

**MINUTES FROM A SPECIAL MEETING OF THE
COUNCIL OF MUSCLE SHOALS, ALABAMA, HELD
March 14, 2013**

The City Council of Muscle Shoals, Alabama met at the Muscle Shoals City Hall Auditorium in said City at 6:00 p.m. on the 14th day of March, 2013 in a special called meeting for the purpose of considering the award of bids for grass at the Cypress Lakes Golf & Tennis facility and trash containers for the public works department, as well as the granting of tax abatements to North American Lighting Inc. and a request for funding from the Shoals Economic Development Fund.

The meeting was called to order by James Holland, President of the Council. On roll call the following members were found to be present or absent, as indicated:

PRESENT: JOE PAMPINTO, NEAL WILLIS, MIKE LOCKHART,
 JAMES HOLLAND, ALLEN NOLES
ABSENT: NONE

James Holland, President of the Council, presided at the meeting and declared that a quorum was present and that the meeting was convened and opened for the purposes of transaction of business. Richard Williams, City Clerk, was present and kept the minutes of the meeting.

President Holland announced that the next item of business was consideration of a resolution to grant tax abatements to North American Lighting Inc.

Council Member Noles introduced the following resolution and moved for its adoption:
STATE OF ALABAMA
COLBERT COUNTY

RESOLUTION NUMBER 2603 - 13

WHEREAS, this Resolution is made this 14th day of March 2013 (the Effective Date) by The City Council of Muscle Shoals, Alabama, (the Granting Authority) to grant a tax abatement for North American Lighting, Inc. (the Company); and

WHEREAS, the Company has announced plans for a major addition at its existing facility; that being, the construction of an approximate 200,000-square-foot manufacturing facility on an approximate 10-acre site, the transfer of existing manufacturing machinery, and the purchase and installation of new manufacturing machinery and other personal property for new and expanding business (the Project), located within the Shoals Research Airpark at 100 Counts Drive, Muscle Shoals, Colbert County, Alabama, within the jurisdiction of the Granting Authority; and

WHEREAS, pursuant to the Tax Incentive Reform Act of 1992 (Section 40-9B-1 et seq., Code of Alabama 1975, as amended) (the Act), the Company has requested from the Granting

Authority an abatement of all state and local noneducational property taxes and all construction-related transaction taxes, except those construction-related transaction taxes levied for educational purposes or for capital improvements for education and except the 0.5% general sales and use taxes levied by Colbert County, which pursuant to Alabama Act No. 2007-351 cannot be abated; and

WHEREAS, the Company has requested that the abatement of state and local noneducational property taxes be extended for a period of ten (10) years, in accordance with the Act; and

WHEREAS, the Granting Authority has considered the request of the Company and the completed Application to Local Granting Authority for Abatement of Taxes, copy attached as Attachment One, filed with the Granting Authority by the Company in connection with its request; and

WHEREAS, the Granting Authority has found the information contained in the Company's Application to Local Granting Authority for Abatement of Taxes to be sufficient to permit the Granting Authority to make a reasonable cost/benefit analysis of the proposed project, copy attached as Attachment Two, pages 1 and 2, and to determine the economic benefits to the community; and

WHEREAS, the Project will be constructed on an approximate 10-acre site in the Shoals Research Airpark, Muscle Shoals, Colbert County, Alabama, which property has a market value of approximately \$180,000.00; and

WHEREAS, the Project will involve an investment of approximately \$36,278,859.00, which consists of the construction of an approximate 200,000-square-foot manufacturing facility, \$19,688,000.00 of which \$7,678,320.00 is budgeted for materials; purchase of new manufacturing machinery, \$14,295,526.00; transfer of existing personal property to the Muscle Shoals, Colbert County, Alabama, facility, \$149,650.00; and, purchase of other new personal property, \$2,145,683.00; and

WHEREAS, the Company is duly qualified to do business in the State of Alabama and has power to enter into and to perform and observe the agreements and covenants on its part contained in the Tax Abatement Agreement; and

WHEREAS, the Granting Authority represents and warrants to the Company that it has power under that constitution and laws of the State of Alabama, including particularly the provisions of the Act, to carry out provisions of the Tax Abatement Agreement;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Muscle Shoals, Alabama, the Granting Authority, as follows:

Section 1. Approval is hereby given to the application of the Company and abatement is hereby granted of all state and local noneducational property taxes and all construction-related transaction taxes, except those construction-related transaction taxes levied for educational purposes or for capital improvements for education, as the same may apply to the fullest extent permitted by the Tax Incentive Reform Act of 1992 (Section 40-9B-1 et seq., **Code of Alabama 1975**, as amended), and except the 0.5% general sales and use taxes levied by Colbert County, which pursuant to Alabama Act No. 2007-351 cannot be abated.

Section 2. The period of abatement for the noneducational property taxes shall extend for a period of ten (10) years measured as provided in Section 40-9B-3(a)(12) of the Act, unless the company ceases operation for which these property tax abatements are granted. Should the company cease operation the abatements granted herein are considered null and void.

Section 3. The governing body of the Granting Authority is authorized to enter into a Tax Abatement Agreement with the Company to provide for the abatement granted in Section 1.

Section 4. A certified copy of this Resolution, with the application and Tax Abatement Agreement, shall be forwarded to the Company to deliver to the appropriate local taxing authorities and to the Alabama Department of Revenue in accordance with the Act.

Section 5. The governing body of the Granting Authority is authorized to take any and all actions necessary or desirable to accomplish the purpose of the foregoing of this Resolution.

Council Member Lockhart seconded the motion and upon said motion being put to a vote all voted "AYE" and "NAYS" were none.

President Holland announced that the resolution had been approved.

President Holland announced that the next item of business was consideration of a resolution to request funding from the Shoals Economic Development Fund for incentives and infrastructure improvements for the expansion at North American Lighting Inc.

Council Member Pampinto introduced the following resolution and moved for its adoption:

STATE OF ALABAMA
COLBERT COUNTY

RESOLUTION NUMBER 2604 - 13
AUTHORIZING AND APPROVING APPLICATION
FOR THE SHOALS ECONOMIC DEVELOPMENT FUND

WHEREAS, the City of Muscle Shoals has completed a joint application with North American Lighting, Inc. (hereinafter referred to as "NAL") for a request for funding from the Shoals Economic Development Fund (hereinafter referred to as "SEDF"), and

WHEREAS, one of the stated purposes/uses of the SEDF is "to foster activities and policies conducive to expansion of existing industries within either of the counties or any city or town therein", and

WHEREAS, certain incentives and infrastructure improvements at the Shoals Research Airpark in the City of Muscle Shoals are necessary to accommodate the planned expansion of North American Lighting, Inc.,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF MUSCLE SHOALS:

1. That the City of Muscle Shoals joins with NAL in requesting up to \$260,000 in SEDF funding for construction of necessary infrastructure improvements in the Shoals Research Airpark and company incentives;
 2. That the Mayor is duly authorized to sign said application for and act on behalf of the City of Muscle Shoals and is further authorized to execute all other documents required for application or disbursement of SEDF funds for the City of Muscle Shoals.
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Council Member Willis seconded the motion and upon said motion being put to a vote all voted "AYE" and "NAYS" were none.

President Holland announced that the resolution had been approved.

President Holland announced that the next item of business was consideration of a resolution to award a bid for the renovation and grassing of the Cypress Lakes Golf greens. Council Member Willis introduced the following resolution and moved for its adoption:

STATE OF ALABAMA
COLBERT COUNTY

RESOLUTION NO. 2605-13

BE IT RESOLVED by the Council of the City of Muscle Shoals, Alabama, as follows:

That the Procurement Agent did send out advertisements for bids for Grassing Renovation of Existing Greens at Cypress Lakes Golf Course, the bid opening being set for the 7th day of March, 2013, at the City Hall of the City of Muscle Shoals, Alabama.

BE IT FURTHER RESOLVED, at the appointed time and place, as specified above, the following bids were opened and tabulated as follows:

BIDDER:	Unit Price per SqFt
King Ranch Turfgrass	\$.59
Modern Turf	\$.78
Sur-Line, Inc.	\$.54

BE IT FURTHER RESOLVED, that it has been determined that the lowest, responsive and responsible bid was submitted by Sur-Line, Inc. in the amount of \$.54 per square foot.

NOW THEREFORE, BE IT FURTHER RESOLVED, that Sur-Line, Inc.. is hereby awarded the bid for the Grassing Renovation of Existing Greens at Cypress Lakes Golf Course.

Council Member Noles seconded the motion and upon said motion being put to a vote all voted "AYE" and "NAYS" were none.

President Holland announced that the resolution had been approved.

President Holland announced that the next item of business was consideration of a resolution to award a bid for the purchase of trash containers. Council Member Lockhart introduced the following resolution and moved for its adoption:

RESOLUTION NO. 2606-13

BE IT RESOLVED by the Council of the City of Muscle Shoals, Alabama, as follows:

[1] That the Procurement Agent did send out advertisements for bids for the purchase of wheeled refuse containers, the bid opening being set for the 7th day of March, 2013, at the City Hall of the City of Muscle Shoals, Alabama.

[2] At the appointed time and place, as specified above, the following bids were opened and tabulated as follows per unit price of each container:

Otto Environmental, Inc.	\$48.26
Rehrig Pacific	\$50.00
Schaefer Systems	\$66.29
Toter Incorporated	No Bid

[3] The low bids of both Otto Environmental, Inc. and Rehrig Pacific reflected exceptions deemed unacceptable to the City's required minimum technical specifications as follows:

NAME OF BIDDER:	REQUIREMENT:	EXCEPTION:
OTTO ENVIRONMENTAL SYSTEMS	Minimum wall thickness of .200"	0.15"
	Dimensions: Height 43.00" Depth 33.75" Width 24.25" Weight 51 lbs. (Empty)	Dimensions: Height 41.75" Depth 33.25" Width 27.5" Weight 41.92
REHRIG PACIFIC COMPANY	Minimum wall thickness of .200"	.175"
	7/8" diameter axle	3/4" axle

[4] The apparent lowest, responsive, and responsible bid is that of Schaefer Systems with a bid price of \$66.29 per container.

BE IT HEREBY RESOLVED that the bid for the purchase of wheeled refuse containers be awarded to Schaefer Systems International with a bid price of \$66.29 per container.

Council Member Pampinto seconded the motion and upon said motion being put to a vote all voted "AYE" and "NAYS" were none.

President Holland announced that the resolution had been approved.

There being no further business to come before the meeting, upon the motion duly made, seconded and unanimously carried, the meeting was adjourned.

CITY OF MUSCLE SHOALS, ALABAMA
a Municipal Corporation

COUNCIL MEMBER - PLACE ONE

COUNCIL MEMBER - PLACE TWO

COUNCIL MEMBER - PLACE THREE

COUNCIL MEMBER - PLACE FOUR

COUNCIL MEMBER - PLACE FIVE

ATTEST:

CITY CLERK