261.00	\$ 1.00	\$ 100.00	\$ 1.43	\$ 143.00	\$ -	\$ -	
41	W/ATILE	LN FT	60	\$ 10.99	\$ 659.40	\$ 10.00	\$ 600.00	\$ 4.23	\$ 253.80	\$ -	\$ -	
42	GEOMETRIC CONTROLS	LUMP SUM	1	\$ 1,095.37	\$ 1,095.37	\$ 3,500.00	\$ 3,500.00	\$ 1,338.29	\$ 1,338.29	\$ -	\$ -	
43	CONSTRUCTION SIGNS	SO FT	24	\$ 14.33	\$ 343.92	\$ 10.00	\$ 240.00	\$ 23.69	\$ 568.56	\$ -	\$ -	
44	GRANULATED BELMATS	EACH	10	\$ 78.33	\$ 783.30	\$ 40.00	\$ 3,132.00	\$ 41.82	\$ 418.20	\$ -	\$ -	
45	CONES (8 INCHES HIGH)	EACH	16	\$ 542.33	\$ 8,677.28	\$ 10.00	\$ 160.00	\$ 35.00	\$ 560.00	\$ -	\$ -	
46	BARRICADES (TYPE III)	EACH	7	\$ 1,064.56	\$ 7,451.92	\$ 200.00	\$ 1,400.00	\$ 162.30	\$ 1,136.10	\$ -	\$ -	
47	WARNING LIGHTS, TYPE B	EACH	3	\$ 202.33	\$ 606.99	\$ 150.00	\$ 450.00	\$ 33.63	\$ 100.89	\$ -	\$ -	
48	BULL-AST FOR CONE	EACH	10	\$ 2.64	\$ 26.40	\$ 10.00	\$ 100.00	\$ 3.36	\$ 33.60	\$ -	\$ -	
<b>TOTAL</b>					<b>\$ 90,683.71</b>		<b>\$ 94,765.00</b>		<b>\$ 109,606.76</b>			

Ammons & Blackmon  
Line 1: Amount: 9901.13 - should be \$3301.19  
Changing total to \$109,606.76 (was \$109,606.70)

**CITY OF DAPHNE  
FINANCE COMMITTEE MINUTES  
AUGUST 11, 2014  
4:00 P.M.**

**I. CALL TO ORDER/ROLL CALL**

The meeting was called to order at 4:00p.m. Present were Chairperson Mrs. Conaway, Councilman Joseph Davis, Councilman Ron Scott , Councilman John Lake, Senior Accountant Suz anne Henson, and Accounting Technician Sue Moody.

Also in attendance were Councilman Pat Rudicell, Councilman Robin LeJeune, Council President Randy Fry, Public Works Director Richard Johnson, Human Resource Director Vickie Hinman, Civic Center Director Margaret Thigpen, Recreation Director David McKelroy and Fire Chief James White.

**I. PUBLIC PARTICIPATION**

A. YMCA appropriation Request – Mr. Brian Tomlinson

Mr. Tomlinson presented handouts and reviewed the YMCA programs including the Summer Camp activities. Mr. Tomlinson reviewed that the YMCA served 3,000 member units which included individual memberships and family memberships. Mr. Tomlinson stated the YMCA had set a goal of raising \$46,000 and had raised \$31,000 toward this goal. Mr. Tomlinson stated the YMCA was requesting \$1,500 from the City to support their campaign. Mr. Scott asked if they had submitted a City grant contribution application for the FY2015 Budget. Mr. Tomlinson answered they had but they were asking for the \$1,500 from the FY2014 Budget. ***(FY2014 available Community Contribution funds - \$2,500 )***

Chief White asked Mr. Tomlinson if he would see if the YMCA could offer a Wellness membership plan for the Fire Department employees. Chief White stated that the City had previously had a plan with the YMCA but the membership cost became too high for the City to participate at that time. Chief White said the FD employees are currently attending another gym but the YMCA is centrally located between the Fire Stations so he wanted to check with them again to see what the cost would be.

**Buildings & Property Committee Meeting**  
**Tuesday, September 2, 2014**  
**5:30 PM**  
**Daphne City Hall- Executive Conference Room**

**Committee Minutes**

**Present:** Councilman Joe Davis; Councilman Randy Fry; Councilman Pat Rudicell; Margaret Thigpen, Civic Center Director; Sarah Toulson, Assistant City Clerk (Recording Secretary); Richard Johnson, Public Works Director; Richard Merchant, Building Official; David McKelroy, Parks and Recreation Director; Mayor Dane Haygood; Councilman Robin Lejeune

**Absent:** Rick Whitehead

**The meeting brought to order at 5:29 pm by Chairman Joe Davis.**

**1. Public Participation**

No one spoke.

**2. Approval of Minutes: August 4, 2014**

<p><b>Motion</b> by Mr. Rudicell to adopt the August 4, 2014 minutes as written. Seconded by Mr. Fry. <b>Motion carried unanimously.</b></p>
--

**3. Civic Center & Bayfront report (August): Margaret Thigpen**

Margaret Thigpen distributed and discussed her August report. August 2014 revenue totaled \$15,504.00, an increase from August 2013 levels. Year to Date revenues stood at \$183,955.50, above figures listed for FY2013. Additionally, Ms. Thigpen reported total deposits for August stood at \$10,193.50, and that the Civic Center has seen 12 events during August, for a total of 13 days used, not including setup days.

Ms. Thigpen then turned to Bayfront Pavilion, reporting revenues for August totaling \$5,337.00, above August 2013 levels, and year-to-date revenues totaling \$76,429.00, an increase from 2013 numbers. Additionally, Ms. Thigpen reported total deposits for August stood at \$4,184.00, and that Bayfront Pavilion has seen eight events during August, for a total of eight days used, not including setup days.

Ms. Thigpen listed a number of recently passed and upcoming events scheduled at the Civic Center which are listed on her report herein.

In addition, she updated the Committee on the following:

- Ms. Thigpen provided graphs requested by Mayor Haygood depicting revenue levels for the Civic Center and Bayfront Pavilion.
- She updated the Committee regarding the recently held Taste of the Eastern Shore. 900 event tickets were sold with 32 total vendors participating. A “thank you” advertisement is to be published in the *Lagniappe*.
- The roof repairs are underway. Phase one is complete, and Phase two, encompassing the area over the arena, will commence shortly.
- Research regarding a Hurricane/natural disaster policy for the facilities is still underway. Ms. Thigpen plans to present something to the Committee in October.
- A transformer had blown on August 9 due to a lightning strike. Insurance will cover this damage.
- Bayfront flooring was noted as a detractor for potential facility renters. Ms. Thigpen is requesting new flooring for FY 2015.

Chairman Davis requested that Ms. Thigpen figure the cost of maintenance for the carpet to be compared to maintenance of the new flooring at Bayfront.

- Social media usage has been a positive advertisement strategy: Facebook “likes” and page visits have increased.

#### **4. Building inspection monthly reports (August):** Richard Merchant

Mr. Richard Merchant reviewed the building report for the month of August. He reported 16 new residential construction projects initiated, and no new commercial development. The department issued 116 permits during August, with a total job valuation of \$2,703,633.33 with permit fees totaling \$21,880.00.

#### **5. Bayfront Property**

Chairman Davis reported that he had spoken with Mayor Hagood regarding the property north of Village Point. The Mayor is investigating this property.

Richard Johnson updated the Committee on the following:

- The City has applied for a recreational trails grant to install additional board walk for Village Point Park Preserve. They are currently working on the second round of submissions.
- Picnic tables, trash receptacles, and lightning rod for Jackson’s Oak: cost figures have been gathered. Will soon collaborate with David McKelroy for uniformity. The next step will be to determine funding sources of these projects.

#### **6. Insurance Oversight:**

Sarah Toulson updated the Committee, and will be sending out an email from Suzanne Henson regarding this matter.

**7. Clarification of Gator Alley signage**

The Gator Alley rededication will be held on September 3, 2014.

**8. Update: Coastal Flood Study Meeting with FEMA: Richard Merchant**

Mr. Merchant updated the committee, stating that preliminaries for determining new flood maps were discussed, but that new flood maps would not be available until 2016 or 2017.

**9. Other Business**

No other business was discussed

**With no further business to discuss, the meeting was adjourned at 6:25, motion by Mr. Rudicell and seconded by Mr. Fry.**

**Public Safety Committee**  
*Wednesday, September 10, 2014*

Councilman Pat Rudicell  
 Councilman Randy Fry  
 Councilman Robin LeJeune  
 Councilman Ron Scott  
 Fire Chief James White  
 Public Works, Melvin McCarley

Police Chief David Carpenter  
 Captain Scott Taylor  
 Tracy Bishop - Secretary

**Committee Members Attending:**

Councilman Pat Rudicell, Councilman Robin LeJeune, Councilman Ron Scott, Councilman Randy Fry, Chief David Carpenter, Captain Scott Taylor, Chief James White, and Melvin McCarley.

**CALL TO ORDER**

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

**PUBLIC PARTICIPATION** – None

**APPROVAL OF MINUTES FROM PREVIOUS MEETING**

Minutes from August 2014 were adopted. Motion was made by Councilman Scott and seconded by Councilman Rudicell. Motion passed.

**POLICE DEPARTMENT**

- A. New Business** – Capt. Taylor mentioned that Lt. Yelding was working with the Knights of Columbus to try and solve the problems that we were encountering with parties there. Lt. Yelding is requiring that 10 days prior to the event at KOC hall they are to contact him and he is requiring uniformed officers be hired for security. We hope this will cure the issues at KOC hall.

Chief mentioned that Sunrise Marine had theft this past weekend of approximately half a million dollars in boat and motors. They do not have a camera. He stated that we are looking at filling Danny Bell's position and that promoting is not a quick process. He has 3 eligible for the Captain's position, 5 for Lieutenant, then Sergeant and Corporal. He reviewed the stats and D-Runs. Councilman LeJeune asked for last year's YTD meal totals. Tracy to email to him. Councilman Rudicell asked if any new problems this year with school traffic. Chief stated that it was about the same and as busy as ever.

**FIRE DEPARTMENT**

- A: New Business** – Chief White stated that they were still waiting on progress to start on Station 3. Architect still reviewing plans. Mayors' office is in charge of this project and Councilman Scott mentioned that it needed to be checked on. Chief mentioned that the specs were done on the new ladder truck if approved in the new budget. The vendor stated that there would be a 4% increase after January 1, 2015. Alabama Fire College called and will add Dan Castrillo to their Memorial Wall on October 11, 2014. October 12, 2014 if the Firefighter of the Year Banquet.

**Old Business** -

**OTHER BUSINESS:** Councilman Fry asked in reference to Ferguson.....do we have cameras in all vehicles and audio on each officer? Chief stated that we do and also have body mics on a few officers but that Lt. Hempfleng is looking at different vendors to purchase additional ones from. He also asked Chief if he ever looked into his request concerning kids crossing County Road 13 at the elementary school. Chief stated that he sent it to Lt. Hempfleng for review and that he will have Hempfleng contact him with his results.

## **ADJOURN**

There being no further business to discuss, Councilman Scott made a motion to adjourn the meeting at 5:00 p.m. Councilman LeJeune seconded. The next meeting will be Wednesday, October 8, 2014 at 4:30 p.m. at City Hall Council Chambers.

Respectfully submitted,

  
Daphne Public Safety Committee

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)	
# Complaints	1,325	Total Arrestees Received & Processed:	YTD	Arson
Accidents, Private Property	20	# New Cases Received:	172	0
Accidents, Roadway	77	# Previous Unsolved Cases:	1,873	Burglary - Commercial
Accidents, Traffic Homicide	0	# Cases Solved:	114	Burglary - Residence
Arrest, Controlled Substance	2	Resulting in Total Arrests:	19	Burglary - Vehicle
Arrest, Drug Paraphernalia	4	Felonies:	25	Criminal Mischief
Arrest, Felony Marijuana	0	Misdemeanors:	12	Disorderly Conduct
Arrest, Misdemeanor Marijuana	4	Houses Searched	2	Domestic Disturbance
Arrest, Alias Warrant	31	Other Agencies	0	False Info to Police
Arrest, DUI	7	Warrants:	1	Felony Assault
Arrest, Felony	6	Served	25	Felony Theft
Arrest, Misdemeanor	61	Agency Assists	4	Harassment
Assists, Motorist / Citizen	173	Recalls (Pd Fines)	37	Identity Theft
Citations	265	Total Warrants Served	24	Indecent Exposure
Routine Patrol/Special OPS				Kidnapping
Searches, Vehicle	53	Sex Offender:	2,867	Menacing
Security Checks	226	New Registration:	\$1,791.00	Misdemeanor Assault
Warnings	269	Contact Verification	314	Misdemeanor Theft
		Total # registered in Daphne		Murder
		DARE:		Other Death Investigations
		# Hours Report Writing:		Public Intoxication
		# Students Instructed SRO		Public Lewdness
		# Students Instructed DARE		Receiving Stolen Property
Drugs Seized:	4	# Police Reports by SRO		Reckless Endangerment
Money Seized:(140k seized 1-10)		# Arrest by SRO		Resisting Arrest
Vehicles Seized:	0			Robbery
Vehicles Seized				Sex Crime Investigations
		CODE ENFORCEMENT:		Suicide
		Warnings:		Suicide, attempted
CMV Inspections / CMV OOS	75	Citations		Theft of Services
		Warning Compliance		Unauthorized Use of Services
		Follow - Up		Weapon Offenses
				White Collar Crimes

*David Carpenter*

**CITY OF DAPHNE**  
**FIRE DEPARTMENT MONTHLY REPORT**  
**Report Period July 2014**

	Current:	FY to Date:
<b>Suppression:</b>		
<b>1-Fire/Explosion:</b>	-	-
10-Fire, Other	1	8
11-Structure Fire/Commercial	2	5
11-Structure Fire/Residential	1	17
12-Fire in Mobile Property used as fixed structure	0	4
13-Mobile Property (vehicle) Fire	2	11
14-Natural Vegetation Fire	0	15
15-Outside Rubbish Fire	0	4
16-Special Outside Fire	3	5
17-Cultivated Vegetable Crop Fire	0	0
<b>2-Overpressure Rupture:</b>	0	0
<b>3-Rescue Call and Emergency Medical Service Incidents:</b>	157	1146
<b>4-Hazardous Conditions (No fire):</b>	4	21
<b>5-Service Call:</b>	10	116
<b>6-Good Intent Call:</b>	10	73
<b>7-False Alarm &amp; False Call:</b>	19	124
<b>8-Severe Weather &amp; Natural Disaster:</b>	0	9
<b>9-Other Situation:</b>	0	2
<b>Total Emergency Calls:</b>	<b>209</b>	<b>1650</b>
<b>Monthly Total Calls:</b>	<b>218</b>	<b>1664</b>
<b>Highest:</b>		
	13:00	13:00
<b>Lowest:</b>		
	<1:00	<1:00
<b>Average (Minutes/Seconds) :</b>		
	5:04	5:04
<b>Miscellaneous Reports:</b>		
<b>Training Hours</b>	316.50	2256.26
<b>Property Loss - \$</b>	\$187,000.00	\$397,100.00
<b>Fire Personnel Injuries by Fire/Civilian Injuries by Fire</b>	0	0
<b>Advance Life Support Rescues</b>	108	813
<b>Number of Patients Treated</b>	147	1115
<b>Child Passenger Safety Seat Inspections/Installations</b>	7	59
<b>Pre-Plans</b>	1	210
<b>Classes</b>		
	5	33
<b>Persons Attending</b>		
	76	426
<b>Plan Reviews</b>		
	1	13
<b>Final/Certificate of Occupancy</b>		
	1	4
<b>General/Annual Inspections</b>		
	19	180
<b>General/Re-Inspections (Violation Follow-up - Annual)</b>		
	24	71
<b>Business Licenses</b>		
	6	49
<b>All Other/Misc. Activities</b>		
	4	72
<b>Total Activities:</b>	<b>58</b>	<b>389</b>

Authorized by:

*James White*

**Code Enforcement / Ordinance Committee**

*Wednesday, September 10, 2014*

*1705 Main Street*

*Daphne, AL*

*Executive Conference Room*

*5:30 p.m.*

*Councilman Ron Scott, Chairman*  
*Councilman Robin LeJeune*

*Councilman Pat Rudicell*  
*Councilman Randy Fry*

**I. CALL TO ORDER / ROLL CALL:**

There being a quorum present Councilman Scott called the meeting to order at 5:15 p.m.

**MEMBERS PRESENT:** Ron Scott; Randy Fry; Robin LeJeune; Pat Rudicell.

Also present: Rebecca Hayes, City Clerk, recording secretary.

**II. APPROVE MINUTES / August 13, 2014**

There were no corrections to the August 13, 2014 minutes and stand approved as written.

**III. PUBLIC PARTICIPATION**

No one spoke.

**IV. ORDINANCE REVIEW**

**1. Revising of Ordinances 2013-21 Council Rules of Procedure.**

The committee made the following recommendations:

**Amend Section II:**

Any meeting that is scheduled to meet on a Monday that is observed by the City as a holiday shall instead meet on the Tuesday following the holiday at the regularly scheduled time.

**Amend Section VI:**

Any item may be placed upon the agenda if two council members submit a written request to the City Clerk prior to the above mentioned deadline.

**Amend Section XIVN "B":**

Each Council member is required to serve on a minimum of two (2) committees or boards, but it is recommended that each serve on a minimum of three (3) committees or boards.

**MOTION BY Councilman LeJeune to recommend to the full council and place on the September 15, 2014 council meeting agenda the revisions of the Council Rules of Procedure ordinance. Seconded by Councilman Rudicell.**

**MOTION CARRIED UNANIMOUSLY**

**V. OTHER BUSINESS**

No other business to discuss.

**VIII. NEXT MEETING**

The next meeting will be October 8, 2014

**IX. ADJOURN**

There being no further business to discuss the meeting adjourned at 6:00 p.m.

Respectfully submitted

Rebecca A. Hayes,  
Recording Secretary

**CITY OF DAPHNE**  
**PUBLIC WORKS COMMITTEE MINUTES**  
**Time: 5:00 PM on August 18, 2014**  
**Location: City Hall**

**Mayor Dane Haygood**  
**Councilwoman Tommie Conaway, District 1**  
**Councilman John Lake, District 3**  
**Councilman Ron Scott, District 5**  
**Chairman - Councilman Robin LeJeune, District 6**

**I. CALL TO ORDER**

Meeting was called to order at 5:00 p.m.

**Committee Members Present:** Robin LeJeune (Chairman), Councilman John Lake, Councilman Ron Scott, Councilwoman Tommie Conaway; Richard D. Johnson-Public Works Director, Dorothy Morrison-Daphne Beautification Committee, and Michele T. Hanson, PWC secretary. Mayor Haygood arrived late.

**Others Present:** Scott Hutchinson-HMR; John Peterson-Hatch Mott McDonald; Randy Davis-Volkert; Councilman Pat Rudicell; Ashley Campbell; Christine Ciancetta; Danny Lyndall-Daphne Utilities; Jim Meads-SAIN & Assoc.; Pam Yelding-DHS. Councilman Joe Davis arrived late.

**II. PUBLIC PARTICIPATION & CORRESPONDENCE**

**A. Work Request Report** - The report for July 2014 was reviewed. Ron Scott would like a YTD graph alongside the monthly report. (maybe a bar graph for the YTD)

**B. Vehicle/Equipment Maintenance Report** – The report for July 2014 was reviewed. YTD report was included. Costs are down by less than \$100,000.

**C. Correspondence** – No Correspondence.

**D. Public Participation – Pam Yelding – Daphne High School.**

Ms. Yelding thanked Mr. Johnson for all he and his department do for the schools. She addressed the committee regarding the parking areas at Daphne High School. She would like to see curbing by the stadium, vehicles are driving over the grass and the parking lot needs to be paved. She would like our help to support our school and make the high school look better. When the community, as well as those visiting this area, comes out for games, community activities, ball tournaments etc. the look of our school reflects on our city. If there is any way we can help with this project.

Richard Johnson stated the parking lot needed paving 4 years ago and now there is a significant base issue. He would encourage a merger with the school board, the county and the city to have this done as soon as possible.

Ron Scott stated he will contact Mr. David Tarwater (school representative) to see if there can be a shared venture between the city, school board and the county to get the paving done.

Robin LeJeune stated he will follow up with the school board to see what their plans are.

**Jim Mead – SAIN & Associates**

Richard Johnson introduced Mr. Mead. Mr. Mead made a presentation to the committee regarding traffic simulations, traffic studies and access management. ITS (Intelligent Transportation Systems) is coming to this area and it varies in the quality of the smart system. There will be a time when you will eventually run out of land to add lanes to control traffic. We have to be smarter in controlling traffic; this can be done through fiber or wireless.

Estimates have been done by Danny Driskell which range from \$20,000 to \$100,000 per intersection.

Richard Johnson stated the new traffic lights have the capability to connect to a smart system and we want to pursue ITS for our major corridors. A fiber audit will need to be done in the city along with other things that will need to be done on the front end of this project.

**III. OLD BUSINESS**

**A. Minutes** – The minutes from the July 21, 2014 meeting were reviewed and approved. **Motion by Tommie Conaway, Seconded by John Lake** to approve the minutes as presented. **Motion carried.**

**B. Mosquito Report** – The July 2014 report was reviewed by the committee.

**C. Street Sweeper Report** – The July 2014 report was reviewed by the committee. John Lake

wanted to make sure the Park City's streets are swept. Richard will make sure that they are done.

**D. Completion of City Sewer – Whispering Pines Corridor (Motion to Finance Committee)**

There is a working committee of Mr. Johnson, Ms. Conaway, Ray Moore (HMR), Danny Lyndall (Utilities) to complete the unsewered area on Whispering Pines.

Mr. Johnson stated that ADECA didn't feel that we would get a grant so where do we go from here?

We need to pursue in laying out a plan, identify areas, do phases, and get main line in then a lift station and then tying in. We would like to have this committee make a motion that this request be sent to the Finance Committee (with plans & cost estimates from HMR) for their recommendation to the council.

**Motion by Tommie Conaway, seconded by John Lake** to favorably recommend to the Finance Committee the funding of the sewerage of Whispering Pines. Motion carried.

**IV. NEW BUSINESS**

**A. Donette Loop Drainage Proposal – Request motion to Finance**

Mr. Johnson asked the committee to review the proposal to repair the drainage issue which affects the properties at 103, 105, 107, 109, 111 & 113. The drainage system that runs behind these properties has repeatedly failed during intense rainfall events. The current system was not designed by a licensed engineer; it is no longer suitable and needs to be replaced.

Ron Scott recommended putting funds each year into a Storm Water Drainage account.

**Motion by Ron Scott** to favorably recommend to the finance committee to appropriated the funds to repair this issue at a cost of \$147,938.00. **Seconded by John Lake. Motion carried.**

**V. DIRECTOR'S REPORT**

**A. Fleet Depreciation Management Plan**

Mr. Johnson reviewed the depreciation schedule for Public Works equipment over a seven (7) year span as requested by Mr. Scott at the last Public Works Committee meeting.

**B. PW Budget Proposal Discussion: Personnel/Operating**

Mr. Johnson submitted to the committee the FY2015 Public Works Operating and Personnel requests. Personnel request include 7 new positions and 2 position/pay change with an increase in the operating budget of 8.17%. Every other year, all of our bridges have to be inspected, thus the increase in PW Admin. for this year. With the personnel requests, the solid waste program has increased by 750 customers since 2010. Building maintenance has 2 crews of 2 employees, with the increase of repairs, projects, etc. there is a need to increase our personnel to keep things from up and running. A Building Maintenance Sr. position with requirements to have an HVAC, Plumbing, Electrical certifications to maintain our ever growing city. The Deputy PW Director will be second in command and will focus on grant opportunities, plus project managements, ROW permitting, equipment/material specifications, tech support to operational depts. A yard man to maintain and track all the vehicles, equipment, inventory for the department.

Lovette Lane Issue: Mr. Johnson advised the committee of the work that was done in the drain bed by the property owner. He was advised to no longer work in this area until a survey could be done. He continued working without permission from the city. A survey was done by HMR, most of the activity done by this resident has been done on city property and has filled in an historic gully and piped a stream onto city property. The Corp came out and has issued the City of Daphne a cease and desist order because the work is on city property. We have sent a response letter to the Corp advising them of what is happening with this property.

**VI. DAPHNE SOLID WASTE DISPOSAL AUTHORITY**

**A. Monthly Equipment Use Report** - The report for July 2014 was reviewed.

**Monthly Recycle Tonnage Report (Tonnage Comparison)** – The report for July 2014 was reviewed. It was another good month, still trailing, but a good month.

**Solid Waste New Customer Report** - The report for June 2014 was reviewed. We have 66 new residential customers, due to Jubilee Ridge and 2 new businesses.

**VII. MUSEUM COMMITTEE**

- A. No meeting in July.

**VIII. BEAUTIFICATION COMMITTEE**

- A. Minutes from August 6, 2014 meeting were reviewed. Dorothy invited the committee for the Grand Re-Opening of Gator Alley on Wednesday, September 3<sup>rd</sup> at 9 a.m. with refreshments at the Hampton Inn afterwards.

Districts 2, 3 and 7 are not represented on the Beautification Committee.

**IX. ENVIRONMENTAL ADVISORY COMMITTEE**

- A. Next meeting – August 25, 2014

**X. ENGINEER'S REPORT**

- A. **Hatch Mott MacDonald** –  
B. **HMR** – Richard reported that the Maize's Gulch repair work had a short fall of what was originally approved in the NRCS ordinance of \$10,454.67. This is to make you aware that an amendment will be submitted to the council at the September 2 and 15 meetings for approval.  
C. **Preble-Rish** –  
D. **Jade Consulting** –

Mr. Scott asked if the NRCS grants get reported, Ashley stated that this is included in her MS4 Reporting. Mr. LeJeune asked about LF Phase 4. Richard stated it will start by September 8<sup>th</sup>, not sure on the striping for Phase 3. Some LF medians tree will be removed and pine straw will be put down by the end of September. LF sidewalks will resume soon, finishing up Piedmont.

**XI. FUTURE BUSINESS**

- A. Next Meeting is September 15, 2014.

**XII. ADJOURNMENT**

Meeting adjourned @ 6:23 p.m.



DAPHNE BEAUTIFICATION COMMITTEE

**Daphne Beautification Committee Meeting Minutes  
August 6, 2014**

**CITY OF DAPHNE**  
**PO Box 400**  
**DAPHNE, AL 36526**

District 1

Dorothy Morrison,  
Chair  
Walter Gray

District 4

Selena Vaughn  
Tomasina Werner  
Dana Sawyer

District 5

David Dueitt  
Rebecca Trosclair

District 6

Elaine Maxime  
Hollie LeJeune

City Liaisons

Richard Johnson  
Dwayne Coley  
Marjorie Bellue  
Denise Penry  
Michele Hanson  
Christine Ciancetta  
David McKelroy

Guest - Woody Callaghan, Karen Callaghan and Karen McCain from TRAX Tires and Vanessa Cochran, Camille Reynolds, from Bay Area Food Bank to bring us up to date on their Community/ Garden on TRAX Land. Gardner's will come from the Daphne High School as part of a school program perhaps joined by Fairhope High as well.....we suggested they needed to go to Planning and Zoning Board would need a Site Plan....there was discussion about the use fruit trees and a definite suggestion that NO CHAIN LENGTH FENCING be part of their plan... they have found their own earthmoving machinery and no longer need ours.....we said the Hwy 98 frontage would need to meet requirements from ALDOT...and suggested they keep the frontage as is and that with those consideration we sent them on with our best wishes.....and ask that they keep us informed of their progress.....we suggested that Community Gardening name might be misleading since the food was for the Food Bank and the workers; suggested "Training Garden or Farm"...There is a 5 year commitment between the Bay Area Food Bank and TRAX Tires.

A-Gator Alley- should be completed by the evening of Aug 6th. Re-Celebration scheduled for 9 AM Sept 3<sup>rd</sup> at the Hampton Inn [presuming they agree] followed by meeting at 10AM [Hampton is delighted to have us again] All local Media is being invited

Clean up the Coast Day scheduled Sept 13th, hope to get lots of help with Gator Alley area.

B-Patriot's Points- has just been replanted...

C-Treasurer's Report \$822.32+ any remaining monies approved to add color to KFC Hill.

D- Top Ten

- \* Need a Plan for tree redo on I-10 Curve.....
- \* Master Plan I-10 /181.....
- \* Malfunction Junction Master Plan.....
- \* Signage for Olde Towne Daphne at Main Street and 64-both north and south.....
- \* Plan for City owned land Daphne Avenue Shopping Center .....
- \* Crape Myrtle and landscaping for Island on 64.....
- \* Master Plan for all Daphne entrances [moved to 2015 list].....
- \* Raise canopy on all 98 trees- in progress.....

E-PW Report

Gator Alley bids re submitted for approval, design completed, there will be twice as much parking and easier access in and out.....

Discussion of the Fist Statue Tomasina will communicate with Dr Booth...can it be moved to KFC Hill...

We received a \$1000 grant for Crape Myrtles for Trione Park.....

Canopy being raised on Hwy 98 [this is normal operations....done every few years]....

Working on Lake Forest sidewalks starting later this month.....

Working on Village Point Boardwalk....thank you to Selena for all her work.....

F- American Flags.....we should have 300...suggestion to put some flags on Hwy 90 Whispering Pines, Hwy 64 and Johnson Road....to connect 98 and 181.....a plan for more even spacing; not one flag at one point and 11 on the other side.....

G-Crape Myrtles on 98 looking very nice.....

H- Hwy 98 – Mayor's Initiative Flowers looking good more interchanges planned...see which come next?????????

I-DRA- is very interested in how to clean up eye sores-Daphne Avenue Shopping Center, Pine Lodge on Main Street....also looking for Bike stand plans for down town Daphne.

J-Bird House Brochures need reprinting and information to go to Roads Scholar Travel Center to be include in their Birding tours of this area.....[ need writer]

K-Keep Daphne Beautiful.....waiting for information

L- Endowment Fund- waiting for the attorney and Mayor

M- Mayor unable to attend....

N- Next Meeting September 3<sup>rd</sup> at HAMPTON INN AT GATOR ALLEY 9AM Dedication the new bridge  
.....Meeting at 10 in Hampton Inn.. Bring Umbrellas and bright smiles for a job well done.....

## DAPHNE MUSEUM MINUTES AUGUST 11, 2014

**ATTENDEES:** Mickey Boykin, Ken Balme, Al Guarisco, Lee Swetman, Helen Baroco, Candice Bishop, Dooley Berry, Scott Berry, Jeanne Nelson

**CALL TO ORDER:** Meeting called to order by President, Ken Balme, followed by Pledge of Allegiance.

**MINUTES:** The minutes of June 9, 2014, were approved as presented. No meeting was held in July.

**TREASURER'S REPORT:** Report for period 05-13-14 thru 06-30-14 showed beginning balance of \$6,240.28 with debits of \$58.50 and credits of \$323.50, leaving a balance of \$6,505.28. Petty Cash: \$17.98.

Report for period 06-30-14 thru 07-31-14 : Beginning balance - \$6,505.28; debits - \$106.00; ending balance: \$6,399.28; petty cash - \$13.98.

CD with B.B.V.A. matured on July 11, 2014, in the amount of \$11,980.32. Renewed this date for 18 months at 1.15 apy, with maturity date of January 11, 2016.

**VOLUNTEER ASSIGNMENTS:** There are five Fridays, Saturdays, and Sundays in August (29, 30, 31). Need volunteers for those days. Al volunteered for the Friday, August 29.

**COMMITTEE REPORTS:**

- **Telephone:** No Report.
- **Exhibits/Events:** Boyd's boat exhibit will continue through September 14. Mickey suggested a joint exhibit featuring the histories of both The Daphne Women's Study Club and the Daphne Normal School as the Study Club was first organized for the purpose of assisting in fund raising for the Daphne Normal School. The exhibit could show this connection. She suggested that October might be a good month. No decision made.
- **Publicity:** No Report.
- **Cemetery:** Helen will be updating the cemetery listing. She reported that she had placed a brass marker on Mrs. Pomeroy's grave.
- **Special Tours:** Mickey reported that a tour of the South Alabama Region of Antique Automobile Clubs of America (AACA) has been scheduled for Friday, August 15, at 1:00. She will confirm this tour. Lee will be present as it is his regular day to open museum; Helen volunteered to be available. Ditto Mickey. Ken indicated he would be here as well.
- **Archives (ADAH Grant):** Discussed what needed to be done to comply with terms of grant. To date, a poster has been placed on bulletin board for volunteers to record time spent on grant activities. Such activities include organizing all records of museum

business meetings, events, exhibits, etc. (Action – Mickey); organizing all photographs (Lee, Penny, Al); cataloging and recording of all acquisitions; (Action – Ken); deciding where, when, and how to display recently donated items or whether to store them in the museum storage space in City Hall until such time as they can be exhibited. (Action – Emily and Penny).

**UNFINISHED/OLD BUSINESS:**

- **Daphne Pottery Access:** Ken announced that the city attorney was unable to contract with Mr. Olds for access to site. Consequently, after many years of attempting to negotiate with him for access, this issue will no longer be pursued.
- **WiFi:** Not fixed. Mayor Haygood has asked IT department to find a solution.
- **Daphne Normal School Records:** No report.
- **Museum Week/Daphne Art Center's Old Towne Daphne Farm and Art Faire 06/28/14:** Art Faire very successful; all vendors did well; received positive comments from visitors; museum made \$150.50 from sale of items. Art Center has tee shirts available for \$15.00.
- **Impact 100:** Grant application withdrawn due to the noncooperation of Mr. Olds in granting access to the pottery site. This action was essential to the approval of the grant, since \$25,000 of the \$92,000 grant funds was dedicated to the acquirement of this access. Ken announced he may reapply for a grant in the future.

**NEW BUSINESS/INITIATIVES:**

- **New BC Director of Archives and History:** Ken announced that he had met the new Baldwin County Director of Archives and History, Hector Montford, who lives in Daphne and recently visited the museum/cemetery. He discussed with Mr. Montford, an archival intern program he recently created which would target high school students attempting to interest them in museum/archival curricula. He plans to contact Dr. Foster, Daphne High School principal, and the Chamber of Commerce future leadership program.
- **Alabama Historical Commission Grants:** Ken reported on the Alabama Historical Commission grants – There are two grants available: A tourism grant in the amount of \$1,000 due at the end of August, and a capital improvement grant in the amount of \$10,000 due by August 15. He remarked that he had talked with Annie Root, Daphne Art Center, about partnering to attract visitors, especially Snow Birds. He said we could sponsor a one day event with the slogan, "Daphne Museum Loves Snowbirds."

He further stated that it could possibly be a “culture crawl,” giving each visitor a passport which would be stamped at each venue of the crawl. Al suggested having a drawing at the conclusion of the “crawl.” Winner would receive a prize.

- **Stoneware Mugs:** Ken reported that he had received a phone call from a vendor from Wisconsin who made special mugs. Her charge was \$8.00 each. He asked if we wanted to participate. No decision made.
- **STEPS Program:** Standards and Excellence Program for History Organizations. It helps small and mid-sized history museums, historic sites and houses, including all-volunteer ones, assess policies and practices, manage daily operations and plan for the future. Cost to join - \$175.00. No discussion. No decision.
- **Baldwin County Fair:** Ken suggested “Beautiful Baldwin” for the theme. He stated that each museum would have its own display. For Daphne Museum, he suggested Daphne May Day. Not much discussion. No decision.
- **Montgomery Roundtable – ADAH:** Ken attended the roundtable which focused on a traveling display from Birmingham Library on Alabama History. Museums would share displays. No discussion

**ANNOUNCEMENTS:**

- The Daphne Jubilee Festival will be held in September.
- Helen sent a \$50.00 check to Camp Rap-A-Hope in memory of Melvin Gregorious. She read the thank you note she received.
- Helen announced she had purchased 18 copies of Pecos Forsman’s book, “She’s Bound to be a Goer,” for \$15.00 each. The museum will sell the books for \$20.00.
- The next regular meeting will be held on Monday, September 8, at 10:00 a.m.

**ADJOURNMENT:** There being no further business, Helen moved to adjourn; Mickey seconded; meeting adjourned.

Respectfully submitted,

Mickey Boykin, Secretary

## Meeting Minutes

September 15, 2014 Council Meeting

Monday, August 25, 2014 - 4:00 PM

City of Daphne - Environmental Advisory Committee

Daphne City Hall – Executive Boardroom

**MEMBERS PRESENT:** Bret Webb, Carl Pinyerd, Art Hosey, Chester McConnell, Elliott Riser, Richard Johnson, Ashley Campbell and Michele T. Hanson.

**Absent:** John Peterson, Stan Arbaczauskas, Fred Nation

### CALL TO ORDER

Bret Webb called the meeting to order at 4:07 p.m.

### PUBLIC PARTICIPATION:

No one present to address the committee.

### OLD BUSINESS:

#### A. Approval of Minutes:

**Motion by Elliott Riser, seconded by Chester McConnell** to approve the June 23, 2014 minutes. All in favor. Motion carried. Minutes were adopted.

#### B. Approval of Agenda:

**Motion by Elliott Riser, seconded by Chester McConnell** to approve the August 25, 2014 agenda. All in favor. Motion carried.

### NEW BUSINESS:

#### A. ByLaws – Final Draft

Committee reviewed the draft bylaws. Richard stated that the terms of the members need to be determined, he suggested 2 year staggered terms beginning in October with the fiscal year. The committee changed the officer election from calendar year to fiscal year with election to be in October. All members were in agreement.

The committee now consists of 8 members, with the approval of Don Ouellette to be determined tonight. Each council district is represented, however that is not required.

**Motion by Chester McConnell, seconded by Carl Pineyard** to adopt the bylaws for the Environment Advisory Committee. All in favor. Motion carried. Bylaws were adopted.

#### B. New Committee Member Appointment: Donald J. Ouellette

The committee reviewed the resume of Mr. Ouellette. **Motion by Chester McConnell, seconded by Elliott Riser** to favorably recommend to the council the appointment of Mr. Ouellette to the Environmental Advisory Committee. All in favor. Motion carried.

#### C. D'Olive Creek Watershed Study

Ashley reviewed the study with the committee. She stated that about 4 years ago, the city was awarded a \$500,000 grant to do the study and to implement a stream restoration project. The monitors were put out early this year and we had the perfect rain events for this study. The data collected has already helped with the restoration of Joe's Branch. This study can help with future developments in Daphne.

### CHAIRMAN'S REPORT:

No Report.

### UPDATE ON PROJECTS:

#### A. NFWF Grant

Met last week with the representatives of the area and construction of the last phase of Joe's Branch is under contract and is expected to begin in January. The NEP has 4 engineering groups that they use on a rotating basis for each job that comes up. The overseer for the jobs is Dr. Greg Jennings and he will be evaluating all the plans. They are also doing the same process with the contractors. There is more information on the NEP website.

## Meeting Minutes

September 15, 2014 Council Meeting

Monday, August 25, 2014 - 4:00 PM

City of Daphne - Environmental Advisory Committee

Daphne City Hall – Executive Boardroom

### B. Gator Alley

The bridge has been rebuilt and through a TAP grant that was awarded to the city will begin rebuilding the trail head. The trail head, which is the parking area on North Main Street will be twice the size of the current parking using brick pavers and using a step pool system for the drainage going to D'Olive Creek. The biggest part of this is the property acquisition of the property to the immediate west of the parking area. The appraisal of \$83,100.00 for the .43 acre has been submitted to ALDOT for approval. The plans are complete. There is a Grand Re-Opening scheduled for Wednesday, September 3<sup>rd</sup> at 9:00 a.m. with refreshments to follow at the Hampton Inn. All committee members are invited to attend.

### C. Storm Drainage/Grant

The city received 1.395 million dollars of FEMA money for public infrastructure. Also \$360,000 of Emergency Protection dollars in a contingency fund which was used on a project on Piedmont Circle as well as several other projects going on in the city.

### D. Forever Wild

The council did pass a resolution of support and it has been sent to Forever Wild and we are in a wait and see pattern.

Ashley brought to the committee a concern for a resident that needs to be hooked up to the sewer system, if the committee knows of anyone who could assist financially. It would cost \$2500 to abandon the septic and hook up to the sewer system. Utilities will roll their fee in to a 5 year payment plan, but the cost of the plumber comes out of her pocket first. Will try to local some volunteers for in kind services.

### **FUTURE BUSINESS:**

**Next Meeting:** *October 27<sup>th</sup> and December 22<sup>nd</sup>.*

### **ADJOURN:**

**Motion by Carl Pinyerd, Seconded by Chester McConnell** to adjourn. Meeting adjourned at 5:03 pm.

***Donald J. Ouellette***  
***7720 Elizabeth Drive***  
***Daphne, Al 36526***  
***(251) 626-6442***  
***Email: eagles0037@bellsouth.net***

### **OBJECTIVE**

Present a history from 1975 to present of my work history and experience.

### **PROFESSIONAL EXPERIENCE**

#### **Current Experience: Retired**

**Madison Place POA: January 2009 to Present – President and Treasurer.**

**Citizens Advisory Committee: 2013 to Present.**

***QMS, Inc.*** - November 1991 to January 1999 – Lead Senior Engineer (Product & Technology Development Services) with responsibility in Mechanical Engineering, design. Reporting to Director of Development Services. Responsibilities include the development of new Laser Printer products, checking designs and drawings, testing products, packaging, and manufacturing support.

***Foxboro Company*** - 1975 to 1991 -- Principal Development Engineer reporting to manager of engineering. Responsibilities include new product development, support of existing products, management of the engineering department and proto-type lab. Other responsibilities included: leading the design of short and long term projects of enclosures for the packaging of electronics and analyzing the systems thermally and structurally. Designed products to meet CSA, FM, CENELEC, and NEMA codes as required.

Technical efforts included:

- Presented a paper at the Acoustics Symposium for IMAPS in December 1997.
- Attend APICS and other professional group meetings.

**My Prior Work Experience in engineering starts in 1956.**

### **PROFILE SUMMARY**

Specialties are in the design and testing of electro-mechanical products, working from inception to end of life of a product. Goal oriented and projects always completed on schedule. Work well in a team environment.

### **EDUCATION**

Northeastern University, Boston, Ma, Bachelor of Science Industrial Technology (1972) & Associate in Science Mechanical Engineering/Honors, Member Sigma Epsilon Rho Society (1967).

**CONTINUOUS EDUCATION / ACTIVITIES**

QMS

-Pro/E and ME10

-Attended Pro/E Training in Florida in 1998.

Foxboro Company, Company sponsored technical training which included:

- Essential DOS

- Industrial Sensors

- EMI/RFI

- Thermal Analysis for Electronic Packaging

**REFERENCES**

References available upon determination of mutual interest.

**REPORT  
OF  
SPECIAL BOARDS**

**DOWNTOWN REDEVELOPMENT AUTHORITY  
1705 MAIN STREET, DAPHNE, AL  
AUGUST 27, 2014**

**COMMITTEE MINUTES**

**Members Present:** Casey Zito, Debbie Strahley Kennard Balme, Dayna Oldham, Patricia Vanderpool, Dorothy Morrison, Doug Bailey, Council Member Tommie Conaway.

**Also Present:** Rebecca Hayes, Temporary Recording Secretary.

Absent: Sarah Toulson, Recording Secretary.

***There being a quorum present Vice Chairman Ken Balme called the meeting to order at 5:40 pm***

**1. Approval of Minutes: July 23, 2014**

**MOTION BY Dayna Oldham to approve the minutes from the July 23, 2014 meeting as written. Seconded by Dorothy Morrison.**

**MOTION CARRIED UNANIMOUSLY**

**2. *Treasurer's Report***

Casey reported the ending balance as of August 27, 2014 is \$133,222.17.

**3. *Beautification Report***

Mrs. Morrison reported that the reopening of Gator Alley will be September 3<sup>rd</sup> at 9:00 a.m. on the Hampton Inn side. She reported that she is trying to connect with someone regarding the old Pine Lodge on Main Street to get permission to clean up around the building to make it look better.

**4. *Tax Increment Financing***

Ken said that a TIF loan is not applicable for putting utilities underground. The members discussed doing a bond issue for \$500,000 for some projects.

**5. *Travel Policy***

Casey said she will have Sarah work on a policy. Patricia said that she will send Sarah her policy for her company to review.

**6. *Bicycle Racks in Downtown Area***

Dorothy had photos of some bicycle racks that are in Mobile for the members to review. Dorothy will check with City of Mobile to see where they purchased their racks. Casey asked everyone to check out bike racks on line.

**DOWNTOWN REDEVELOPMENT AUTHORITY**  
**1705 MAIN STREET**  
**DAPHNE, AL**  
**AUGUST 27, 2014**  
**5:30 P.M.**

Page | 2

**7. *Economic Development Collaboration***

Doug said that it would be a good idea to pool resources and collaborate with the IDB for a project.

Discussion was held on properties for sale in Olde Towne Daphne, and talked about taking a walking tour of the area.

Dorothy said that she needed money to paint the flower boxes.

**MOTION B Y Dayna Oldham to pay for supplies necessary to repaint the downtown flower boxes. Seconded by Debbie Strahley.**

**MOTION CARRIED UNANIMOUSLY**

**8. *Any Other Items Deemed Necessary***

There were no other items to discuss.

***Next meeting: September 24<sup>th</sup> at 5:30 pm.***

***The meeting was adjourned at 6:55 pm.***

**REPORT  
OF  
OFFICERS**

**RESOLUTIONS**  
**&**  
**ORDINANCES**

**RESOLUTION 2014-50  
2014-R- RE03-LANCASTER WAY ROAD CROSSING**

**WHEREAS**, the City of Daphne is required under section 39-1-1(E) of the Code of Alabama to secure competitive bids for public works contracts in excess of \$ 50,000; and

**WHEREAS**, the City of Daphne acknowledges that LANCASTER WAY ROAD CROSSING will exceed \$50,000; and

**WHEREAS**, the City of Daphne did receive and review bids for the LANCASTER WAY ROAD CROSSING and has determined that the bid as presented is reasonable (*Construction-\$90,683.71 + CE&I-\$23,124 = \$113,808 Total project cost*); and

**WHEREAS**, FEMA will reimburse 75% (*\$85,356*) of the project cost (*\$113,808*) for the LANCASTER WAY ROAD CROSSING project; and

**WHEREAS**, historically the State of Alabama has participated in a local match of 12.5%; and

**WHEREAS**, the City intends to make application with the State of Alabama upon receiving notification of State "local match" participation; and

**WHEREAS**, staff recommends the bid for LANCASTER WAY ROAD CROSSING be awarded to Sunset Contracting, Inc..

**NOW, THEREFORE BE IT RESOLVED, AND IT IS HEREBY RESOLVED, THAT THE MAYOR AND CITY COUNCIL OF THE CITY OF DAPHNE**, hereby accept the bid from Sunset Contracting Inc. in the amount of \$90,683.71 as specified in BID SPECIFICATION NO. 2014-R- LANCASTER WAY ROAD CROSSING.

**APPROVED AND ADOPTED** by the City Council of the City of Daphne, Alabama, this day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Dane Haygood, Mayor

**ATTEST:**

\_\_\_\_\_  
Rebecca A. Hayes, City Clerk

CLERK'S CERTIFICATE

I, Rebecca A. Hayes, City Clerk of the City of Daphne, Alabama, DO HEREBY CERTIFY that the attached Resolution 2014-\_\_\_\_ is from the minutes of a regular meeting of the City Council of Daphne, Alabama, held on September 15, 2014, pertaining to the City's General Obligation Refunding Warrants, Series 2014, which meeting was called and assembled and was open to the public and at which a quorum was present and acting throughout, and that the original of said Resolution 2014-\_\_\_\_ appears of record in the minute books of the City Council of Daphne, Alabama, which are in my custody and control.

Given under my hand and the seal of the City of Daphne, Alabama, this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Rebecca A. Hayes, Clerk  
City of Daphne

[SEAL]



**APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF  
DAPHNE, ALABAMA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2014.**

**CITY OF DAPHNE, ALABAMA AN  
ALABAMA MUNICIPAL CORPORATION**

\_\_\_\_\_  
**DANE HAYGOOD  
MAYOR, CITY OF DAPHNE**

**ATTEST:**

\_\_\_\_\_  
**REBECCA A. HAYES  
CITY CLERK**

**Exhibit A**

**Preliminary Official Statement**

[See Attached]

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. As of its date, this Preliminary Official Statement has been deemed final by the City for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

**PRELIMINARY OFFICIAL STATEMENT DATED \_\_\_\_\_, 2014**

**NEW ISSUE**

**Rating: Standard & Poor's: "AA+"  
(See "RATING" herein)**

*In the opinion of Adams and Reese LLP, Bond Counsel, under existing laws and assuming compliance with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Series 2014 Warrants and with certain covenants described under the heading "TAX MATTERS" herein, interest on the Series 2014 Warrants is excludable from gross income for federal income tax purposes, and is not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. Additionally, certain provisions of the Code may affect the tax treatment of interest on the Series 2014 Warrants for certain holders of the Series 2014 Warrants. Bond Counsel is also of the opinion that the interest income on the Series 2014 Warrants is, under existing statutes and regulations, exempt from Alabama income taxation. See also the proposed form of opinion of Bond Counsel attached hereto as **APPENDIX C**.*

**\$10,000,000\***  
**CITY OF DAPHNE, ALABAMA**  
**General Obligation Refunding Warrants**  
**Series 2014**

**Dated: Date of Delivery**

**Due: [April 1], as shown on the inside cover**

The City of Daphne, Alabama (the "City") is offering \$10,000,000\* of its General Obligation Refunding Warrants (the "Series 2014 Warrants"), pursuant to an ordinance to be adopted on October \_\_, 2014 (the "Warrant Ordinance"), by the Daphne City Council, acting as governing authority of the City (the "City Council"). The City will use the proceeds from the sale of the Series 2014 Warrants for the purpose of (i) current refunding all of the City's outstanding General Obligation Refunding Warrants, Series 2003 (the "Series 2003 Warrants"), issued in the original aggregate principal amount of \$6,455,000 and currently outstanding in the principal amount of \$2,015,000, and advance refunding a portion of the City's outstanding General Obligation Refunding and Improvement Warrants, Series 2006 (the "Series 2006 Warrants"), issued in the original principal amount of \$25,230,000 and currently outstanding in the principal amount of \$17,185,000, and (ii) paying costs of issuance of the Series 2014 Warrants. See "**PURPOSE OF THE SERIES 2014 WARRANTS**" and "**PLAN OF REFUNDING**" herein.

The Series 2014 Warrants will be initially issued as fully registered Series 2014 Warrants in denominations of \$5,000 or any integral multiple thereof, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2014 Warrants. Purchases of the Series 2014 Warrants may be made only in book-entry form in authorized denominations by credit to participating broker-dealers and other institutions on the books of DTC as described herein. Principal of, premium, if any, and interest on the Series 2014 Warrants will be payable by The Bank of New York Mellon Trust Company, N.A., as paying agent (the "Paying Agent") to DTC, which will remit such payments in accordance with its normal procedures, as described herein. Interest will be payable on April 1 and October 1 of each year, commencing April 1, 2015. See "**THE SERIES 2014 WARRANTS**" herein.

The Series 2014 Warrants are subject to optional and scheduled mandatory redemption prior to maturity as more fully described under "**THE SERIES 2014 WARRANTS - Redemption Provisions**" herein.

***This cover page contains certain information for quick reference only. This cover page is not intended to be a summary of this issue. Investors must read the entire Official Statement, including all appendices attached hereto, to obtain information essential to the making of an informed investment decision.***

The Series 2014 Warrants are offered in book-entry only form when, as and if issued by the City and received by the Underwriter, subject to the approving opinion of Adams and Reese LLP, Mobile, Alabama, Bond Counsel, and certain other conditions. Certain legal matters pertaining to the City will be passed upon by its counsel, Adams and Reese LLP, Mobile, Alabama. It is expected that the Series 2014 Warrants will be available for delivery through the facilities of DTC, on or about \_\_\_\_\_, 2014, against payment therefor.

**Harbor Financial Services, LLC**

Date: \_\_\_\_\_, 2014

\* Preliminary: Subject to change.

**AMOUNTS, MATURITIES, INTEREST RATES AND PRICES OR YIELDS\***

**\$10,000,000\***  
**CITY OF DAPHNE, ALABAMA**  
**General Obligation Refunding Warrants**  
**Series 2014**

Base CUSIP\*\*: \_\_\_\_\_

<u>Maturity</u> <u>(April 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate *</u>	<u>Price</u>	<u>Yield</u>	<u>CUSIP**</u>	<u>Maturity</u> <u>(April 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate*</u>	<u>Price</u>	<u>Yield</u>	<u>CUSIP**</u>
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\_\_\_\_\_ % \$ \_\_\_\_\_ Term Warrants due April 1, 20\_\_\_\_; to Yield \_\_\_\_\_ %; CUSIP \_\_\_\_\_

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\* Preliminary, subject to change.

\*\* CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by Standard and Poor's CUSIP Service Bureau, A Division of the McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services.

**CITY OF DAPHNE, ALABAMA****Mayor****Dane Haygood****City Council Members**

**Tommie Conaway, District 1**  
**Pat Rudicell, District 2**  
**John L. Lake, District 3**  
**Randy Fry, Council President, District 4**  
**Ron Scott, District 5**  
**Robin LeJeune, District 6**  
**Joe Davis, III, District 7**

**City Clerk****Rebecca A. Hayes****Deputy Finance Director****Christine Ciancetta****Counsel to the City**

**Adams and Reese LLP**  
**Mobile, Alabama**

**Bond Counsel**

**Adams and Reese LLP**  
**Mobile, Alabama**

**Underwriter**

**Harbor Financial Services, LLC**  
**Mobile, Alabama**

No dealer, broker, salesperson, or other person has been authorized by the City or Harbor Financial Services, LLC, as underwriter (the "Underwriter"), to give information or to make any representations with respect to the Series 2014 Warrants, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Underwriter or any other entity. The information set forth herein concerning The Depository Trust Company ("DTC") has been furnished by DTC, and no representation is made by the City or the Underwriter as to the completeness or accuracy of such information. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the Series 2014 Warrants by any persons in any jurisdiction in which it is unlawful to make such offer, solicitation or sale prior to registration or qualification under the securities laws of any such jurisdiction. This Official Statement is not to be construed as a contract with the purchasers of the Series 2014 Warrants.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information, and it is not to be construed as the promise or guarantee of the Underwriter.

Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the City or that the information contained herein is correct at any time subsequent to the date hereof. A description of the City, including financial results of the City, is contained herein for informational purposes.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2014 WARRANTS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SERIES 2014 WARRANTS AT A LEVEL ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2014 WARRANTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE WARRANT ORDINANCE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2014 WARRANTS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE SERIES 2014 WARRANTS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2014 WARRANTS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS PRELIMINARY OFFICIAL STATEMENT HAS BEEN DEEMED TO BE FINAL AS OF ITS DATE WITHIN THE MEANING OF RULE 15c2-12 UNDER THE SECURITIES ACT OF 1934, EXCEPT FOR THE OMISSIONS OF THE OFFERING PRICE(S), INTEREST RATE(S), SELLING COMPENSATION, AGGREGATE PRINCIPAL AMOUNTS, PRINCIPAL AMOUNT PER MATURITY, DELIVERY DATE, RATINGS AND OTHER TERMS OF THE SERIES 2014 WARRANTS DEPENDING ON SUCH MATTERS, ALL OF WHICH ARE PERMITTED OMISSIONS UNDER RULE 15c2-12.

**This Official Statement contains "forward-looking statements," which generally can be identified with words or phrases such as "anticipates," "believes," "could," "estimates," "foresees," "may," "plan," "predict," "should," "will," or other words or phrases of similar import. All statements included in this Official Statement that any person expects or anticipates will, should or may occur in the future are forward-looking statements. These statements are based on assumptions and analyses made by the City in light of its experience and perception of historical trends, current conditions and expected future developments as well as other factors its believes are appropriate in the circumstances. However, whether actual results and developments conform with expectations and predictions is subject to a number of risks and uncertainties, including without limitation, the information discussed under "INVESTMENT CONSIDERATIONS" in this Official Statement as well as additional factors beyond the City's control. The important risk factors and assumptions described under that caption and elsewhere**

herein could cause actual results to differ materially from those expressed in any forward-looking statement. All of the forward-looking statements made in this Official Statement are qualified by these cautionary statements. There can be no assurance that the actual results or developments anticipated will be realized or, even if substantially realized, that they will have the expected consequences to or effects on the City's business or operations. All subsequent forward-looking statements attributable to the City or persons acting on their behalf are expressly qualified in their entirety by the factors and assumptions described above and in any documents containing those forward-looking statements. No person has any obligation to prepare or release any updates or revisions to any forward-looking statement.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE CAPTIONS AND HEADINGS IN THIS OFFICIAL STATEMENT ARE FOR CONVENIENCE OF REFERENCE ONLY, AND IN NO WAY DEFINE, LIMIT OR DESCRIBE THE SCOPE OR INTENT, OR AFFECT THE MEANING OR CONSTRUCTION, OF ANY PROVISION OR SECTIONS OF THIS OFFICIAL STATEMENT. THE OFFERING OF THE SERIES 2014 WARRANTS IS MADE ONLY BY MEANS OF THIS OFFICIAL STATEMENT.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: [www.munios.com](http://www.munios.com). THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IS PRINTED IN ITS ENTIRETY FROM SUCH WEBSITE.

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## OFFICIAL STATEMENT

### CITY OF DAPHNE, ALABAMA

**\$10,000,000\***

### General Obligation Refunding Warrants Series 2014

#### INTRODUCTION

This Official Statement provides certain information in connection with the sale and issuance by the City of Daphne, Alabama (the "City") of \$10,000,000\* principal amount of its General Obligation Refunding Warrants, Series 2014 (the "Series 2014 Warrants"). The Series 2014 Warrants will be issued pursuant to the Constitution and laws of the State of Alabama and an ordinance (the "Warrant Ordinance") to be adopted by the Daphne City Council (the "City Council"), acting as the governing body of the City, on October \_\_\_\_, 2014. The Warrant Ordinance will constitute a contract with the holders of the Series 2014 Warrants.

Brief descriptions of the City, the Series 2014 Warrants, the Warrant Ordinance and other proceedings described herein are contained in this Official Statement, and reference to such matters is qualified by reference to such entity, act, ordinance or proceeding so referred to or summarized.

The Series 2014 Warrants are being issued by the City, which is governed by the City Council. The City Council operates on an October 1 to September 30 fiscal year.

Additional information about the City is included in this Official Statement under the headings entitled "**CITY DEBT**" and "**CITY REVENUES**" and in **APPENDIX A** hereto. Audited financial statements of the City for the Fiscal Year ended September 30, 2013, are included in **APPENDIX B** hereto. The proposed form of opinion of Bond Counsel is included in **APPENDIX C** hereto. The form of continuing disclosure certificate of the City is included in **APPENDIX D** hereto.

Reference in this Official Statement to owner, holder, registered owner, Warrant Holder or Warrant Owner means the registered owner of the Series 2014 Warrants determined in accordance with the Warrant Ordinance.

#### PURPOSE OF THE SERIES 2014 WARRANTS

The City has determined to issue the Series 2014 Warrants for the purposes of (i) current refunding all of the City's outstanding General Obligation Refunding Warrants, Series 2003 (the "Series 2003 Warrants"), issued in the original aggregate principal amount of \$6,455,000 and currently outstanding in the principal amount of \$2,015,000, and advance refunding a portion of the City's outstanding General Obligation Refunding and Improvement Warrants, Series 2006 (the "Series 2006 Warrants"), issued in the original principal amount of \$25,230,000 and currently outstanding in the principal amount of \$17,185,000, and (ii) paying costs of issuance of the Series 2014 Warrants.

The proceeds of the Series 2003 Warrants were used to refund certain outstanding Warrants of the City and pay the costs of issuance of the Series 2003 Warrants. The proceeds of the Series 2006 Warrants were used to refund certain outstanding Warrants of the City, finance the costs of certain capital improvements for the City and pay the costs of issuance of the Series 2006 Warrants.

---

\*Preliminary, subject to change.

## **PLAN OF REFUNDING\***

### **General**

A portion of the proceeds of the Series 2014 Warrants in the approximate amount of \$\_\_\_\_\_,\* is being used to effect (i) a current refunding of all of the outstanding Series 2003 Warrants (the “2003 Refunded Warrants”) and (ii) an advance refunding of a portion of the outstanding Series 2006 Warrants maturing on April 1 in the years [2017 through 2027], inclusive ( the “2006 Refunded Warrants and, together with the 2003 Refunded Warrants, the “Refunded Warrants”). The remainder of the proceeds of the Series 2014 Warrants will be used to pay the costs of issuance of the Series 2014 Warrants. See “**ESTIMATED SOURCES AND USES OF FUNDS**” herein.

### **The 2003 Refunded Warrants**

The 2003 Refunded Warrants are subject to redemption and prepayment upon not more than sixty (60) days nor less than thirty (30) days notice and are expected to be called for redemption and prepayment on or about \_\_\_\_\_, 2014 (the “Call Date”). Simultaneously with the sale and issuance of the Series 2014 Warrants, proceeds of the Series 2014 Warrants sufficient to pay the principal of and interest on the 2003 Refunded Warrants on the Call Date will be paid to the Paying Agent and Registrar and deposited in the Warrant Fund established for the 2003 Refunded Warrants. The 2003 Refunded Warrants will be called for redemption and payment on the Call Date at a redemption price equal to 100% of the principal amount thereof plus interest accrued to the Call Date.

### **The 2006 Refunded Warrants**

The principal of the 2006 Refunded Warrants and the interest due thereon through and including May 1, 2016, the earliest possible optional redemption date (herein the “2006 Redemption Date”), are to be paid from funds to be irrevocably deposited into an escrow fund for the 2006 Refunded Warrants (the “2006 Escrow Fund”) created pursuant to the provisions of a Defeasance and Escrow Deposit Agreement, dated \_\_\_\_\_, 2014 (the “2006 Escrow Agreement”), by and between the City and The Bank of New York Mellon Trust Company, N.A., as escrow trustee (the “2006 Escrow Trustee”). The amount on deposit in the 2006 Escrow Fund will be invested in Government Obligations, the principal of, premium and interest on which, together with other moneys on deposit in the 2006 Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the 2006 Refunded Warrants through the 2006 Redemption Date and the redemption price (par plus accrued interest) of the 2006 Refunded Warrants on the 2006 Redemption Date. Prior to or concurrently with the delivery of the Series 2014 Warrants, the City will obtain an independent mathematical verification from GNP Services, CPA, PA, verifying that, at the time of delivery of the Series 2014 Warrants to the initial purchasers thereof, the Defeasance Obligations will mature and pay interest in such amounts which, together with the uninvested funds held in the 2006 Escrow Fund, will be sufficient to pay, when due, through the 2006 Redemption Date, the principal of and interest on the 2006 Refunded Warrants, and the redemption price (par plus accrued interest) of the 2006 Refunded Warrants on the 2006 Redemption Date.

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\*Preliminary, subject to change.

### ESTIMATED SOURCES AND USES OF FUNDS\*

The sources and uses of Series 2014 Warrant proceeds are estimated to be as follows:

#### Sources of Funds

Series 2014 Warrant Proceeds	\$ _____
Reoffering Premium	_____
Total Sources	\$ <u>_____</u>

#### Uses of Funds

Deposit to 2003 Escrow Fund	\$ _____
Deposit to 2006 Escrow Fund	_____
Costs of Issuance <sup>(1)</sup>	_____
Total Uses	\$ <u>_____</u>

<sup>(1)</sup> Includes, among other expenses, Underwriter's discount and legal fees. Payment of a majority of such fees is contingent upon the issuance of the Series 2014 Warrants.

### THE SERIES 2014 WARRANTS

The following is a summary of certain provisions applicable to the Series 2014 Warrants. Reference is made to the Warrant Ordinance for a more complete description of the Series 2014 Warrants. The discussion herein is qualified by such reference.

So long as DTC acts as a security depository for the Series 2014 Warrants, as described under "**Book Entry-Only System**" herein, all references to "Owner of the Series 2014 Warrants" or "Warrantholder" are deemed to be Cede & Co., as nominee for DTC, and not to participants of DTC or Beneficial Owners.

#### Description of the Series 2014 Warrants

The Series 2014 Warrants will be fully registered warrants issued initially in the denomination of \$5,000 or any integral multiple thereof and subject to exchange as hereinafter provided. The Series 2014 Warrants will be dated the date of delivery thereof, will bear interest payable on April 1, 2015, and semiannually on each April 1 and October 1 thereafter at the rates set forth on the cover hereof and will mature on the dates and in the principal amounts set forth on the cover hereof. The principal of and the interest on Series 2014 Warrants will bear interest from their due date until paid at the rate of interest borne by the principal of such Series 2014 Warrants prior to maturity.

The principal of and the premium, if any, on the Series 2014 Warrants will be payable, with par clearance guaranteed, at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A. in Birmingham, Alabama, the registrar, transfer agent and paying agent for the Series 2014 Warrants (said bank acting in such capacity, together with any successor thereto, being herein called the "Registrar" or "Paying Agent"). The interest payable on the Series 2014 Warrants on each interest payment date will be paid by check or draft mailed by the Registrar to the registered holders thereof on such interest payment date. If any interest payment date shall fall on a Saturday, Sunday or legal holiday on which the Registrar is not open for business, such payment shall be made on the next following business day.

#### Book Entry-Only System

The Series 2014 Warrants initially will be issued solely in book-entry form to be held in the book-entry-only system maintained by The Depository Trust Commission ("DTC"), New York, New York. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of Series 2014 Warrants and, except as otherwise provided herein with respect to Beneficial Owners of Beneficial Ownership Interests, Beneficial Owners will not be or be

considered to be, and will not have any rights as, owners or holders of the Series 2014 Warrants under the Warrant Ordinance.

*The following information about the book-entry-only system applicable to the Series 2014 Warrants has been supplied by DTC. Neither the City nor the Underwriter makes any representations, warranties or guarantees with respect to its accuracy or completeness.*

DTC, New York, New York, will act as securities depository for the Series 2014 Warrants. The Series 2014 Warrants will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2014 Warrant for each maturity of the Series 2014 Warrants will be issued in the aggregate principal amount of the Series 2014 Warrants, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered agencies. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and, together with the Direct Participants, the "Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Series 2014 Warrants under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2014 Warrants on DTC's records. The ownership interest of each actual purchaser of each Series 2014 Warrant ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2014 Warrants are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the Series 2014 Warrants, except in the event that use of the book-entry system for the Series 2014 Warrants is discontinued.

To facilitate subsequent transfers, all Series 2014 Warrants deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2014 Warrants with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2014 Warrants; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2014 Warrants are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2014 Warrants may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2014 Warrants, such as redemptions, tenders, defaults, and proposed amendments to the Series 2014 Warrant documents. For example, Beneficial Owners of Series 2014 Warrants may wish to ascertain that the nominee

holding the Series 2014 Warrants for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2014 Warrants within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2014 Warrants unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2014 Warrants are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Series 2014 Warrants will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Issuer or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2014 Warrants at any time by giving reasonable notice to the City. Under such circumstances, in the event that a successor depository is not obtained, Series 2014 Warrant certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2014 Warrant certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

So long as Cede & Co. is the registered holder of the Series 2014 Warrants as nominee of DTC, references herein to the Holders, holders, or registered owners of the Series 2014 Warrants mean Cede & Co. and not the Beneficial Owners of the Series 2014 Warrants.

THE CITY AND THE PAYING AGENT CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2014 WARRANTS (I) PAYMENTS OF PRINCIPAL OF OR INTEREST AND PREMIUM, IF ANY, ON THE SERIES 2014 WARRANTS ; (II) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN SERIES 2014 WARRANTS ; OR (III) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE SERIES 2014 WARRANTS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE CITY NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE SERIES 2014 WARRANTS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; (3) THE PAYMENT BY ANY PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR PREMIUM, IF ANY, ON THE SERIES 2014 WARRANTS; (4)

THE DELIVERY BY ANY PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO SERIES 2014 WARRANTHOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2014 WARRANTS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS SERIES 2014 WARRANTHOLDER.

***Special Considerations.*** Because DTC can only act on behalf of Participants, who in turn act on behalf of Indirect Participants and certain banks, the ability of a Beneficial Owner to pledge Series 2014 Warrants to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such Series 2014 Warrants, may be limited due to the lack of a physical certificate for such Series 2014 Warrants.

***Discontinuation of Book-Entry Only System.*** The beneficial owners of the Series 2014 Warrants have no right to a Securities Depository for the Series 2014 Warrants. DTC or any successor Securities Depository may resign as Securities Depository for the Series 2014 Warrants by giving notice to the Authority or the Trustee and discharging its responsibilities under applicable law. In addition, the Authority may remove DTC or a successor Securities Depository at any time. In such event, the Authority shall (i) appoint a Securities Depository qualified to act as such under Section 17(a) of the Securities Exchange Act of 1934, notify the prior Securities Depository of the appointment of such successor Securities Depository and transfer one or more separate bond certificates to such successor Securities Depository or (ii) notify the Securities Depository of the availability through the Securities Depository of bond certificates and transfer one or more separate bond certificates to Direct Participants having Series 2014 Warrants credited to their accounts at the Securities Depository. In such event, such Series 2014 Warrants shall no longer be restricted to being registered in the Series 2014 Warrant Register in the name of the Securities Depository or its nominee, but may be registered in the name of the successor Securities Depository or its nominee, or in whatever name or names the Direct Participants receiving such Series 2014 Warrants shall designate, in accordance with the provisions of the Indenture.

If no qualified Securities Depository is a registered owner of the Series 2014 Warrants, the beneficial owners will be paid by the Trustee in the manner described under "**Provisions Applicable if Book-Entry Only System is Terminated.**"

#### **Provisions Applicable if Book-Entry Only System is Terminated**

***General.*** Purchasers of Series 2014 Warrants will receive principal and interest payments, and may transfer and exchange Series 2014 Warrants, pursuant to the following provisions only if the book-entry only system is terminated. Otherwise, payments and transfers will be made only as described above under "**Book-Entry Only System.**"

***Payment of Principal and Interest on the Series 2014 Warrants.*** Principal of and interest on the Series 2014 Warrants shall be payable in lawful money of the United States of America. The principal of the Series 2014 Warrants shall be payable at the designated corporate trust agency office of the Paying Agent, upon presentation and surrender of the Series 2014 Warrants as the same become due and payable. Interest on the Series 2014 Warrants shall be payable by check or draft mailed by the Paying Agent to the lawful holders of the Series 2014 Warrants at the address shown on the registry books of the Paying Agent pertaining to the Series 2014 Warrants as of the Record Date and shall be deemed timely made if so mailed on the Interest Payment Date (or if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date). The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Warrant Ordinance, be paid to the persons in whose name the Warrants are registered at the close of business on the 15th day of the month next preceding such Interest Payment Date.

Payment of interest on the Series 2014 Warrants due on each Interest Payment Date shall be made by check or draft mailed by the Paying Agent to the person entitled thereto at his address appearing in the Warrant Register maintained with respect to the Series 2014 Warrants. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a business day, on the business day next following such Interest Payment Date). Payment of the principal of (and premium, if any, on) the Series 2014 Warrants and payment of accrued interest on the Series 2014 Warrants due upon redemption shall be made only upon surrender of such Series 2014 Warrants at the designated corporate trust agency office of the Paying Agent. Upon the terms and conditions provided in the Warrant Ordinance, the Holder of any Series 2014 Warrant or Warrants in an aggregate principal amount of not less than \$100,000 may request that payment of interest on such Series 2014 Warrant or Warrants be made by wire transfer to an account of such Holder maintained at a bank in the continental United States or by any other method providing for same-day funds that

is acceptable to the Paying Agent. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

**Registration and Transfer.** The Series 2014 Warrants shall be registered as to both principal and interest and may be transferred only on the registry books of the Paying Agent pertaining to the Series 2014 Warrants. No transfer of the Series 2014 Warrants shall be permitted except upon presentation and surrender of such Warrant at the office of the Paying Agent with written power to transfer signed by the registered owner thereof in person or by a duly authorized attorney in form and with guaranty of signature satisfactory to the Paying Agent. The Paying Agent will not be required to register or transfer any Warrant during the period of fifteen (15) calendar days next preceding any interest payment date and shall not be required to transfer or exchange any Warrant during the period of sixty (60) calendar days next preceding the date for redemption or prepayment of any Warrant. The holder of one or more of the Series 2014 Warrants may, upon request, and upon the surrender to the Paying Agent of such Warrant, exchange such Warrant for Series 2014 Warrants of other authorized denominations of the same series, maturity and interest rate and together aggregating the same principal amount as the Series 2014 Warrant so surrendered. Any registration, transfer and exchange of Series 2014 Warrants shall be without expense to the holder thereof, except that the holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange. The holder of any Warrant will be required to pay any expenses incurred in connection with the replacement of a mutilated, lost, stolen or destroyed Warrant.

The Warrant Ordinance provides that each holder of the Series 2014 Warrants, by receiving or accepting the Series 2014 Warrants, consents and agrees and is estopped to deny that, insofar as the City and the Paying Agent are concerned, the Series 2014 Warrants may be transferred only in accordance with the provisions of the Warrant Ordinance. The Warrant Ordinance also provides that each transferee of the Series 2014 Warrants takes them subject to all principal and interest payments in fact made with respect to the Series 2014 Warrants.

No transfer of any Series 2014 Warrant will be valid except upon presentation and surrender of such Series 2014 Warrant at the principal corporate trust office of the Registrar with written power to transfer signed by the registered owner in person or by duly authorized attorney. Upon the proper transfer of any Series 2014 Warrant, the City will execute a new Series 2014 Warrant, and the Registrar will deliver to the transferee such new Series 2014 Warrant registered in the name of such transferee.

Any holder of one or more of the Series 2014 Warrants may, upon the surrender thereof to the Registrar, exchange such Series 2014 Warrant or Warrants for other Series 2014 Warrants, in the denomination of \$5,000 or any integral multiple thereof, of the same maturity and interest rate and together aggregating the same principal amount as the Series 2014 Warrant or Warrants so surrendered.

#### **Redemption Provisions\***

**Optional Redemption.** The Series 2014 Warrants will be subject to redemption prior to their maturity, at the option of the City, in whole or in part, on April 1, \_\_\_\_\_ and on any date thereafter (in principal amounts of \$5,000 and any integral multiple thereof and if less than all of the Series 2014 Warrants are to be redeemed, those maturities or portions thereof to be called for redemption shall be selected by the City in its discretion, and if less than all the Series 2014 Warrants of a single maturity are to be redeemed, those to be called for redemption shall be selected by lot), at and for a redemption price equal to 100% of the principal amount of each Series 2014 Warrant or portion thereof redeemed, plus accrued interest to the date fixed for redemption.

**Scheduled Mandatory Redemption.** The Series 2014 Warrants having a stated maturity on April 1, \_\_\_\_\_, will be subject to mandatory redemption prior to maturity (the particular Warrant or portions thereof to be selected by lot) at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the date of redemption, in the principal amount and on the dates set forth below (the \_\_\_\_\_ amount to be paid rather than redeemed):

April 1 of the Year

Principal Amount Required to be Redeemed

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\*Preliminary, subject to change.

In the absence of prior optional redemption, Series 2014 Warrants in the aggregate principal amount of \$\_\_\_\_\_ will remain to be paid at their stated maturity on April 1, \_\_\_\_\_.

**Notice of Redemption.** Notice of any such redemption (other than a scheduled mandatory redemption) is required to be given, not less than thirty (30) days prior to the date fixed for redemption, by United States registered or certified mail to the registered holder of any Series 2014 Warrant called for redemption. Such notice of redemption relative to the Series 2014 Warrants shall state that it is conditioned on there being sufficient money on deposit to pay the full redemption price of the Series 2014 Warrants on the redemption date.

**Reduction of Sinking Fund Amounts Upon Redemption or Purchase in the Open Market.** If Series 2014 Warrants have been redeemed pursuant to optional redemption as described above, or if the City has delivered Series 2014 Warrants to the Trustee for cancellation, the City may direct that any sinking fund amount be reduced by an amount equal to all or a portion of the principal amount of any Series 2014 Warrants so redeemed or delivered for cancellation (and not previously used to reduce any sinking fund amount). The City shall deliver any such direction at least 75 days before the redemption date.

If amounts are being held in the Warrant Fund to be used to redeem Series 2014 Warrants pursuant to the mandatory sinking fund redemption provision, in lieu of such redemption, the City may, no later than 75 days before the redemption date, direct the Trustee in writing to use part or all of such moneys to purchase such Series 2014 Warrants, in a principal amount not to exceed the next sinking fund amount, which Series 2014 Warrants are presented to the City by the owners of the Series 2014 Warrants for purchase and which the City directs the Trustee to purchase. The purchase price of such Series 2014 Warrants shall not exceed the redemption price of the Series 2014 Warrants which would be redeemed but for the operation of this paragraph (accrued interest to be paid from the same fund or account from which accrued interest would be paid upon the redemption of such Series 2014 Warrants). Any such purchase shall be completed prior to the time notice would otherwise be required to be given to redeem Series 2014 Warrants. All Series 2014 Warrants so purchased shall be cancelled and applied as a credit (in an amount equal to the principal amount of such Series 2014 Warrants) against the next sinking fund amount.

## **SECURITY FOR THE SERIES 2014 WARRANTS**

### **General**

The Series 2014 Warrants will be general obligations of the City for the payment of which the full faith and credit of the City will be irrevocably pledged. Revenues of the City legally available for payment of the principal of and the interest and premium (if any) on the Series 2014 Warrants will include ad valorem taxes, gross receipts taxes, privilege license taxes and other taxes, and other general revenues of the City.

### **Application of Tax Revenues and Creation of Funds**

**General.** The Warrant Ordinance will provide for the maintenance of a special fund designated the "2014 City of Daphne Warrant Fund" (the "Warrant Fund"). The Bank of New York Mellon Trust Company, N.A. will be designated in the Warrant Ordinance as the depository, custodian and disbursing agent for the Warrant Fund.

**The Warrant Fund.** On or before the 25<sup>th</sup> day of each March and September, commencing in March 2015, the City will be required to transfer to the Warrant Fund an amount equal to the sum of (i) the semiannual installment of interest that will mature with respect to the Series 2014 Warrants on the then next succeeding interest payment date, plus (ii) one-half (1/2) of the principal, if any, of the Series 2014 Warrants that will mature on the then next succeeding principal payment date. Moneys on deposit in the Warrant Fund are to be used for the payment of the principal of and interest on the Series 2014 Warrants.

**Investment of Funds.** The City may, at its option, from time to time cause any or all of the moneys on deposit in the Warrant Fund to be invested in Federal Obligations (as hereinafter defined) having a specified maturity, or being

redeemable at the option of the holder, prior to the date when it is anticipated by the City that such moneys will be needed. In the event of any such investment of moneys in the Warrant Fund, the Federal Obligations in which such investment shall be made, together with all income therefrom, shall become a part of said fund and shall be held by the Paying Agent to the same extent as if they were moneys on deposit therein. As used in this Official Statement, the term "Federal Obligations" means securities that are direct obligations of the United States of America or that are unconditionally guaranteed by the United States of America as to the payment of both principal and interest (including money market funds investing solely in such obligations of the United States of America).

### **Certain Matters Affecting Creditor's Rights**

Chapter 9 of the United States Bankruptcy Code permits political subdivisions and public agencies or instrumentalities such as the City that are insolvent or unable to meet their debts to file petitions for relief in the federal bankruptcy court if authorized by state law. While the matter is not entirely free from doubt, prospective purchasers of the Series 2014 Warrants should assume that existing Alabama statutes presently authorize the City to file petitions for relief under the Bankruptcy Code.

Bankruptcy proceedings by the City could have significant adverse effects on holders of the Series 2014 Warrants, including (a) delay in the enforcement of their remedies, (b) subordination of their claims to the claims of those supplying goods and services to the City after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment on the Series 2014 Warrants. The Bankruptcy Code contains provisions intended to ensure that, in any reorganization plan not accepted by the holders of at least a majority in aggregate principal amount of the Series 2014 Warrants, the holders of the Series 2014 Warrants will have the benefit of their original claim on the City's revenues or the "indubitable equivalent." The effect of these and other new provisions of the Bankruptcy Code cannot be predicted with any certainty and may be significantly affected by judicial interpretation or future action of the Congress of the United States or the Legislature of Alabama.

In addition, the remedies available to the holders of the Series 2014 Warrants, as well as any other creditors of the City, through suit, mandamus proceeding or other legal process are subject to the provisions of existing Alabama law exempting from levy and sale under any process, judgment or decree all property (real or personal) belonging to cities in Alabama and used for municipal purposes, and may be subject to, among other things,

- (a) the law-imposed obligation of the City to pay, prior to the payment of debt service on its obligations, the expenses of providing necessary governmental services, and
- (b) the provisions of other statutes that may hereafter be enacted by the Congress of the United States or the Legislature of Alabama extending the time for payment of municipal indebtedness or imposing other constraints upon the enforcement of rights of holders of municipal securities.

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**DEBT SERVICE REQUIREMENTS\***

The following table presents, on a fiscal year basis, the debt service requirements on general obligation warrants of the City after the issuance of the Series 2014 Warrants and the defeasance of the Refunded Warrants. Numbers may not add precisely due to rounding.

<b>Fiscal Year</b>	<b>Principal of the Series 2014 Warrants</b>	<b>Interest on the Series 2014 Warrants<sup>(1)</sup></b>	<b>Debt Service on the Series 2012 Warrants</b>	<b>Debt Service on the Series 2010 Warrants</b>	<b>Debt Service of the Series 2006 Warrants</b>	<b>Total Debt Service</b>
2015			\$859,032.50	\$370,687.50		
2016			\$854,782.50	\$368,787.50		
2017			\$849,845.00	\$375,037.50		
2018			\$854,707.50			
2019			\$854,907.50			
2020			\$854,276.25			
2021			\$852,157.50			
2022			\$848,501.25			
2023			\$853,107.50			
2024			\$846,607.50			
2025			\$844,020.00			
2026			\$845,170.00			
2027			\$840,751.25			
2028			\$839,982.50			
2029			\$847,582.50			
2030			\$839,060.00			
2031			\$843,000.00			
2032			\$834,600.00			
2033			\$678,400.00			
2034			\$679,300.00			
2035			\$674,300.00			
2036			\$678,300.00			
<b>TOTAL</b>			<b>\$17,972,391.25</b>	<b>\$1,114,512.50</b>		

(1) Interest calculated at an average rate of \_\_\_\_% per annum.

\*Preliminary, subject to change.

## CITY DEBT

### Existing and Proposed Debt

Following the issuance of the Series 2014 Warrants, the City will have no other outstanding long-term indebtedness except for those listed below and obligations for the payment of which an irrevocable escrow fund has been established.

<u>Issue</u>	<u>Principal Amount Outstanding</u>
2002 Limited Obligation Revenue Warrants*	\$4,324,250
2006 General Obligation Refunding and Improvement Warrants**	[\$ _____]
2010 General Obligation Refunding Warrants	\$1,400,000
2012 General Obligation Refunding and Improvement Warrants	\$13,110,000
TOTAL	<div style="border-top: 1px solid black; border-bottom: 1px solid black; display: inline-block; width: 100%;"></div> [\$ _____]

\* Payments are made solely from business sales tax revenues.

\*\* \$3,298,500 (8.32%) is for sewer improvements and does not apply towards the City's general obligation debt limit.

The City does not plan to authorize or issue any indebtedness other than the Series 2014 Warrants within the next 90 days. The City does not have any additional indebtedness authorized but unissued.

### Subordinate Entity Debt

As of September 30, 2013, the Utilities Board of the City of Daphne, a public corporation which was incorporated by the City and has a five-member board of directors, has outstanding principal indebtedness (including State Revolving Fund loans) in the amount of \$20,395,000.

### Constitutional Limitation on Debt of City

The Constitution of Alabama provides that cities having a population of six thousand or more may not become indebted in an amount in excess of 20% of the assessed valuation of the property situated therein (the "General Debt Limit"). The Constitution exempts from this General Debt Limit several categories of indebtedness, including (i) temporary loans, to be paid in one year, made in anticipation of the collection of taxes and not exceeding one-fourth of the general revenues; (ii) bonds or other obligations issued for the purpose of acquiring, providing or constructing schoolhouses, water works and sewers; and (iii) obligations incurred and bonds issued for street or sidewalk improvements where the cost of the same, in whole or in part, is to be assessed against the property abutting said improvements. The Constitution also provides for a separate debt limit for certain economic development projects issued pursuant to Section 94.01 of the constitution (the "Economic Development Debt Limit") and not against the General Debt Limit. As of September 30, 2013, the City has outstanding \$3,298,500 of obligations issued for Sewer Projects and thus not chargeable to its debt limit, and \$7,937,380 issued pursuant to Section 94.01 of the Constitution of Alabama and thus not chargeable against the General Debt Limit.

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The General Debt Limit based on assessed value of real and personal property of \$345,316,918 as of September 30, 2013 is computed as follows:

General & Limited Obligation Debt	\$40,067,131
Debt Chargeable to Debt Limit	\$36,335,750
Debt Limit (20% of Assessed Value)	\$69,063,384
Debt Margin	\$32,727,634
2010 Population of City	\$21,570
Total Debt Per Capita	\$1,858

## CITY REVENUES

### General

The City operates on a fiscal year basis beginning October 1 and ending September 30. The City prepares a detailed budget for each fiscal year that is approved by the City Council and all departments are required by City policy to operate within their respective budgets. There is no constitutional requirement that the budget be balanced each year, but the City has, as a matter of policy, required a balanced budget.

The significant accounting practices for City finances are summarized in the audited financial statements of the City. A copy of the audited financial statements of the City for the fiscal year which ended September 30, 2013, is included as **APPENDIX B** to this Official Statement, including statements of revenues, expenditures and changes in fund balances. The General Fund finances substantially all current operations. These financial statements should be reviewed by prospective purchasers of the Series 2014 Warrants.

### Summary of Primary Sources of Revenues

The following table sets forth the primary sources of General Fund revenues, as well as primary categories of expenditures, for the fiscal years ended September 30, 2009 through 2013:

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**GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN GENERAL FUND BALANCE  
FOR THE FISCAL YEARS ENDING SEPTEMBER 30,**

<u>REVENUES</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Taxes	\$20,394,142	\$19,402,587	\$18,758,584	\$18,169,080	\$18,282,348
Licenses & Permits	2,173,251	1,864,731	1,840,438	1,733,817	1,913,500
Ingergovernmental	292,270	242,715	199,113	220,397	270,176
Grants	114,297	317,517	568,652	419,052	327,266
Fees & Charges	360,432	383,922	417,976	428,922	341,980
Interest	2,467	184,046	231,257	57,386	78,083
Fines & Forfeitures	395,113	362,904	432,640	401,835	438,638
Miscellaneous	<u>116,105</u>	<u>147,461</u>	<u>230,416</u>	<u>259,457</u>	<u>170,145</u>
<b>TOTAL REVENUES</b>	<b>23,848,077</b>	<b>22,905,884</b>	<b>22,679,076</b>	<b>21,689,946</b>	<b>21,822,136</b>
<b><u>EXPENDITURES</u></b>					
General Government	3,293,969	3,207,054	3,564,428	2,948,180	3,323,876
Public Safety	9,001,073	8,770,883	8,423,661	8,416,327	8,540,757
Public Works	3,913,031	3,722,333	3,352,725	3,223,803	3,466,342
Parks & Recreation	1,802,829	1,843,509	2,161,954	2,190,813	2,072,921
Capital Outlay	1,525,060	1,444,968	1,028,415	1,322,029	509,183
Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<b>19,535,962</b>	<b>18,988,747</b>	<b>18,531,183</b>	<b>18,101,151</b>	<b>17,913,079</b>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>					
Capital Lease Proceeds	-	-	-	506,969	146,678
Transfers In	2,165	-	-	-	6,799
Transfers Out	(4,379,238)	(4,790,153)	(5,436,162)	(3,708,196)	(3,530,570)
Debt Proceeds	581,155	-	-	-	-
Contribution to Utility Board	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL OTHER FINANCING</b>	<b>(3,795,918)</b>	<b>(4,790,153)</b>	<b>(5,436,162)</b>	<b>(3,201,227)</b>	<b>(3,377,093)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b><u>516,197</u></b>	<b><u>(873,016)</u></b>	<b><u>(1,288,268)</u></b>	<b><u>387,568</u></b>	<b><u>531,964</u></b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	10,345,762	11,218,778	12,507,046	12,119,478	11,587,514
<b>FUND BALANCE, END OF YEAR</b>	<b><u>\$10,861,959</u></b>	<b><u>\$10,345,762</u></b>	<b><u>\$11,218,778</u></b>	<b><u>\$12,507,046</u></b>	<b><u>\$12,119,478</u></b>
<b>INCREASE (DECREASE) IN RESERVED/ASSIGNED FOR ENCUMBRANCES/TRANSFERS TO EQUITY OF OTHER FUNDS</b>	(\$120,822)	\$145,455	(\$166,133)	(\$472,904)	(\$184,637)
<b>UNRESERVED/UNASSIGNED FUND BALANCE, END OF YEAR</b>	<b><u>\$10,583,878</u></b>	<b><u>\$9,946,859</u></b>	<b><u>\$10,965,330</u></b>	<b><u>\$12,087,465</u></b>	<b><u>\$11,226,993</u></b>

## Sales Tax

The City levies a privilege license tax at the rate of 2.5% pursuant to Ordinance No. 1977-3, as amended by Ordinance No. 1989-13, on persons, corporations and other engaging in the business of selling at retail tangible personal property or conducting places of amusement (the said tax being measured by the gross proceeds or gross receipts of the said business) to the extent that the said tax is levied with respect to business conducted within the corporate limits of the City. Such privilege license tax is herein referred to as the "Sales Tax."

Collections of the Sales Tax have been as follows for the past five fiscal years:

<u>Fiscal Year</u>	<u>Collection</u>
2012-13	\$12,356,091
2011-12	\$11,522,363
2010-11	\$10,782,655
2009-10	\$10,698,807
2008-09	\$10,039,547

## Business License Fee

The City levies, under general authority granted by the Legislature of the State of Alabama, a business license fee on the privilege of engaging in certain businesses and professions within the corporate limits of the City. Businesses and professions are charged a fee based on gross receipts of the prior year at which certain businesses located within the corporate limits of the City, including banks and insurance companies are charged and references to the Code of Alabama highlight those licensing rates. The business license fee is collected by the City's Revenue Department.

Collections of the City's Business License Fee have been as follows for the last five fiscal years indicated:

<u>Fiscal Year</u>	<u>Collection</u>
2012-13	\$1,656,297
2011-12	\$1,569,235
2010-11	\$1,460,700
2009-10	\$1,400,404
2008-09	\$1,484,967

## Property Taxes

The levy and collection of ad valorem taxes in Alabama are subject to the provisions of the Alabama Constitution as amended, which, among other things, fix the percentage of market value at which property can be assessed for taxation, limit the rates of municipal taxation that can be levied against property and provide a maximum value for the aggregate ad valorem taxes that can be levied by all taxing authorities on any property in any tax year.

The amount of any specific ad valorem tax in Alabama is computed by multiplying the tax rate by the assessed value of the taxable property. The assessed value of taxable property is a specified percentage (ranging from 10% to 20%) of its fair and reasonable market value or, in certain circumstances, its current use value. Ad valorem tax rates are generally stated in terms of mills (one-thousandth of a dollar) per dollar of assessed value. Thus, for any given ad valorem tax, each mill in the rate of taxation represents a tax on property equal to one-tenth of one percent of the assessed value of such property.

The total assessed values of taxable real and personal property (including motor vehicles) located in the City as assessed for ad valorem taxation (net of exemptions) for the tax year which ended on September 30, 2013 was \$345,316,918.

The following taxes (expressed in mills) are currently levied on property situated in the City.

<u>Taxing Authority</u>	<u>Mills</u>
State of Alabama	6.5
City of Daphne	15
Baldwin County:	
General	5.0
Schools	12.0
Roads and Bridges	2.5
Health Tax	0.5
Fire	1.5
Special School District	3.0
Total State, County and City	<u>43</u>

The following table sets forth the total real property assessed valuation within the corporate limits of the City, the ad valorem taxes levied and the percentage collected:

<u>Tax Year</u>	<u>Assessed Valuation</u>	<u>Tax Due</u>	<u>Tax Collected</u>	<u>Collection %</u>
2009	\$386,612,620	\$5,152,580	\$5,139,710	99.75%
2010	\$355,490,780	\$4,895,120	\$4,861,098	99.30%
2011	\$349,723,930	\$4,674,857	\$4,670,518	99.91%
2012	\$335,467,376	\$4,411,487	\$4,405,006	99.85%
2013	\$345,316,918	\$4,516,311	\$4,425,485	97.99%

Property taxes are generally collected and received by municipalities by February 1 of each fiscal year. For purposes of ad valorem taxation, taxes are due and payable in the fiscal year following the fiscal year in which the assessment and levy is made. Ad valorem taxes on taxable properties (except motor vehicles) in the City are required to be collected by the Tax Collector of Baldwin County. Ad valorem taxes on motor vehicles in the City are collected by the Judge of Probate of Baldwin County.

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### Payment in Lieu of Taxes

Certain entities that are otherwise exempt from tax have agreed to make payments in lieu of taxes. Such payments have been as follows for the last five fiscal years indicated:

<u>Fiscal Year</u>	<u>Amount Received</u>
2013-14*	\$2,378,865
2012-13	\$2,268,872
2011-12	\$2,234,494
2010-11	\$2,269,687
2009-10	\$1,952,460
2008-09	\$1,959,785
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* Unaudited	

### Other Taxes

The City also levies a beer tax, the revenues of which were \$291,564 for 2012-13 and \$291,901 for 2011-12; a gasoline tax, the revenues of which were \$199,759 for 2012-13 and \$187,585 for 2011-12; a liquor tax, the revenues of which were \$68,430 for 2012-13 and \$67,279 for 2011-12; a tobacco tax, the revenues of which were \$110,394 for 2012-13 and \$145,229 for 2011-12; and certain other miscellaneous taxes.

### LITIGATION

There is no litigation pending or, to the knowledge of the City, threatened contesting the validity of the Series 2014 Warrants or relating to the organization or boundaries of the City, the incumbency of any of the City's officers, or the issuance or sale of the Series 2014 Warrants. Simultaneously with the delivery of the Series 2014 Warrants, the City will deliver a certificate to the effect that no such litigation is pending or, to the knowledge of the City, threatened.

The City is not a defendant in any lawsuits or other pending litigation which it believes would have a materially adverse effect upon its financial condition.

Recent court decisions have substantially eroded the immunity from tort liability formerly enjoyed by local governmental units in Alabama. Chapter 93 of Title II of the Code of Alabama 1975, as amended, now prescribes certain maximum limits on the liability of local governmental units (such as the City) for bodily injury, sickness, disease or death sustained by a person and for injury or destruction of tangible property. However, the applicability of Chapter 93 to causes of action under Section 1983 of Title 42 of the United States Code has not been definitely determined. Municipalities and other local governmental units throughout the country have been increasingly subject to lawsuits, many of which claim damages in large amounts for alleged denials of civil rights under the provisions of Section 1983.

### TAX MATTERS

#### Federal Income Tax Matters

In the opinion of Adams and Reese LLP, as Bond Counsel, under existing law, interest on the Series 2014 Warrants is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

The opinion set forth in the preceding paragraph is subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Series 2014 Warrants in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Series 2014 Warrants to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2014 Warrants. Bond Counsel has not undertaken to advise in the future whether any events after the date of execution and delivery of the Series 2014 Warrants may affect the federal tax status of the interest on the Series 2014 Warrants.

Prospective purchasers of the Series 2014 Warrants should be aware that ownership of the Series 2014 Warrants may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to a branch profits tax and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Series 2014 Warrants. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Series 2014 Warrants should consult their tax advisors as to collateral federal income tax consequences.

#### **Tax Treatment of Original Issue Discount\***

The Series 2014 Warrants maturing on April 1 in the years \_\_\_\_, \_\_\_\_ and \_\_\_\_ (collectively, the "OID Warrants") are sold at an original issue discount. The difference between the initial public offering price, as set forth on the inside cover page hereof, of the OID Warrants and their stated principal amount payable at maturity constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes and which is exempt from all taxation in the State of Alabama subject to the caveats and provisions described above under "General."

In the case of an owner of an OID Warrant, the amount of original issue discount which is treated as having accrued with respect to such OID Warrant, is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such OID Warrant (including its sale, redemption or payment at maturity). Amounts received upon disposition of such an OID Warrant which are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual OID Warrant, on days which are determined by reference to the maturity date of such OID Warrant. The amount treated as original issue discount on such OID Warrant for a particular semiannual period is equal to (i) the product of (a) the yield to maturity for such OID Warrant and (b) the amount which would have been the tax basis of such OID Warrant at the beginning of the particular semiannual period if held by the original purchaser, (ii) less the amount of any payments on such OID Warrant during the semiannual period. The tax basis is determined by adding to the initial public offering price on such OID Warrant the sum of the amounts which would have been treated as original issue discount for such purposes during all prior periods. If such an OID Warrant is sold between compounding dates, original issue discount which would have accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of OID Warrants should consult their own tax advisors with respect to the determination for federal income tax purposes of original issue discount accrued with respect to such OID Warrants as of any date, with respect to the accrual of original issue discount for such OID Warrants purchased on the secondary markets and with respect to the state and local tax consequences of owning such OID Warrants.

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\*Preliminary, subject to change.

### **Original Issue Premium\***

The Series 2014 Warrants maturing on \_\_\_\_\_ 1 in the years \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ (collectively, the "Premium Warrants") are being offered and sold to the public at a price in excess of their stated principal amounts.

Such excess is characterized as a "bond premium" and must be amortized by an investor purchasing a Premium Warrant on a constant yield basis over the remaining term of the Premium Warrant in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium related to a tax-exempt bond for federal income tax purposes. However, as bond premium is amortized, it reduces the investor's basis in the Premium Warrant. Investors who purchase a Premium Warrant should consult their own tax advisors regarding the amortization of bond premium and its effect on the Premium Warrants' basis for purposes of computing gain or loss in connection with the sale or exchange of the Premium Warrant.

### **Alabama Tax Matters**

Bond Counsel is also of the opinion that, under existing law, interest on the Series 2014 Warrants will be exempt from State of Alabama income taxation.

### **Proposed Form of Bond Counsel Opinion**

The approving opinion of Adams and Reese LLP, Bond Counsel, will be printed on the Series 2014 Warrants. The opinion of Bond Counsel is limited to the matters set forth therein and Bond Counsel is not passing upon the accuracy or completeness of this Official Statement. Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law and in reliance on the representations and covenants that it deems relevant to such opinions. The proposed form of the opinion of Bond Counsel is attached hereto as **APPENDIX C**.

### **Changes in Federal and State Tax Law**

Tax legislation, administrative actions taken by tax authorities and court decisions may cause interest on the Series 2014 Warrants to be subject, directly or indirectly, to federal income taxation or to be subject to state income taxation, or otherwise prevent the beneficial owners of the Series 2014 Warrants from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future or enacted) could affect the market price or marketability of the Series 2014 Warrants. For example, ongoing negotiations between the executive and legislative branches of the federal government to resolve federal budget deficits may result in the enactment of tax legislation that could significantly reduce the benefit of, or otherwise affect, the exclusion of gross income for federal income tax purposes of interest on all state and local obligations, including the Series 2014 Warrants. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2014 Warrants or the market value thereof would be impacted thereby. Prospective purchasers of the Series 2014 Warrants should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulation or litigation, and its impact on their individual situations. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2014 Warrants, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending or proposed federal or state tax legislation, regulations or litigation.

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\*Preliminary, subject to change.

## **CONTINUING DISCLOSURE**

### **The Undertaking**

The City, as an “obligated person” within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (17 C.F.R. Part 240, § 140.15c2-12) (the “Rule”), will enter into an undertaking (the “Undertaking”) for the benefit of the owners of the Series 2014 Warrants to file, so long as the Series 2014 Warrants are outstanding, certain financial information and operating data annually (the “Annual Report”) and notice of certain material events with the Municipal Securities Rulemaking Board (“MSRB”), electronically through the MSRB’s Electronic Municipal Market Access System (“EMMA”) and with a State of Alabama State Repository, if any is established.

The specific nature of the information to be contained in the Annual Report or notices of material events is set forth in “**FORM OF CONTINUING DISCLOSURE CERTIFICATE**” in **APPENDIX D** hereto pursuant to the specific requirements of the Rule.

A failure by the City to comply with its Undertaking will not constitute an event of default under the Warrant Ordinance (although Warrant holders will have any available remedy at law or in equity). Nevertheless, such a failure must be reported by the City in accordance with the Rule, must be disclosed by the City in connection with future issuances of municipal securities for which the City is an “obligated person” under the Rule, and must be considered by a broker-dealer or municipal securities dealer before recommending the purchase or sale of the Series 2014 Warrants in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2014 Warrants and their market price.

### **DAC**

In order to provide certain continuing disclosure in compliance with the Rule, the City has entered into a Disclosure Dissemination Agent Agreement (the “Disclosure Dissemination Agreement”) with Digital Assurance Certification, L.L.C. (“DAC”), under which the City has designated DAC as Disclosure Dissemination Agent.

DAC has only the duties specifically set forth in the Disclosure Dissemination Agreement. DAC’s obligation to deliver the information at the times and with the contents described in the Disclosure Dissemination Agreement limited to the extent the City has provided such information to DAC as required by the Disclosure Dissemination Agreement. DAC has no duty with respect to the content of any disclosures or notice made pursuant to the terms of the Disclosure Dissemination Agreement. DAC has no duty or obligation to review or verify any information in any Annual Report, audited financial statement, Material Event Notice or voluntary report, or any other information, disclosures or notices provided to it by the City and shall not be deemed to be acting in any fiduciary capacity for the City, the Holders of the Warrants or any other party. DAC has no responsibility for the City’s failure to report to DAC a Notice Event or a duty to determine the materiality thereof. DAC shall have no duty to determine or liability for failing to determine whether the City has complied with the Disclosure Dissemination Agreement. DAC may conclusively rely upon certifications of the City at all times.

### **Compliance with Prior Undertakings**

The City has filed all continuing disclosure reports currently required by its prior undertakings under the Rule; however, not all reports were timely filed. Additionally, the City has failed to timely file notice of certain events as required by its prior undertakings. While the City has not made any determination as to materiality, the following summarizes the results of the City’s review of the last five years of filings.

The City’s undertakings in connection with its General Obligation Refunding and Improvement Warrants, Series 2003 and Series 2006 had a continuing disclosure compliance date of March 31. For fiscal year 2009, the City satisfied the reporting requirement for the Annual Report late on August 17, 2010. For fiscal year 2010, the City satisfied the reporting requirement for the Annual Report late on October 20, 2011. For fiscal year 2011, the City satisfied the reporting requirement for the Annual Report late on October 12, 2012 and the City satisfied the reporting requirement for the City Debt and City Revenues information late on April 18, 2012. For fiscal year 2012, the City satisfied the reporting requirement for the Annual Report late on April 23, 2013. For fiscal year 2013, the City satisfied the reporting requirement for the Annual Report late on April 30, 2014.

The City's undertakings in connection with its General Obligation Refunding Warrants, Series 2010 had a continuing disclosure compliance date of March 31. For fiscal year 2010, the City satisfied the reporting requirement for the Annual Report late on October 20, 2011. For fiscal year 2011, the City satisfied the reporting requirement for the Annual Report late on October 12, 2012 and the City satisfied the reporting requirement for the City Debt and City Revenues information late on April 18, 2012. For fiscal year 2012, the City satisfied the reporting requirement for the Annual Report late on April 23, 2013. For fiscal year 2013, the City satisfied the reporting requirement for the Annual Report late on April 30, 2014.

The City's undertakings in connection with its General Obligation Refunding and Improvements Warrants, Series 2012 had a continuing disclosure compliance date of March 31. For fiscal year 2012, the City satisfied the reporting requirement for the Annual Report late on April 23, 2013. For fiscal year 2013, the City satisfied the reporting requirement for the Annual Report late on April 30, 2014.

The City is reviewing and revising its continuing disclosure policies and procedures to ensure timely compliance with its continuing disclosure undertakings in the future. The City has enrolled in the EMMA automated email reminder system, which alerts issuers and obligated persons to upcoming filing deadlines. In addition, the City is undergoing an extensive review of its past filings and continuing disclosure undertakings in light of recent announcements by the Securities and Exchange Commission.

Based upon its diligent review and to the best of its knowledge, the City is presently in compliance, in all material respects, with its continuing disclosure undertakings.

The foregoing description of instances of noncompliance by the City with continuing disclosure undertakings should not be construed as an acknowledgment that any such instance was material.

## **UNDERWRITING**

The Underwriter has agreed, subject to certain customary conditions precedent to closing, to purchase the Series 2014 Warrants from the Authority at a purchase price of \$\_\_\_\_\_ (representing \$\_\_\_\_\_ principal amount of the Series 2014 Warrants, less \$\_\_\_\_\_ of Underwriter's discount, plus \$\_\_\_\_\_ of original issue premium). The Warrant Purchase Agreement requires the Underwriter to purchase all of the Series 2014 Warrants if any are purchased. The Series 2014 Warrants may be offered and sold to certain dealers (including Underwriter and other dealers depositing such Series 2014 Warrants into investment trusts) at prices lower than the public offering prices, and such public offering prices may be changed, from time to time, by the Underwriter.

The Underwriter may also receive compensation for serving as bidding agent in conducting a competitive bid procurement process for the investment of some or all of the Series 2014 Warrant proceeds.

## **RATING**

Standard & Poor's Ratings Group, a Standard & Poor's Financial Services LLC business ("S&P"), is expected to assign the Series 2014 Warrants a rating of "AA+" to the Series 2014 Warrants. The S&P rating reflects only the view of S&P. A complete explanation of the significance of such rating may be obtained from S&P, 55 Water Street, New York, New York, 10041. There is no assurance that the ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely if, in the judgment of the assigning rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have a material adverse effect on the market price or value of the Series 2014 Warrants.

## **LEGAL MATTERS**

Legal matters incidental to the authorization and issuance of the Series 2014 Warrants are subject to the approval of Adams and Reese LLP, Mobile, Alabama, Bond Counsel to the City, whose approving opinion will be delivered simultaneously with the issuance of the Series 2014 Warrants. It is anticipated that the opinion of Bond

Counsel will be in substantially the form attached hereto as **APPENDIX C**. Certain legal matters will be passed upon for the City by its counsel, Adams and Reese LLP, Mobile, Alabama.

### **VERIFICATION OF ARITHMETICAL COMPUTATIONS**

The arithmetical accuracy of certain computations included in the schedules provided by the City relating to (a) computation of forecasted receipts of principal and interest on the escrowed Government Obligations and the forecasted payments of principal and interest to redeem the Refunded Warrants, and (b) computation of the yields on the Series 2014 Warrants and the escrowed Government Obligations was examined by GNP Services, CPA, PA. Such computations were based solely upon assumptions and information supplied by the City. GNP Services, CPA, PA has restricted its procedures to examining the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information upon which the computations are based and, accordingly, has not expressed an opinion on the data used, the reasonableness of the assumptions, or the achievability of the forecasted outcome.

### **FINANCIAL STATEMENTS**

The Comprehensive Annual Financial Report for the Year Ended September 30, 2013, of the City attached hereto as **APPENDIX B** has been examined by Smith, Dukes & Buckalew, LLP, Certified Public Accountants, Mobile, Alabama, independent auditors, to the extent and for the periods indicated in their report which appears in such Appendix. Such financial statements have been included in reliance upon such report.

### **ADDITIONAL INFORMATION**

For any additional information concerning the City, please address Christine Ciancetta, Deputy Finance Director, Daphne City Council, P.O. Box 400, Daphne, Alabama 36526, telephone 251.621.9000. For additional information concerning the Series 2014 Warrants, please address Adams and Reese LLP, RSA Battlehouse Tower, 11 North Water Street, Suite 23200, Mobile, Alabama 36602, telephone 251.433.3234.

The City and Adams and Reese LLP are familiar with the *Disclosure Guidelines for State and Local Government Securities* published by the Government Finance Officers Association (January 1991 edition).

### **CERTIFICATION AS TO OFFICIAL STATEMENT**

At the time of payment for and delivery of the Series 2014 Warrants, the City Council will furnish the Underwriter a certificate, signed by its Clerk, to the effect that (i) the descriptions and statements, including financial data, of or pertaining to the City, on the date of the Preliminary Official Statement, on the date of the Official Statement, on the date of the sale of the Series 2014 Warrants and on the date of delivery thereof, were and are true in all material respects, and, insofar as such matters are concerned, the Official Statement did not, and does not, contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (ii) insofar as the descriptions and statements, including financial data, of or pertaining to governmental and/or non-governmental entities other than the City and its activities contained in the Official Statement are concerned, such descriptions, statements and data have been obtained from sources which the City Council believes to be reliable and the City Council has no reason to believe that they are untrue or incomplete in any material respect, and (iii) there has been no adverse material change in the affairs of the City between the date of the Official Statement and the date of delivery of the Series 2014 Warrants.

### MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized.

References herein to the Alabama Constitution and all legislative acts referred to herein are intended to be only brief outlines of certain provisions of each thereof and do not purport to summarize or describe all provisions thereof.

This Official Statement has been prepared in connection with the initial offering and sale of the Series 2014 Warrants to the Underwriter on the date hereof and is not intended for use in connection with any subsequent sale, reoffering or remarketing of the Series 2014 Warrants. Subsequent purchasers must, therefore, rely on their own examination of the offering, including the merits and the risks involved.

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The distribution of this Official Statement and its use in the offering and sale of the Series 2014 Warrants have been approved by the City Council.

**CITY OF DAPHNE, ALABAMA**

By: \_\_\_\_\_  
Mayor

**APPENDIX A**

**FINANCIAL AND STATISTICAL DATA  
RELATIVE TO THE CITY OF DAPHNE, ALABAMA**

**FINANCIAL AND STATISTICAL DATA  
RELATIVE TO THE CITY OF DAPHNE, ALABAMA**

**General**

The City of Daphne, Alabama, was founded in 1927, and is the largest city in Baldwin County, comprising 16.6 square miles. The City was recently ranked 96<sup>th</sup> in the "Top 100 Best Places to Live," as presented on the CNN/Moneywise website. Also, Baldwin County recently ranked as the 11th strongest metropolitan economy in the United States, and 4<sup>th</sup> in the southern United States.

**Geographic Information**

The City of Daphne (the "City") is located on the eastern shore of Mobile Bay in Baldwin County directly across from the City of Mobile, Alabama. The City is approximately 15 miles east of Mobile, Alabama, and 45 miles west of Pensacola, Florida. The City is primarily a residential area with its residents working on the eastern shore of Baldwin County or in the Mobile or Pensacola areas.

**Population**

The following table sets forth population statistics for the State of Alabama, Baldwin County, and the City for the years indicated.

	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
State of Alabama	4,040,587	4,447,100	4,729,656	4,801,627	4,817,528	4,833,722
Baldwin County	98,280	141,358	182,664	186,727	190,675	195,540
City of Daphne	11,978	16,581	21,570	27,182	29,176	29,946

Sources: U.S. Department of Commerce, Bureau of Census, Population Estimates Division.

**Governmental Organization and Administration**

The City is a municipal corporation incorporated under the Constitution and the laws of the State of Alabama. The City is governed by an elected Mayor and a City Council. The Mayor, elected at large for a four-year term, is the chief administrative officer of the City and is responsible for the daily management of the City and supervision of its employees. The members of the City Council serve part-time and along with the Mayor are responsible for adopting all legislative ordinances and setting the policies of the City, including the appropriation of money. The City Clerk and City Treasurer are each appointed for a four-year term by the City Council and are responsible for, managing the official records of the City and managing the fiscal affairs of the City, respectively.

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The City's governing body consists of the following officers:

<b>Name</b>	<b>Office</b>	<b>Occupation</b>
Dane Haygood	Mayor	Owner/H Properties LLC
Tommie Conaway	Council Member, District 1	Retired/Teacher
Pat Rudicell	Council Member, District 2	Retired/Alabama National Guard
John L. Lake	Council Member, District 3	Joiner Installer/Huntington-Ingall's Ship Systems
Randy Fry	Council Member, District 4	Owner/Lyon's, Fry, Cadden Insurance
Ron Scott	Council Member, District 5	Retired/Tameron Eastern Shore Honda
Robin LeJeune	Council Member, District 6	Owner/Market by the Bay
Joe Davis	Council Member, District 7	Retired/NBC Securities/First United Security Bank
Rebecca A. Hayes	City Clerk	
Christine Ciancetta	Deputy Finance Director	

The current terms of said officers expire October 1, 2016.

### **Personnel and Retirement System**

The City employed approximately 253 full-time persons in its several departments as of September 30, 2013. The benefits and compensation for all employees of the City's several departments are established by the City Council and are paid from the City's general fund revenues. The City participates in a retirement system established by the Alabama Legislature known as the Employee's Retirement System of Alabama, to which contributions are made by both the employees and the City. See the Audited Financial Statements of the City in **APPENDIX B** hereto for a description of the City's obligations with respect to the Employee's Retirement System of Alabama. No employees of the City are represented by labor unions or similar employee organizations, and the City does not bargain collectively with any labor unions or employee organizations. The City considers its relations with its employees to be generally good.

### **Other Post Employment Benefits**

The City of Daphne offers certain Post Employment Benefits to employees under the age of 65 who meet the criteria for retirement as set by the Retirement System of Alabama. Medical and Dental benefits are provided through a comprehensive plan and life insurance coverage is provided with a \$5,000 cap. Employees do not contribute to their post employment benefits until they retire and begin receiving those benefits. The City of Daphne's Annual Required Contribution rate is actuarially determined in accordance with GASB 45 and totals \$296,671 as of September 30, 2013.

### **Utilities**

The water and sanitary sewer service is supplied by the Utilities Board of the City of Daphne (the "Utilities Board"), a public corporation. The directors of which are appointed by the City Council. The Utilities Board also provides gas service. Electrical service is supplied by the Utilities Board of the City of Foley.

**Education**

The County Board of Education of Baldwin County, Alabama provides public school facilities for the County's students in the City. The County Board of Education has located a high school, a middle school and three elementary schools in the City. It is estimated that approximately 94.7% of the population of the City are high school graduates and 42.4% are college graduates. State averages are 82.6% and 22.3%, respectively.

Four institutions of higher learning located in Mobile County, which are accessible to residents of the City, are University of Mobile, Spring Hill College, Bishop State Community College and the University of South Alabama. Faulkner State Community College, whose main campus is located in Bay Minette, Alabama, is also nearby. Pensacola, Florida, located approximately thirty-five miles from the City, also provides certain educational opportunities.

**Income Levels**

Per capita income is the total income of all families and individuals in a given area divided by the total population of the area. For the years 2012 and 2013, the Regional Economic Information System, Bureau of Economic Analysis, Table CA1-3; internet release date, April, 2014 indicates the following with respect to per capita income levels in the jurisdictions.

	<u>2012</u>	<u>2013</u>
Baldwin County	\$38,024	\$38,548
State of Alabama	\$35,926	\$36,501
United States	\$43,735	\$44,543

In 2012, Baldwin County had a per capital personal income ("PCPI") of \$38,548. This PCPI ranked 5<sup>th</sup> in the state and was 107% of the state average (\$35,926), and 88% of the national average (\$43,735).

The percentage of all ages in Daphne, in Baldwin County, in the State of Alabama and in the United States with income below the poverty level as of 2012 is as follows:

Daphne, AL	8.6%
Baldwin County	13.3%
State of Alabama	18.1%
United States	14.9%

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Source: U.S. Department of Commerce, Bureau of the Census, Small Area Estimates Branch. Release date of June 11, 2014.

The City, the Eastern Shore Chamber of Commerce and the Baldwin County Economic Development Alliance report that, as of 2012, median family income in the City was \$63,890 and in the County was \$50,706. The State median family income figure as of 2012 was \$43,160.

## Major Employers

The top ten (10) manufacturing and nonmanufacturing employers in Baldwin County, their principal activity and the number of employees of each are as follows:

### TOP 10 MANUFACTURERS IN BALDWIN COUNTY

Company	Product	Location	Employment
UTC Aerospace Systems	Retrofitting of Thrust Reverses & Nacelle Components	Foley	805
Standard Furniture	Bedroom & Dining Room Tables	Bay Minette	530
Vulcan, Inc.	Aluminum and Steel Products	Foley	262
Ace Hardware Support Center	Hardware Distribution	Loxley	255
Quincy Compressors	Rotary Screw Air Compressors	Bay Minette	197
International Paper	Shipping Containers	Bay Minette	150
Bon Secour Fisheries	Seafood Processing	Bon Secour	130
Quality Filters, Inc.	Air Filters	Robertsdale	105
Dental EZ, Inc.	Dental Equipment & Supplies	Bay Minette	100
Segers Aero	Aerospace MRO	Fairhope	93

### TOP 10 NON-MANUFACTURERS IN BALDWIN COUNTY

Company	Product/Service	Location	Employment
Baldwin County Board of Education	Education	Bay Minette	3141
Wal-Mart Super Centers	General Retail	Baldwin County	1600
Thomas Hospital	Medical Care	Fairhope	1048
South Baldwin Regional Medical Center	Medical Care	Foley	780
Baldwin County Commission	Government	Bay Minette	650
Marriott Grand Hotel	Hotel & Country Club	Fairhope	600
Mercy Medical	Medical Care	Daphne	550
North Baldwin Infirmary	Medical Care	Bay Minette	296
Faulkner State Community College	Education	Baldwin County	175
Connexion Technologies	Call/Support Center	Gulf Shores	80

Source: Baldwin County Economic Development Alliance

**Top Ten Taxpayers of the City - 2013**

<u>Taxpayers</u>	<u>Assessed Value (000's)</u>	<u>Taxes Paid</u>
L-A Daphne LLC	\$5,182,020	_____
Myers Family Limited Partnership	\$2,964,980	_____
Audubon Park Apartments LLC	\$2,788,600	_____
Lowe's Home Centers, Inc.	\$2,416,200	_____
Whispering Pines Park LLC	\$2,376,800	_____
Wal-Mart Real Estate Business Trust	\$2,242,080	_____
Esfahani Real Estate Holding of AL	\$2,103,560	_____
Health Care REIT Inc.	\$2,068,200	_____
Sam's Real Estate Business Trust	\$1,999,780	_____
Tamerson Properties LLC	\$1,998,980	_____

Source: City of Daphne, Alabama

**Unemployment Rate**

The following table sets forth comparative unemployment rates for Baldwin County, the State of Alabama and the United States in each of the years indicated:

	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Baldwin County	2.7	4.1	8.6	8.9	7.2	6.7	5.8
State of Alabama	3.5	5	10.1	9	9.3	7.1	6.5
United States	4.6	5.8	9.3	9.1	8.9	8.1	7.4

\*Through June, 2014

Source: U.S. Department of Labor, Bureau of Labor Statistics; Not Seasonally Adjusted.

**Housing**

According to the U.S. Department of Commerce, in 2012 the median value of owner-occupied houses in the City was \$188,100.

**Transportation**

The City is served by U.S. Highway 98 which allows access to Daphne from the north and south and County Highway 64 which connects the City to the east. Interstate Highway I-10 extends from Mobile eastward to Jacksonville, Florida adjacent. Additionally, Interstate Highway-65 which runs northward from Mobile through Nashville is approximately 30 miles north of the City.

**APPENDIX B**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

**APPENDIX C**

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

**APPENDIX D**

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

**CONTINUING DISCLOSURE CERTIFICATE**

**\$10,000,000  
CITY OF DAPHNE, ALABAMA  
GENERAL OBLIGATION REFUNDING WARRANTS  
SERIES 2014**

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Daphne, Alabama (the "Issuer") in connection with its issuance of its \$10,000,000 General Obligation Refunding Warrants Series 2014 (the "Warrants"). The Issuer is the "obligated person" within the meaning of the hereinafter defined Rule. The Issuer covenants and agrees as follows:

**SECTION 1. Purpose of the Disclosure Certificate.**

(a) This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Warrantholders and the Beneficial Owners and in order to assist the Participating Underwriters in complying with subsection (b)(5) of the Rule.

(b) In consideration of the purchase and acceptance of any and all of the Warrants by those who shall hold the same or shall own beneficial ownership interests therein from time to time, this Disclosure Certificate shall be deemed to be and shall constitute a contract between the Issuer and the Warrantholders and Beneficial Owners from time to time of the Warrants, and the covenants and agreements herein set forth to be performed on behalf of the Issuer shall be for the benefit of the Warrantholders and Beneficial Owners of any and all of the Warrants.

**SECTION 2. Definitions.** The following capitalized terms shall have the following meanings in this Disclosure Certificate:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Report" shall mean the Issuer's Comprehensive Annual Financial Report (CAFR).

"Beneficial Owner" shall mean any person who has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Warrants (including persons holding Warrants through nominees, depositories or other intermediaries).

"Dissemination Agent" shall mean Digital Assurance Certification, LLC, or any successor Dissemination Agent appointed in writing by the Issuer and that has filed with the Issuer a written acceptance of such appointment.

"EMMA" shall mean the Electronic Municipal Market Access system of the MSRB. As of the date of this Disclosure Certificate, the EMMA Internet Web site address is <http://www.emma.msrb.org>.

"GAAP" shall mean generally accepted accounting principles, as such principles are prescribed, in part, by the Financial Accounting Standards Board and modified by the Government Accounting Standards Board and in effect from time to time.

"Issuer" shall mean the City of Daphne, Alabama.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the single centralized repository for the collection and availability of continuing disclosure documents for purpose of the Rule. The continuing disclosure documents must be provided to the MSRB in searchable portable document format (PDF) to the following:

Municipal Securities Rulemaking Board  
Electronic Municipal Market Access Center  
[www.emma.msrb.org](http://www.emma.msrb.org)

“1934 Act” shall mean the Securities Exchange Act of 1934, as amended.

“Official Statement” shall mean the final Official Statement for the Warrants dated [\_\_\_\_], 2014.

“Participating Underwriter” shall mean any of the original underwriters of the Warrants required to comply with the Rule in connection with the primary offering of the Warrants.

“Rule” shall mean Rule 15c2-12 promulgated by the SEC pursuant to the 1934 Act, as the same may be amended from time to time, together with all interpretive guidances or other official interpretations or explanations thereof that are promulgated by the SEC.

“SEC” shall mean the Securities and Exchange Commission.

“Securities Counsel” shall mean legal counsel expert in federal securities law.

“State” shall mean the State of Alabama.

“Warrantholders” when used with reference to a bond or Warrants, shall mean the registered owner of any Outstanding bond or Warrants.

### SECTION 3. Provision of Annual Reports.

(a) Each year, the Issuer shall provide, or shall cause the Dissemination Agent to provide, not later than June 30<sup>th</sup>, commencing with the Issuer’s Annual Report for its fiscal year ending September 30, 2014, to the MSRB an Annual Report for the preceding fiscal year that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may include by specific reference other information as provided in Section 4 of this Disclosure Certificate;

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send a notice, in a timely manner, to the MSRB, in substantially the form attached as Exhibit A.

(c) If the Issuer’s fiscal year changes, the Issuer shall send written notice of such change to the MSRB, in substantially the form attached as Exhibit B.

(d) The Dissemination Agent shall, if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate and stating the date it was provided.

(e) In connection with providing the Annual Report, the Dissemination Agent (if other than the Issuer) is not obligated or responsible under this Disclosure Certificate to determine the sufficiency of the content of the Annual Report for purposes of the Rule or any other state or federal securities law, rule, regulation, or administrative order.

SECTION 4. Content of Annual Reports. The Issuer’s Annual Report shall contain or include by reference the following:

(a) The Audited Financial Statements of the Issuer for its fiscal year immediately preceding the due date of the Annual Report.

(b) The accounting principles pursuant to which the Audited Financial Statements were prepared.

(c) The operating and financial information set forth in the Official Statement, including in the sections titled: “DEBT SERVICE REQUIREMENTS,” “CITY DEBT,” and “CITY REVENUES.”

The Issuer’s financial statements shall be audited and prepared in accordance with GAAP with such changes as may be required from time to time in accordance with State law.

The Issuer reserves the right to cross-reference any or all such annual financial information and operating data to other documents to be provided to the MSRB.

The Issuer reserves the right to modify, from time to time, the specific types of information provided or the format of the presentations of such information, to the extent necessary or appropriate in the judgment of the State; provided however, that the Issuer agrees that any modifications will be made consistent with Section 9.

Any or all of the items listed above may be included by specific reference to other documents available to the public on the MSRB's Internet Web site or filed with the SEC. The Issuer shall clearly identify each such other document so included by reference.

**SECTION 5. Reporting of Significant Events.**

(a) The Issuer covenants to provide, or cause to be provided, to the MSRB notice of the occurrence of any of the following events with respect to the Warrants, in a timely manner not in excess of ten (10) business days after the occurrence of the event. Each notice shall be so captioned and shall prominently state the date, title and CUSIP numbers of the Warrants.

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves, if any, reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Warrants, or other material events affecting the tax status of the Warrants;
- (7) modifications to rights of Warrantholders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property, if any, securing repayment of the Warrants, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership, or similar event of the Issuer;<sup>1</sup>
- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

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<sup>1</sup> For the purposes of this event, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing government body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; and
- (15) failure to provide the Annual Report, as required by the Rule; and/or
- (16) other material event notice.

(b) In connection with providing a notice of the occurrence of a Listed Event, the Dissemination Agent (if other than the Issuer), solely in its capacity as such, is not obligated or responsible under this Disclosure Certificate to determine the sufficiency of the content of the notice for purposes of the Rule or any other state or federal securities law, rule, regulation, or administrative order.

(c) The Issuer acknowledges that the “rating changes” referred to above in Section 5(a)(11) of this Disclosure Certificate may include, without limitation, any change in any rating on the Warrants.

(d) The Issuer acknowledges that it is not required to provide a notice of a Listed Event with respect to credit enhancement when the credit enhancement is added after the primary offering of the Warrants, the Issuer does not apply for or participate in obtaining such credit enhancement, and such credit enhancement is not described in the Official Statement.

(e) As of the date of this Disclosure Certificate, the Listed Events described in subsections (a)(3), (5), and (10) are not applicable to the Warrants.

**SECTION 6. Mandatory Electronic Filing with EMMA.**

All filings with the MSRB under this Disclosure Certificate shall be made by electronically transmitting such filings through the EMMA Dataport at <http://www.emma.msrb.org>, as provided by the amendments to the Rule adopted by the SEC in Securities Exchange Release No. 59062 on December 5, 2008.

**SECTION 7. Termination of Reporting Obligation.**

(a) The Issuer’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance of the Warrants or the prior redemption or payment in full of all of the Warrants.

(b) This Disclosure Certificate, or any provision hereof, shall be null and void in the event that the Issuer (i) receives an opinion of Securities Counsel, addressed to the Issuer, to the effect that those portions of the Rule that require such provisions of this Disclosure Certificate, do not or no longer apply to the Warrants, whether because such portions of the Rule are invalid, have been repealed, amended, or modified, or are otherwise deemed to be inapplicable to the Warrants, as shall be specified in such opinion and (ii) files notice to such effect with the MSRB.

**SECTION 8. Dissemination Agent.** The Issuer, from time to time, may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Digital Assurance Certification, LLC. Except as otherwise provided in this Disclosure Certificate, the Dissemination Agent (if other than the Issuer) shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate.

**SECTION 9. Amendment; Waiver.**

(a) Notwithstanding any other provision of this Disclosure Certificate, this Disclosure Certificate may be amended, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(1) if the amendment or waiver relates to the provisions of Section 3(a), (b), (c), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature, or status of the Issuer or the type of business conducted by the Issuer;

(2) this Disclosure Certificate, as so amended or taking into account such waiver, would, in the opinion of Securities Counsel, have complied with the requirements of the Rule at the time of the original issuance of the Warrants, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(3) the amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Warranholders or Beneficial Owners.

(b) In the event of any amendment to, or waiver of a provision of, this Disclosure Certificate, the Issuer shall describe such amendment or waiver in the next Annual Report and shall include an explanation of the reason for such amendment or waiver. In particular, if the amendment results in a change to the annual financial information required to be included in the Annual Report pursuant to Section 4 of this Disclosure Certificate, the first Annual Report that contains the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of such change in the type of operating data or financial information being provided. Further, if the annual financial information required to be provided in the Annual Report can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be included in the first Annual Report that does not include such information.

(c) If the amendment results in a change to the accounting principles to be followed in preparing financial statements as set forth in Section 4 of this Disclosure Certificate, the Annual Report for the year in which the change is made shall include a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of such differences and the impact of the changes on the presentation of the financial information. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in accounting principles shall be filed by the Issuer or the Dissemination Agent (if other than the Issuer) at the written direction of the Issuer, with the MSRB.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Failure to Comply. In the event of a failure of the Issuer or the Dissemination Agent (if other than the Issuer) to comply with any provision of this Disclosure Certificate, any Warranholder or Beneficial Owner may bring an action to obtain specific performance of the obligations of the Issuer or the Dissemination Agent (if other than the Issuer) under this Disclosure Certificate, but no person or entity shall be entitled to recover monetary damages hereunder under any circumstances, and any failure to comply with the obligations under this Disclosure Certificate shall not constitute a default with respect to the Warrants or under the Warrant Resolution.

SECTION 12. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate.

SECTION 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters, the Warranholders, and the Beneficial Owners, and shall create no rights in any other person or entity.

SECTION 14. Transmission of Information and Notices. Unless otherwise required by law or this Disclosure Certificate and, in the sole determination of the Issuer or the Dissemination Agent, as applicable, subject to technical and economic feasibility, the Issuer or the Dissemination Agent, as applicable, shall employ such methods of information and notice transmission as shall be requested or recommended by the herein designated recipients of such information and notices.

SECTION 15. Additional Disclosure Obligations. The Issuer acknowledges and understands that other State and federal laws, including, without limitation, the Securities Act of 1933, as amended, and Rule 10b-5 promulgated by the SEC pursuant to the 1934 Act, may apply to the Issuer, and that under some circumstances, compliance with this Disclosure Certificate, without additional disclosures or other action, may not fully discharge all duties and obligations of the Issuer under such laws.

SECTION 16. Governing Law. This Disclosure Certificate shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Disclosure Certificate shall be instituted in a court of competent jurisdiction in the State. Notwithstanding the foregoing, to the extent this Disclosure Certificate addresses matters of federal securities laws, including the Rule, this Disclosure Certificate shall be construed and interpreted in accordance with such federal securities laws and official interpretations thereof.

CITY OF DAPHNE, ALABAMA

BY: \_\_\_\_\_  
Mayor

Dated: \_\_\_\_\_, 2014

**EXHIBIT A**

**NOTICE OF FAILURE TO FILE ANNUAL REPORT**

Name of Obligated Person: City of Daphne, Alabama  
 Name of Issuer: City of Daphne, Alabama  
 Name of Warrant Issue: \$10,000,000 General Obligation Refunding Warrants Series 2014

Date of Warrants:

NOTICE IS HEREBY GIVEN that the City of Daphne, Alabama has not provided an Annual Report with respect to the above-named Warrants as required by Section 3 of its Continuing Disclosure Certificate with respect to the Warrants. The City of Daphne, Alabama anticipates that the Annual Report will be filed by \_\_\_\_\_.

CITY OF DAPHNE, ALABAMA

BY: \_\_\_\_\_  
 Mayor

Dated: \_\_\_\_\_

**EXHIBIT B**

**NOTICE OF CHANGE IN ISSUER'S FISCAL YEAR**

Name of Obligated Person: City of Daphne, Alabama  
 Name of Issuer: City of Daphne, Alabama  
 Name of Warrant Issue: \$10,000,000 General Obligation Refunding Warrants Series 2014  
 Date of Warrants:

NOTICE IS HEREBY GIVEN that the fiscal year of the City of Daphne, Alabama changed. Previously, the Issuer's fiscal year ended on \_\_\_\_\_. It now ends on \_\_\_\_\_.

CITY OF DAPHNE, ALABAMA

BY: \_\_\_\_\_  
 Mayor

Dated: \_\_\_\_\_

**APPENDIX E**  
**REFUNDED WARRANTS**

**ORDINANCE 2014-37****Federal Emergency Management Agency (FEMA): Hazard Mitigation Grant Program (HMGP) Disaster Assistance for Lamar and Willet White, 104 Gordon Circle**

**WHEREAS**, Ordinance 2013-50 approved and adopted the Fiscal Year 2014 Budget on September 23, 2013; and

**WHEREAS**, subsequent to the adoption of the Fiscal Year 2014 budget, the City Council has determined that certain appropriations are required and should be approved and made a part of the Fiscal Year 2014 budget; and

**WHEREAS**, on April the 29<sup>th</sup> and 30<sup>th</sup> the City of Daphne received 16.5" of rainfall which lead to severe flooding; and

**WHEREAS**, on May 2, 2014, FEMA declared the event a Major Disaster Declaration; Alabama *Severe Storms, Tornadoes, Straight line Winds, and Flooding (DR-4176)*; and

**WHEREAS**, the declaration activates the FEMA Hazard Mitigation Grant Program (HGMP). The HMGP provides grants to states and local governments to implement long-term hazard mitigation measures after a major disaster declaration. The purpose of the HMGP is to reduce the loss of life and property due to natural disasters and to enable mitigation measures to be implemented during the immediate recovery from a disaster. The HMGP is authorized under Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Long-term mitigation measures may include but not be limited to; property acquisition and structure demolition, property acquisition and structure relocation, structure elevation, mitigation reconstruction, dry flood proofing, etc.; and

**WHEREAS**, the HGMP requires a state or local government sponsor; and 25% cost share for the grant: and

**WHEREAS**, the home of Lamar and Willet White, 104 Gordon Circle, Lot 30 Unit 21 in Lake Forest was flooded during the April 29-30<sup>th</sup>, 2014 disaster; and

**WHEREAS**, the Whites have requested to participate in the FEMA HMGP National Flood Insurance Program Buyout where the home would be purchased by FEMA with FEMA providing 75% of the approved market value of the residence; and with the homeowner or the sponsor providing the additional 25% share; and

**WHEREAS**, the White residence has an estimated market value of \$150,000;

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

**Option A (Full Match)**

- 1) The City of Daphne shall sponsor the approved qualifying grant application with the following conditions:
  - a. The property owner shall handle the entire FEMA HMGP application process; and
  - b. The City shall provide the 25% cost share for the grant. A General Fund appropriation not to exceed 25% of the FEMA approved market value of the

- c. home (\$37,500.00) less any in-kind labor/cash match as incurred for expenses such as demolition of the home shall be appropriated; and
  - d. The City will retain ownership of the vacant lot and shall deed restrict the lot to remain as floodway green space
- 2) The Mayor is hereby authorized to execute such proposal and any and all additional documents necessary to carry out the purpose of requesting such funds from FEMA; and

**Option B (DEMO Only)**

- 1) The City of Daphne shall sponsor the approved qualifying grant application with the following conditions:
  - a. The property owner shall handle the entire FEMA HMGP application process; and
  - b. The City shall provide the demolish expense cost share, not to exceed \$10,000. A General Fund appropriation not to exceed \$10,000 less any in-kind labor/cash match as incurred for expenses such as demolition of the home shall be appropriated; and
  - c. The City will retain ownership of the vacant lot and shall deed restrict The lot to remain as floodway green space
- 2) The Mayor is hereby authorized to execute such proposal and any and all additional documents necessary to carry out the purpose of requesting such funds from FEMA; and

**Option C (Match Determined by Council)**

- 1) The City of Daphne shall sponsor the approved qualifying grant application with the following conditions:
  - a. The property owner shall handle the entire FEMA HMGP application process; and
  - b. The City shall provide the (TBD%) cost share for the grant. A General Fund appropriation not to exceed (TBD)% of the FEMA approved market value of the home, less any in-kind labor/cash match as incurred for expenses such as demolition of the home; and
  - c. The City will retain ownership of the vacant lot and shall deed restrict the lot to remain as floodway green space
- 2) The Mayor is hereby authorized to execute such proposal and any and all additional documents necessary to carry out the purpose of requesting such funds from FEMA; and

**APPROVED AND ADOPTED** by the City Council of the City of Daphne, Alabama, this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Dane Haygood, Mayor

**Attest:**

\_\_\_\_\_  
Rebecca A. Hayes, City Clerk

**CITY OF DAPHNE, ALABAMA  
ORDINANCE NO. 2014-38**

**Zoning District Map  
Revision to the City of Daphne  
Land Use and Development Ordinance**

**WHEREAS**, the Planning Commission of the City of Daphne, Alabama at their regular meeting held on July 24, 2014 favorably recommended to the City Council of the City of Daphne certain amendments to the Daphne Land Use and Development Ordinance / Zoning District Map approved and adopted by No. 2011-54 and 2013-55; and

**WHEREAS**, said amendments are necessary due to various rezoning and annexation requests which have been approved since the adoption of 2013-55; and

**WHEREAS**, due notice of said proposed zoning map amendments has been provided to the public as required by law through publication and open display at the City of Daphne Public Library and City Hall; and

**WHEREAS**, a public hearing regarding the proposed Zoning District Map amendments was held by the City Council on September 15, 2014; and

**WHEREAS**, the City Council of the City of Daphne after due consideration and upon recommendation of the Planning Commission believe it in the best interest of the health, safety and welfare of the citizens of the City of Daphne to amend said Zoning District Map as recommended; and

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

**SECTION I: ZONING DISTRICT MAP**

The Zoning District Map referenced hereto as Exhibit "A" shall be the official zoning map of the City of Daphne, Alabama and shall be further designated in Appendix H of the City of Daphne Land Use and Development Ordinance, as set forth in Ordinance No. 2011-54 and its amendments.

**SECTION II: REPEALER**

Ordinance No. 2011-54, Appendix H "Exhibit A", and Ordinance No. 2013-55 is hereby repealed, and any Ordinance(s), parts of Ordinance(s) or Resolution(s) conflicting with the provisions of this Ordinance are hereby repealed insofar as they conflict.

**SECTION III: EFFECTIVE DATE**

This Ordinance shall take effect and be in force from and after the date of its approval by the City of Daphne City Council and publication as required by law.

**ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2014.**

**Dane Haygood, Mayor**

**ATTEST:**

**Rebecca A. Hayes, City Clerk**

**ZONING & STREET MAP UPDATES****2014--January 1<sup>st</sup> through July 31<sup>st</sup>**

Every six months the Department of Community Development creates new official city zoning and street maps for the Council's adoption. All modifications shown on these two maps have been approved by the Planning Commission (recorded preliminary/final and/or final subdivision plat) and/or the City Council (annexation, zoning and/or street acceptance resolution).

- **ANNEXATION:** During this period the City limits remain 16.62 sq. miles. No land annexed into corporate limits.
- **ZONING:** No property has been rezoned, although the pre-zoning and annexation process has begun for land at the northwest intersection of County Roads 13 and 64 (anticipate Council action early September 2014).
- **INFRASTRUCTURE:** The city has accepted additional roads or rights of way for maintenance south of Profit Drive then renamed the right of way "Bailey Yelding, Jr. Dr." and in Bellaton Phase 3.
- **DEVELOPMENT:** 139 new single family residential lots have been created in the City; 9 new residential lots in our Extra-Territorial Jurisdiction.

<b>Instrument</b>	<b>Approval</b>	<b>Action</b>	<b>Size</b>
<i>Rezoning</i>	n/a		
<i>Annexation</i>	n/a		
<b>Street Acceptances</b>			
<i>R.O.W. acceptance N. of Johnson Rd &amp; S. Profit Dr</i>	01/06/14	Council Resolution #2014-01	
<i>Naming R.O.W. "Bailey Yelding, Jr. Drive"</i>	01/21/14	Council Resolution #2014-05	
<i>R.O.W. acceptance-Bellaton Subdivision</i>	04/21/14	Council Resolution #2014-17	
<b>Subdivisions---</b> Probate Slide Number	<b>Date of PC Approval Recorded since last map revision</b>	<b>New lots created (from original lot)</b>	<b>Corporate Limits?</b>
<i>2502-C Trott Subdivision</i>	01/23/14	4	No ETJ
<i>2502-B Bienvenue Estates</i>	02/27/14	1	No ETJ
<i>2504-C Orchard Farms Replat of Lots 1,2,5</i>	02/27/14	0-replat	No ETJ
<i>2507-D Colonnade at Eastern Shore, Replat of lot 1 Springs at Eastern Shore</i>	03/27/14	0- replat	Yes
<i>2504-E Bellaton Phase 3</i>	03/27/14	39	Yes
<i>2505-C Broadway-AL Highway 181</i>	03/27/14	1	No ETJ
<i>2506-C Terri Subdivision</i>	04/24/14	3	No ETJ
<i>2509-A,B,C Timbercreek Phase 11</i>	06/26/14	100	Yes
<i>*Approved in 2013, recorded after last map update</i>		--	--
<i>(2505-F) *Honda Division, (2496-F)</i>			
<i>*Lazzari *(2501-A) Gipson</i>			

July 2014 Planning Report



**ORDINANCE 2014-40**

**Appropriating Funds for Donette Loop Properties Drainage Repair**

**WHEREAS**, Ordinance 2013-50 approved and adopted the Fiscal Year 2014 Budget on September 23, 2013; and

**WHEREAS**, subsequent to the adoption of the Fiscal Year 2014 budget, the City Council has determined that certain appropriations are required and should be approved and made a part of the Fiscal Year 2014 budget; and

**WHEREAS**, several properties on Donette Loop have had drainage issues with the last occurrence being during the 16.5" rainfall for the period of April 29-30, 2014; and

**WHEREAS**, the repair of this public infrastructure is necessary to preserve the health, safety, and convenience of the public; and

**WHEREAS**, this drainage project is NOT eligible for FEMA reimbursement; and

**WHEREAS**, the estimated project cost is \$147,938 (*Engineering-\$25,675 + Construction-\$122,263*); and

**WHEREAS**, staff has recommended that Hatch, Mott, MacDonald Engineers undertake the project survey, design, and preparing the project for bid.

**NOW, THEREFORE, BE IT ORDAINED**, that the Fiscal Year 2014 Budget is hereby amended to include an appropriation in the amount of \$147,938 from Capital Reserve Fund for design and letting of the Donette Loop Properties Drainage Repairs.

**APPROVED AND ADOPTED** by the City Council of the City of Daphne, Alabama, this \_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
**Dane Haygood, Mayor**

**Attest:**

\_\_\_\_\_  
**Rebecca A. Hayes, City Clerk**

## ORDINANCE 2014-41

### Appropriating Funds for Lancaster Way Drainage Crossing

**WHEREAS**, Ordinance 2013-50 approved and adopted the Fiscal Year 2014 Budget on September 23, 2013; and

**WHEREAS**, subsequent to the adoption of the Fiscal Year 2014 budget, the City Council has determined that certain appropriations are required and should be approved and made a part of the Fiscal Year 2014 budget; and

**WHEREAS**, the City of Daphne received 16.5" of rainfall for the period of April 29-30, 2014; and

**WHEREAS**, as a result of such heavy rains, Lancaster Way Drainage Crossing in Lake Forest sustained severe damage; and

**WHEREAS**, the City of Daphne did receive and review bids for the repair of the Lancaster Way Drainage Crossing in Lake Forest and has determined that the bid as presented is reasonable (*Construction- \$90,683.71 + CE&I + Material Testing -\$23,124 = \$113,808 Total project cost*); and

**WHEREAS**, FEMA grant monies are available for 75% of the project cost (\$85,356) for the repair of the Lancaster Way Drainage Crossing in Lake Forest; and

**WHEREAS**, the State of Alabama EMA monies are available for 12.5% of the project cost (\$14,226) for the repair of the Lancaster Way Drainage Crossing in Lake Forest; and

**NOW, THEREFORE, BE IT ORDAINED**, that:

1. The City Council of the City of Daphne deems this project is key to the recovery efforts associated with this rain event and the repair of this public infrastructure is necessary to preserve the health, safety, and convenience of the public.
2. This project is a qualifying FEMA and State EMA PA, Cat C project at a guaranteed 87.5% reimbursement (\$99,582).
3. Ordinance #2014-24 appropriated \$3,675 for engineering on this project.
4. ***Fiscal Year 2014 Budget is hereby amended to include an appropriation in the amount of \$10,551 from the General Fund for the repair of the Lancaster Way Drainage Crossing cost not reimbursed by FEMA and the State EMA.***
5. The Mayor is hereby authorized to make application with FEMA and the State of Alabama EMA for the reimbursement of such funds and to sign and execute all documents associated with the described projects.

**APPROVED AND ADOPTED** by the City Council of the City of Daphne, Alabama, this \_\_\_\_ day of \_\_\_\_\_, 2014.

Attest:

\_\_\_\_\_  
Dane Haygood, Mayor

\_\_\_\_\_  
Rebecca A. Hayes, City Clerk

**ORDINANCE 2014-42**

**Design Engineering for Sewer Projects: 1) Whispering Pines-Dauphine Acres, 2) Douglas Road, 3) Van Buren Street, 4) Schieffelin Lane-Jordan Lane East, 5) 6<sup>th</sup> Street, & 6) Greystone Subdivision**

**WHEREAS**, Ordinance 2013-50 approved and adopted the Fiscal Year 2014 Budget on September 23, 2013; and

**WHEREAS**, subsequent to the adoption of the Fiscal Year 2014 budget, the City Council has determined that certain appropriations are required and should be approved and made a part of the Fiscal Year 2014 budget; and

**WHEREAS**, areas remain in the City of Daphne that need sewer installations and the projects needs to go out for bid; and

**WHEREAS**, design engineering services in the amount of \$97,841 is required to prepare the sewer projects for bid *(with additional engineering cost if projects awarded: \$177,159 & estimated Total Project cost (eng+ construction)- \$1,581,349)*; and

**WHEREAS**, the City Council has determined it to be in the best interest of the City to obtain bids for these projects.

**NOW, THEREFORE**, BE IT ORDAINED by the City Council of the City of Daphne, Alabama, that funds from the Capital Reserve Fund are hereby appropriated and made a part of the Fiscal Year 2014 budget in the amount of \$97,841 for Design Engineering services for the City of Daphne's remaining Sewer projects.

**APPROVED AND ADOPTED** by the Mayor and City Council of the City of Daphne, Alabama, this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
**Dane Haygood, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Rebecca A. Hayes, City Clerk**

**CITY OF DAPHNE  
ORDINANCE 2014-43**

**AN ORDINANCE ADOPTING THE RULES OF PROCEDURE IN ALL  
INSTANCES FOR MEETINGS OF THE CITY COUNCIL**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA** that the Order Procedure in All Instances for Meetings of the City Council shall be as follows:

**SECTION I: GOVERNING RULES**

The Rules of Procedure herein contained shall govern the deliberations and meetings of all of the Council of the City of Daphne, Alabama.

- A. Amending the Council Rules of Procedure. The rules of the Council may be amended in the same manner as any other ordinance of general or permanent nature.
- B. Suspension of the Rules of Procedure. The Rules of the Council may be temporarily suspended by unanimous roll call vote of all members present.

**SECTION II: COUNCIL MEETING TIME**

The regular meetings of the City Council shall be held on the first and third Mondays of each month, which meeting shall convene at 6:30 p.m. at the City Hall Council Chamber. All meetings, regular and special, shall be opened to the public, except when Council meets in executive session as authorized by State law. The regularly scheduled work session will be held on the second Monday of each month at 6:30 p.m. at the City Hall Council Chambers. Any meeting that is scheduled to meet on a Monday that is observed by the City as a holiday shall instead meet on the Tuesday after the holiday at the regularly scheduled time.

**SECTION III: SPECIAL CALLED MEETINGS**

Special meetings may be held at the call of the presiding officer by serving notice on each member of the Council not less than twenty-four hours before the time set for such special called meeting. A special meeting may also be called by any two (2) Council members. All special meetings may be held as provided by Section 11-43-50 Code of Alabama, 1975 (as amended). Notice of all special meetings shall be posted on the council approved bulletin board and appropriate customary media notified, and shall be accessible to the public at least twenty-four hours prior to such scheduled meeting.

**SECTION IV: QUORUM**

A Quorum shall be determined as provided by Section 11-43-40, Code of Alabama, 1975, (as amended).

**SECTION V: ORDER OF BUSINESS**

That the order of business of each council meeting shall be as follows:

1. Call to Order
2. Roll Call/Invocation/Pledge of Allegiance
3. Approval of the Minutes of the Previous Meeting(s)
4. Reports of Standing Committees:
  - Finance Committee
  - Building/Property Committee
  - Code Enforcement/Ordinance Committee
  - Public Safety
  - Public Works/Solid Waste Committee
5. Reports of Special Boards and Commissions
  - Board of Zoning Adjustment
  - Downtown Redevelopment Authority
  - Industrial Development Board
  - Library Board
  - Planning Commission
  - Recreation Board
  - Utility Board
6. Report of Mayor
7. Report of City Attorney
8. Report by Department Heads
9. City Clerk's Report
10. Public Participation
11. Resolution, Ordinances and Other Business
12. Council Comments
13. Adjournment

**SECTION VI: SUBMISSION OF COUNCIL MEETING MATERIAL**

- A. It is desired that information be supplied to the City Clerk in time to be made part of the council meeting or work session packet. Any item to be placed on council meeting and work session agenda must be turned in to the City Clerk with all background materials by 5:00 p.m. on the Wednesday before the council meeting or work session. The Council President retains the authority to add or remove items to the agenda. However, any item may be placed upon the agenda if two council members submit a written request to the City Clerk prior to the above mentioned deadline. The council meeting packet will be sent to the full City Council by 12:00 p.m. Friday before the City council meeting or work session, and posted on the city website Friday before a council meeting or work session.
- B. All motions, resolutions, ordinances or other business required to be in writing shall be prepared and supplied to all Council members by noon one full city work day before the council meeting in which it is to be presented. (e.g. if City offices are not open the Friday before the Monday council meeting, then the writings and documentation shall be supplied to each city council member by placing same in each member's mailbox at City Hall by noon Thursday.)
- C. When a work session is called or scheduled between two council meetings, all motions, resolutions, ordinances or other business required to be in writing shall be presented in substantially the same form as that which is required for presentation at council meeting.
- D. In the event of an emergency sections A. and B., hereinabove, shall not apply. An emergency exists if a failure to act would result in an immediate and irrefutable harm to the City or any of its citizens or otherwise it is physically impossible to comply with notice requirements set forth herein. The presiding officer of the Council at the earliest meeting dealing with said emergency shall have final say over interpretations of this section.

**SECTION VII: COMMENTS BY COUNCILMEMBERS**

- A. Comments by Councilmembers and Mayor. Any comments or discussion by councilmembers or the Mayor shall be with permission of the presiding officer, and for not more than three (3) minutes.
- B. Number of comments by councilmember on a subject. No member shall speak more than twice on the same subject without permission of the presiding officer. The presiding officer may grant the councilmember additional comments after all other council members have had the opportunity to speak.

**SECTION VIII: PUBLIC PARTICIPATION / PRESENTATIONS**

- A. Public Participation. At the designated time in the order of business, any member of the public may address the City Council concerning any item appearing on the agenda for the council meeting or work session. Discussion on a subject scheduled for a public hearing shall be limited to that public hearing. No individual who is not a member of the City Council or the Mayor shall be allowed to address the same while in session without permission of the presiding officer and for not more than three (3) minutes, unless approved by the presiding officer.
- B. Presentations to Council. An individual wishing to make a presentation to the council with permission of the Council President or Presiding Officer may be allowed 10 minutes. The individual must provide in writing a synopsis of the topic to be discussed to the City Clerk by the Wednesday before the council meeting at 5:00 p.m.

**SECTION IX: MOTIONS**

- A. Discuss any Motion. The City Council may have the ability to have a discussion on any motion.
- B. Seconding Motions. Any motion coming from committees do not require a second.
- C. Reconsider a Motion. Those motions to reconsider must be made by a council member who voted with the majority at the same or next succeeding meeting of the Council.
- D. Recording of "Ayes" and Nays" / Division on any Question. Whenever it shall be required by one or more members the "ayes" and the "nays" shall be recorded and any member may call for a division on any question.
- E. Order of Motions. Motions to lay any matter on the table shall be first in order, and on all questions, the last amendment, the most distant day, and the largest financial sum shall be first put.

**SECTION X: QUESTIONS OF ORDER**

All questions of order shall be decided by the presiding officer of the Council with the right of appeal to the full Council.

**SECTION XI: PROCEDURE FOR CHAIRMAN TO ADDRESS THE COUNCIL**

The presiding officer of the Council may call any members to take the chair to allow him or her to address the Council or make a motion or discuss any other matter at issue.

**SECTION XII: EXECUTIVE SESSION**

The Council may meet in executive session only for purposes authorized by State law and only after the City Attorney certifies the stated purposes for the executive session are authorized by state law. When a council person makes a motion for executive session for an enumerated purpose, the presiding officer shall put the motion to a roll call vote. The estimated length of the executive session shall be stated prior to the roll call vote. The City Attorney shall then certify that the reason stated to enter into executive session is legal according to the Open Meetings Act. If the majority of the council shall vote in favor of the motion for executive session the body shall move into executive session for discussion of the matter for which executive session was called. No action may be taken in an executive session. When the discussion has been completed, the council shall resume its deliberations in public.

**SECTION XIII: MOTION FOR ADJOURNMENT**

A motion for adjournment shall always be in order.

**SECTION XIV: COMMITTEES / BOARDS**

- A. The chair of each respective committee, or the council member acting for him or her, shall submit and make report to the Council when so requested by the presiding officer or any member of the Council.
- B. Each Council member is required to serve on a minimum of two (2) committees or boards, but it is recommended that each serve on a minimum of three (3) committees or boards.
- C. Chairman shall be selected by members of committee or board.
- D. No council member shall serve as chair of more than one (1) committee or board.
- E. Council President shall not chair a committee or board.
- F. Committee or board meeting agenda shall be set by the committee chairman along with the department head associated with the committee.
- G. The Mayor may add any item to any committee or board agenda with notification to the chairman.
- H. The Mayor shall not delete any agenda item without approval from the committee or board chairman.

**SECTION XV: ORDINANCES THAT REQUIRE EXPENDITURE OF MONEY**

All ordinances, resolutions or propositions submitted to Council which require the expenditure of money will lie over until the next Council meeting; provided that such ordinance, resolution or propositions may be considered earlier by unanimous consent of the Council members present at such meeting by roll call vote and provided further that this rule shall not

apply to the current expenses of, or contracts previously made with, or regular salaries of officers, or wages of employees of the City.

**SECTION XVI:      ATTENDANCE REQUIREMENT**

The City Clerk, Treasurer, City Attorney, Chief of Police, Fire Chief, Finance Director, Public Works Director, Human Resources Director, Building Departments Director, Community Development Director, Parks and Recreation Director, Library Director, Civic Center Director and such other department heads or their designated employee shall attend all meetings of the City Council, and shall remain at the council meeting after Department Heads Report when they have items pertaining to their department on the agenda. Department Heads shall attend Council work sessions when items on the agenda pertain to their department.

**SECTION XVII:      ROBERTS RULES OF ORDER**

That Roberts Rules of Order 11<sup>th</sup> edition be and is hereby adopted as the rules of procedure for this Council in those situations which cannot be resolved by the rules set forth in this Ordinance.

**SECTION XVIII:      PUBLIC HEARINGS**

The City Council will set all public hearings by a majority vote. At all public hearings after the initial presentation all questions and comments are limited to three (3) minutes per speaker.

**SECTION XIX:      REPEALER**

That Ordinance 2013-21 be and is hereby repealed in its entirety and that other ordinance(s), parts of ordinance(s) or resolutions(s) conflicting with the provisions of this Ordinance are hereby repealed insofar as they conflict.

**SECTION XX:      SEVERABILITY**

That the provisions of this Ordinance are severable. If any provision, section, paragraph, sentence are part thereof shall be held to be unconstitutional or invalid by a court of competent jurisdiction, such decision shall not effect or impair the remainder of this Ordinance, it being the legislative intent to ordain and act each provision section, paragraph, sentence, and part thereof separately and independently of each other.

**ORDINANCE 2014-43**

**COUNCIL RULES OF PROCEDURE**

**PAGE 7**

**SECTION XXI:**

This Ordinance shall take effect and be enforced from and after approval by the City Council of the City of Daphne upon publication required by law.

**ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA on this the \_\_\_\_\_ day of \_\_\_\_\_, 2014.**

**CITY OF DAPHNE,  
AN ALABAMA MUNICIPAL CORPORATION**

\_\_\_\_\_  
**DANE HAYGOOD,  
MAYOR**

**ATTEST:**

\_\_\_\_\_  
**REBECCA A. HAYES, CITY CLERK**

## ORDINANCE 2014-44

### ADOPTING THE FISCAL YEAR 2015 OPERATING BUDGET

**WHEREAS**, the Mayor of the City of Daphne has submitted to the City Council an operating budget for Fiscal Year 2015 which begins October 1, 2014 and ends September 30, 2015 (the "FY15 Operating Budget"); and

**WHEREAS**, the City Council has reviewed and considered such proposed operating budget; and

**WHEREAS**, the City Council believes that the attached proposed operating budget is a viable spending plan for the City during the next fiscal year;

**WHEREAS**, the City's procedures require the adoption of the budget by Ordinance; and

**WHEREAS**, if the amounts budgeted for departmental operating items or purposes are not required to be utilized for such items or purposes, then upon written approval by the Mayor or the Finance Director, these amounts may be expended for other departmental items or purposes, provided that the total amount of the adopted operating budget is not exceeded; and

**WHEREAS**, the Mayor is authorized to approve all applications for grants during the fiscal year with the understanding that grant awards requiring an additional appropriations will be presented to Council for approval.

**NOW, THEREFORE**, BE IT ORDAINED by the City Council of the City of Daphne, Alabama, that the FY15 Operating Budget in which total revenues exceed appropriations the amount of \$1,453,087 and general fund revenues exceed appropriations in the amount of \$548,780; which includes an allowance for merit pay increases totaling \$30,000 and an allowance for a 1.5% Cost of Living Adjustment totaling \$150,093, representing a pro-rated amount to be effective beginning the first pay period of January 2015 as attached hereto and made a part hereof;

Approved and adopted on this the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Dane Haygood, Mayor

**ATTEST:**

\_\_\_\_\_  
Rebecca A. Hayes, City Clerk