

MINUTES, LIMESTONE COUNTY COMMISSION, JUNE 15, 2015

The Limestone County Commission met in a regular meeting today, at 10:00 a.m. at the Clinton Street Courthouse Annex, 100 South Clinton Street, Athens, Alabama.

Present: Stanley Hill, Steve Turner, Jason Black, and Ben Harrison. Absent: None. Mark Yarbrough, Chairman presided.

Chairman Mark Yarbrough read a Proclamation declaring July 7th as Yellow Dot Day in Limestone County.

Kelly Howard, from Martin & Cobey Construction, along with Robert Littleton, from Goodwyn, Mills & Cawood, gave a construction update on the Courthouse.

Jim Maynard, from Martin & Cobey Construction, gave a construction update on the Jail expansion.

The meeting began with the Pledge of Allegiance.

MOTION was made by Steve Turner and seconded by Jason Black to approve the minutes of June 2 & 12, 2015.

The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Steve Turner, aye; Jason Black, aye; Stanley Hill, aye; and Ben Harrison, aye. Motion carries unanimously.

MOTION was made by Ben Harrison and seconded by Jason Black to approve the following claims

5/29/15	Check # 33441 – 33550	\$1,184,266.78
5/29/15	Check # 33551	\$ 195.00
6/05/15	Check # 33552 – 33635	\$ 962,785.74
6/05/15	Check # 33636	\$ 195.00
6/12/15	Check # 33637 – 33689	<u>\$ 581,248.77</u>
	TOTAL	\$2,728,691.29

with detailed claims of the above being on file for review upon request to the County Administrator.

The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Ben Harrison, aye; Jason Black, aye; Stanley Hill, aye; and Steve Turner, aye. Motion carries unanimously.

MOTION was made by Steve Turner and seconded by Jason Black to approve amendments to Carpenter Technology Tax Abatements.

Discussion: Commissioner Ben Harrison expressed his concerns if amending the abatement on a new \$25 million Carpenter investment would delay non-abated educational taxes. He stated he wasn't sure how much sales and use tax the company

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had already paid and voiced concerns whether the placed in service date change would affect sales and use tax. Chairman Mark Yarbrough tried to assure Commissioner Harrison that the additional investment would give the schools an extra \$54,000.00 annually. He said that last year Carpenter paid \$270,000 to education and according to the tax assessor's office \$910,000 will go to the board of education in property and business property taxes.

After further discussion, a **MOTION** was made by Ben Harrison to table the motion approve amendments to the Carpenter Technology Tax Abatement Agreements. Motion fails for lack of a second.

SECOND AMENDMENT TO TAX ABATEMENT AGREEMENT

This SECOND AMENDMENT TO TAX ABATEMENT AGREEMENT, effective April 16, 2012 (this "Amendment"), is made and entered into on this 15th day of June, 2015, by and between LIMESTONE COUNTY, ALABAMA, a political subdivision of the State of Alabama (the "County"), and CARPENTER TECHNOLOGY CORPORATION, a Delaware corporation (the "Company").

RECITALS:

WHEREAS, the Company applied for and was granted certain tax abatements by the County pursuant to the provisions of Act No. 92-599 enacted during the 1992 Regular Session of the Legislature of Alabama and now codified as Chapter 9B of Title 40 of the Code of Alabama (1975), as amended (the "Tax Abatement Act"), in connection with the development, construction, and equipping of that certain facility located at 22110 Thomas L. Hammons Road, Tanner, AL 35671 (the "Project"), and such tax abatements are described in that certain Tax Abatement Agreement between the County and the Company dated April 16, 2012, as amended by that certain First Amendment to Tax Abatement Agreement dated May 5, 2014 (collectively, the "Tax Abatement Agreement"); and

WHEREAS, due to certain unanticipated delays and increased costs of developing, constructing, and equipping the Project, the Company (i) increased the estimated amount of investment by the Company in the Project, (ii) extended the Project's estimated "placed in service" date beyond that which was set forth in the Company's original Application to Local Granting Authority for Abatement of Taxes, dated April 12, 2012, and (iii) clarified the timing of when the Company expects to employ 50 new employees with respect to the Project; and

WHEREAS, the Company anticipates that it will invest \$38,893,982 in connection with the Project instead of \$23,100,000 (the difference of \$15,793,982 referred to hereinafter as the "Additional Capital Investment"); and

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WHEREAS, the Company anticipates that it will initially employ 6 individuals with respect to the Project; in Year 1, the Company expects to employ 10 individuals with respect to the Project; in Year 2, the Company expects to employ 15 individuals with respect to the Project; in Year 3, the Company expects to employ 18 individuals with respect to the Project; in Year 4, the Company expects to employ 28 individuals with respect to the Project; and in Year 5, the Company expects to employ 50 individuals with respect to the Project (the "Updated Employee Hiring Schedule"); and

WHEREAS, it was the intention and mutual understanding of the parties at the time the County granted the tax abatements for the Project that the Company would receive tax abatements for all the real and personal property constituting the Project, to the fullest extent permitted under the Tax Abatement Act, and without regard to the original estimate by the Company of its capital investment in the Project; and

WHEREAS, the Company has submitted to the County an Amended Application to Local Granting Authority for Abatement of Taxes (the "Amended Application") indicating the Additional Capital Investment, the extended "placed in service" date, and the Updated Employee Hiring Schedule, a copy of which is attached hereto as Exhibit A;

WHEREAS, the County has performed an updated cost/benefit analysis and concluded that it is to the advantage of the public that abatements be granted in accordance with this Amendment; and

WHEREAS, the Company and the County desire to enter into this Amendment to confirm the Additional Capital Investment and the extended "placed in service" date as reflected in the Amended Application and the tax abatements granted by the County as an inducement for the Company to continue equipping the Project.

NOW, THEREFORE, in consideration of the respective agreements on the part of the County and the Company contained in the Tax Abatement Agreement and this Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Company hereby agree as follows:

1. Amendments. The Tax Abatement Agreement shall be amended as follows:
 - (a) Subsection (a) of Section (1) of the Tax Abatement Agreement regarding the estimated total cost of the private use industrial property to be placed in service at the Project by the Company shall be amended by deleting "\$23,100,000" and inserting "\$38,893,982" in lieu thereof.
 - (b) Subsection (a) of Section (1) of the Tax Abatement Agreement regarding the estimated amount of abated ad valorem taxes shall be amended by deleting "\$75,888" and "\$569,925" and inserting "\$127,972" and "\$975,619", respectively, in lieu thereof.

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- (c) Subsection (a) of Section (1) of the Tax Abatement Agreement regarding the estimated amount of nonabated ad valorem taxes shall be amended by deleting “\$58,032” and “\$435,825” and inserting “\$97,861” and “\$746,061”, respectively, in lieu thereof.
- (d) Subsection (b) of Section (1) of the Tax Abatement Agreement regarding the estimated cost of non-manufacturing and manufacturing equipment shall be amended by deleting “\$3,400,000” and “\$17,900,000” and inserting “\$2,215,433” and “\$31,382,518”, respectively, in lieu thereof.
- (e) Subsection (b) of Section (1) of the Tax Abatement Agreement regarding the estimated amount of abated sales and use taxes shall be amended by deleting “\$404,500” and inserting “\$559,355” in lieu thereof.
- (f) Subsection (b) of Section (1) of the Tax Abatement Agreement regarding the estimated amount of nonabated sales and use taxes shall be amended by deleting “\$247,000” and inserting “\$358,134” in lieu thereof.
- (g) Subsection (b) of Section (2) of the Tax Abatement Agreement regarding the estimated number of new employees to be employed at the Project shall be amended by deleting “Initially – 0”, “Year 1 – 10”, “Year 2 – 5”, “Year 3 – 3”, “Year 4 – 10”, and “Year 5 – 22” and inserting “Initially – 6”, “Year 1 – 10”, “Year 2 – 15”, “Year 3 – 18”, “Year 4 – 28”, and “Year 5 – 50”, respectively, in lieu thereof.
- (h) Subsection (c) of Section (2) of the Tax Abatement Agreement regarding the estimated annual payroll of new employees resulting from the Project shall be amended by deleting “Initially - \$0”, “Year 1 - \$625,000”, “Year 2 - \$333,333”, “Year 3 - \$150,000”, “Year 4 - \$550,000”, and “Year 5 - \$1,257,143” and inserting “Initially - \$345,000”, “Year 1 - \$625,000”, “Year 2 - \$958,333”, “Year 3 - \$1,108,333”, “Year 4 - \$1,658,333”, and “Year 5 - \$2,915,476”, respectively, in lieu thereof.
- (i) Subsection (a) of Section (2) of the Tax Abatement Agreement regarding the estimated total amount to be invested in the Project by the Company shall be amended by deleting “\$23,100,000” and inserting “\$38,893,982” in lieu thereof.
- (j) All references to “Application” in the Tax Abatement Agreement shall be deemed references to the Amended Application.

2. Full Force and Effect. Except as expressly amended hereby, all other terms of the Tax Abatement Agreement shall continue in full force and effect.

3. Captions. The titles and captions contained in this Amendment are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope or intent of this Amendment.

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4. Controlling Law. This Amendment will be governed by and construed and enforced in accordance with the laws of the State of Alabama without giving effect to principles of conflict of laws.

IN WITNESS WHEREOF, the County and the Company have caused this Amendment to be executed in their respective names, have caused their respective seals to be hereunto affixed, in several counterparts, each of which shall be deemed an original, and have caused this Amendment to be effective as of the date first set above.

ATTEST:

LIMESTONE COUNTY, ALABAMA

County Clerk/Administrator

By: _____
Its: Chairman, Limestone County Commission

**CARPENTER TECHNOLOGY
CORPORATION**

By: _____
Its: Director of Taxes & Assistant Treasurer

The Administrator called the roll on the original motion. Steve Turner, aye; Jason Black, aye; Stanley Hill, aye; Ben Harrison, nay. Motion carries.

MOTION was made by Jason Black and seconded by Steve Turner to accept Homeland Security Grant, Award # 3LEL, in the amount of \$840.00 (Federal) to purchase equipment; scanner for Public Works, retroactive June 5, 2015. No county match.

The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Jason Black, aye; Steve Turner, aye; Stanley Hill, aye; and Ben Harrison, aye. Motion carries unanimously.

MOTION was made by Ben Harrison and seconded by Jason Black to approve a grant agreement for Pryor Field Regional Airport Authority from the U.S. Department of Transportation Federal Aviation Administration, # 3-01-0024-2015, for a maximum of \$646,200.00 of the allowable cost, in conjunction with Morgan County and the Cities of Decatur and Athens to buy about 26 acres of land. Federal Aviation Administration: 90%, Airport Authority 5% and ALDOT 5%.

The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Ben Harrison, aye; Jason Black, aye; Stanley Hill, aye; and Steve Turner, aye. Motion carries unanimously.

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MOTION was made by Steve Turner and seconded by Stanley Hill to approve the following budget revisions:

Department	Account Number	Title of Line Item	Amount
Event Center	112-57430-199	Miscellaneous Services	+ \$17,200.00
	112-41110-000	Ad Valorem	- \$17,200.00
Public Buildings	112-41110-000	Ad Valorem	- \$2,000.00
	112-56200-231	Repair & Maint. Building	+\$2,000.00
	112-57430-116	Overtime	+\$4,000.00
	112-57430-121	Retirement	+ \$200.00
	112-47210-000	Rental of Building	- \$4,200.00

The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Steve Turner, aye; Stanley Hill, aye; Jason Black, aye; and Ben Harrison, aye. Motion carries unanimously.

MOTION was made by Jason Black and seconded by Stanley Hill to award the following bid proposal to the lowest responsible bidder meeting specifications as follows:

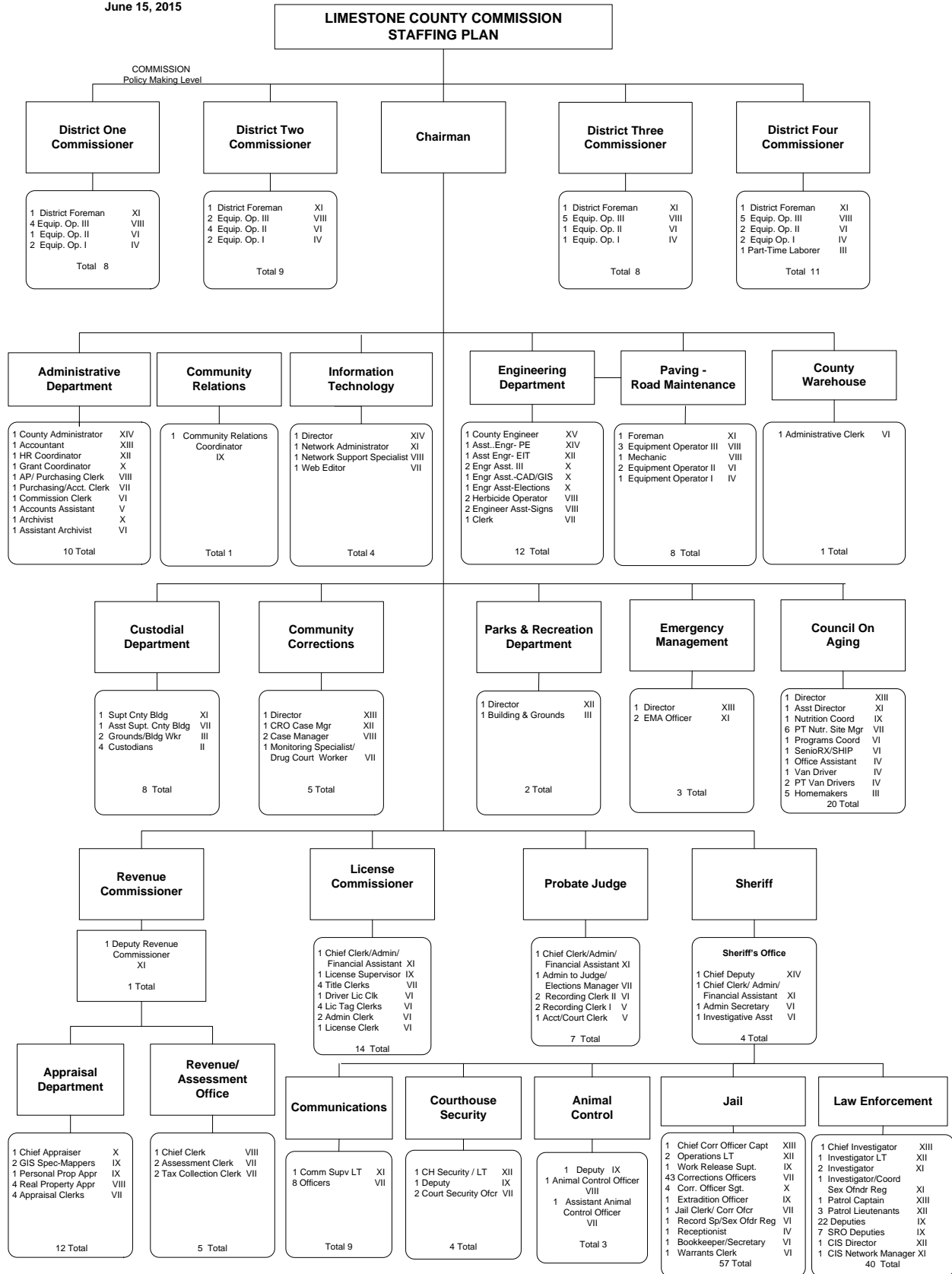
Proposal No.	Item	Awarded To	Amount
2541	Toners, Cartridges, Developers June 15, 2015 to March 4, 2016	Staples Advantage	35% off catalog price

The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Jason Black, aye; Stanley Hill, aye; Steve Turner, aye; and Ben Harrison, aye. Motion carries unanimously.

MOTION was made by Steve Turner and seconded by Jason Black to amend the Staffing Plan to add six Corrections Officers and approve budget in the amount of \$65,894.33 for salaries and benefits.

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The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Steve Turner, aye; Jason Black, aye; Stanley Hill, aye; and Ben Harrison, aye. Motion carries unanimously.

MOTION was made by Stanley Hill and seconded by Steve Turner to approve the following merit increases, which are included in the base pay and cost of living pay as listed below.

Name	Position	Effective Date	Current Rate Per Hour	New Rate Per Hour
Whitney Aldridge	Recording Clerk	6/25/15	12.99	13.40
Tony Graviet	Community Corrections Director	6/01/15	27.99	28.87
Amanda Morgan	Case Management Supervisor	6/01/15	25.33	26.13
Ellen Whiteaker	Accounts Payable/Purchasing Ck	6/21/15	16.86	17.39

The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Stanley Hill, aye; Steve Turner, aye; Jason Black, aye; and Ben Harrison, aye. Motion carries unanimously.

MOTION was made by Jason Black and seconded by Ben Harrison to approve the insolvencies, errors, and taxes in litigation for 2014 and uncollected insolvents and taxes in litigation for previous year as presented by Revenue Commissioner’s Office.

The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Jason Black, aye; Ben Harrison, aye; Stanley Hill, aye; and Steve Turner, aye. Motion carries unanimously.

MOTION was made by Jason Black and seconded by Steve Turner to approve the following Change Orders for Phase III of the Courthouse renovation project; \$22,622.43.

- Pettus CO # 4 structural repairs at all duct penetrations through walls \$5,872.68
- Garber CO # 5 installing additional Bulk Heads in the 3rd floor corridor \$1,437.50
- Garber CO # 6 ceiling changes above judge’s benches, changes to a vault wall at Circuit Court Clerk’s Office, add firewall at stair #2 at attic access \$3,812.25
- Garber CO # 7 replace all acoustical ceilings on 1st floor \$11,500.00

The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Jason Black, aye; Steve Turner, aye; Stanley Hill, aye; and Ben Harrison, aye. Motion carries unanimously.

MOTION was made by Ben Harrison and seconded by Stanley Hill to remove the following equipment from inventory:

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Department	Item	Inventory #	Asset #
Courthouse	Rapiscan Metal Detector	17667	4564

The Chairman asked if there was any discussion. There was no discussion. The Administrator called the roll. Ben Harrison, aye; Stanley Hill, aye; Steve Turner, aye; and Jason Black, aye. Motion carries unanimously.

Commissioner Stanley Hill said the chip seal project on Batrumville Road is finished and thanked the residents for their patience.

Commissioner Steve Turner said the paving crew is in District 2 this week and next.

Commissioner Jason Black reported that two cutters in District 3 have been sold on GovDeals.

Commissioner Ben Harrison said he is setting up a meeting to address roads Limestone County shares with Lauderdale County.

Commissioner Harrison also stated that he would like to have all documents related to commission measures in hand by 9 a.m. on Wednesdays in which the commission has a scheduled work session. County Administrator Pam Ball said assuring all agenda items and paperwork will be in commissioners' hands by 9 a.m. on work session days may be difficult because important items related to industrial development often come in later. County Attorney Mark Maclin added there are also times when legal language in an agenda item has to be changed before it can be finalized. He said he was willing to work with commissioners to amend existing language in the commission's current rules of procedures governing meetings.

Recessed at 10:42 a.m. until 10:00 a.m. on Wednesday, July 1, 2015, at the Washington Street Courthouse Annex, 310 West Washington Street, Athens, AL.