



CITY OF DAPHNE
1705 MAIN STREET, DAPHNE, AL
CITY COUNCIL BUSINESS MEETING AGENDA
TUESDAY, SEPTEMBER 8, 2026 at 6:00 PM

1. CALL TO ORDER

A. ROLL CALL

B. INVOCATION Father Tuck Bowen - St. Stephen's Charismatic Episcopal Church

C. PLEDGE OF ALLEGIANCE

2. PRESENTATIONS/PUBLIC HEARINGS

A. RECOGNITION: Cheer on the Daphne High School Fall Sports Seniors

B. PRESENTATION: 39th Annual Alabama Coastal Cleanup

C. PROCLAMATION: Constitution Week

D. PUBLIC HEARING: Annexation Petition for MOBAMA, LLC located Southwest of Glover Lane and Friendship Road

E. PUBLIC HEARING: Annexation Petition for Bayshore Christian School Foundation, Inc. located Southeast of Glover Lane and Friendship Road

3. APPROVE MINUTES

A. July 13, 2026 and August 10, 2026 work sessions and the August 17, 2026 regular meeting

4. REPORTS OF STANDING COMMITTEES

A. FINANCE COMMITTEE - Conaway

Review the minutes from the August 17, 2026 meeting

Treasurer's Report for July 2026: Unrestricted Fund Balance - \$30,945,145

Total Cash Balance - \$53,144,417

Sales Tax for June 2026: \$2,509,348.66; Lodging tax for June 2026: \$217,587

Debt Summary - July 2026: Warrants - \$25,432,087

Capital Leases: General Fund - \$526,758; Enterprise Fund - \$1,001,938

B. BUILDINGS & PROPERTY COMMITTEE- Messinger

C. PUBLIC SAFETY COMMITTEE - Green

D. CODE ENFORCEMENT/ORDINANCE COMMITTEE - Roberts

- i. Review the minutes from the August 3, 2026, meeting

E. PUBLIC WORKS COMMITTEE - Coleman

5. REPORTS OF SPECIAL BOARDS & COMMISSIONS

A. BOARD OF ZONING ADJUSTMENTS - Adrienne Jones

B. DAPHNE PUBLIC SCHOOL COMMISSION - Messinger

C. DOWNTOWN REDEVELOPMENT AUTHORITY - Olen

D. INDUSTRIAL DEVELOPMENT BOARD - Coleman

E. LIBRARY BOARD - Olen

F. PLANNING COMMISSION - Olen

- i. Review the minutes of the regular meeting of July 23, 2026; and, report the regular meeting of August 27, 2026.

G. RECREATION BOARD - Green

H. UTILITY BOARD - Coleman

- i. Review the minutes from the July 29, 2026 meeting and the August 19, 2026, budget meeting.

6. PUBLIC PARTICIPATION

7. MAYOR'S REPORT

8. CITY ATTORNEY REPORT

9. DEPARTMENT HEAD REPORTS

10. CITY CLERK'S REPORT

- A. MOTION** to approve the Prematurity Awareness Month 5k on November 21, 2026, from 9:00am - 11:00am.

11. RESOLUTIONS

- A. 2026-56** - Resolution Declaring Certain Personal Property Surplus and Authorizing the Mayor to Dispose of Such Property - 2009 Ford Econoline Wagon and 2012 Chevy Tahoe

- B. 2026 - 57 - Resolution Authorizing the Mayor to Enter into an Agreement with the Alabama Department of Transportation for the Installation of Gateway Sign on Highway 181 South**

12. 2nd READ ORDINANCES

- A. 2026-27 - Ordinance to Repeal Ordinance No. 2026-21 and Adopt the 2024 International Fire Code with Amendments Thereto for the City of Daphne, Alabama**
- B. 2026-28 - Ordinance Authorizing Fish River Waterline Easement**

13. 1st READ ORDINANCES

- A. 2026-29 - Ordinance to Annex Property located Southwest of Glover Lane and Friendship Road - MOBAMA LLC**
- B. 2026-30 - Ordinance to Annex Property located Southeast of Glover Lane and Friendship Road - Bayshore Christian Foundation, Inc.**
- C. 2026-31- Ordinance Adopting the Fiscal Year 2027 Budget**
- D. 2026-32 - Ordinance Granting Non-Exclusive Authorization to the City of Loxley, Alabama, for the Purpose of Constructing and Maintaining a Water Distribution System within Certain Public Rights-of-Way within the City of Daphne, Alabama**
- E. 2026 - 33 - Ordinance Authorizing the Acquisition of Certain Real Property Commonly Known as the Apalachee Property; Approving a Purchase and Donation Agreement; Authorizing the Mayor to Execute the Agreement and Related Documents; Authorizing the Expenditure of Funds; and Providing for Related Matters**

14. COUNCIL COMMENTS

15. ADJOURN



STATE OF ALABAMA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
STATE LANDS DIVISION, COASTAL SECTION

KAY IVEY
GOVERNOR

CHRISTOPHER M. BLANKENSHIP
COMMISSIONER

CHARLANNA SKAGGS
DEPUTY COMMISSIONER

31115 – 5 Rivers Boulevard
Spanish Fort, Alabama 36527
(251) 621-1216
(251) 621-1331 Fax

PATRICIA POWELL MCCURDY
DIRECTOR
STATE LANDS DIVISION

JAMES DOUGLAS DEATON JR
ASSISTANT DIRECTOR
STATE LANDS DIVISION

WILLIAM V. UNDERWOOD
COASTAL SECTION ADMINISTRATOR
STATE LANDS DIVISION

July 27, 2026

Mayor Robin LeJeune
CITY OF DAPHNE
1705 Main St.
Daphne, AL 36526

RE: 39th Annual Alabama Coastal Cleanup

Dear Mayor LeJeune:

The Annual Alabama Coastal Cleanup is fast approaching. The Coastal Cleanup has become an environmental highlight for the State of Alabama serving as the largest volunteer event focused on the removal of marine debris. This year, the State of Alabama will host the 39th Annual Coastal Cleanup on **Saturday, September 19, 2026**.

As you may know, the Alabama Coastal Cleanup is part of a larger national, and international, event held annually on the third Saturday in September. Since the beginning of the Alabama Coastal Cleanup in 1987, over **115,000 volunteers** have participated in the Alabama Coastal Cleanup and removed more than **900 tons of marine debris** from Alabama's valued coastline.

The City of Daphne has been a strong and dedicated supporter and participant in this event. The Alabama Coastal Cleanup Coordinators, Alabama Department of Conservation and Natural Resources (ADCNR) – State Lands Division, Coastal Section and Alabama People Against a Littered State (ALPALS), would like to request that the city continue its support by providing onsite trash disposal of the cleanup debris.

A dumpster, or other type of trash receptacle, is requested at the following locations:

MAY DAY PARK – (1) DUMPSTER

Please help us make this year's Coastal Cleanup a great success by providing your support for this worthy cause. If you would like, I am available to speak with the City Council regarding this issue and the Annual Alabama Coastal Cleanup. In addition, Cathy Barnette (251-929-9801) will be serving as the volunteer Zone Captain for the Daphne Zone again this year. Your assistance is greatly appreciated, and I look forward to hearing from you soon.

Sincerely,

Emily Carter
Alabama Coastal Cleanup State Coordinator

cc: Kit Robinson and Jesi Ward

CITY OF DAPHNE, ALABAMA

Proclamation

WHEREAS, the Constitution of the United States of America, the guardian of our liberties, embodies the principles of limited government in a Republic dedicated to rule by law;

WHEREAS, September 17, 2026, marks the two hundred and thirty-ninth anniversary of the framing of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, it is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebrations which will commemorate it; and

WHEREAS, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week.

NOW,
THEREFORE; I, Robin LeJeune, as the Mayor of the City of Daphne, along with the Daphne City Council do hereby proclaim the week of September 17 - 23, 2026 as

Constitution Week

in the City of Daphne and ask citizens to reaffirm the ideals the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties.





Robin LeJeune, Mayor



Cindy Beaudreau, City Clerk

COMMUNITY DEVELOPMENT



July 24, 2026

Mobama, LLC
Attn.: Mike Hood
1918 N McKenzie Street
Foley, AL 36535

Subject: Annexation Petition #ANX26-04

Dear Mobama, LLC,

On July 23, 2026, the Daphne Planning Commission motion to set forth a favorable recommendation to the City Council for annexation was voted on and received a unanimous vote (5 to 0 vote) of the 94.82-acre subject property currently zoned Baldwin County, R-A, Rural Agricultural, District 15 into the city limits of Daphne as R-1, Low Density Single Family Residential.

Documentation of these recommendations will be sent to the City Clerk for further processing. If you have any questions, feel free to contact me.

Sincerely,

Adrienne D. Jones, AICP
Community Development Director & Zoning Administrator

cc: City Clerk
File

**COMMUNITY DEVELOPMENT
INTERNAL MEMORANDUM**



DATE: July 27, 2026
TO: Office of the City Clerk
FROM: Adrienne Jones, AICP, Director of Community Development
SUBJECT: MOBAMA, LLC Annexation Petition

PRESENT ZONING: RA, Rural Agricultural, Baldwin County District 15

LOCATION: Southwest of Glover Lane and Friendship Road

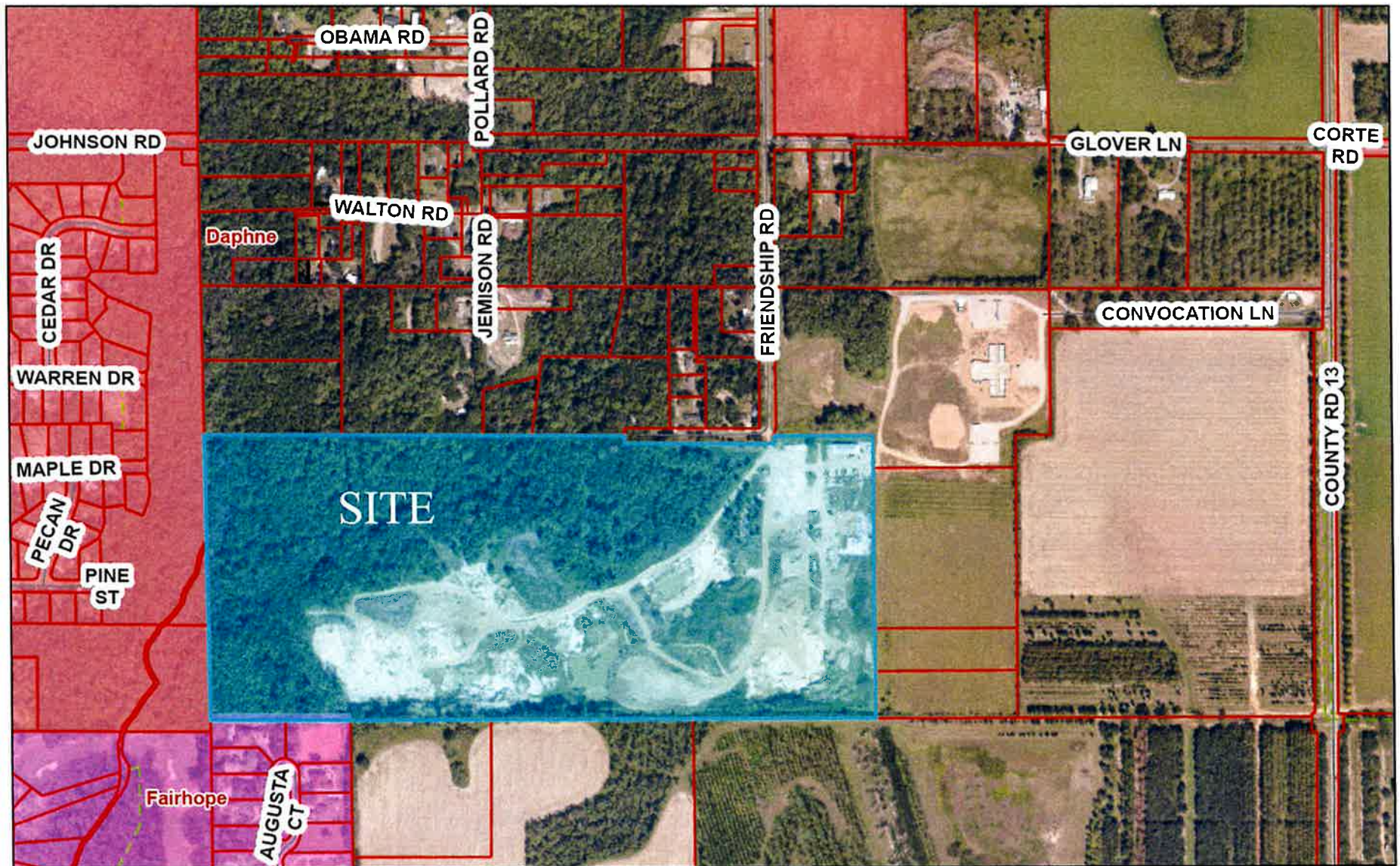
RECOMMENDATION: At the July 23, 2026 regular meeting of the City of Daphne Planning Commission, five members were present and the motion to set forth a favorable recommendation received a unanimous vote; 5 to 0, in favor of the above captioned annexation.

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

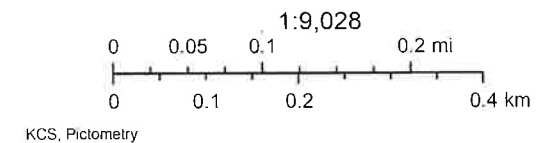
Upon receipt of said documentation, please prepare an ordinance for placement on the City Council agenda to set a public hearing.

Thank you,
ADJ/ja

MOBAMA LLC ANNEXATION PETITION



- | | | |
|-------------|-----------------|-------------|
| City Limits | County Boundary | Centerlines |
| Daphne | Lot Lines | Parcels |
| Fairhope | | |



MOBAMA, LLC

ANNEXATION PETITION

Excerpt from Article 23-1 Procedure [for Annexation Requests]

The application shall be reviewed by the Planning Commission at its next regular meeting and said Commission shall have thirty (30) calendar days from said regular meeting within which to submit a recommendation to the City Council. If the Commission fails to submit a recommendation to the City Council within the thirty (30) calendar day period, it shall be deemed to have approved the proposed amendment...Before enacting any amendment to this Ordinance, a public hearing thereon shall be held by the City Council with proper notice as required by law. Said public hearing shall be held at the earliest possible time to consider the proposed annexation, and the Council shall take action on said proposed annexation within forty-five (45) calendar days from the date of the public hearing except in the case where the tentative action is not in accordance with the Planning Commission's certified recommendation.

23-2 PROCEDURE FOR ZONING NEWLY ANNEXED LAND

Any land annexed to the City of Daphne hereafter shall be classified as an R-1, Low Density Single Family Residential District unless otherwise recommended by the Planning Commission through the zoning amendment procedure provided in Article 22-1, Zoning Amendment Procedures. In such case, City Council may consider, after due process of publication and hearing as required by law, specific applications to zone newly annexed land into one or more existing or proposed new zoning classifications recommended by the Planning Commission.

MOBAMA, LLC REQUEST

The applicant proposes to annex the subject property into the corporate limits. The site will meet the contiguity requirement as it abuts Daphmont Subdivision along its western boundary line.

RECOMMENDATION

The Comprehensive Plan encourages expansion and annexation of land contiguous to the existing corporate limits. The subject property is located within Priority Expansion Area 1.

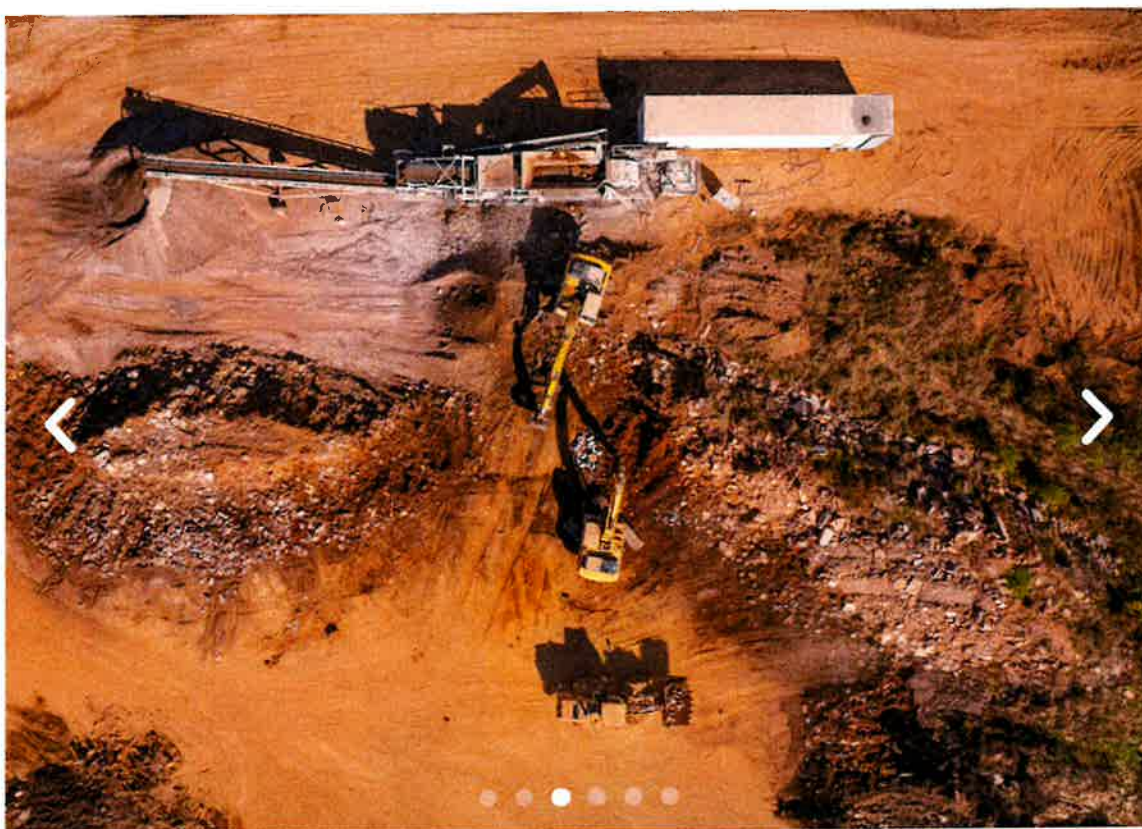
Staff recommends approval of the request to annex this site and recommends that the Planning Commission set forth a favorable recommendation to the City Council.

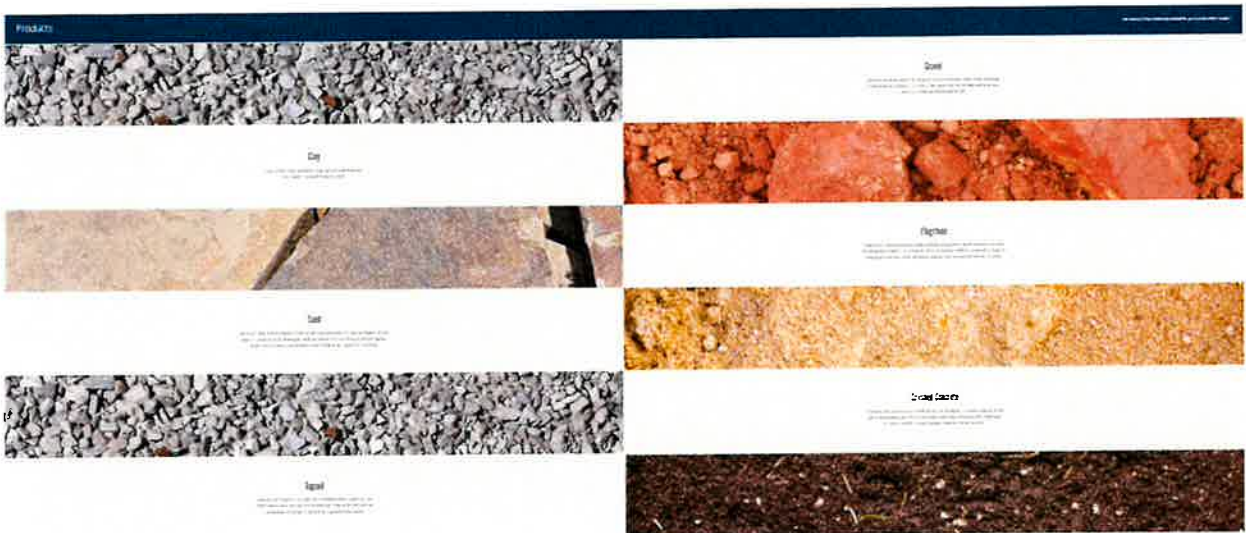
At the July 23, 2026 Planning Commission meeting, five members were present. A motion to render a favorable recommendation for annexation was made. The vote was unanimous.

All Images from <https://fulcrumgroup.com/earth-stone/>









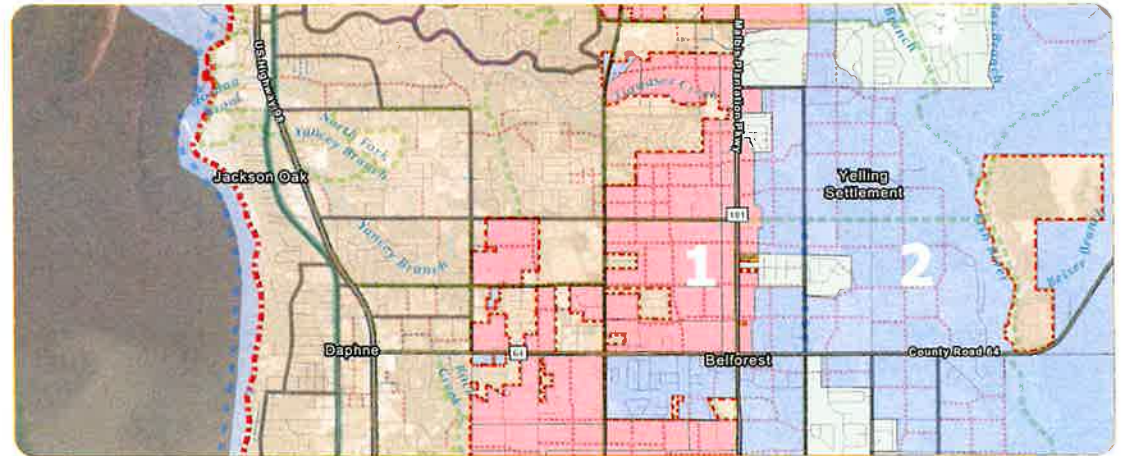
Operations include the excavation of natural resources including: clay, sand, top soil, gravel, flagstone, and crushed concrete. Upon annexation, the business will be considered grandfathered as is and will continue to operate its current uses in an R-1, Low Density Single Family Residential, zoning classification.

EXPANSION PRIORITIES

Envision Daphne 2042 includes detailed study and planning for areas not currently in the City Limits. Based on the cumulative results of planning study, community engagement, and Daphne's planning vision and themes, expansion is required to fully achieve Daphne's envisioned future. This section illustrates the prioritized expansion of Daphne's City Limits and outlines options for achieving that expansion.

Above Right: Existing Daphne Limits
Opposite: Envision Daphne 2042

Methods of Extending Municipal Corporate Limits



Annexation Options

Growing cities must expand their boundaries to accommodate continued growth. Rapid growth in Daphne's planning area has led to a demonstrated need for expansion to achieve the purposes of Envision Daphne 2042. Alabama offers three options for annexation as summarized below. A report entitled "Methods of Extending Municipal Corporate Limits" produced by the The Alabama League of Municipalities and revised in 2017 provides details of Alabama's annexation options. The three options are summarized below.

1. Annexation by Local Act of the Legislature

Section 104(18) of the Constitution of Alabama of 1901 specifically allows the extension of municipal boundaries by local act of the legislature. The Alabama Municipal League recommends that once a city has discussed the proposed annexation with its legislative delegation, the city should seek approval to work with Legislative Reference Service (LRS) to prepare the annexation bill.

2. Annexation by Referendum

Sections 11-42-1 through 11-42-4 of the Code of Alabama provide for an annexation referendum. Essential requirements include: written consent of at least 2 electors and property owners of 60 percent of the acreage, a map or plat of area, Council resolution, and Certification of Mayor to Probate Judge (no election required if unanimous consent). Probate Judge orders election, notice published, and election conducted. Probate Judge determines and records election results, and issues final resolution regarding results.

Annexation by Petition of 100% of Property Owners

Sections 11-42-20 through 11-42-24 of the Alabama Code allows annexation upon unanimous consent of the persons owning property in the area. The area to be considered for annexation must actually be contiguous to the corporate limits of the municipality.

Priority Expansion Areas

Priority Expansion Area 1

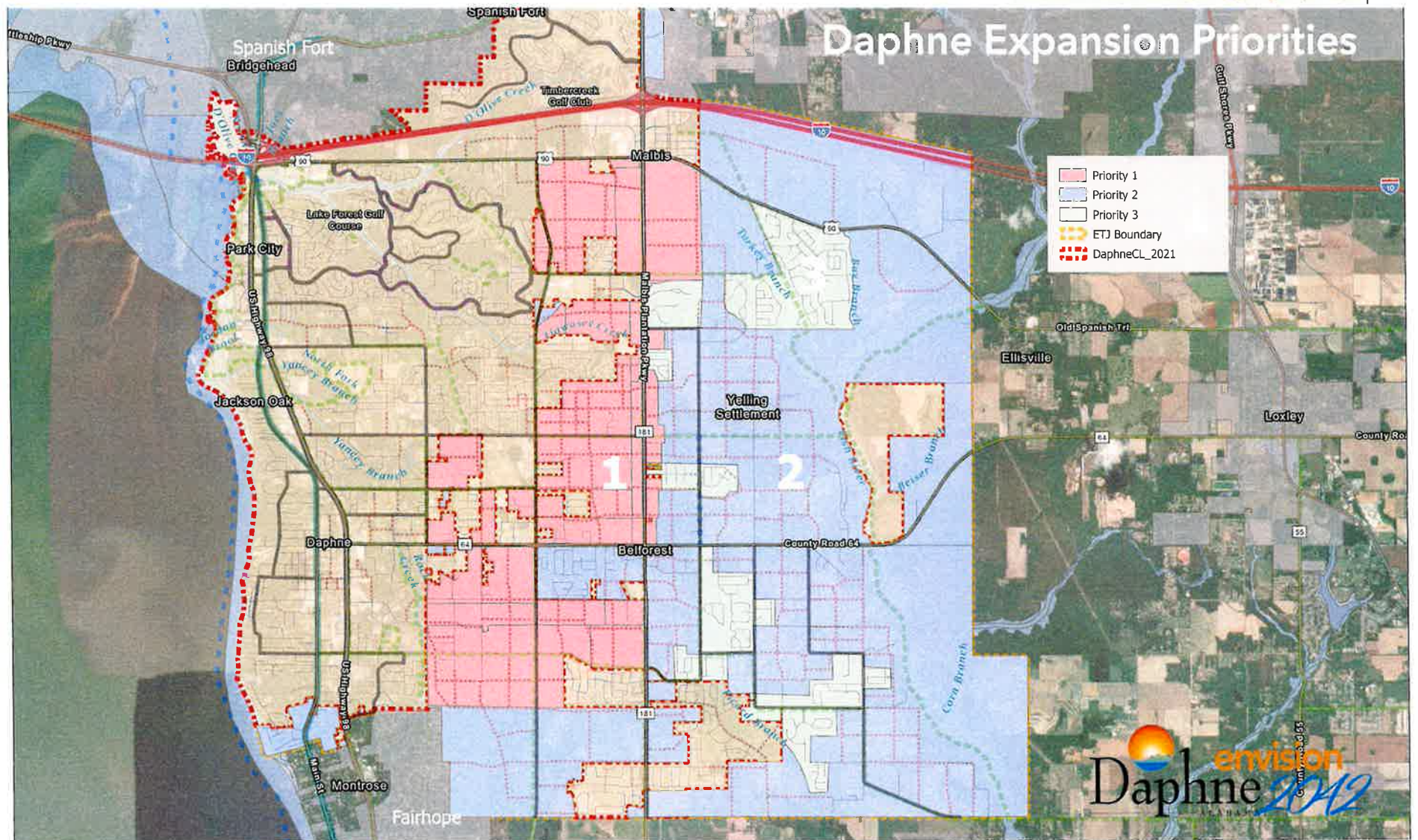
Priority Expansion Area 1 includes territory immediately east of and adjacent to the current City Limits of Daphne. This area includes the important intersections along the Highway 181 corridor.

Priority Expansion Area 2

Priority Expansion Area 2 consists of land to the east of the Highway 181 corridor and lands south of the Bellatone neighborhood. This expansive area extends eastward to the limits of the planning area.

Priority Expansion Area 3

Priority Expansion Area 3 constitutes the balance of the land in the planning area. These areas are characterized by mature development.



**PETITION FOR ANNEXATION OF CERTAIN PROPERTY
INTO THE CORPORATE LIMITS OF THE MUNICIPALITY
OF THE CITY OF DAPHNE, ALABAMA**

(MOBAMA, LLC)

The undersigned corporation, MOBAMA, LLC, files this petition with the Clerk of the City of Daphne requesting the property hereafter described, commonly referred to as, Parcel No. 43-08-28-0000-032.000, to be annexed into the City of Daphne, a municipal corporation incorporated under the laws of the State of Alabama, and submits the following in support of the petition:

1. **Description of Property:** The description of the property which the petitioner requests to be annexed into the City of Daphne is described in **Exhibit "A"** attached hereto and made a part of this petition as fully set out herein (**the "Property"**).

2. **Map of Property:** Attached hereto as **Exhibit "B"** and made a part of this petition, is a map of the property showing its relationship to the corporate limits of the municipality of the City of Daphne.

3. **Owner:** The petitioner, MOBAMA, LLC, is the owner of the property hereby sought to be annexed into the corporate limits of the City of Daphne.

4. **Specific Conditions:** This petition is conditioned upon the adoption of an ordinance, which shall include specifically the conditions requested below upon annexing the said property into the corporate limits of the City of Daphne.

Requested zoning, if other than R-1: _____

Any other conditions which may apply upon annexation: _____

5. Code: This Petition is filed pursuant to the provisions of Article 21, Chapter 42, Title 11, Code of Alabama, 1975, as amended.

DATED this 29 day of June, 2026

Respectfully submitted,

MoBama LLC
Name of Corporation

By: Mike Hood
Its: Member

STATE OF ALABAMA
COUNTY OF BALDWIN

I, Brian P. Britt, the undersigned Notary Public in and for said county and state, hereby certify that Michael J. Hood whose name as Member of MOBAMA LLC, an Alabama corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of the instrument, he/she as such officer and with full authority, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 29 day of June, 2026.

[Signature]
NOTARY PUBLIC

My commission expires: 1/9/29

Corporation's Address

1918 N. McKenric St
Foley, AL 36535

ADDITIONAL INFORMATION

We, the undersigned, constituting all of the owners of the described real property do hereby execute and file this written petition asking and requesting that our property be annexed into the corporate limits of the City of Daphne, Alabama, under the authority of Section 11-42-20 through 11-42-24, Code of Alabama 1975. Initials: M.H.

We further certify that said property is contiguous to the city limits of Daphne, Alabama. A map and written legal description of said property is hereto attached. Initials: M.H.

We certify that the property is a single or multiple parcels under single or multiple ownership. Circle appropriate response: Initials: M.H.

We certify that we fully understand that upon annexation, the subject property shall be subject to all laws and codes administered by the City of Daphne, including, but not limited to, the zoning code, the subdivision regulations and the municipal code of the City of Daphne. Initials: M.H.

SELECT ONE OF THE FOLLOWING OPTIONS

☐ Option# 1: We do hereby request pre-zoning of the subject property to the following zoning classification(s): _____, and certify that a petition for rezoning, associated fees and documents have been submitted prior to or concurrently with this petition. Initials: _____

Or

☒ Option# 2: We do hereby certify that we understand fully that upon annexation the subject property will be zoned R-1, Low Density Single Family Residential. Initials: M.H.

We do hereby request that the Planning Commission and City Council give such notice, hold such hearing and adopt such ordinance and do all such things or acts as is required by law so that the corporate limits of the City of Daphne, Alabama shall be rearranged so as to include such territory.

IN WITNESS WHEREOF, we have hereunto subscribed our names this, the 29 day of June, 2020.

Legal Description Attached (Exhibit A)? _____ Map or Survey Attached (Exhibit B)? _____
Recorded Subdivision Plat OR Preliminary/Final Subdivision plat approved by Planning Commission
Attached (Exhibit C)? _____ Acreage _____
Subdivision Name _____ Lot Number(s) _____

Names and Signature of ALL property owners OR principle of corporation's designee:

Signature: Mike Hood Signature: _____
Printed Name: Mike Hood Printed Name: _____
Mailing Address: 1918N McKenzie Mailing Address: _____

36535

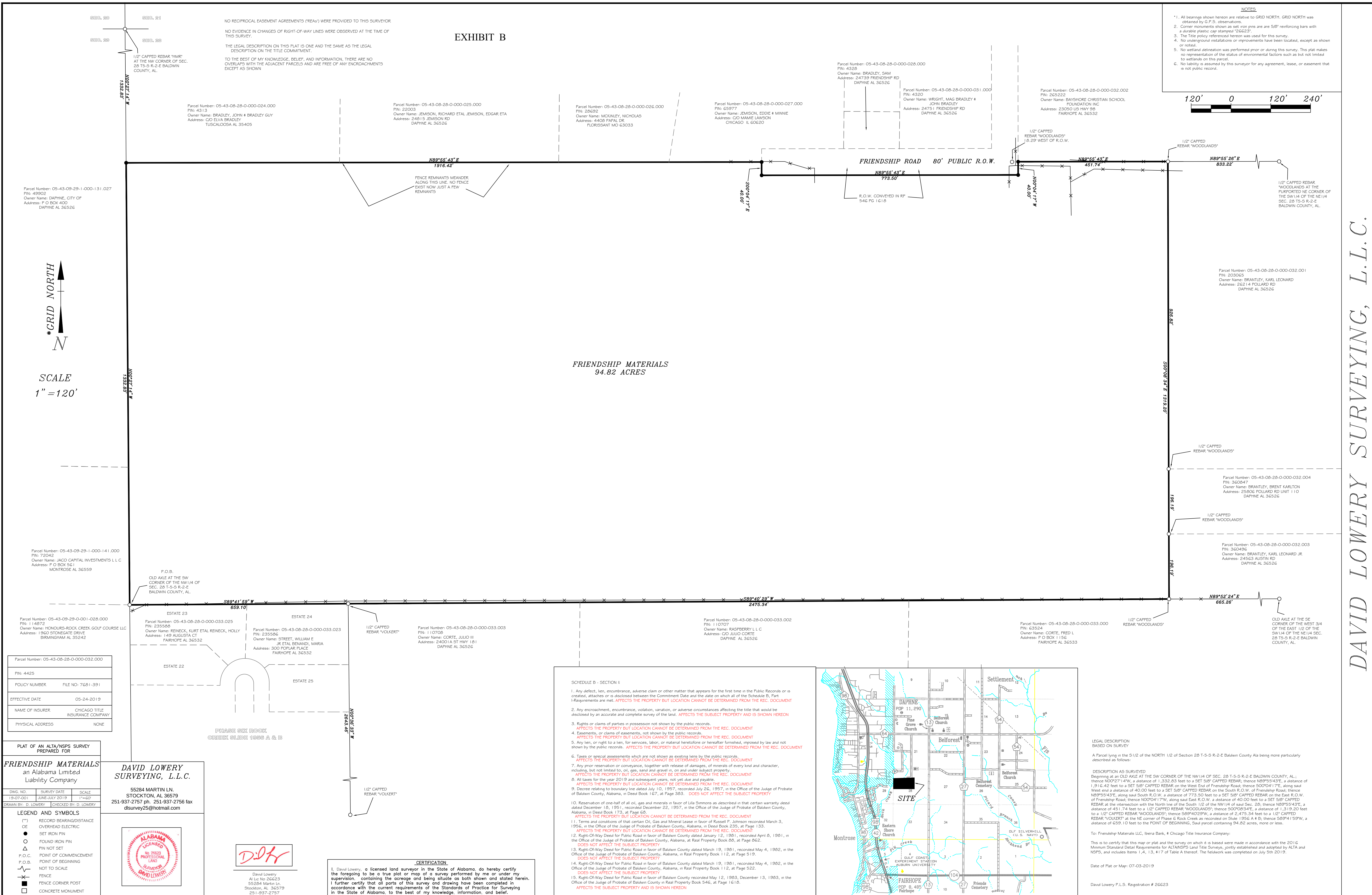
3

MOBAMA, LLC
FRIENDSHIP ROAD
ANNEXATION PETITION

EXHIBIT "A"

LEGAL DESCRIPTION:

BEGINNING AT AN OLD AXLE AT THE SW CORNER OF THE NW ¼ OF SEC. 28 T-5-S, R-2-E, BALDWIN COUNTY, AL; THENCE N00°27'14''W, A DISTANCE OF 1,332.83 FEET TO A SET 5/8'' CAPPED REBAR; THENCE N89°55'43''E, A DISTANCE OF 1,916.42 FEET TO A SET 5/8'' CAPPED REBAR ON THE WEST END OF FRIENDSHIP ROAD; THENCE S00°04'17''E, ALONG SAID WEST END A DISTANCE OF 40.00 FEET TO A SET 5/8'' CAPPED REBAR ON THE SOUTH R.O.W. OF FRIENDSHIP ROAD; THENCE N 89°55'43'' E, ALONG SAID SOUTH R.O.W. A DISTANCE OF 773.50 FEET TO A SET 5/8'' CAPPED REBAR ON THE EAST R.O.W. OF FRIENDSHIP ROAD; THENCE N 00°04'17''W, ALONG SAID EAST R.O.W. A DISTANCE OF 40.00 FEET TO A SET 5/8'' CAPPED REBAR AT THE INTERSECTION WITH THE NORTH LINE OF THE SOUTH ½ OF THE NW ¼ OF SAID SEC. 28; THENCE N 89°55'43'' E, A DISTANCE OF 451.74 FEET TO A 1/2'' CAPPED REBAR "WOODLANDS"; THENCE S 00°08'34''E, A DISTANCE OF 1,319.20 FEET TO A ½'' CAPPED REBAR "WOODLANDS"; THENCE S 89°40'29'' W, A DISTANCE OF 2,475.34 FEET TO A ½'' CAPPED REBAR "VOLKERT" AT THE NE CORNER OF PHASE 6 ROCK CREEK AS RECORDED ON SLIDE 1956-A & B; THENCE S 89°41'59'' W, A DISTANCE OF 659.10 FEET TO THE POINT OF BEGINNING.



COMMUNITY DEVELOPMENT



July 24, 2026

Bayshore Christian School Foundation, Inc
Attn.: Brian Britt
316 Presbyterian Drive
Fairhope, AL 36532

Subject: Annexation Petition #ANX26-05

Dear Bayshore Christian School Foundation, Inc,

On July 23, 2026, the Daphne Planning Commission motion to set forth a favorable recommendation to the City Council for annexation was voted on and received a unanimous vote (5 to 0 vote) of the 46.0-acre subject property currently zoned Baldwin County, R-A, Rural Agricultural, District 15 into the city limits of Daphne as R-1, Low Density Single Family Residential.

Documentation of these recommendations will be sent to the City Clerk for further processing. If you have any questions, feel free to contact me.

Sincerely,

Adrienne D. Jones, AICP
Community Development Director & Zoning Administrator

cc: City Clerk
File

**COMMUNITY DEVELOPMENT
INTERNAL MEMORANDUM**



DATE: July 27, 2026
TO: Office of the City Clerk
FROM: Adrienne Jones, AICP, Director of Community Development 
SUBJECT: Bayshore Christian School Foundation, Inc. Annexation Petition

PRESENT ZONING: RA, Rural Agricultural, Baldwin County District 15

LOCATION: Southeast of Glover Lane and Friendship Road

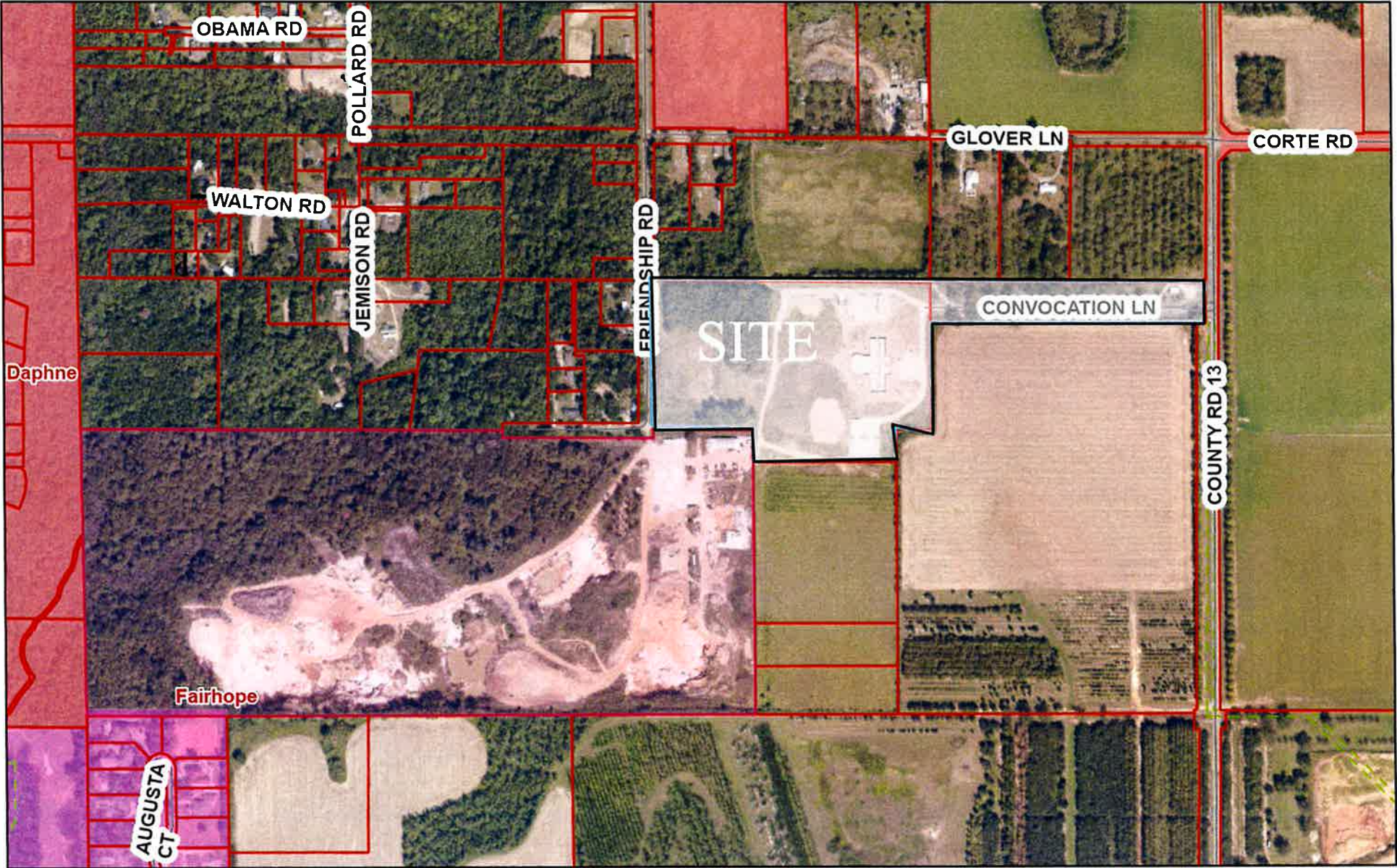
RECOMMENDATION: At the July 23, 2026 regular meeting of the City of Daphne Planning Commission, five members were present and the motion to set forth a favorable recommendation received a unanimous vote; 5 to 0, in favor of the above captioned annexation.

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 to set a public hearing.

Thank you,
ADJ/ja

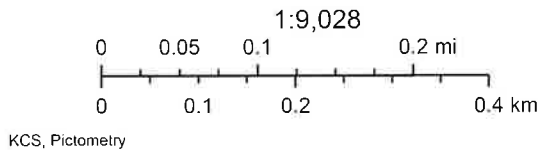
BAYSHORE ANNEXATION PETITION



MOBAMA

Fairhope
Daphne

Centerlines
Parcels



BAYSHORE CHRISTIAN SCHOOL FOUNDATION ANNEXATION PETITION

Excerpt from Article 23-1 Procedure [for Annexation Requests]

The application shall be reviewed by the Planning Commission at its next regular meeting and said Commission shall have thirty (30) calendar days from said regular meeting within which to submit a recommendation to the City Council. If the Commission fails to submit a recommendation to the City Council within the thirty (30) calendar day period, it shall be deemed to have approved the proposed amendment...Before enacting any amendment to this Ordinance, a public hearing thereon shall be held by the City Council with proper notice as required by law. Said public hearing shall be held at the earliest possible time to consider the proposed annexation, and the Council shall take action on said proposed annexation within forty-five (45) calendar days from the date of the public hearing except in the case where the tentative action is not in accordance with the Planning Commission's certified recommendation.

23-2 PROCEDURE FOR ZONING NEWLY ANNEXED LAND

Any land annexed to the City of Daphne hereafter shall be classified as an R-1, Low Density Single Family Residential District unless otherwise recommended by the Planning Commission through the zoning amendment procedure provided in Article 22-1, Zoning Amendment Procedures. In such case, City Council may consider, after due process of publication and hearing as required by law, specific applications to zone newly annexed land into one or more existing or proposed new zoning classifications recommended by the Planning Commission.

Bayshore Christian School Foundation

The applicant proposes to annex the subject property into the corporate limits. Bayshore Christian School Foundation owns five parcels of land, all of which is proposed to be annexed. ***The site currently does not meet the contiguity requirement therefore approval is recommended contingent upon the annexation of MOBAMA, LLC property on this same agenda.*** Bayshore Christian School upon annexation will be zoned R-1, Low Density Single Family Residential, and will be grandfathered to continue operations as is.

RECOMMENDATION

The Comprehensive Plan encourages expansion and annexation of land contiguous to the existing corporate limits. The subject property is located within Priority Expansion Area 1.

Staff recommends approval of the request to annex this site and recommends that the Planning Commission set forth a favorable recommendation to the City Council . contingent upon the annexation of MOBAMA, LLC property on this same agenda. This is necessary to satisfy the requirement of being contiguous to Daphne's corporate limits.

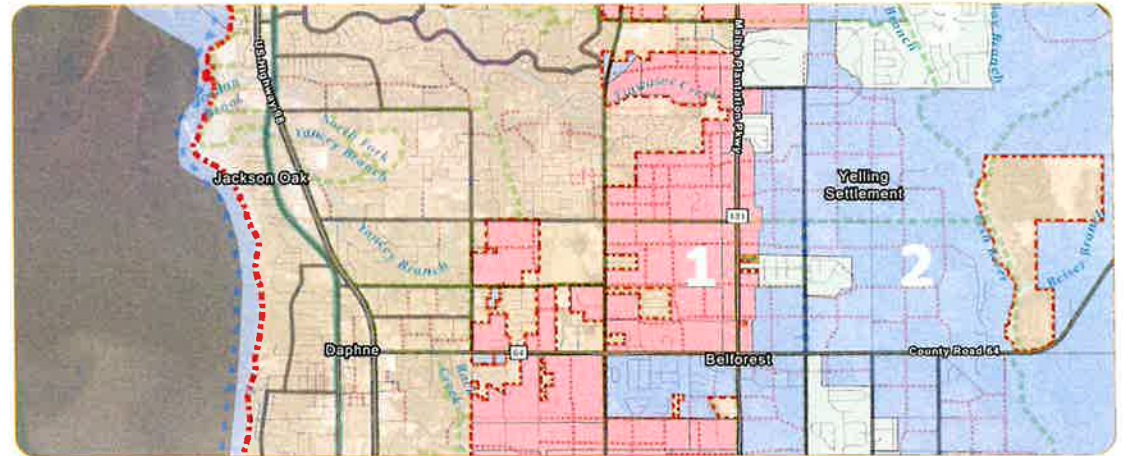
At the July 23, 2026 Planning Commission meeting, five members were present. A motion to render a favorable recommendation for annexation was made. The vote was unanimous.

EXPANSION PRIORITIES

Envision Daphne 2042 includes detailed study and planning for areas not currently in the City Limits. Based on the cumulative results of planning study, community engagement, and Daphne's planning vision and themes, expansion is required to fully achieve Daphne's envisioned future. This section illustrates the prioritized expansion of Daphne's City Limits and outlines options for achieving that expansion.

Above Right: Priority Expansion Areas
Opposite: Envision Daphne

Methods of Extending Municipal Corporate Limits



Annexation Options

Growing cities must expand their boundaries to accommodate continued growth. Rapid growth in Daphne's planning area has led to a demonstrated need for expansion to achieve the purposes of Envision Daphne 2042. Alabama offers three options for annexation as summarized below. A report entitled "Methods of Extending Municipal Corporate Limits" produced by the The Alabama League of Municipalities and revised in 2017 provides details of Alabama's annexation options. The three options are summarized below.

1. Annexation by Local Act of the Legislature

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2. Annexation by Referendum

Sections 11-42-1 through 11-42-4 of the Code of Alabama provide for an annexation referendum. Essential requirements include: written assent of at least 2 electors and property owners of 60 percent of the acreage, a map or plat of area, Council resolution, and Certification of Mayor to Probate Judge (no election required if unanimous consent). Probate Judge orders election, notice published, and election conducted. Probate Judge determines and records election results, and issues final resolution regarding results.

Annexation by Petition of 100% of Property Owners

Sections 11-42-20 through 11-42-24 of the Alabama Code allows annexation upon unanimous consent of the persons owning property in the area. The area to be considered for annexation must actually be contiguous to the corporate limits of the municipality.

Priority Expansion Areas

Priority Expansion Area 1

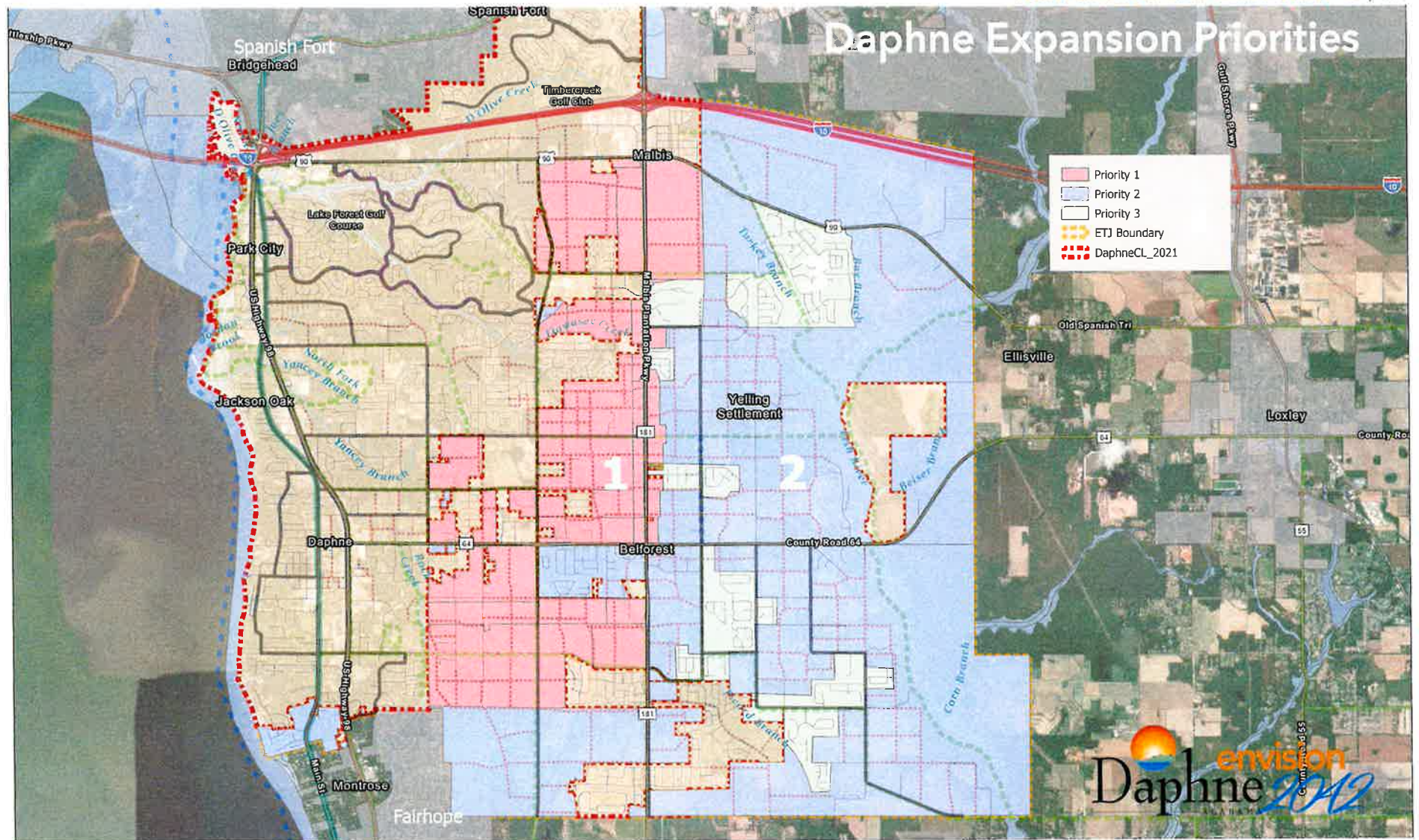
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Priority Expansion Area 2

Priority Expansion Area 2 consists of land to the east of the Highway 181 corridor and lands south of the Bellon neighborhood. This expansive area extends eastward to the limits of the planning area.

Priority Expansion Area 3

Priority Expansion Area 3 constitutes the balance of the land in the planning area. These areas are characterized by mature development.



**PETITION FOR ANNEXATION OF CERTAIN PROPERTY
INTO THE CORPORATE LIMITS OF THE MUNICIPALITY
OF THE CITY OF DAPHNE, ALABAMA**

(Bayshore Christian School Foundation, Inc.)

The undersigned corporation, Bayshore Christian School Foundation, Inc. files this petition with the Clerk of the City of Daphne requesting the property hereafter described, commonly referred to as, See attached Exhibit A-1, to be annexed into the City of Daphne, a municipal corporation incorporated under the laws of the State of Alabama, and submits the following in support of the petition:

1. **Description of Property:** The description of the property which the petitioner requests to be annexed into the City of Daphne is described in **Exhibit "A"** attached hereto and made a part of this petition as fully set out herein (**the "Property"**).

2. **Map of Property:** Attached hereto as **Exhibit "B"** and made a part of this petition, is a map of the property showing its relationship to the corporate limits of the municipality of the City of Daphne.

3. **Owner:** The petitioner, Bayshore Christian School Foundation, Inc., is the owner of the property hereby sought to be annexed into the corporate limits of the City of Daphne.

4. **Specific Conditions:** This petition is conditioned upon the adoption of an ordinance, which shall include specifically the conditions requested below upon annexing the said property into the corporate limits of the City of Daphne.

Requested zoning, if other than R-1:

Any other conditions which may apply upon annexation:

5. Code: This Petition is filed pursuant to the provisions of Article 21, Chapter 42, Title 11, Code of Alabama, 1975, as amended.

DATED this 29 day of June, 2026

Respectfully submitted,

School

Bayside Christian Foundation, Inc.
Name of Corporation

By:

[Signature]

Its:

Vice Chairman

STATE OF ALABAMA
COUNTY OF BALDWIN

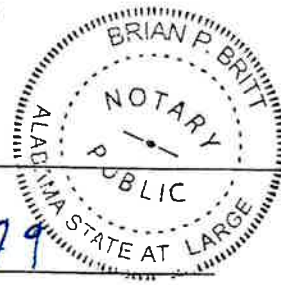
I, Brian P. Britt, the undersigned Notary Public in and for said county and state, hereby certify that Jeffrey Charles Horton whose name as Vice Chairman of Bayside Christian Foundation, Inc., an Alabama corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day, that, being informed of the contents of the instrument, he/she as such officer and with full authority, executed the same voluntarily on the day the same bears date.

Given under my hand and official seal this the 29 day of June, 2026.

[Signature]
NOTARY PUBLIC

My commission expires:

7/9/29



Corporation's Address

316 Prestaffonian Dr.
Fairhope, AL 36532

ADDITIONAL INFORMATION

We, the undersigned, constituting all of the owners of the described real property do hereby execute and file this written petition asking and requesting that our property be annexed into the corporate limits of the City of Daphne, Alabama, under the authority of Section 11-42-20 through 11-42-24, Code of Alabama 1975. Initials: JS

We further certify that said property is contiguous to the city limits of Daphne, Alabama. A map and written legal description of said property is hereto attached. Initials: JS

We certify that the property is a single or multiple parcels under single or multiple ownership. Circle appropriate response: Initials: JS

We certify that we fully understand that upon annexation, the subject property shall be subject to all laws and codes administered by the City of Daphne, including, but not limited to, the zoning code, the subdivision regulations and the municipal code of the City of Daphne. Initials: JS

SELECT ONE OF THE FOLLOWING OPTIONS

- ☐ Option# 1: We do hereby request pre-zoning of the subject property to the following zoning classification(s): _____, and certify that a petition for rezoning, associated fees and documents have been submitted prior to or concurrently with this petition. Initials: _____

Or

- ☒ Option# 2: We do hereby certify that we understand fully that upon annexation the subject property will be zoned R-1, Low Density Single Family Residential. Initials: JS

We do hereby request that the Planning Commission and City Council give such notice, hold such hearing and adopt such ordinance and do all such things or acts as is required by law so that the corporate limits of the City of Daphne, Alabama shall be rearranged so as to include such territory.

IN WITNESS WHEREOF, we have hereunto subscribed our names this, the 29 day of June, 2016.

Legal Description Attached (Exhibit A)? _____ Map or Survey Attached (Exhibit B)? _____
Recorded Subdivision Plat OR Preliminary/Final Subdivision plat approved by Planning Commission
Attached (Exhibit C)? _____ Acreage _____
Subdivision Name _____ Lot Number(s) _____

Names and Signature of ALL property owners OR principle of corporation's designee:

Signature: [Signature] Signature: _____

Printed Name: JEFFREY C. HARTLEY Printed Name: _____

Mailing Address: 8740 Convocation Ln. Mailing Address: _____

Daphne, AL 36526

3

BAYSHORE CHRISTIAN SCHOOL FOUNDATION
FRIENDSHIP ROAD
ANNEXATION PETITION
PARCEL 1

EXHIBIT "A"

LEGAL DESCRIPTION:

Commence at a point being used as the Northwest corner of the Northeast Quarter of Section 28, Township 5 South, Range 2 East, Baldwin County, Alabama, thence run South 00 degrees 00 minutes 45 seconds East 1369.95 feet to a point; thence run South 89 degrees 57 minutes 07 seconds East 24.34 feet to a point; thence run South 89 degrees 57 minutes 07 seconds East 470.11 feet to a point in a fence; thence run South 00 degrees 03 minutes 06 seconds West 926.80 feet to the Point of Beginning; thence run South 89 degrees 55 minutes 54 seconds East 666.70 feet to a point in a fence; thence run South 00 degrees 16 minutes 23 seconds West along said fence 196.16 feet to a point; thence run North 89 degrees 55 minutes 54 seconds West 665.94 feet to a point; thence run North 00 degrees 03 minutes 06 seconds East 196.16 feet to the Point of Beginning.

SUBJECT TO a 40-foot wide easement across the Eastern margin of the above-described parcel.

TOGETHER WITH a 40-foot wide easement for ingress and egress across the Northern margin of the West Half of the Southwest Quarter of the Northeast Quarter of said Section 28, Township 5 South, Range 2 East, and the West three fourths of the East Half of the Southwest Quarter of the Northeast Quarter of said Section 28, Township 5 South, Range 2 East.

BAYSHORE CHRISTIAN SCHOOL FOUNDATION
FRIENDSHIP ROAD
ANNEXATION PETITION
PARCEL 2

EXHIBIT "A"

LEGAL DESCRIPTION:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN S 00°00'45" E, 669.18 FEET TO A POINT; THENCE RUN S 89°15'48" E, 40.00 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF FRIENDSHIP ROAD AND THE POINT OF BEGINNING; THENCE RUN S 89°15'50" E, LEAVING SAID EAST RIGHT OF WAY LINE, 1290.08 FEET TO A POINT; THENCE RUN S 00°10'59" W, 684.58 FEET TO A POINT; THENCE RUN N 89°58'39" W, 162.97 FEET TO A POINT; THENCE RUN S 00°16'26" W, 151.43 FEET TO A POINT; THENCE RUN N 89°58'39" W 669.73 FEET TO A POINT; THENCE RUN N 00°03'09" E 151.43 FEET TO A POINT; THENCE RUN N 89°58'39" W, 469.91 FEET TO A POINT ON SAID EAST RIGHT-OF-WAY LINE OF FRIENDSHIP ROAD; THENCE RUN NORTHEASTERLY ALONG SAID EAST RIGHT-OF-WAY LINE AND A CURVE TO THE LEFT HAVING A RADIUS OF 82.15 FEET, A DELTA ANGLE OF 34°32'04", A CHORD OF WHICH BEARS N 18°27'30" E FOR 48.77 FEET AN ARC LENGTH OF 49.52 FEET TO A POINT; THENCE RUN N 00°00'08" W, ALONG SAID EAST RIGHT-OF-WAY LINE 654.38 FEET TO THE POINT OF BEGINNING. LYING IN SECTION 28, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA.

PARCEL "B"

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN S 00°00'45" E, 1370.32 FEET TO A POINT; THENCE RUN S 89°58'39" E, 24.43 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF FRIENDSHIP ROAD; THENCE RUN S 89°58'39" E, LEAVING SAID EAST RIGHT-OF-WAY LINE, 469.91 FEET TO A POINT; THENCE RUN S 00°03'09" W, 151.43 FEET TO THE POINT OF BEGINNING; THENCE RUN S 89°58'39" E, 669.73 FEET TO A POINT; THENCE RUN S 00°16'26" W, 775.81 FEET TO A POINT; THENCE RUN N 89°55'44" W, 666.74 FEET TO A POINT; THENCE RUN N 00°03'09" E, 775.23 FEET TO THE POINT OF BEGINNING. LYING IN SECTION 28, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA.

BAYSHORE CHRISTIAN SCHOOL FOUNDATION
FRIENDSHIP ROAD
ANNEXATION PETITION
PARCEL 3A AND 3B

EXHIBIT "A"

LEGAL DESCRIPTION:

Commence at a point being used as the Northwest corner of the Northeast Quarter of Section 28, Township 5 South, Range 2 East, Baldwin County, Alabama, thence run South 00 degrees 00 minutes 45 seconds East 669.18 feet to a point; thence run South 89 degrees 15 minutes 48 seconds East 40.00 feet to a point on the East right of way of Friendship Road; thence run South 89 degrees 15 minutes 48 seconds East 1290.08 feet to a point at a fence corner and the Point of Beginning; thence run South 89 degrees 32 minutes 36 seconds East 1284.61 feet to a point on the West right of way of County Road 13; thence run South 00 degrees 12 minutes 53 seconds West along said West right of way 171.42 feet to a point; thence run North 89 degrees 32 minutes 36 seconds West 1284.53 feet to a point in a fence; thence run North 00 degrees 11 minutes 11 seconds East along said fence 171.32 feet to the Point of Beginning.

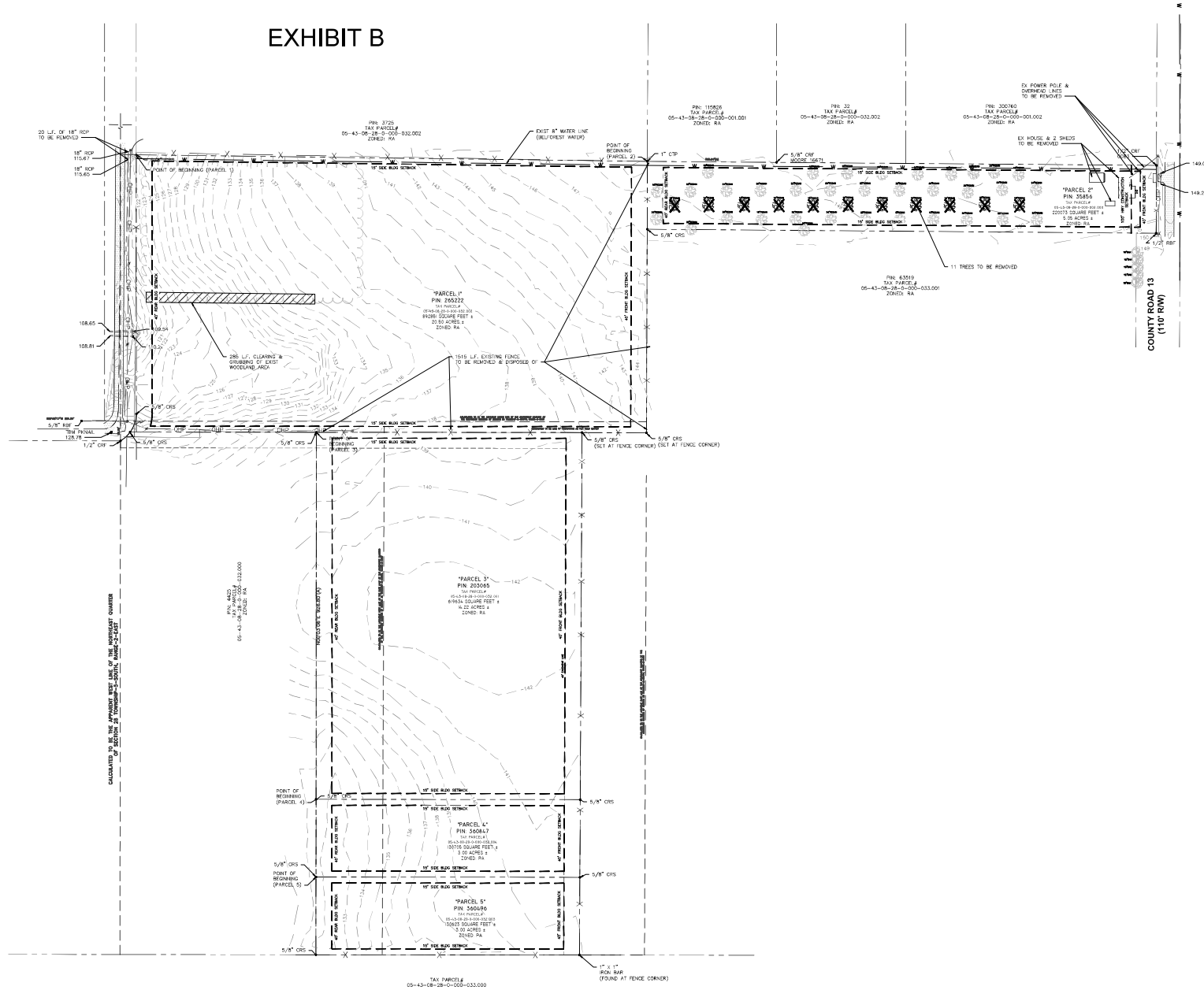
BAYSHORE CHRISTIAN SCHOOL FOUNDATION
FRIENDSHIP ROAD
ANNEXATION PETITION
PARCEL 4

EXHIBIT "A"

LEGAL DESCRIPTION:

Commence at a point being used as the Northwest corner of the Northeast Quarter of Section 28, Township 5 South, Range 2 East, Baldwin County, Alabama, thence run South 00 degrees 00 minutes 45 seconds East 669.18 feet to a point; thence run South 89 degrees 15 minutes 48 seconds East 40.00 feet to a point on the East right of way of Friendship Road; thence run South 89 degrees 15 minutes 48 seconds East 1290.08 feet to a point at a fence corner and the Point of Beginning; thence run South 89 degrees 32 minutes 36 seconds East 1284.61 feet to a point on the West right of way of County Road 13; thence run South 00 degrees 12 minutes 53 seconds West along said West right of way 171.42 feet to a point; thence run North 89 degrees 32 minutes 36 seconds West 1284.53 feet to a point in a fence; thence run North 00 degrees 11 minutes 11 seconds East along said fence 171.32 feet to the Point of Beginning.

EXHIBIT B



A NEW FACILITY

FOR
BAYSHORE CHRISTIAN SCHOOL
FAIRHOPE, ALABAMA



SHEET TITLE: EXIST COND & DEMO PLAN

MCKEE JOB #: 23-016

DRAWN BY: BAT

DATE: 02-2023

REVISED DATE:

REVISED DATE:

REVISED DATE:

SHEET NO.: C200

**July 13, 2026
CITY COUNCIL MEETING
WORK SESSION MEETING
1705 MAIN STREET
DAPHNE, AL
6:00 P.M.**

1. CALL TO ORDER:

There being a quorum present Councilman Ben Hughes called the meeting to order at 6:02pm.

2. ROLL CALL:

COUNCIL MEMBERS PRESENT: Steve Olen, Joel Coleman, Oliver Roberts, Stephanie Messinger, Ben Hughes and Jennifer Green

Also Present: Cindy Beaudreau, City Clerk; Mayor LeJeune; Patrick Dungan, City Attorney; and Troy Strunk, City Development.

3. MOBILE BAY NEP UPDATE

Jason Kudulis presented the Mobile Bay NEP Update.

4. ANYTHING ELSE DEEMED NECESSARY

None

5. ADJOURN:

THERE BEING NO FURTHER BUSINESS TO DISCUSS, COUNCIL ADJOURNED AT 6:24PM.

Respectfully submitted by,

Certification of Presiding Officer,

Cindy Beaudreau, City Clerk

Benjamin Hughes, Council President

**AUGUST 10, 2026
CITY COUNCIL MEETING
WORK SESSION MEETING
1705 MAIN STREET
DAPHNE, AL
6:00 P.M.**

1. CALL TO ORDER:

There being a quorum present Councilman Ben Hughes called the meeting to order at 6:00pm.

2. ROLL CALL:

COUNCIL MEMBERS PRESENT: Steve Olen, Joel Coleman, Oliver Roberts, Stephanie Messinger, and Ben Hughes

Also Present: Cindy Beaudreau, City Clerk; Jay Ross, City Attorney; Troy Strunk, City Development; Chief Gulsby, Police and Paul Blakely, Police

3. HUMAN TRAFFICKING INVESTIGATIONS

Paul Blakely shared the Human Trafficking Investigations presentation. Detective Blakely explained about the Internet Crimes Against Children (ICAC) role in assisting with human trafficking investigations. Detective Blakely introduced Allana Chris, Founder, Little Tree Project, a Victim Advocate group. Ms. Chris shared their goals and some of their success stories.

4. ANYTHING ELSE DEEMED NECESSARY

None

5. ADJOURN:

THERE BEING NO FURTHER BUSINESS TO DISCUSS, COUNCIL ADJOURNED AT 6:37PM.

Respectfully submitted by,

Certification of Presiding Officer,

Cindy Beaudreau, City Clerk

Ben Hughes, Presiding Officer

August 17, 2026
CITY COUNCIL MEETING
REGULAR BUSINESS MEETING
1705 MAIN STREET
DAPHNE, AL
6:00 P.M.

1. **CALL TO ORDER:**

There being a quorum present Council President Benjamin Hughes called the meeting to order at 6:00pm.

ROLL CALL:

COUNCIL MEMBERS PRESENT: Tommie Conaway, Steve Olen, Joel Coleman, Oliver Roberts, Stephanie Messinger, Benjamin Hughes and Jennifer Green

Also Present: Patrick Dungan, City Attorney; Chief Gulsby, Police; Chief Tacon, Fire; Troy Strunk, City Development; Charlie McDavid, Recreation; Bobby Purvis, Public Works; Andy Bobe, City Engineer; Ange Baggett, Marketing; Emmie Powell, Library; Vickie Hinman, Human Resources; Cindy Beaudreau, City Clerk; Schuyler Smith, Junior Council; Emery Capstraw, Junior Council; Lakyn Coggin, Junior Council; Sloane Dyess, Junior Council; Emma West, Junior Council; and Jessica Linne, Assistant City Clerk.

INVOCATION/PLEDGE OF ALLEGIANCE:

Invocation was given by Junior Councilmember Sloane Dyess.

2. **PROCLAMATION:**

Councilman Coleman presented a proclamation to the Pine Grove Lodge #639.

3. **APPROVE THE MINUTES:**

The minutes from the August 3, 2026 Regular Meeting were approved.

4. **REPORT OF STANDING COMMITTEES:**

A. FINANCE COMMITTEE

Councilwoman Conaway said the report will be given at the next Council meeting.

B. BUILDINGS & PROPERTY COMMITTEE

Councilwoman Messinger said the July new construction and building report was in the packet. Out of that report were 5 certificates of occupancy, 208 permits issued, 18 residential home permits and a total of \$86,205.76 collected in fees. The next meeting is August 10th at 5:15pm. She mentioned the minutes from the July 13th meeting were in the packet.

MOTION by Councilwoman Messinger to authorize the City Clerk to send an initial 20-day letter for abatement of a dangerous building located at 29017 US Highway 98, Daphne, Alabama. No second was needed.

MOTION CARRIED UNANIMOUSLY.

C. PUBLIC SAFETY COMMITTEE

Councilwoman Green said the next meeting is September 14th at 4:30pm and the minutes from the July 13th meeting are in the packet.

D. CODE ENFORCEMENT/ORDINANCE COMMITTEE

Councilman Roberts said the next meeting is September 8th at 4:30pm.

E. PUBLIC WORKS COMMITTEE

Councilman Coleman said the next meeting is September 8th at 5:15pm and the minutes from the July 6th meeting are in the packet.

**August 17, 2026
CITY COUNCIL MEETING
REGULAR BUSINESS MEETING
1705 MAIN STREET
DAPHNE, AL
6:00 P.M.**

5. REPORTS OF SPECIAL BOARDS & COMMISSIONS:

A. Board of Zoning Adjustments

There was no report.

B. Daphne Public School Commission

Councilwoman Messinger said the next meeting is August 24th, at 5:30pm.

C. Downtown Redevelopment Authority

Councilman Olen said the next meeting is August 20th at 5:30pm.

D. Industrial Development Board

Councilman Coleman said the next meeting is August 18th at 4:30pm.

E. Library Board

Councilman Olen said the next meeting is September 10th at 4:30pm.

F. Planning Commission

Councilman Olen said the next meeting is August 27th at 5:00pm.

G. Recreation Board

Councilwoman Green said the next meeting is September 9th at 6:00pm.

H. Utility Board

Councilman Coleman said there is a special called meeting on Wednesday at 11am, then the next regular meeting is August 26th at 5:00pm.

6. PUBLIC PARTICIPATION:

Public participation opened at 6:09pm.

Schuyler Smith, 24669 Hartford Avenue, discussed concerns about the need for a traffic guard during school dismissal on County Road 13 at Daphne High School.

Emery Capstraw, 9520 Casey Court, proposed the return of a crossing guard at County Road 13.

Emma West, 9581 Camberwell Drive, expressed concerns about the need for a traffic guard during school dismissal on County Road 13 at Daphne High School.

Nancy Milford, 135 Confederate Drive, Spanish Fort, discussed an accident she was involved in with a city vehicle.

Public participation closed at 6:21pm.

7. MAYOR'S REPORT:

Mayor LeJeune was absent.

8. CITY ATTORNEY REPORT:

No report

**August 17, 2026
CITY COUNCIL MEETING
REGULAR BUSINESS MEETING
1705 MAIN STREET
DAPHNE, AL
6:00 P.M.**

9. DEPARTMENT HEAD COMMENTS:

Chief Tacon, Fire, commended Junior Councilmember Emma West for her completion of the CPAT test at the fire station and presented her a challenge coin.

Ange Baggett, Marketing and Tourism, said there is an “Evening with the Mayor” on September 1st at 5:30pm at Moe’s and the Centennial Brand Launch on October 7th at 10:00am.

Emmie Powell, Library, shared about the Back to School Bookmark contest hosted by the library.

Bobby Purvis, Public Works, shared about sidewalks being installed and announced they had hired a new Solid Waste Manager.

Lakyn Coggin, Junior City Council, discussed what the group did on their 2 day tour of the City and reminded everyone the next meeting is Monday at 5:00pm.

10. CITY CLERK’S REPORT:

MOTION by Councilman Olen to approve the road closure of 6th Street from Dryer Avenue to College Avenue on October 25, 2026 from 8:00am - 6:00pm for the Christ the King Pumpkin Festival. Seconded by Councilwoman Conaway.

MOTION CARRIED UNANIMOUSLY.

MOTION by Councilwoman Green to approve the Apollo Mystics Ladies Mardi Gras Parade on January 29, 2027 from 6:45pm - 9:00pm with a rain date of February 4, 2027.

Seconded by Councilman Roberts.

MOTION CARRIED UNANIMOUSLY.

MOTION by Councilwoman Conaway to approve the Donut Sale Fundraiser for Daphne High School Air Force JROTC at the intersections of Eastern Shore Trail/Windsor Drive and Highway 90/Bay View Drive on October 17, 2026, November 14, 2026, December 5, 2026, January 16, 2027, February 20, 2027 and March 20, 2027. Seconded by Councilman Roberts.

MOTION CARRIED UNANIMOUSLY.

MOTION by Councilman Roberts to approve the publication and set a public hearing on September 8, 2026 for the MOBAMA, LLC Annexation Petition located southwest of Glover Lane and Friendship Road. Seconded by Councilwoman Green.

MOTION CARRIED UNANIMOUSLY.

MOTION by Councilman Roberts to approve the publication and set a public hearing on September 8, 2026 for the Bayshore Christian School Foundation, Inc. Annexation Petition located southeast of Glover Lane and Friendship Road. Seconded by Councilwoman Green.

MOTION CARRIED UNANIMOUSLY.

11. RESOLUTIONS:

A. 2026 - 55 - Act 2026 - 608 - Retiree One Time Lump Sum Payment - \$31,964

MOTION by Councilwoman Conaway to waive the reading of Resolution 2026-55. Seconded by Councilman Coleman.

MOTION CARRIED UNANIMOUSLY.

August 17, 2026
CITY COUNCIL MEETING
REGULAR BUSINESS MEETING
1705 MAIN STREET
DAPHNE, AL
6:00 P.M.

MOTION by Councilwoman Conaway to adopt Resolution 2026-55. Seconded by Councilman Coleman.
Aye – Conaway, Coleman, Roberts, Messinger, Hughes and Green Nay – Olen
MOTION CARRIED.

12. **2ND READ ORDINANCES:**

A. **2026-26 - Ordinance Amending Ordinance 2021-52 - Longevity Pay for Employees**

MOTION by Councilwoman Conaway to waive the reading of Ordinance 2026-26. Seconded by Councilman Coleman.
MOTION CARRIED UNANIMOUSLY.

MOTION by Councilwoman Conaway to adopt Ordinance 2026-26. Seconded by Councilman Coleman.
Aye – Conaway, Coleman, Roberts, Messinger, Hughes and Green Nay – Olen
MOTION CARRIED.

13. **1ST READ ORDINANCES:**

A. **2026-27 - Ordinance to Repeal Ordinance No. 2026-21 and Adopt the 2024 International Fire Code with Amendments Thereto for the City of Daphne, Alabama**

B. **2026-28 - Ordinance Authorizing Fish River Waterline Easement**

14. **COUNCIL COMMENTS**

Councilwoman Conaway congratulated Emma West on being recognized.

Councilman Roberts thanked the Junior Council for how involved they are becoming with the city.

Council President Hughes echoed the comments on the Junior City Council.

15. **ADJOURN:**

THERE BEING NO FURTHER BUSINESS TO DISCUSS, COUNCIL ADJOURNED AT 6:31PM.

Respectfully submitted by,

Certification of Presiding Officer,

Cindy Beaudreau, City Clerk

Benjamin Hughes, Council President



**CITY OF DAPHNE
FINANCE COMMITTEE MINUTES
MONDAY, AUGUST 17, 2026
at 4:30 P.M.**

1. CALL TO ORDER/ROLL CALL

The meeting was called to order at 4:30 p.m.

Present were:

Chairwoman Mrs. Tommie Conaway
Councilman Mr. Steve Olen
Councilman Mr. Joel Coleman
Councilman Mr. Oliver Roberts

Councilwoman Mrs. Stephanie Messinger
Councilman Mr. Ben Hughes
Councilwoman Mrs. Jennifer Green

Also Present: Finance Deputy Director Dianne McKenzie, Accountant III Ms. Suzânn Henson, Revenue Officer Mrs. Connie Champion, Human Resource Director Mrs. Vickie Hinman, Human Resource Deputy Director Jensen Carrell, City Clerk Mrs. Cindy Beaudreau, Executive Director of City Development Mr. Troy Strunk, Fire Chief Ms. LeAnn Tacon, Director of Events and Marketing Mrs. Ange Baggett, Public Works Director Mr. Bobby Purvis, Public Works Deputy Director Randy Jones, City Engineer Andy Bobe, and City Attorney Mr. Patrick Dungan.

2. PUBLIC PARTICIPATION

There was no public participation.

3. APPROVE MINUTES FOR THE PREVIOUS MEETING

The previous meeting minutes were approved.

4. HUMAN RESOURCES BUSINESS

A. Update on Human Resources Department Activity

Mrs. Jensen Carrell reviewed the Human Resources Report:

- Current Open Positions – 17

Mrs. Carrell reviewed the monthly Safety Committee meeting topics and discussed other Human Resources projects and events. Discussion continued on the school traffic and congestion since the new school year just began and on the status of crossing guards for each school. Mr. Strunk noted the Mayor has a meeting scheduled with the Superintendent of the Baldwin County Schools to discuss school traffic.

5. BUSINESS LICENSE REPORT

A. Report: New Business Licenses – July, 2026

Mrs. Champion reviewed the following reports and information:

- Total Business Licenses issued were 41 new and 30 renewals for a total of 71 in July 2026
- New Businesses with a physical location in Daphne - 5
- Code enforcement issued 3 warnings resulting in businesses becoming compliant and \$278 in revenue.
- Simplified Sellers Use Tax collections - \$240,697.46 and YTD collections - \$2,384,561.35.

6. SALES & LODGING TAX REPORT

A. Sales and Use Taxes: June, 2026

Ms. Henson reviewed the Sales & Use Tax Reports: \$2,509,348.66 was collected for June, 2026 which was up \$64,157.95 from June 2025's collections.

- YTD Variance over Budget - \$2,186,149.30

B. Lodging Tax Collections, June, 2026

Ms. Henson reviewed the Lodging Tax Collections Report and noted the collections for June, 2026 were \$217,587.17 which is up \$40,559.95 from June 2025's collections.

- YTD Variance over Budget - \$192,555.97
- Recreation balance for related purchases as of July, 2026 - \$1,063,093.53
- Bayfront balance for related purchases as of July, 2026 - \$ 2,040,763.75

C. Monthly Occupancy Fee Tax Collections, June, 2026

Ms. McKenzie reviewed the Monthly Occupancy Fee Tax Collections Report: \$59,314.00 was collected for June, 2026 which was up \$7,671.50 from June 2025's collections:

- YTD Variance over Budget - \$48,483
- Reserved balance for Occupancy Fee as of July, 2026 - \$827,986.50

7. FINANCIAL SCHEDULES & REPORTS**A. Financial Reports****1. Treasurer's Report: July, 2026**

Ms. McKenzie reviewed the Treasurer's Report:

TREASURER'S REPORT					
As of July 31, 2026					
Account Type/Title	7/31/2026	6/30/2026	Increase (Decrease) from last Month	7/31/2025	Increase (Decrease) from Last Year
GENERAL FUND & ENTERPRISE FUNDS	\$ 17,527,060	\$ 18,525,342	\$ (998,282)	\$ 21,768,021	\$ (4,240,961)
INVESTMENT FUND	13,418,085	13,490,657	(72,572)	11,182,605	\$ 2,235,480
Total Unrestricted Cash Balance	30,945,145	32,015,999	(1,070,855)	32,950,626	(2,005,481)
SPECIAL REVENUE FUNDS					
4 CENT GAS TAX	452,469	447,003	5,465	388,571	63,898
7 CENT GAS TAX	437,841	430,913	6,928	411,310	26,531
10 CENT GAS TAX	512,091	489,601	22,489	443,987	68,104
LOCAL GAS TAX FUND	104,237	68,855	35,382	-	104,237
ANIMAL SHELTER FUND	126,380	127,105	(725)	137,964	(11,584)
MOBILE INFIRMARY BUILDING	375,540	289,648	85,893	89,317	286,223
FEDERAL DRUG FORFEITURES	100,880	101,283	(403)	140,131	(39,251)
LOCAL DRUG FORFEITURES	90,842	90,842	-	99,749	(8,907)
LIBRARY	109,266	101,267	7,999	87,874	21,392
COURT TRAINING & EQUIPMENT	39,783	40,581	(798)	42,578	(2,795)
COURT/CORRECTION	388,893	387,626	1,267	530,504	(141,611)
LODGING TAX	3,797,059	3,698,835	98,224	2,819,278	977,781
AGENCY FUNDS					
SELF INSURANCE	165,777	178,741	(12,963)	216,057	(50,280)
OPEB TRUST INVESTMENT FUND	2,333,545	2,358,625	(25,079)	1,954,814	378,731
	9,034,602	8,810,924	223,678	7,362,134	1,672,468
CAPITAL PROJECT FUNDS					
CAPITAL RESERVE	12,921,226	13,041,435	(120,208)	6,791,959	6,129,267
2023 CONSTRUCTION FUND	2,081	4,277	(2,196)	1,904,619	(1,902,538)
	12,923,308	13,045,712	(122,404)	8,696,578	4,226,730
DEBT SERVICE FUNDS					
DEBT SERVICE	241,362	(330,806)	572,168	(51,185)	292,547
Total Restricted Cash Balance	22,199,272	21,525,830	673,442	16,007,527	6,191,745
Total City Cash Balance	\$ 53,144,417	\$ 53,541,829	\$ (397,412)	\$ 48,958,153	\$ 4,186,264

2. Encumbrance Report

- Encumbrance balance - \$77,870.33 as of July, 2026.

Ms. McKenzie reviewed the Encumbrance Report and noted there was no change from last month.

3. Outstanding Appropriations

Ms. Mckenzie reviewed the Outstanding Appropriations Report.

4. Financial Overview: Debt Summaries & Monthly Financial Statements

Ms. Mckenzie reviewed the following Financial Statements:

- Debt Summary Schedules (General & Enterprise Funds), July, 2026
 - Outstanding Warrant Balance as of July 31, 2026: \$25,432,087
 - Outstanding Capital Lease Balance as of July 31, 2026:
 - General Fund: \$526,758
 - Enterprise Fund: \$1,001,938
- Overtime Report YTD
- Monthly Financial Statements, June 2026
 - General Fund YTD Budgetary Net Income: \$7,765,671 which is \$1,121,132 more than the prior YTD net income
 - Solid Waste Fund Transfers YTD - \$0
 - Civic Center Fund Transfers YTD - \$226,963

5. Summary of Budgetary Amendments

Ms. Mckenzie reviewed the General Fund budgetary amendments made to the FY2026 Budget.

- Total Appropriations Year to Date – \$2,638,159
- Adjusted Expenses over Revenue – (\$2,612,423)

6. Unfunded Future Projects Expenditure Summary

Ms. Mckenzie reviewed the Unfunded Future Projects Expenditure Summary.

B. Bills Paid Reports – July, 2026

The Bills Paid Report was previously presented electronically.

8. BIDS & APPROPRIATIONS (Resolution)

There were no bids or appropriations.

9. SURPLUS

A. Surplus: 2009 Ford Econoline Van-V#6090 & 2012 Chevy Tahoe-V#412

Ms. Henson noted the Police Department has evaluated all of their vehicles since the new ones were received and made transfers between divisions as needed for operations. These two were submitted for approval to surplus.

MOTION BY Mr. Coleman to recommend to Council to declare certain property surplus and authorize the Mayor to dispose of the following surplus property: 2009 Ford Econoline Van-V#6090 & 2012 Chevy Tahoe-V#412. Seconded by Mrs. Messinger.
MOTION CARRIED UNANIMOUSLY

10. NEW BUSINESS

There was no new business discussed.

11. OLD BUSINESS

There was no old business discussed.

12. ADJOURN The meeting adjourned at 4:49p.m.

CODE ENFORCEMENT/ORDINANCE COMMITTEE MEETING

August 3, 2026, 4:30 p.m.

City Hall, Council Chamber

1705 Main Street, Daphne, AL 36526

MEETING MINUTES

MEMBERS PRESENT: Councilwoman Conaway, Councilman Roberts, Councilwoman Green, Councilman Olen and Councilman Hughes

MEMBERS ABSENT: Councilman Coleman and Councilwoman Messinger

ALSO PRESENT: Jay Ross, City Attorney; Christina Brazell, Code Enforcement; Mayor LeJeune; Cindy Beaudreau, City Clerk; Troy Strunk, City Development; Bobby Purvis, Public Works; Randy Jones, Public Works; Chief Tacon, Fire; and Kelli Reid, Finance.

1) CALL MEETING TO ORDER / ROLL CALL

There being a quorum present Councilman Roberts called the meeting to order at 4:30 p.m.

2) APPROVE MINUTES FROM THE June 2, 2026 Meeting

3) PUBLIC PARTICIPATION

4) ORDINANCE REVIEW/DISCUSSION

5) OTHER BUSINESS DEEMED NECESSARY

A) Act 2026-608 One-Time Lump Sum Payment to Retired Members and Beneficiaries of Deceased Retirees in the amount of \$31,964.

MOTION by Councilman Hughes to recommend to Council to approve the One-Time Lump Sum Payment to Retired Members and Beneficiaries of Deceased Retirees in the amount of \$31,964.

Seconded by Councilwoman Green.

MOTION CARRIED 4-1 WITH COUNCILMAN OLEN AGAINST.

6) NEXT MEETING

The next meeting is scheduled for Monday, September 8, 2026 at 4:30 p.m.

7) ADJOURN

There being no further business to discuss, the Council adjourned at 4:35pm.

**COMMUNITY DEVELOPMENT
INTERNAL MEMORANDUM**



DATE: August 31, 2026
TO: Office of the City Clerk
FROM: Adrienne Jones, AICP, Director of Community Development
SUBJECT: Planning Commission Minutes and Report

Attached please find a copy of the approved minutes for the City of Daphne Planning Commission regular meeting of July 23, 2026 and the report of the regular meeting of August 27, 2026 for placement on the Tuesday, September 8, 2026 City Council agenda for review.

Should you have any questions or comments in this regard, please do not hesitate to call.

ADJ/jv

**The City of Daphne
Planning Commission Minutes
Regular Meeting of July 23, 2026
Council Chamber, City Hall - 5:00 P.M.**

Call to Order:

The Chairman called the regular meeting of the City of Daphne Planning Commission to order at 5:00 p.m. The number of members present constitutes a quorum.

Call of Roll:

Members Present:

Kevin Spriggs, Secretary
Bobby Purvis
John Peterson, Vice Chairman
Andrew Prescott, Chairman
Richard Johnson

Staff Present:

Adrienne Jones, AICP, Director of Community Development
Jan Allen, Planning Coordinator
Patrick Dungan, Attorney
Troy Strunk, Executive Director, City Development
Andy Bobe, City Engineer
Jesi Ward, Environmental Programs Manager

Approval of Minutes:

The Chairman called for the first order of business: approval of minutes.

The Chairman asked for input regarding the June 25, 2026, regular meeting minutes presented by staff. There being none, minutes stand approved as submitted.

The Chairman stated that Paradiso Preliminary Plat Review and The Pearl at Daphne Apartment Site Plan will be held over to the regular meeting of August 27, 2026.

Public Participation:

The Chairman called for the next order of business: public participation.

The Chairman commented if a public hearing is required, please hold your comments until the agenda item is heard. Otherwise, please feel free to come forward and speak during public participation.

Victoria Phelps, 111 Worchester Drive, spoke regarding the proposed development of The Pearl at Daphne, expressing concerns about the high velocity stormwater runoff in a flood sensitive area that affects residents along D'Olive Creek; questioned the capacity of onsite stormwater detention; traffic impacts; loss of wildlife habitat; placement of pedestrian sidewalks along County Road 13; and, inadequate undisturbed and vegetative buffers along the southern boundary of the subject property.

**The City of Daphne
Planning Commission Minutes
Regular Meeting of July 23, 2026
Council Chamber, City Hall - 5:00 P.M.**

The Chairman closed the floor to public participation.

Old Business:

The Chairman called for the next order of business: Paradiso Preliminary Plat Review.

Mrs. Jones stated because there is a quorum for the meeting, you can still discuss the project and open public participation but must delay the vote until the next meeting.

An introductory presentation was given by the agent, Aaron Collins. He summarized the preliminary plat review as presented on the meeting agenda.

The Chairman asked about the recommended adjustments to Lots 10, 11 and 12. Mr. Collins advised that the setbacks were removed from the flood plain.

The Chairman opened the floor for the public hearing. The floor was closed after no one came forward to speak.

The Chairman asked whether the Commission should vote to table the item or whether the application is automatically tabled.

Mr. Dungan stated the record should reflect a motion to carry over the agenda item to the next regular meeting because a super majority of members are not present to vote on the application.

Hearing no further comments from the commissioners, the Chairman called for a motion.

A motion was made by Mr. Johnson and seconded by Mr. Spriggs to table the preliminary plat for Paradiso until the regular meeting of August 27, 2026. There was no discussion. The motion carried unanimously.

The Chairman called for the next order of business: The Pearl at Daphne Apartments Site Plan Review.

An introductory presentation was given by the agent, Jason Wooten. He summarized the site plan review as presented on the meeting agenda. He stated many of the outstanding issues have been addressed and advised that further revisions will be required upon receipt of the revised traffic impact study: the main issue will be to determine how the nodes to the north and south interact with planned ALDOT and City roadway improvements.

Mr. Johnson commented that the zoning of the property is appropriate: multi-family development is allowed by right if the site plan is consistent with the regulations.

**The City of Daphne
Planning Commission Minutes
Regular Meeting of July 23, 2026
Council Chamber, City Hall - 5:00 P.M.**

Mrs. Ward stated a fifty-foot stream buffer must be added to the site plan and a note to the CBMPP stating that D'Olive Creek is a 303(d) listed impaired waterway so as to ensure the contractor understands the sensitivity of this area.

Hearing no further comments from the commissioners, the Chairman called for a motion.

A motion was made by Mr. Prescott and seconded by Mr. Johnson to table the site plan for The Pearl at Daphne until the regular meeting of August 27, 2026. There was no discussion. The motion carried unanimously.

New Business:

The Chairman called for the next order of business: MOBAMA, LLC and Bayshore Christian School Foundation, Inc. Annexation Petitions.

An introductory presentation was given on behalf of the owner by agent, Brian Britt. He summarized the annexation request as presented on the meeting agenda and stated that the main motivation is the annexation of Bayshore Christian School, but it is not contiguous; therefore, MOBAMA is being presented in tandem so that both properties can be annexed into the city.

Mr. Dungan stated that annexation is another item in the Land Use Ordinance and Alabama Law that requires six affirmative votes for a favorable recommendation. The difference between annexation and a preliminary plat is that this body is the final decision maker for a subdivision. For annexations, the Commission could vote to forward the annexation request to the City Council, however, it would not be noted as being a favorable or unfavorable recommendation. The record would reflect that there was not a supermajority of members present to vote at the meeting.

Mr. Britt expressed the importance of the annexation being in place prior to the school session for police and fire protection and emergency services. He was agreeable to the petition moving forward without a favorable recommendation.

The Chairman opened the floor for the public hearing. The floor was closed after no one came forward to speak.

Hearing no further comments from the commissioners, the Chairman called for a motion for the associated applications.

A motion was made by Mr. Johnson and seconded by Mr. Peterson to set forth a favorable recommendation to the City Council to annex the MOBAMA, LLC, property into the Daphne city limits, and the motion received a unanimous vote (5 to 0 vote). There was no discussion on the motion. The motion carried unanimously.

The City of Daphne
Planning Commission Minutes
Regular Meeting of July 23, 2026
Council Chamber, City Hall - 5:00 P.M.

A motion was made by Mr. Johnson and seconded by Mr. Prescott to set forth a favorable recommendation to the City Council to annex the Bayshore Christian School Foundation, Inc., property into the Daphne city limits, and the motion received a unanimous vote (5 to 0 vote). There was no discussion on the motion. The motion carried unanimously.

The Chairman called for the next order of business: attorney's report.

Mr. Dungan stated no report.

The Chairman called for the next order of business: None presented.

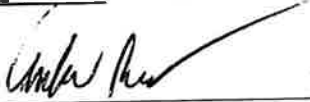
The Chairman called for the next order of business: director's comments. Director presented that the upcoming regular meeting date is August 27, 2026. Thanked commissioners for their time.

There being no further business, the meeting was adjourned at 5:22 p.m.

Respectfully submitted by:

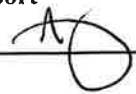

Jan Allen, Planning Coordinator

Approved: August 27, 2026


Andrew Prescott, Vice Chairman

**CITY OF DAPHNE
PLANNING COMMISSION AGENDA
REGULAR MEETING OF AUGUST 27, 2026
COUNCIL CHAMBERS, CITY HALL - 5:00 P.M.**

Report



1. **CALL TO ORDER:** 5:03 p.m.
2. **CALL OF ROLL:** Andrew Prescott, John Peterson, Kevin Spriggs, Bobby Purvis, Richard Johnson, Ida Ross Hicks, Steve Olen and Lucy Watkins
3. **APPROVAL OF MINUTES:** Review of minutes of the regular meeting of July 23, 2026. **(Approved)**
4. **PUBLIC PARTICIPATION:** None presented.
5. **OLD BUSINESS:**
 - A. **PARADISO PRELIMINARY PLAT REVIEW:**
 1. **File SDP26-05:** **(Approved)**

Subdivision: **Paradiso**

Zoning: ***R-2, Medium Density Single Family***

Location: Southwest of Main Street and Jackson Oak Drive
Area: 12.36 Acres $\pm$, 12 lots
Owner: C.T. Morgan, LLC - R.S. Morgan
Surveyor: Dewberry - Victor Germain
Agent: Dewberry - Aaron Collins
Engineer: Dewberry - Logan Dunn
6. **NEW BUSINESS:**
 - A. **THE FORTUNA HOTEL SITE PLAN REVIEW:**
 1. **File SP26-09:** **(Approved with contingencies: submit updated landscape and irrigation plans and revised traffic study)**

Applicant: **The Fortuna Hotel**

Zoning: ***B-2, General Business***

Location: Northeast of the intersection of Main Street and Daphne Avenue
Area: 2.00 Acres $\pm$
Owner: Piazza Olde Towne Investments 2023, LLC and 68V OTDMU 2024, LLC
Developer: TFH Daphne 2026, LLC - Caldwell Cunningham
Engineer: S.E. Civil - Larry Smith
 - B. **WALMART NEIGHBORHOOD MARKET #9578 AND FUEL STATION SITE PLAN REVIEW:**
 1. **File SP26-10:** **(Approved)**

Applicant: **Walmart Neighborhood Market #9578**

Zoning: ***PUD, Planned Unit Development***

Location: Northwest of County Road 64 and Alabama Highway 181
Area: 8.05 Acres $\pm$
Owner: Walmart Real Estate Business Trust, A Delaware Statutory Trust
Engineer: Carlson Consulting - Jose Boinfasi

**CITY OF DAPHNE
PLANNING COMMISSION AGENDA
REGULAR MEETING OF AUGUST 27, 2026
COUNCIL CHAMBERS, CITY HALL - 5:00 P.M.**

2. **File SP26-11: (Approved with conditions: submit a revised sign detail package that is compliant with the approved PUD narrative. The Certificate of Occupancy for the fuel station shall not be issued until such time as the sign detail package is in compliance with the PUD narrative)**

Applicant: Walmart Neighborhood Market #9578 Fuel Station

Zoning: *PUD, Planned Unit Development*

Location: Northwest of County Road 64 and Alabama Highway 181

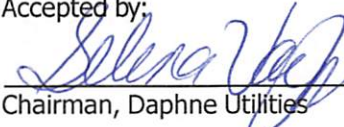
Area: 1.65 Acres ±

Owner: Walmart Real Estate Business Trust, A Delaware Statutory Trust

Engineer: Carlson Consulting - Jose Boinfasi

7. **ATTORNEY'S REPORT:** No report.
8. **COMMISSIONER'S COMMENTS:** Comments presented by Mr. Peterson regarding parking in the Olde Towne Daphne Overlay District (see minutes for details).
9. **DIRECTOR'S COMMENTS:** Director welcomed Augustus Barnette and thanked Jan for assisting the representative for Walmart.
10. **ADJOURNMENT:** 6:59 p.m.

Accepted by:


Chairman, Daphne Utilities



APPROVED MINUTES

Utilities Board Meeting

Council Chambers, Daphne City Hall ♦ July 29, 2026 ♦ 5:00 p.m.

I. Call to Order

The regular July 2026 Board meeting for the Utilities Board of the City of Daphne was held on July 29, 2026, in the Council Chambers at Daphne City Hall and called to order at 5:00 pm by Chairwoman Selena Vaughn, followed by the Roll Call:

II. Roll Call

Members Present: Selena Vaughn, Chairwoman
Tim Patton, Vice Chairman
Billy Mayhand, Secretary/Treasurer
Mayor Robin LeJeune, Board Member

Members Absent: Councilman Joel Coleman, Board Member

Others Present: Jennifer Holifield – Board Attorney
Scott Polk – CEO/General Manager
Alex Godfrey – Chief Operations Officer
Lexus Carlee – Chief Finance Officer
Samantha Coppels – Chief Communications Officer
Kelly DeLaney – Customer Service Manager
Lori Wilson – Executive Assistant

Others Absent: Jerry Speegle – Board Attorney

III. Pledge of Allegiance

The Chairwoman led the Board and meeting attendees in the Pledge of Allegiance.

IV. Approval of Minutes

Utilities Board Meeting Minutes June 24, 2026

The Chairwoman requested any additions, corrections, or deletions for the submitted minutes of the regular Daphne Utilities Board meeting of June 24, 2026.

With no additions, deletions or corrections, the Chairwoman declared that the submitted minutes of the regular Daphne Utilities Board meeting of June 24, 2026, would stand approved.

V. OLD BUSINESS –

A. None

VI. NEW BUSINESS –

A. Presentation of 2024/2025 Audit from Wilkins Miller LLC, Certified Public Accountants & Advisors

Kristian Reeves with Wilkins Miller LLC introduced herself to the board as the new auditors this year. She noted to the board members that: an unmodified, clean opinion was issued which is the highest level of assurance they can provide meaning the financial statements were presented fairly in all material respects, the Board's financial position and results; no material weaknesses or significant deficiencies were identified and internal controls over financial reporting; no instances of non-compliance with laws, regulations or grant terms; the single audit received an unmodified opinion on compliance for major federal programs, specifically the drinking water state revolving fund which had no findings or questionable faults. She then reviewed financial statements with the Board members. She concluded by stating it was a great audit and looked forward to starting next year's audit earlier.

B. Recommendation for Bid Award - Lakeview Loop Water Main Replacement – (Volkert Project No. 408288) for a Total Bid Amount of \$TBD

Volkert engineer, Melinda Immel explained the delay in giving contractors more time due to interest in the project. She advised that this project is to replace the water main's old class 160 pvc pipe, which is no longer used, on half of Lakeview Loop and the apparent low bid was \$838,135.00 from Edge Utilities, Inc., which was a new contractor for us so references were verified. She reported that this will be using SRF money and recommended the project be awarded to this contractor.

MOTION by Vice Chairman Tim Patton to approve Recommendation for Bid Award Lakeview Loop Water Main Replacement – (Volkert Project No. 408288) for a Total Bid Amount of \$838,135.00 to Edge Utilities, Inc.; the Motion was seconded by Mayor Robin LeJeune.

AYE: LeJeune, Mayhand, Patton, Vaughn NAY: ABSENT: Coleman ABSTAIN:

MOTION CARRIED

VII. BOARD ATTORNEY'S REPORT

Ms. Jennifer Holifield, representing Mr. Jerry Speegle, had one item that was not included in the submitted report. She notified the Board that there was a new lawsuit that had been filed by Belforest Water System against the Utilities Board, the City of Daphne, the [Daphne] Industrial Development Board, and 68 Ventures. She volunteered to answer any questions the Board may have. She did confirm they are trying to have this lawsuit dismissed.

VIII. FINANCIAL REPORT

Finance Manager Lexus Carlee highlighted for the Board: the total assets for the year have increased, the money market interest rate increased, revenue for the year is on target, expenses for the year are slightly under projections, other income expenses are slightly over budget and expected to see net income for this year level off after expenses for the vac-truck come through;

review of various monthly cash payments noting deposit refunds increased as closing out of garbage accounts as they are transferred over to the City of Daphne, with very little construction payments this month.

Chairwoman Vaughn inquired about scheduling for a budget review meeting; it was discussed that a meeting was being planned for mid-August.

IX. GENERAL MANAGER'S REPORT

A. GM Report

CEO/GM Scott Polk reviewed and updated his submitted Project Updates for the Board: five of the six pumps funded in part by the GOMESA grants have been installed with the sixth site, which is at CR64 and US98 at the bank, was breaking ground; the 90% design meeting for the WRF took place last week with attendance from Board Vice Chairman Tim Patton whereby it was decided to put in a formal RFP for the dewatering; expecting to start drilling the new well at the Trojan plant very soon after rectifying insurance and endorsements issues.

Chairwoman Vaughn asked about getting a WRF plan presentation some time in August. Mr. Polk explained the status of the plan and plans to schedule a presentation to the Board.

Mr. Polk continued to brief the Board member on several projects including: increased fees for meter-read, raw data received from Spanish Fort Water used for billing and the challenges it is has become in dealing with them, but with an upcoming meeting with Spanish Fort Water along with Sensus, a more positive favorable settlement is hopeful; a 3rd test well in Daphmont is being worked on the north side of the property that is being discussed for a property swap with the City of Daphne that is turning up good amounts of water and a survey for this this property was included to indicate where subdividing would take place; the Paylocity transition took place and expect more versatility with this software company; preliminary budget draft is drawing near completion with finalizing some benefit costs this year including another increase from Blue Cross Blue Shield this year; Well #4 behind Central Plant failed over the weekend and will most likely need full work on the motor as an emergency repair.

B. Operations Report

Chief Operations Officer Alex Godfrey noted that Mr. Scott Polk basically covered everything that was in his report and offered to answer any questions from the Board members.

C. Engineering & Consulting Reports – nothing to add to the submitted reports.

X. PUBLIC PARTICIPATION – At 5:37pm, Chairwoman Vaughn opened and closed Public Participation noting that there was no participation.

XI. BOARD ACTION – None.

XII. BOARD COMMENTS –

Mr. Billy Mayhand had no comment.

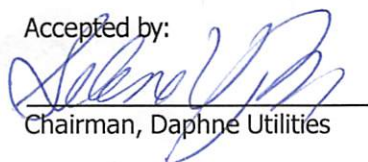
Mr. Tim Patton commended Mrs. Samantha Coppels for speaking at the national conference on behalf of Daphne Utilities.

Mayor Robin LeJeune had no comment.

XII. ADJOURNMENT

With no additional comments, the Chairwoman Vaughn called for a motion to adjourn the meeting. Mr. Billy Mayhand made the Motion to Adjourn. The meeting adjourned at 5:38 pm.

Accepted by:


Chairman, Daphne Utilities



APPROVED MINUTES

Utilities Board Budget Meeting

Daphne Utilities Central Services Facility, Well Road, Daphne

♦ August 19, 2026 ♦ 11:00 a.m.

I. Call to Order

The Daphne Utilities budget meeting for FY 2026/2027 was held on August 19, 2026, in the Daphne Utilities Central Services Facility and called to order at 11:12 am by Chairwoman Selena Vaughn.

II. Roll Call

Members Present: Selena Vaughn, Chairwoman
Tim Patton, Vice Chairman
Billy Mayhand, Secretary/Treasurer
Councilman Joel Coleman, Board Member

Members Absent: Mayor Robin LeJeune, Board Member

Others Present: Scott Polk – CEO/General Manager
Alex Godfrey – Chief Operations Officer
Lexus Carlee – Chief Finance Officer
Samantha Coppels – Chief Communications Officer
Lori Wilson – Executive Assistant

Others Absent: Jerry Speegle – Board Attorney
Kelly DeLaney – Customer Service Manager

XII. Discussion recap:

1. Water and Sewer Rates - proposed increase of 10% each for the upcoming year. We will review the need for future increases during the next budget cycle as we would expect to have more accurate anticipated total costs for the WRF Project.
2. Gas Rates - proposed new base rate of \$1.20 and new minimum of \$9.52 (12% increase.)
3. Amend the current longevity bonus structure to match the City's new proposed longevity bonus plan.
4. Reviewed the budget to include discussion about amending the current pay rate structure to include a 3% Cost of Living adjustment and discussed a flat rate COLA increase vs. a % COLA increase per employee.

5. We will begin a review of the current capacity fees to determine if these need to be adjusted and also evaluate the opportunity to incentivize gas customer growth by potentially providing discounted water/sewer capacity fees if gas appliances are added to the property.

XIII. ADJOURNMENT

With no additional comments, the meeting adjourned at 12:38 pm.

Preceding minutes submitted to the Daphne Utilities Board by:

Lori Wilson Lori Wilson, Executive Assistant, Daphne Utilities



City of Daphne

Event Permit Application

TYPE OF PERMIT:

- ☒ Special Event/Fundraiser ☒ Parade/Run (Streets Use) ☐ Walk (Sidewalks Only)
☐ Athletic Complex/Sporting Event ☐ Other: _____

APPLICANT & ORGANIZATION INFORMATION

ORGANIZATION NAME: The Skylar Project

APPLICANT NAME: Latoya Blueford

STREET: 10223 Estia St CITY, STATE, ZIP: Daphne, AL 36526

CONTACT PHONE: 7575605693 EMAIL: admin@theskylarproject.org

"ON SITE" CONTACT PERSON DAY OF EVENT: Latoya Blueford

CELL PHONE: 7575605693 EMAIL: admin@theskylarproject.org

EVENT INFORMATION

EVENT NAME: Prematurity Awareness Month 5k

TYPE OF/PURPOSE OF EVENT: Annual Fundraiser

EVENT DATE: Nov 21st, 2026 TIME (START- END): 9am-11am

ASSEMBLY TIME: 8:30am # PARTICIPANTS/VEHICLES: 75

EVENT LOCATION: Main st

FULL DESCRIPTION OF EVENT (PLEASE LIST ANY TENTS, STAGING, PORT-O-LETS, OR SIMILAR ITEMS THAT WILL

BE USED ON-SITE): Prematurity Awareness Month 5k, In. We plan to have a banner and

tent with marketing materials.

SPECIAL REQUESTS

ROAD CLOSURE(S) REQUESTS: ☒ Yes* ☐ No *If Yes, please indicate which City Route is requested: _____

WILL YOUR EVENT REQUIRE BARRICADES: ☒ Yes* ☐ No *If Yes, please indicate quantity & location: _____

WILL YOUR EVENT REQUIRE ELECTRICITY: ☐ Yes* ☒ No *If Yes, you must provide your own extension cords

WILL YOUR EVENT REQUIRE WATER: ☐ Yes* ☒ No *If Yes, you must provide your own hose(s)

OTHER SPECIAL ITEMS FOR RENT:

TENTS: 20' X 40' # _____ X \$321.00 10' X 10' # _____ X \$123.00/EACH

TABLES: 8' L # _____ X \$45.00/EACH CHAIRS: # _____ X \$12.00/EACH

OTHER SPECIAL REQUESTS: _____

MARKETING & COMMUNICATIONS

PLEASE NOTE: As a City permitted event, the City of Daphne should be listed as a sponsor on all marketing materials promoting your event, such as, but not limited to, posters, social media outlets, website(s), t-shirts, promo items, etc. It is the event organizer's responsibility to request the official City logo from our Marketing & Events Department in a proper format. No other City of Daphne logo should be utilized. Please initial acknowledgement: LB

Is your event open to the general public? ☒ Yes* ☐ No

* If Yes, do you wish for your event to be listed and/or shared on: www.daphneal.com? ☒ Yes ☐ No

Facebook.com? ☒ Yes ☐ No Instagram? ☒ Yes ☐ No LinkedIn? ☒ Yes ☐ No

MARKETING CONTACT (IF DIFFERENT THAN EVENT APPLICANT OR "ON SITE" EVENT CONTACT):

NAME: Latoya Blueford CONTACT PHONE: 7575605693

OTHER MARKETING REQUESTS: _____

REVENUE/BUSINESS LICENSE

WILL SALES BE GENERATED AT YOUR EVENT: ☐ Yes** ☒ No ** If Yes, please provide your City of Daphne Business License Number here: _____

PLEASE NOTE: If you are providing food trucks or other third-party vendors, they **MUST** be a licensed business with the City of Daphne.

INDEMNITY & HOLD HARMLESS AGREEMENT

In consideration of the permission granted to me by the City of Daphne to use grounds, sidewalks, and/or streets, I hereby indemnify and hold harmless the City of Daphne, its agents, servants and employees from any and all claims and causes of action that may arise from injury to me or third party using the grounds, sidewalks, and/or streets who are injured or suffer property damage that is in any way caused by my use of the grounds, sidewalks, and/or streets. This indemnity and hold harmless agreement is given to the City of Daphne to protect the City and its agents, servants, and employees from cost of defense and claims for injuries and damages that may be caused either directly or indirectly by my use of grounds, sidewalks, and/or streets.

Further, I have read and understand all rules and regulations according to the City of Daphne Ordinance No. 2017-35 as set forth by the governing body of the City of Daphne and will abide by these rules and regulations. I understand that damage to City property, grounds, sidewalks, and/or streets can and will result in additional fees. I also understand that if at any time the City of Daphne appointed Law Enforcement, Code Enforcement, or other personnel feel that said rules and regulations are not being followed the function will be terminated with no refund of said fees.

I have read and understand the above, including the cancellation and indemnity policies.

APPLICANT SIGNATURE: Latoya Blueford

DATE: 8/11/26

INTERNAL USE ONLY

DATE REC'D: <u>08-11-2026</u>	CITY CLERK: _____
FIRE DEPT: <u>[Signature]</u>	APPROVED ROUTE: _____
POLICE DEPT: <u>[Signature]</u>	ROUTE MAP ATTACHED: ☐ Yes ☐ No
PUBLIC WORKS: <u>[Signature]</u>	EVENT FEE: ☐ Paid \$ _____ CHK# _____
SPORTS & RECREATION: <u>[Signature]</u>	☐ Waived: _____
MARKETING & EVENTS: <u>[Signature]</u>	PROOF OF INSURANCE REC'D: ☐ Yes ☐ No
** REVENUE: _____	

**CITY OF DAPHNE, ALABAMA
RESOLUTION 2026-56**

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

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

WHEREAS, the items listed below are recommended for disposal.

NOW, THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA that

1. The property listed below is hereby declared to be surplus property; and

DEPT	EQ/VEH #	DESCRIPTION	VIN/SN
PD-CORR	6090	2009 FORD ECONOLINE WAGON-15 PASS. VAN	1FBSS31L19DA82568
PD-CORR	412	2012 CHEVY TAHOE	1GNLC2E05CR311441

2. The Mayor is authorized to advertise and accept bids through Govdeals.com/Liquidity Services Operations LLC as contracted for the sale of such personal property; and
3. The Mayor is authorized to sell said property to the highest bidder and deposit any and all proceeds to the appropriate City fund. The Mayor is further authorized to direct the disposition of any property which is not claimed by any bidder and sign all necessary documents.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS _____ day of _____, 2026.

Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk

**CITY OF DAPHNE, ALABAMA
RESOLUTION 2026-57**

**A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN
AGREEMENT WITH THE ALABAMA DEPARTMENT OF TRANSPORTION
FOR THE INSTALLATION OF GATEWAY SIGN ON HIGHWAY 181 SOUTH**

WHEREAS, that the City of Daphne enter into an agreement with State of Alabama, acting by and through the Alabama Department of Transportation relating to a project for:

Installation of Gateway Sign on Highway 181 South.

WHEREAS, which agreement is before this Council, and that the agreement be executed in the name of the City of Daphne, by the Mayor for and on its behalf and that it be attested by the City Clerk and the official seal of the City be affixed thereto.

BE IT FURTHER RESOLVED, that under completion of the execution of the agreement by all parties, that a copy of such agreement be kept on file by the City.

**APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE,
ALABAMA, THIS _____ day of September, 2026.**

CITY OF DAPHNE, ALABAMA

Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk

I, the undersigned qualified and acting City Clerk, of the City of Daphne, Alabama, do hereby certify that the above foregoing is a true copy of the resolution lawfully passed and adopted by the City named therein, at a regular meeting of such Council held on the ____ day of _____, 2026, and that such resolution is on file in the City Clerk's Office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City on this ____ day of _____, 2026.

City Clerk

**CITY OF DAPHNE
ORDINANCE 2026-27**

FIRE PREVENTION CODE FOR THE CITY OF DAPHNE

AN ORDINANCE TO REPEAL ORDINANCE NO. 2026-21 AND ADOPT THE 2024
INTERNATIONAL FIRE CODE WITH AMENDMENTS THERETO FOR THE CITY OF
DAPHNE, ALABAMA.

WHEREAS, the City Council of the City of Daphne adopted Ordinance No. 2026-21 on July 6, 2026, repealing Ordinance No. 2019-33 and adopting the 2024 edition of the International Fire Code, with amendments thereto, for the City of Daphne; and

WHEREAS, following adoption of Ordinance No. 2026-21, the City has determined that certain revisions to the amendments contained therein are appropriate in order to more accurately reflect the City's intended application of the International Fire Code and to improve the clarity and administration of the Fire Prevention Code; and

WHEREAS, the City Council has determined that repealing and replacing Ordinance No. 2026-21 in its entirety, rather than adopting piecemeal amendments, will provide a single, complete ordinance for ease of reference by the public, design professionals, contractors, developers, and City staff; and

WHEREAS, the 2024 edition of the International Fire Code, including Appendix Chapters A, B, C, D, E, F, H, I, and N, copyrighted by the International Code Council, together with the amendments adopted herein, has been on file in the Office of the City Clerk of the City of Daphne, Alabama; and

WHEREAS, the City Council of the City of Daphne has determined that adoption of the 2024 edition of the International Fire Code, as amended herein, is in the best interest of the health, safety, and welfare of the citizens of the City of Daphne.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, AS FOLLOWS:

SECTION 1. ADOPTION OF THE INTERNATIONAL FIRE CODE, EDITION 2024. The City Council hereby adopts by reference the 2024 edition of the International Fire Code, subject to the following amendments:

A. Section 101.1 shall be deleted in its entirety and replaced with the following:

101.1 Title. These regulations shall be known as the Fire Code of the City of Daphne, hereinafter referred to as “this code.”

B. Section 103.1 shall be deleted in its entirety and replaced with the following:

103.1 Creation of Agency. The City of Daphne Bureau of Fire Prevention is hereby created, and the person in charge shall be known in this Code as the Fire Code Official, who shall be the Fire Marshal of the City of Daphne. The function of the department shall be the implementation, administration, and enforcement of the provisions of this code and

amendments.

C. Section 103.2 Appointment of the Fire Code Official shall be deleted in its entirety.

D. Section 105.1.2.2 shall be amended by inserting the following:

Unauthorized work. Where work for which a permit is required by this code commences prior to obtaining said permit, the permit fee herein specified shall be doubled plus \$100.”

E. Section 113.4 shall be deleted in its entirety and replaced with the following:

113.4 Violation penalties. Any person who violates a provision of this code or fails to comply with any of the requirements thereof or who erects, installs, alters, repairs, or does work in violation of the approved construction documents or any directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of a Fire Code Violation, punishable by a fine as determined by the Municipal Court Judge or by imprisonment as determined by the Municipal Court Judge, or both such fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

F. Section 114.4 shall be deleted in its entirety and replaced with the following:

114.4 Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable and subject to penalties as determined by the Municipal Court Judge.

G. Section 307.2 shall be deleted in its entirety and replaced with the following:

307.2 Permit required. A permit shall be obtained from the Bureau of Fire Prevention in accordance with section 105.5 prior to kindling a fire for recognized silvicultural or range wildlife management practices, prevention or control of disease or pests, bonfires, and open burning. Application for such approval shall only be presented by a permit issued to the owner of the land on which the fire is to be kindled.

H. Section 505.1 shall be deleted in its entirety and replaced with the following:

505.1 Address identification. New and existing buildings shall be provided with *approved* address identification. The address identification shall be legible and placed in a position that is visible from the street or road fronting the property. Address identification characters shall contrast with their background. Address numbers shall be Arabic numbers or alphabetical letters. Numbers shall not be spelled out. Each character shall be not less than 5 inches high with a maximum stroke width of ½ inch. Where required by the *fire code official*, address identification shall be provided in additional *approved* locations to facilitate emergency response. Where access is by means of a private road and the building cannot be viewed from the *public way*, a monument, pole or other sign or means shall be used to identify the structure. Address identification shall be maintained.

I. Section 506.1 shall be deleted in its entirety and replaced with the following:

506.1 Key boxes. Key boxes shall be installed in all buildings having two or more units/suites, or having an automatic fire sprinkler system, fire alarm system or any alarm that generates a fire department response. The Fire Code Official shall also have the authority to require a key box to be installed in an accessible location where access to or within a structure or area is difficult because of security. The key box shall be of and approved type and shall contain keys to gain necessary access as required by the Fire Code Official.

J. Section 507.5.1.1 shall be deleted in its entirety and replaced with the following:

507.5.1.1 Hydrant for fire sprinkler systems and standpipe Systems. Buildings equipped with a standpipe or fire sprinkler system installed in accordance with Chapter 9 shall have a fire hydrant within 100 feet of the FDC (fire department connection).

K. The following Section shall be added:

901.2.1.1 Permit application requirements. All sprinkler and fire alarm design drawings submitted to the fire department for review shall abide by the Alabama State Board of Licensure for Professional Engineers and Land Surveyors' fire protection position statement. NICET certification does not replace the requirement for professional licensure. The designing of fire protection and detection systems is engineering and, as such, must be designed by or under the direct supervision of professional engineers qualified to design fire protection and detection systems. Only fire protection and detection designs that have been signed and sealed by a qualified Alabama licensed professional engineer shall be approved for construction."

L. The following Section shall be added:

901.2.1.2 Contractor qualification requirements. Copies of applicable permits, certifications, current Daphne Business License and a current one million dollar (\$1,000,000) general liability insurance policy with the City of Daphne listed as a certificate holder, P.O. Box 400, Daphne, AL 36526 shall be submitted to the Fire Marshal for review.

1) Restaurant Fixed Extinguishing Systems:

- The qualifier must possess manufacturer certification (which restricts them to that manufacturer) and/or NAFED/ICC certification (which would allow them to be unrestricted and service, maintain, or install any system).

2) Sprinkler Systems:

- Must possess a current sprinkler permit through the Alabama State Fire Marshal's Office and applicable NICET certification.

3) Fire Alarm Systems:

- Must possess a fire alarm permit through the Alabama State Fire Marshal's Office and applicable NICET certification.

- Must possess a minimum of NICET II to perform technician work, or work under the direct supervision of a NICET II.
- 4) Portable Fire Extinguishers:
- Current certificate of training on portable fire extinguishers in compliance with NFPA 10."

M. Section 905.3.1 shall be deleted in its entirety and replaced with the following:

905.3.1 Building height. Class III standpipe systems shall be installed throughout buildings where any of the following conditions exist:

1. **Three** or more stories are above or below grade plane.
2. The floor level of the highest story is located more than 30 feet (9144 mm) above the lowest level of fire department vehicle access.
3. The floor level of the lowest story is located more than 30 feet (9144 mm) below the highest level of fire department vehicle access.

Exceptions:

1. Class I standpipes are allowed in buildings equipped throughout with an *automatic sprinkler system* in accordance with Section 903.3.1.1 or 903.3.1.2.
2. Class I standpipes are allowed in Group B and E occupancies.
3. Class I standpipes are allowed in parking garages.
4. Class I standpipes are allowed in *basements* equipped throughout with an *automatic sprinkler system*.
5. Class I standpipes are allowed in buildings where occupant-use hose lines will not be utilized by trained personnel or the fire department.
6. In determining the lowest level of fire department vehicle access, it shall not be required to consider either of the following:
 - 6.1 Recessed loading docks for four vehicles or less.
 - 6.2 Conditions where topography makes access from the fire department vehicle to the building impractical or impossible.

N. Section D107.1 shall be deleted in its entirety and replaced with the following:

D107.1 One- or two-family dwelling residential developments. It is recommended that developments of one- or two-family dwellings where the number of dwelling units exceeds 30, be provided with two separate and approved fire apparatus access roads.

SECTION 2: ORDINANCES REPEALED. Ordinance 2026-21 shall be repealed in its entirety and replaced with the provisions of this Ordinance. All other ordinances and parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION 3: SEVERABILITY. If any provision of this Ordinance is held to be invalid or unenforceable for any reason, such holding shall not in any way affect the remaining portions hereof, which shall remain in full force and effect.

SECTION 4: EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after the date of its approval by the City Council of Daphne and publication as required by law.

**ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
DAPHNE THIS _____ DAY OF _____, 2026.**

Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk

**CITY OF DAPHNE, ALABAMA
ORDINANCE NO. 2026-28**

Ordinance Authorizing Fish River Waterline Easement

WHEREAS, the City of Daphne, Alabama (the “City”), is the fee-simple owner of certain real property located in Baldwin County, Alabama, as more particularly identified in the Permanent Utility Easement Agreement attached to this Ordinance as **Exhibit A** (the “Agreement”); and

WHEREAS, the City of Loxley, Alabama (“Loxley”), intends to construct the Fish River Waterline Project and related improvements in the vicinity of the City’s property; and

WHEREAS, Loxley has requested that the City grant it a twenty-foot-wide, nonexclusive, perpetual utility easement over, under, through, and across the portion of the City’s property legally described and depicted in Exhibit A to the Agreement (the “Waterline Easement Area”) for the construction, installation, operation, maintenance, inspection, repair, replacement, and removal of a waterline and related appurtenances; and

WHEREAS, Section 11-43-56 of the Code of Alabama (1975) vests the City Council with the management and control of all real and personal property belonging to the City; and

WHEREAS, Section 11-47-20 of the Code of Alabama (1975) authorizes the governing body of a municipality, by ordinance entered upon its minutes, to direct the disposal of real property not needed for public or municipal purposes and to direct the Mayor to make title thereto; and

WHEREAS, the City Council finds and determines that the limited, nonexclusive easement interest proposed to be conveyed within the Waterline Easement Area is not needed by the City for public or municipal purposes; provided, however, that the City’s remaining fee-simple interest in the underlying property, together with all rights not expressly conveyed by the Agreement, is retained and is not declared surplus or unneeded; and

WHEREAS, the City Council further finds and determines that the grant of the easement will not materially interfere with the City’s existing or reasonably anticipated use of the underlying property and that facilitating the Fish River Waterline Project serves a valid public purpose; and

WHEREAS, the City Council finds that the public benefits and mutual covenants reflected in the Agreement constitute good and sufficient consideration for the grant of the easement.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, AS FOLLOWS:

Section 1. Findings. The foregoing recitals and findings are adopted as the findings of the City Council and are incorporated into this Ordinance as if fully set forth herein.

Section 2. Disposition and Approval. Pursuant to Section 11-47-20 of the Code of Alabama (1975), the City Council hereby declares that the limited, nonexclusive easement interest within the Waterline Easement Area to be conveyed under the Agreement is not needed by the City for public or municipal purposes. The disposal and conveyance of that easement interest to Loxley upon the terms and conditions of the Agreement are hereby authorized and approved. The Agreement, in substantially the form attached to this Ordinance as Exhibit A, is also hereby approved.

Section 3. Execution and Delivery. The Mayor is hereby authorized and directed, for and on behalf of the City, to execute and deliver the Agreement and thereby make title to the easement interest approved by this Ordinance. The City Clerk is authorized to attest the Mayor's signature, affix any required municipal seal, and take such actions as may be reasonably necessary to deliver and record the Agreement in the Office of the Judge of Probate of Baldwin County, Alabama.

Section 4. Final Form; Nonmaterial Revisions. The Mayor is authorized to approve and execute nonmaterial revisions to the Agreement that are consistent with this Ordinance and do not materially increase the City's obligations or materially reduce the City's retained rights, subject to the approval of the City Attorney as to legal form and substance.

Section 5. Retained Property Interests. Nothing in this Ordinance or the Agreement shall be construed as declaring the underlying parcels, the City's fee-simple ownership thereof, or any property interest other than the limited easement interest expressly described in the Agreement to be surplus, unneeded, disposed of, or conveyed.

Section 6. Severability. If any provision of this Ordinance is held invalid or unenforceable, the remaining provisions shall remain in full force and effect.

Section 7. Conflicting Provisions. All ordinances or parts of ordinances in conflict with this Ordinance are repealed to the extent of the conflict.

Section 8. Effective Date. This Ordinance shall become effective upon its adoption and publication as required by law.

ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, this _____ day of _____, 2026.

Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk

EXHIBIT A
PERMANENT UTILITY EASEMENT AGREEMENT
FISH RIVER WATERLINE PROJECT

(attached)

STATE OF ALABAMA)
)
COUNTY OF BALDWIN)

PERMANENT UTILITY EASEMENT AGREEMENT
PROJECT: Fish River Waterline

THIS PERMANENT UTILITY EASEMENT AGREEMENT (this “Agreement”) is made and entered into this _____ day of _____, 2026, by and among the **CITY OF DAPHNE**, an Alabama municipal corporation, whose mailing address is 1705 Main Street, Daphne, Alabama 36526 (the “Owner”), and the **CITY OF LOXLEY**, an Alabama municipal corporation, whose mailing address is P.O. Box 9, Loxley, Alabama 36551 (“Grantee”), with reference to the following facts:

A. Owner is the fee simple owner of three (3) parcels of real property bearing Parcel Nos. 05-43-01-12-0-000-001.000, 05-43-01-12-0-000-001.001, and 05-43-12-0-000-001.002 (collectively, the “Property”), pursuant to a certain warranty deeds recorded at Instrument Nos. 2101618 and 2101619 in the Probate Records of Baldwin County Alabama.

B. Grantee intends to complete the Fish River Waterline Project and other related improvements in the vicinity of the Property (the “Work”).

C. Owner desires to grant a permanent utility easement over, under, through and across the portion of the Property legally described and depicted herein, in favor of and for the benefit of Grantee in connection with its performance of the Work, subject to the terms and conditions set forth in this Agreement.

IN CONSIDERATION OF the foregoing facts, the mutual covenants and agreements set forth below, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Recitals and Exhibits. The recitals to this Agreement are true and correct and, together with all exhibits to this Agreement, are hereby incorporated by this reference.

2. Grant of Easement. Subject at all times to the terms and conditions set forth herein, Owner, for itself and its successors and assigns, hereby grants to Grantee a 20 foot, non-exclusive perpetual easement (the “Utility Easement”) in, to, under, and across that portion of the Property described and depicted on Exhibit A hereto (the “Waterline Easement Area”) for the right to construct, install, operate, maintain, inspect, repair, replace, and remove a waterline and all related appurtenances, together with the right of ingress and egress over and across the Waterline Easement Area as reasonably necessary for such purposes. Owner makes no representations or warranties whatsoever with respect to the Waterline Easement Area, the condition thereof, or its fitness for the purposes intended by Grantee, except as otherwise expressly set forth herein, and Grantee represents and warrants that it has examined and approved all things concerning the Waterline Easement Area that Grantee deems material to Grantee’s use of the Waterline Easement Area.

3. No Liens. Grantee shall not create or cause to be imposed, claimed, or filed upon the Property, or any portion thereof, or upon the interest therein of Owner, any lien, charge, or encumbrance whatsoever. If, because of any act or omission of Grantee, any such lien, charge, or encumbrance shall be imposed, claimed, or filed, Grantee shall, at its sole expense, cause the same to be fully paid and satisfied or otherwise discharged of record (by bonding or otherwise), and Grantee shall defend and indemnify Owner, and hold Owner harmless from, any and all costs, liabilities, suits, penalties, claims, injury, loss,

damage, and demands of any nature whatsoever, whether actual or alleged, including any and all reasonable attorneys' fees, paralegal fees and court costs, caused by or resulting therefrom. The foregoing indemnity shall survive completion of the Work. If Grantee fails to comply with this Section, Owner shall have the option of paying, satisfying, or otherwise discharging (by bonding or otherwise) such lien, charge, or encumbrance; in such an event, Grantee shall reimburse Owner on demand for all sums paid by or otherwise incurred by Owner in connection therewith.

4. No Termination for Breach. No breach hereunder shall entitle any Owner to cancel, rescind, or otherwise terminate this Agreement. No breach hereunder shall defeat or render invalid the lien of any mortgage or deed of trust upon any Property made in good faith for value, but the easements, covenants, conditions, and restrictions hereof shall be binding upon and effective against any Owner of such Property covered hereby whose title thereto is acquired by foreclosure, trustee's sale, or otherwise.

5. Term. The easements, covenants, conditions, and restrictions contained in this Agreement shall be effective commencing on the date of recordation of this Agreement in the office of the Judge of Probate of Baldwin County, Alabama, and shall remain in full force and effect thereafter in perpetuity.

6. Notices. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed properly given upon receipt or refusal if sent by: (i) U.S. Postal Service, postage prepaid, by certified or registered mail, return receipt requested, or (ii) nationally recognized overnight courier service. Delivery of a notice to an address from which the recipient has moved but failed to notify the other party of modification of such address as hereinafter provided shall be deemed to constitute receipt of such notice by the intended recipient. All notices shall be sent to the party entitled thereto at the following addresses:

Owner:

City of Daphne
1705 Main Street
Daphne, Alabama 36526
Attention: City Attorney

Grantee:

City of Loxley
P.O. Box 9
Loxley, AL 36551
Attention: City Clerk

The foregoing addresses may be modified by delivery of written notice of such modification to the party entitled thereto, which written notice shall be delivered and deemed effective as set forth herein.

7. Miscellaneous.

- a. Time is of the essence of each and every provision of this Agreement.
- b. This Agreement has been freely negotiated, and each party and their respective counsel have reviewed and revised this Agreement. The rule of construction providing that ambiguities be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

c. The waiver by either party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach thereof or the waiver of any breach of any other provision of this Agreement.

d. Notwithstanding anything contained in this Agreement to the contrary, neither Grantee nor Owner shall be deemed or constitute, in any way or for any purpose, a partner, joint venturer, or agent of the other.

e. This instrument and the covenants and agreements contained herein shall inure to the benefit of, and be binding upon, the heirs, executors, administrators, grantees, successors and assigns of the respective parties; provided, however, this Agreement may not be assigned, in whole or in part, by Grantee without the written consent of Owner, which may be withheld in Owner's sole discretion.

f. This Agreement contains the entire agreement between the parties and supersedes all prior negotiations, agreements, and understandings. Except as otherwise provided herein, this Agreement can only be changed, modified, or amended by an instrument in writing executed by the parties.

g. If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, it shall be considered deleted from this Agreement and shall not affect, impair, or invalidate the remaining terms and conditions of this Agreement.

h. In the event of any violation or threatened violation by either party of any of the terms, covenants, conditions, or provisions of this Agreement, the other party shall have the right, but not the obligation, to enjoin such violation or threatened violation in a court of competent jurisdiction. The right of injunction shall be in addition to any and all other remedies under statute, at law or in equity or under this Agreement. Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies, and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other such rights, remedies, and benefits allowed at law or in equity.

i. This Agreement shall be governed by, construed and enforced in accordance with the laws of the state in which the Property is located.

j. In any litigation or other proceeding between the parties arising out of this Agreement or the Work, the prevailing party in such litigation or other proceeding shall be entitled to recover all costs incurred, such costs to include, without limitation, reasonable attorneys' fees, paralegal fees, and court costs, including fees and costs on appeal and in any bankruptcy proceedings, and this provision shall survive the expiration or termination of this Agreement.

k. The captions and headings in this Agreement have been inserted herein only as a matter of convenience and for reference and in no way define, limit, or describe the scope or intent of, or otherwise affect, the terms and conditions of this Agreement.

l. GRANTEE AND OWNER DO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THEIR RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, OR UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE WORK, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ANY ACTIONS OF EITHER PARTY ARISING OUT OF OR RELATED IN ANY MANNER WITH THIS AGREEMENT OR THE WORK. THIS WAIVER IS A MATERIAL INDUCEMENT FOR OWNER AND GRANTEE TO EACH ENTER INTO AND ACCEPT THIS AGREEMENT AND SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

IN WITNESS WHEREOF, Owner and Grantee have signed this Permanent Utility Easement Agreement on the dates set forth below.

GRANTOR:

**CITY OF DAPHNE, an Alabama
municipal corporation**

Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk

STATE OF ALABAMA)
)
COUNTY OF BALDWIN)

I, the undersigned authority, a Notary Public in and for said county in said State, hereby certify that **ROBIN LEJEUNE**, whose name as the **Mayor** of the **CITY OF DAPHNE**, an Alabama municipal corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Mayor and with full authority, executed the same voluntarily for and as the act of said municipal corporation on the day the same bears date.

Given under my hand and seal on this the ____ day of _____, 2026.

NOTARY PUBLIC
My Commission Expires: _____

(NOTARY SEAL)

[Signatures Continue on Following Page]

GRANTEE:

**CITY OF LOXLEY, an Alabama
municipal corporation**


Richard Teal, Mayor

ATTEST:

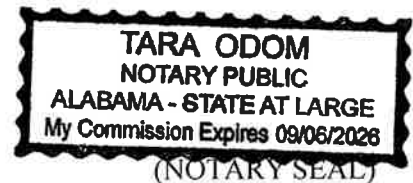

Melissa Lawrence, City Clerk

STATE OF ALABAMA)
)
COUNTY OF BALDWIN)

I, the undersigned authority, a Notary Public in and for said county in said State, hereby certify that **RICHARD TEAL**, whose name as the **Mayor** of the **CITY OF LOXLEY**, an Alabama municipal corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such Mayor and with full authority, executed the same voluntarily for and as the act of said municipal corporation on the day the same bears date.

Given under my hand and seal on this the 15 day of July, 2026.


NOTARY PUBLIC
My Commission Expires: 09/06/2026



Attachment:

Exhibit A – Legal Description and Sketch of Permanent Easement Area

GRANTOR'S MAILING ADDRESS:

City of Daphne
1705 Main Street
Daphne, AL 36526

GRANTEE'S MAILING ADDRESS:

City of Loxley
P.O. Box 9
Loxley, AL 36551

THIS INSTRUMENT PREPARED BY
AND RETURN TO:

A. Patrick Dungan, Esq.
Adams and Reese LLP
11 N Water St, Ste 23200
Mobile, AL 36602

EXHIBIT A

Legal Description and Sketch of Permanent Easement Area

A 20 foot waterline easement situated in Section 12, Township 5 South, Range 2 East, Baldwin County, Alabama, being more particularly described as follows:

Commence at a 1" crimp at the NE corner of the SE ¼ of Section 12, Township 5 South, Range 2 East, Baldwin County, Alabama; thence S 00°18'09" W along the east line of said ¼ section a distance of 12.50 feet to a ½" rebar capped EDG; thence S 87°29'28" W leaving said ¼ line a distance of 10.01 feet to the POINT OF BEGINNING of the centerline of a 20 foot waterline easement lying 10 feet to either side of and parallel to described centerline; thence N 0°17'53" E along said centerline a distance of 12.98 feet to a point on the south line of the NE ¼ of said section and the south line of Lot 3 of The Reserve at Plantation Hills as recorded in Slide 2866-A in the Office of the Judge of Probate in Baldwin County, Alabama, said point also being a point that is 10 feet west of the east line of the NE ¼ of said section and the east line of Lot 3; thence N 00°17'53" E parallel with the east line of said ¼ section, east line of said Lot 3 and along said centerline a distance of 783.45 feet to a point; thence N 30°24'05" W along said centerline a distance of 1126.01 feet to a point; thence N 34°13'44" W along said centerline a distance of 1302.72 feet to a point on south right of way of Robbins Boulevard and the END of said centerline.

[Sketch attached on following page]

**CITY OF DAPHNE, ALABAMA
ORDINANCE 2026 - 29**

**ORDINANCE TO ANNEX PROPERTY CONTIGUOUS TO THE
CORPORATE LIMITS OF THE CITY OF DAPHNE**

Ordinance to annex property located southwest of Glover Lane and Friendship Road

WHEREAS, on the 29th day of June, 2026, MOBAMA, LLC, as the owner of certain real property hereinafter described, did file with the City Clerk a petition requesting that said tracts or parcels of land be annexed into and become part of the City of Daphne, Alabama (the “City”); and,

WHEREAS, said petition did contain an accurate description of the property to be annexed together with a map of the said territory showing its relationship to the corporate limits of the City, and the signatures of all owners of the property described; and,

WHEREAS, said petition was presented to the City Planning Commission at a regular scheduled meeting on July 23, 2026, and the Commission voted 5 to 0 on a motion to set forth a favorable recommendation for the City Council to consider said request for annexation of said property; and,

WHEREAS, after proper publication, a public hearing was held by the City Council on September 8, 2026, concerning the petition for annexation.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, AS FOLLOWS:

SECTION ONE: ANNEXATION

The City Council of the City of Daphne finds and declares as the legislative body of the City that it is in the best interest of the citizens of the City and the citizens of the affected area to bring the property described in Section Three of this Ordinance into the corporate limits of the City, and has further determined that all legal requirements for annexing said real property have been met pursuant to Sections 11-42-20 through 11-42-24, *et seq.*, Code of Alabama (1975); effective on publication as required by Section 11-42-21, Code of Alabama (1975), as amended.

SECTION TWO: ZONING

At the September 8, 2026, regularly scheduled City Council meeting, Ordinance 2026-29 was adopted, zoning the said property as R-1, Low Density Single Family Residential district, with the apportionment of said zoning district to the subject property described therein.

SECTION THREE: DESCRIPTION OF TERRITORY

The boundary lines of the City of Daphne are hereby altered or rearranged so as to include all the territory heretofore encompassed by the corporate limits of the City of Daphne and, in addition thereto, the following described property, to-wit:

Legal Description for Annexation:

BEGINNING AT AN OLD AXLE AT THE SW CORNER OF THE NW ¼ OF SEC. 28 T-5-S, R-2-E, BALDWIN COUNTY, AL; THENCE N00°27'14''W, A DISTANCE OF 1,332.83 FEET TO A SET 5/8'' CAPPED REBAR; THENCE N89°55'43''E, A DISTANCE OF 1,916.42 FEET TO A SET 5/8'' CAPPED REBAR ON THE WEST END OF FRIENDSHIP ROAD; THENCE S00°04'17''E, ALONG SAID WEST END A DISTANCE OF 40.00 FEET TO A SET 5/8'' CAPPED REBAR ON THE SOUTH R.O.W. OF FRIENDSHIP ROAD; THENCE N 89°55'43'' E, ALONG SAID SOUTH R.O.W. A DISTANCE OF 773.50 FEET TO A SET 5/8'' CAPPED REBAR ON THE EAST R.O.W. OF FRIENDSHIP ROAD; THENCE N 00°04'17''W, ALONG SAID EAST R.O.W. A DISTANCE OF 40.00 FEET TO A SET 5/8'' CAPPED REBAR AT THE INTERSECTION WITH THE NORTH LINE OF THE SOUTH ½ OF THE NW ¼ OF SAID SEC. 28; THENCE N 89°55'43'' E, A DISTANCE OF 451.74 FEET TO A 1/2'' CAPPED REBAR "WOODLANDS"; THENCE S 00°08'34''E, A DISTANCE OF 1,319.20 FEET TO A ½'' CAPPED REBAR "WOODLANDS"; THENCE S 89°40'29'' W, A DISTANCE OF 2,475.34 FEET TO A ½'' CAPPED REBAR "VOLKERT" AT THE NE CORNER OF PHASE 6 ROCK CREEK AS RECORDED ON SLIDE 1956-A & B; THENCE S 89°41'59'' W, A DISTANCE OF 659.10 FEET TO THE POINT OF BEGINNING.

SECTION FOUR: MAP OF PROPERTY

The property hereby annexed into the City of Daphne, Alabama, as described in Section Three of this Ordinance, is set forth on a map of the property attached hereto and made a part of this Ordinance as Exhibit "A" showing its relationship to the corporate limits of the City of Daphne.

SECTION FIVE: EFFECTIVE DATE AND PUBLICATION

This Ordinance shall become effective upon its date of publication as required by Section 11-42-21 Code of Alabama (1975), as amended, and the property described herein shall be then annexed into the corporate limits of the City of Daphne, and a certified copy of the same shall be filed with the Office of the Judge of Probate of Baldwin County, Alabama, in accordance with Section 11-42-21, Code of Alabama (1975), as amended.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS THE _____ DAY OF __ ____, 2026.

Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk

**CITY OF DAPHNE, ALABAMA
ORDINANCE 2026 - 30**

**ORDINANCE TO ANNEX PROPERTY CONTIGUOUS TO THE
CORPORATE LIMITS OF THE CITY OF DAPHNE**

Ordinance to annex property located southeast of Glover Lane and Friendship Road

WHEREAS, on the 29th day of June, 2026, the Bayshore Christian School Foundation, Inc., as the owner of certain real property hereinafter described, did file with the City Clerk a petition requesting that said tracts or parcels of land be annexed into and become part of the City of Daphne, Alabama (the “City”); and,

WHEREAS, said petition did contain an accurate description of the property to be annexed together with a map of the said territory showing its relationship to the corporate limits of the City, and the signatures of all owners of the property described; and,

WHEREAS, said petition was presented to the City Planning Commission at a regular scheduled meeting on July 23, 2026, and the Commission voted 5 to 0 on a motion to set forth a favorable recommendation for the City Council to consider said request for annexation of said property; and,

WHEREAS, after proper publication, a public hearing was held by the City Council on September 8, 2026, concerning the petition for annexation.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, AS FOLLOWS:

SECTION ONE: ANNEXATION

The City Council of the City of Daphne finds and declares as the legislative body of the City that it is in the best interest of the citizens of the City and the citizens of the affected area to bring the property described in Section Three of this Ordinance into the corporate limits of the City, and has further determined that all legal requirements for annexing said real property have been met pursuant to Sections 11-42-20 through 11-42-24, *et seq.*, Code of Alabama (1975); effective on publication as required by Section 11-42-21, Code of Alabama (1975), as amended.

SECTION TWO: ZONING

At the September 8, 2026, regularly scheduled City Council meeting, Ordinance 2026-30 was adopted, zoning the said property as R-1, Low Density Single Family Residential district, with the apportionment of said zoning district to the subject property described therein.

SECTION THREE: DESCRIPTION OF TERRITORY

The boundary lines of the City of Daphne are hereby altered or rearranged so as to include all the territory heretofore encompassed by the corporate limits of the City of Daphne and, in addition thereto, the following described property, to-wit:

Legal Description for Annexation:

PARCEL 1

Commence at a point being used as the Northwest corner of the Northeast Quarter of Section 28, Township 5 South, Range 2 East, Baldwin County, Alabama, thence run South 00 degrees 00 minutes 45 seconds East 1369.95 feet to a point; thence run South 89 degrees 57 minutes 07 seconds East 24.34 feet to a point; thence run South 89 degrees 57 minutes 07 seconds East 470.11 feet to a point in a fence; thence run South 00 degrees 03 minutes 06 seconds West 926.80 feet to the Point of Beginning; thence run South 89 degrees 55 minutes 54 seconds East 666.70 feet to a point in a fence; thence run South 00 degrees 16 minutes 23 seconds West along said fence 196.16 feet to a point; thence run North 89 degrees 55 minutes 54 seconds West 665.94 feet to a point; thence run North 00 degrees 03 minutes 06 seconds East 196.16 feet to the Point of Beginning.

SUBJECT TO a 40-foot wide easement across the Eastern margin of the above-described parcel.

TOGETHER WITH a 40-foot wide easement for ingress and egress across the Northern margin of the West Half of the Southwest Quarter of the Northeast Quarter of said Section 28, Township 5 South, Range 2 East, and the West three fourths of the East Half of the Southwest Quarter of the Northeast Quarter of said Section 28, Township 5 South, Range 2 East.

PARCEL 2

Commencing at the Northwest corner of the Northeast Quarter of Section 28, Township 5 South, Range 2 East, Baldwin County, Alabama; thence run S 00°00'45'' E, 669.18 feet to a point; thence run S 89°15'48'' E, 40.00 feet to a point on the East right-of-way line of Friendship Road and the point of beginning; thence run S 89°15'50'' E, leaving said East right of way line, 1290.08 feet to a point; thence run S 00°10'59'' W, 684.58 feet to a point; thence run N 89°58'39'' W, 162.97 feet to a point; thence run S 00°16'26'' W, 151.43 feet to a point; thence run N 89°58'39'' W 669.73 feet to a point; thence run N 00°03'09'' E 151.43 feet to a point; thence run N 89°58'39'' W, 469.91 feet to a point on said east right-of-way line of Friendship Road; thence run Northeasterly along said East right-of-way line and a curve to the left having a radius of 82.15 feet, a delta angle of 34°32'04'', a chord of which bears N 18°27'30'' E for 48.77 feet an arc length of 49.52 feet to a point; thence run N 00°00'08'' W, along said East right-of-way line 654.38 feet to the point of beginning. Lying in Section 28, township 5 South, Range 2 East, Baldwin County, Alabama.

PARCEL "B"

Commencing at the Northwest corner of the Northeast quarter of Section 28, Township 5 South, Range 2 East, Baldwin County, Alabama; thence run S 00°00'45'' E, 1370.32 feet to a point; thence run S 89°58'39'' E, 24.43 feet to a point on the East right-of-way line of Friendship Road; thence run S 89°58'39'' E, leaving said East right-of-way line, 469.91 feet to a point; thence run S 00°03'09'' W, 151.43 feet to the point of beginning; thence run S 89°58'39'' E, 669.73 feet to a point; thence run S 00°16'26'' W, 775.81 feet to a point; thence run N 89°55'44'' W, 666.74 feet to a point; thence run N 00°03'09'' E, 775.23 feet to the point of beginning. Lying in Section 28, Township 5 South, Range 2 East, Baldwin County, Alabama.

PARCELS 3A & 3B

Commence at a point being used as the Northwest corner of the Northeast Quarter of Section 28, Township 5 South, Range 2 East, Baldwin County, Alabama, thence run South 00 degrees 00 minutes 45 seconds East 669.18 feet to a point; thence run South 89 degrees 15 minutes 48 seconds East 40.00 feet to a point on the East right of way of Friendship Road; thence run South 89 degrees 15 minutes 48 seconds East 1290.08 feet to a point at a fence corner and the Point of Beginning; thence run South 89 degrees 32 minutes 36 seconds East 1284.61 feet to a point on the West right of way of County Road 13; thence run South 00 degrees 12 minutes 53 seconds West along said West right of way 171.42 feet to a point; thence run North 89 degrees 32 minutes 36 seconds West 1284.53 feet to a point in a fence; thence run North 00 degrees 11 minutes 11 seconds East along said fence 171.32 feet to the Point of Beginning.

PARCEL 4

Commence at a point being used as the Northwest corner of the Northeast Quarter of Section 28, Township 5 South, Range 2 East, Baldwin County, Alabama, thence run South 00 degrees 00 minutes 45 seconds East 669.18 feet to a point; thence run South 89 degrees 15 minutes 48 seconds East 40.00 feet to a point on the East right of way of Friendship Road; thence run South 89 degrees 15 minutes 48 seconds East 1290.08 feet to a point at a fence corner and the Point of Beginning; thence run South 89 degrees 32 minutes 36 seconds East 1284.61 feet to a point on the West right of way of County Road 13; thence run South 00 degrees 12 minutes 53 seconds West along said West right of way 171.42 feet to a point; thence run North 89 degrees 32 minutes 36 seconds West 1284.53 feet to a point in a fence; thence run North 00 degrees 11 minutes 11 seconds East along said fence 171.32 feet to the Point of Beginning.

SECTION FOUR: MAP OF PROPERTY

The property hereby annexed into the City of Daphne, Alabama, as described in Section Three of this Ordinance, is set forth on a map of the property attached hereto and made a part of this Ordinance as Exhibit “A” showing its relationship to the corporate limits of the City of Daphne.

SECTION FIVE: EFFECTIVE DATE AND PUBLICATION

This Ordinance shall become effective upon its date of publication as required by Section 11-42-21 Code of Alabama (1975), as amended, and the property described herein shall be then annexed into the corporate limits of the City of Daphne, and a certified copy of the same shall be filed with the Office of the Judge of Probate of Baldwin County, Alabama, in accordance with Section 11-42-21, Code of Alabama (1975), as amended.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS THE _____ DAY OF __ ____, 2026.

Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk

**CITY OF DAPHNE, ALABAMA
ORDINANCE 2026-31**

ADOPTING THE FISCAL YEAR 2027 BUDGET

WHEREAS, the Mayor of the City of Daphne has submitted to the City Council a budget for Fiscal Year 2027 which begins October 1, 2026 and ends September 30, 2027 (the "FY27 Operating Budget"); and

WHEREAS, the City Council has reviewed and considered such proposed budget; and

WHEREAS, the City Council believes that the attached proposed 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; and

WHEREAS, the salary increases associated with the performance appraisal rating scale will be as follows:

PERFORMANCE APPRAISAL SCORE		SALARY INCREASE
FROM	TO	
3.00	3.39	0.50%
3.40	3.79	1.00%
3.80	4.19	1.50%
4.20	4.59	2.00%
4.60	5.00	2.50%

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA,

1. That the *FY2027 Budget* in which the General Fund revenues exceed appropriations in the amount of \$1,880 (*All Funds - \$388,689*) which includes total new Personnel and upgrades of \$203,608 and Capital \$1,888,950 (*All Funds - \$3,805,500*) as attached hereto and made a part hereof; and
2. That the Mayor shall have no authority to execute any contract obligating expenditures in excess of \$30,000 that has not first been approved by the City Council, except for deeds and bonds required in judicial proceedings and as may be otherwise authorized by separate ordinance or resolution of the City Council.

**APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE,
ALABAMA, THIS ____ day of _____, 2026.**

Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk

**All Funds Budget Summary
Fiscal Year 2027**

	Enterprise Funds				Special	Capital	
	General Fund	Solid Waste	Civic Center	Debt Service Fund	Revenues Fund	Reserve Fund	TOTAL
Sales, use and luxury tax	28,308,001	-	-	-	4,039,937	-	32,347,938
Ad valorem taxes	11,735,000	-	-	-	-	-	11,735,000
Business licenses	3,475,000	-	-	-	-	-	3,475,000
Permits	898,000	-	-	-	-	-	898,000
PILOT Taxes	3,055,000	-	-	-	-	-	3,055,000
Fines and forfeitures	403,000	-	-	-	180,500	-	583,500
Intergovernmental	914,100	-	-	-	52,000	255,000	1,221,100
Charges for services	677,500	2,516,000	490,500	-	44,000	-	3,728,000
Grants	16,953	-	-	-	-	-	16,953
Contributions and donations	183,752	-	-	-	-	-	183,752
Interest / investment earnings	200,000	-	-	-	3,000	10,000	213,000
Miscellaneous	67,500	-	-	-	-	-	67,500
Total Estimated Revenues	49,933,806	2,516,000	490,500	-	4,319,437	265,000	57,524,743
Payroll and Related Costs	30,884,443	1,452,380	501,073	-	37,182	-	32,875,078
Retiree Health Insurance and Benefits	361,380	-	-	-	-	-	361,380
Merit Increases	250,000	-	-	-	-	-	250,000
Employee Raises (.55/hr) - COLA effective 10/1/2026	523,635	-	-	-	-	-	523,635
Employee Longevity Pay	117,180	-	-	-	-	-	117,180
Personnel	32,136,638	1,452,380	501,073	-	37,182	-	34,127,273
General Government	3,445,246	-	-	-	734,878	-	4,180,124
Public Safety	2,869,026	-	-	-	119,000	-	2,988,026
Public Works	2,811,300	1,674,363	-	-	-	-	4,485,663
Recreation and Culture	1,915,427	-	422,924	-	190,018	-	2,528,369
Operating	11,040,999	1,674,363	422,924	-	1,043,896	-	14,182,182
New Capital	1,888,950	-	-	-	1,591,550	325,000	3,805,500
New Personnel	149,408	-	-	-	-	-	149,408
Personnel Upgrades	54,200	-	-	-	-	-	54,200
Debt Service	-	-	-	4,817,491	-	-	4,817,491
Transfers To/From Other Funds:							
Transfers To Other Funds	(4,661,731)	-	-	-	(1,200,000)	-	(5,861,731)
Transfers From Other Funds	-	610,743	433,497	4,817,491	-	-	5,861,731
	(4,661,731)	610,743	433,497	4,817,491	(1,200,000)	-	-
Total Estimated Revenues (Over) Under Appropriations	1,880	-	-	-	446,809	(60,000)	388,689

Summary of FY 2027 Capital Budget Requests - MAYOR APPROVED

Description	Acquisition Type	Total Request	Total Funded	Funding Source
Executive:				
Centennial Celebration for 2027 - final down payment	Purchase	200,000	160,000	General Fund
Retreat for Mayor and City Council	Purchase	15,000	10,000	General Fund
Subtotal		215,000	170,000	
Public Safety:				
<u>Police</u>				
Second Payment - IACP Leadership Film	Purchase	13,125	13,125	General Fund
(6) Replacement Vehicles - Interceptors - Automatic Rotation- Dealership	Lease	385,000	89,000	General Fund
(6) Replacement Vehicles - Interceptors - Automatic Rotation Outfit	Purchase	68,000	68,000	General Fund
2026 Ford Explorer - Civilian	Purchase	48,000	48,000	General Fund
MDIS License Expansion	Purchase	8,500	8,500	General Fund
Subtotal		522,625	226,625	
<u>Fire</u>				
Replacement (12) Expiring Hazmat SBCA Cylinders	Purchase	24,000	24,000	General Fund
Public Works:				
<u>Solid Waste</u>				
31 yd Automated Loader - Garbage, Replacement Rotation	Lease	410,000	96,000	General Fund
Knuckleboom Truck, Replacement Rotation	Lease	275,000	64,000	General Fund
Subtotal		685,000	160,000	
<u>Building Maintenance:</u>				
F250 Supercrew 4x4 Service Body Truck, Replacement V#1407, 15 years	Purchase	73,000	46,000	General Fund
<u>Street:</u>				
F250 supercrew 4X4 Truck, Diesel, Replacement #1207, 19 years	Purchase	70,000	46,000	General Fund
<u>Grounds:</u>				
(2) Outfront Mowers - Automatic Rotation	Purchase	100,000	100,000	General Fund
Ford F250 Supercrew 4X4, (Replacement #1480, 14 yrs) - Engine needs replaced	Purchase	70,000	46,000	General Fund
Subtotal		170,000	146,000	
Recreation:				
<u>Facilities</u>				
Repair and Resurface Pickleball Courts 7-12	Purchase	23,000	23,000	General Fund
Replacement of Damaged Turf at Daphne Sports Complex	Purchase	125,000	50,000	General Fund
Retrofit Soccer Fields (2&3) to LED	Purchase	325,000	325,000	Lodging
Subtotal		473,000	398,000	
<u>Bayfront Equipment/Facilities</u>				
Portable Bathroom Trailer	Purchase	100,000	100,000	Lodging
Green Room	Purchase	100,000	100,000	Lodging
Ford 150 Crew/Van	Purchase	65,000	65,000	Lodging
Reel Mower Triplex	Purchase	71,000	71,000	Lodging
Stand On Scag Mower	Purchase	15,000	15,000	Lodging
Trailer	Purchase	5,550	5,550	Lodging
Small Equipment for Mowing	Purchase	10,000	10,000	Lodging
Subtotal		366,550	366,550	
Building Inspections:				
F150, Replacement of #1620, 11 years	Purchase	48,000	48,000	General Fund
Finance:				
ClearGov ACFR and PAFR Software	Purchase	35,000	35,000	General Fund
IT:				
2020-2025 Used Explorer/Transit Van, Replacement #1006, 20 years	Purchase	25,000	25,000	General Fund
Civic Center:				
Painting of Lobby	Purchase	29,325	29,325	General Fund
Infrastructure:				
FY 27 Road Resurfacing	Purchase	1,500,000	600,000 600,000 300,000	General Fund Local Gas Tax 10 Cent Gas Tax
			1,500,000	
FY 27 Sidewalk Plan	Purchase	250,000	325,000	Capital Reserve Fund
Facilities:				
City Wide HVAC Replacements - Annual Recurring	Purchase	50,000	25,000	General Fund
Gator Boardwalk Handrail Replacement	Purchase	95,000	95,000	General Fund
May Day Boardwalk	Purchase	155,000	100,000	General Fund
Fuel Tank System Replacement	Purchase	750,000	40,000	General Fund

Summary of FY 2027 Capital Budget Requests - MAYOR APPROVED

Description	Acquisition Type	Total Request	Total Funded	Funding Source
	Subtotal	1,050,000	260,000	
			1,888,950	General Fund
			325,000	Capital Reserve
			691,550	Lodging Tax
			600,000	Local Gas Tax
			300,000	10 Cent Gas Tax
Total New Capital Requests:			3,805,500	

Summary of FY 2027 New Personnel Requests

			Total Annual	Total Annual	Total Annual	One-Time	Total	FUNDED	
Description	Grade		Salary	Taxes and Benefits	Cost	Costs	Cost	Hire Date	FY 2027 Cost
Public Safety:									
Police Department:									
Crime Scene Technician	15	Full Time	51,434	30,279	81,713		81,713		
Telecommunicator I	12	Full Time	46,515	29,199	75,714	-	75,714		
Telecommunicator II	14	Full Time	49,741	29,792	79,533	-	79,533		
Corrections Officer	12	Full Time	48,841	30,970	79,811	-	79,811		
Corrections Officer	12	Full Time	48,841	30,970	79,811	-	79,811		
			245,372	151,210	396,582	-	396,582		
Court:									
Municipal Court Magistrate	13	Full Time	48,094	29,489	77,583	-	77,583		
Recreation (Bayfront):									
Custodian	1	Full Time	35,487	28,181	63,668	-	63,668	4/1/2027	31,834
Crew Leader	14	Full Time	49,741	31,508	81,250	-	81,250		
Herbicide Spray Technician	13	Full Time	48,094	29,489	77,583	-	77,583	4/1/2027	38,792
			133,322	89,179	222,500	-	222,500		
Animal Shelter:									
Office Assistant	4	Part Time	26,859	5,036	31,895	-	31,895	10/1/2026	31,895
Less: Temporary Services Operating Budget			(25,000)		(25,000)		(25,000)	10/1/2026	(25,000)
			1,859	5,036	6,895	-	6,895		
Public Works:									
Streets									
Street Maintenance Worker I	8	Full Time	42,236	30,967	73,203	-	73,203		
Street Maintenance Worker I	8	Full Time	42,236	30,967	73,203		73,203		
Street Maintenance Worker II	11	Full Time	45,394	31,739	77,133		77,133		
Medium Equipment Operator	13	Full Time	48,094	32,399	80,493		80,493		
Crew Leader	16	Full Time	53,196	33,646	86,842		86,842		
Supervisor	22	Full Time	65,139	36,567	101,706		101,706		
			296,296	196,284	492,580		492,580		
Mechanical Barn									
Mechanic	12	Full Time	46,515	30,083	76,598	-	76,598		
Engineer:									
Assistant City Engineer	32	Full Time	104,000	39,776	143,776	-	143,776	4/1/2027	71,888
Marketing:									
Intern	\$15/hr	Temporary	15,600	1,217	16,817		16,817		
Human Resources:									
Intern	\$15/hr	Temporary	15,600	1,217	16,817		16,817		
Civic Center:									
Admin Support Specialist I	5	Full Time	39,308	27,873	67,180	-	67,180		
Total Personnel Costs - ALL FUNDS			945,965	571,363	1,517,328	-	1,517,328		149,408

Summary of FY 2027 New Personnel Upgrade Requests

Description	Grade & Step	Increase Total Annual Salary	Total Annual Taxes and Benefits	One Time Costs	Increase Total Annual Cost	FUNDED Hire Date	FY 2027 Cost
Police Department:							
Upgrade Telecommunicator II to Assistant Chief Telecommunicator	14 to 17	5,200	982		6,182		
Animal Shelter:							
Upgrade Adoption Placement to Adoption Coordinator	5 to 16	7,634	1,478		9,112	10/1/2026	9,112
Civic Center:							
Reclassify Event Supervisor	10 to 14	4,832	953		5,784	10/1/2026	5,784
Upgrade Admin Asst to Sales Coordinator	12 to 15	5,098	936		6,034		
IT:							
Upgrade IT Technician to IT Technician II	15 to 17	5,375	987		6,362	10/1/2026	6,362
Library:							
Upgrade PT Library Aide to FT	PT to Full Time	10,764	22,617		33,381		
Senior Center:							
Upgrade PT Office Assistant to Full Time	PT to Full Time	13,991	23,209		37,201		
Upgrade Administrative Assistant I to Administrative Assistant II	5 to 7	3,836	704		4,540	10/1/2026	4,540
Public Works:							
Facilities							
Upgrade Facilities Maintenance tech to Supervisor	12 to 22	16,931	3,592		20,523	10/1/2026	20,523
Upgrade Facilities Manager	23	6,500	1,379		7,879	10/1/2026	7,879
Admin							
Upgrade PW/EMA Asst to Admin Operations Coordinator	12 to 15	5,200	955		6,155		
Solid Waste							
Upgrade Solid Waste Operator to Solid Waste Supervisor	13 to 22	15,496	3,655		19,151		
Total Personnel Costs - ALL FUNDS		100,856	61,447	-	162,304	54,200	

**CITY OF DAPHNE, ALABAMA
ORDINANCE NO. 2026-32**

**AN ORDINANCE GRANTING NON-EXCLUSIVE AUTHORIZATION TO THE CITY
OF LOXLEY, ALABAMA, FOR THE PURPOSE OF CONSTRUCTING AND
MAINTAINING A WATER DISTRIBUTION SYSTEM WITHIN CERTAIN PUBLIC
RIGHTS-OF-WAY WITHIN THE CITY OF DAPHNE, ALABAMA**

WHEREAS, the City of Loxley, Alabama (the “Provider”) intends to provide water service within certain areas of the City of Daphne, Alabama (the “City”); and

WHEREAS, the Provider desires to expand at times and maintain its water distribution system within certain public rights-of-way within the City; and

WHEREAS, the City wishes to accommodate the Provider’s desire and grant authorization to allow the Provider to provide water within the City, including the construction and maintenance of new facilities and the maintenance of existing facilities, in accordance with the terms and conditions contained herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, AS FOLLOWS:

The City Council of the City of Daphne does hereby grant to the Provider a non-exclusive right to construct and maintain a water distribution system in the City in and along certain rights-of-way, subject to the terms and conditions set forth in the following agreement:

**INTERGOVERNMENTAL CONSTRUCTION, RIGHT-OF-WAY
USE & FRANCHISE AGREEMENT**

THIS INTERGOVERNMENTAL CONSTRUCTION, RIGHT-OF-WAY USE and FRANCHISE AGREEMENT (this “Agreement”) is entered into on this ___ day of _____, 2026 (the “Effective Date”), by and between the CITY OF DAPHNE, ALABAMA (the “City”), and the CITY OF LOXLEY, ALABAMA (the “Provider”). The City and the Provider are sometimes referred to individually herein as a “Party” and collectively as the “Parties.”

WHEREAS, the City is the owner of certain rights-of-way located along streets maintained by and under the control of the City (as further defined herein, the “Rights-of-Way”), and the City is authorized to grant corporations the non-exclusive right to construct, operate, and maintain a water distribution system within the City; and

WHEREAS, the Provider is qualified to do business in the State of Alabama and desires to provide water within the City; and

WHEREAS, the City and the Provider desire to enter into this Agreement concerning the installation and maintenance of a water distribution system within the City’s Rights-of-Way, and certain other matters more fully contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the Parties hereto do hereby agree as follows:

1. **Definitions.** For the purposes of this Agreement, the following terms, phrases, words, and abbreviations shall have the following meanings:

- (a) **“Control”** shall have the meaning set forth in Section 13 of this Agreement.
- (b) **“Customer(s)”** means a Person who lawfully receives Services with the Provider’s express permission within the City.
- (c) **“Effective Date”** shall have the meaning set forth in the preamble of this Agreement.
- (d) **“Facilities”** means all structures or systems designed for the transmission, treatment, or distribution of water, including without limitation any pipes, filtration systems and any and all other equipment, appurtenances and fixtures as may be reasonably necessary or desirable in the operation of a water distribution system and to provide Services under this Agreement.
- (e) **“Franchise”** shall have the meaning set forth in Section 2 of this Agreement.
- (f) **“Franchise Fee”** shall have the meaning set forth in Section 9(b) of this Agreement.
- (g) **“Gross Revenues”** means all income and revenue directly or indirectly received by the Provider from the operation of the System to provide Services to Customers within the City. Gross Revenues shall not include (i) any taxes on Services furnished by the Provider by any municipality, state, or other governmental unit and collected by the Provider for such governmental unit; (ii) non-operating revenues such as interest income or gain from the sale of an asset; (iii) site acquisition, construction management or supervision fees related to or incurred in support of the installation of the Facilities; and/or (iv) contributions of capital by any third party to reimburse the Provider in whole or in part for the installation of the Facilities.
- (h) **“License Fee”** shall have the meaning set forth in Section 9(a) of this Agreement.
- (i) **“Person”** shall mean any person, firm, partnership, association, corporation, limited liability Provider, or organization of any kind.
- (j) **“Right-of-Way”** or **“Rights-of-Way”** shall mean the surface of, and the space above and below, any public street, road, highway, alley, sidewalk, parkway, park, skyway, or other public right-of-way, and any other place, area, or real property owned by or under the control of the City for vehicular travel purposes and utility easements.
- (k) **“Service Area”** means those areas within the corporate limits of the City of Daphne where the Provider provides Services.
- (l) **“Services”** means the offering of water services for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of facilities used.
- (m) **“System”** means the water Facilities which are owned and operated by the Provider.
- (n) **“Term”** shall have the meaning set forth in Section 3 of this Agreement.

2. **Grant.** In consideration of the benefits to accrue to the City and the inhabitants thereof, the City hereby grants the Provider the non-exclusive right and license to construct, own,

maintain, operate, extend and enlarge in the City a plant or system to provide water services to customers located within the City (the “Franchise”). Subject to the terms of this Agreement and applicable law, the Provider may construct, own, maintain, operate, extend and enlarge its water distribution system in any Rights-of-Way. The City will not vacate any public Right-of-Way containing any Facilities without first advising the Provider of its intention to vacate the Right-of-Way and cooperating with the Provider in reasonable attempts to obtain the necessary property rights to maintain the Facilities in the Right-of-Way. The Provider shall have the power and authority, subject to applicable law, to make, adopt and enforce rates, rules and regulations for the furnishing of water services and for the reasonable operation of its System. The City will not prohibit the Provider from making connections of the Facilities to new customers or providing service to new accounts within the territorial limits of City.

3. **Term.** The license granted under this Agreement shall be for an initial term of ten (10) years from the Effective Date, unless otherwise lawfully terminated (the “Term”). Any renewal of this Agreement shall be performed in accordance with applicable laws.

4. **Installation of Facilities.** The Provider shall not install any new Facilities in any Right-of-Way without having received a permit from the City. The Provider shall install all Facilities so as to minimize interference with the proper use of Rights-of-Way, public utilities, and with the rights and reasonable convenience of the City and property owners whose property adjoins any Rights-of-Way. The Provider agrees to the following conditions, limitations, and restrictions related to the installation of its Facilities in, on or through any portion of the Rights-of-Way:

(a) The Provider shall hold a pre-construction meeting with the City at least ten (10) days prior to beginning any construction to advise the City of its planned activities.

(b) The Provider agrees to supply the City with digital drawings of construction plans ten (10) days prior to construction and digital as-built drawings within six (6) months of the completion of any construction. Final drawings will be supplied in Autocad 2000 using NAD 83 coordinates, GIS format, or such other digital digital formats as are reasonably acceptable to the Parties.

(c) The Provider agrees to “white-line” its path for planned construction for the day of construction.

(d) The Provider lines, where feasible, shall have at least a 12” separation vertically and, where feasible, at least 24” separation horizontally from all utility lines, if any, including gas lines, water lines and sewer lines.

(e) The Provider agrees, where feasible, to stay three (3) feet away, measured horizontally, from power poles unless it is utilizing such poles pursuant to a pole attachment arrangement.

(f) The Provider or the Provider’s contractor will request locates and the City shall provide locates of its Facilities, if any, as required by Alabama’s 811 law and regulations.

(g) The Provider shall clear the streets of any drill mud, debris and other obstructions that accumulate as a result of the Provider’s construction activities and will not permit its activities to create a hazard to any persons or property. In the event that any such drill mud, debris or other obstruction caused by the Provider’s activities encroaches upon the street, the Provider shall take immediate corrective action to remove the same.

(h) If streets and other Rights-of-Way are damaged by the Provider, its employees, agents or contractors in installation or subsequent maintenance and repair of its Facilities, the Provider, upon written notice from the City and at the Provider's sole expense, shall promptly repair and restore such streets or Rights-of-Way to the same or better condition than such streets or Rights-of-Way were in prior to such damage, and to the reasonable satisfaction of the City.

(i) The Provider shall contact affected property owners to discuss any repairs, dress-up or clean-up of such owners' property necessitated by the installation of the Provider's Facilities, and shall perform any necessary repair, dress-up or clean-up to such property at the Provider's sole expense.

(j) At all times, the Provider shall be responsible for safety at, about and around its work and shall, at its sole expense, provide safe and adequate traffic control when necessary and at its own expense provide full and complete warnings to safeguard the public and to prevent injury or damage, including, but not limited to, any and all signage, cones, markings, lighting and otherwise, deemed, in the sole discretion of the Provider, to be adequate and the Provider shall assume all liability for any injury or damage in any way related directly, or indirectly to the provision or non-provision or inadequate provision of such controls, warnings, etc., and shall, at its sole expense, defend, indemnify and hold the City harmless of and from any and all actions in any way related to any injury or damage claimed to be the result of inadequacies in traffic control, warnings, or otherwise.

(k) The decision of when and the location and type of Services provided within the City is solely within the discretion of the Provider during the Term, subject to the City's permit approval process.

(l) Throughout the Term of this Agreement, provided the Provider complies with the foregoing requirements, the Provider shall be entitled to expand and upgrade its System as it deems reasonably necessary.

5. **Relocation of Facilities.** Whenever the City shall grade, regrade, or change the line of any street or Right-of-Way or construct or reconstruct any drainage, water system therein and shall, with due regard to reasonable working conditions, order the Provider to relocate or protect its Facilities located in said street or Right-of-Way, the Provider shall relocate or protect its Facilities at its own expense. Further, where the City has determined that the location of the Provider's Facilities is unsafe or otherwise may be harmful to the public health, safety, and welfare as determined in the reasonable judgment of the City, the Provider shall move such Facilities to an alternate location as directed by the City. The City shall give the Provider reasonable notice of plans to grade or change the line of any street or Right-of-Way or to construct or reconstruct any drainage, sewer or water system therein or of any demand that the Facilities be relocated for the reasons set forth herein. The Provider may also be required to relocate its Facilities where public utilities or other users of the Right-of-Way require access; provided, however, that nothing herein shall be construed as a waiver of the Provider's rights under applicable law. Any such movement shall be at the expense of the third party. With respect to location of its existing public utility lines, if any, the City agrees that during the period of the Provider's installation of any Facilities pursuant to this Agreement, the City will locate all City public utility lines, if any, as required by Alabama's 811 laws. It shall be the duty of the Provider or its contractor(s) to request the City to locate its public utility lines, if any.

6. **Damage to Existing Utilities.** The Provider hereby agrees that (a) during the installation process, and (b) at any time after such installation, the Provider will immediately notify the appropriate utility provider in the event that the Provider, or any of its related entities, employees, agents or contractors damages a utility line, including private service lines. Provided that the party owning the lines has complied with Alabama's 811 law and regulations then any repairs to such utility lines and private service lines must be made immediately, and at the Provider's sole expense, and shall only be made by appropriately licensed and bonded contractors.

7. **Compliance with Codes.** All construction, installation, maintenance, and operation of the System or of any Facilities employed in connection therewith shall comply with the provisions of all applicable law, any standards issued by federal or state regulatory agencies in relation thereto, and local zoning regulations. The Provider shall comply with ordinances, rules, and regulations established by the City pursuant to the lawful exercise of its police powers and generally applicable to all users of the Rights-of-Way. The City reserves the right to lawfully exercise its police powers.

8. **Indemnity to The City.** At all times both during and after installation, so long as the Provider's System is located upon any portion of the City's Rights-of-Way, the Provider covenants, warrants and agrees to indemnify and hold harmless the City, its elected officials, officers, employees, agents and contractors of and from any and all suits, damages, claims, liabilities, losses and expenses, including reasonable attorneys' fees, directly or indirectly arising from or related to: (a) the installation, operation, repair or maintenance by any Person of the Provider's System within the City; (b) provided that the City has complied with Alabama's 811 law and regulations, any injury, loss or damage to the City's utility lines arising from or related to the installation, operation, repair or maintenance of the Provider's System; and (c) provided that the private service line owner has complied with Alabama's 811 law and regulations, any injury, loss or damage to private service lines arising from or related to the installation, operation, repair or maintenance of the Provider's System. Without the intent of limiting any of the foregoing, it is agreed that the Provider shall indemnify and hold harmless the City, its elected officials, officers, employees, agents and contractors of and from any and all claims for personal injury, wrongful death, property damage, or otherwise alleged to be directly or indirectly attributable, in whole or in part, to the acts or omissions of the Provider or its officers, employees, agents, or contractors in connection with the subject of this Agreement, which indemnity shall be at the sole expense of the Provider, including the obligation to pay any and all sums required, including any settlement, judgment, attorneys' fees, court costs, or otherwise. In the event the City believes it has a claim subject to indemnification it must promptly give the Provider written notice of such claim. Within sixty (60) days of its receipt of written notice of the City's claim, the Provider shall notify the City in writing whether it will defend such claim. If the Provider assumes the defense of such claim it shall be entitled to defend the claim in any manner it sees fit including settlement, provided no settlement imposes liability on the City without the City's prior written consent.

9. **Fees.**

(a) **License Fee.** As consideration for use of the City's Rights-of-Way as set forth in this Agreement, the Provider agrees to pay the City upon execution of this Agreement a one-time License Fee of Five Thousand Dollars (\$5,000).

(b) **Franchise Fee.** The Provider shall pay the City a franchise fee equal to three percent (3%) of the Gross Revenues received by the Provider from the sale of Services to Customers within the City (the “Franchise Fee”). The payment of the Franchise Fee shall be made on a quarterly basis and shall be due and payable no later than forty-five (45) days after the last day of each March, June, September and December throughout the Term of this Agreement. Each Franchise Fee payment shall be accompanied by a certified report from a representative of the Provider, which shows the basis for the computation of all Gross Revenues received by the Provider from sale of the Services to Customers located within the City limits during the period for which such Franchise Fee payment is made. If the Franchise Fee payment is not actually received by the City on or before the applicable due date set forth in this Section, interest shall accrue on the outstanding amount at the state legal interest rate of six percent (6%) annually (Alabama Code (1975) § 8.8.1).

(c) **Audit.** During the Term of this Agreement, once every twelve (12) months and upon reasonable prior written notice, during normal business hours, the City shall have the right to inspect the Provider’s financial records used to calculate the City’s Franchise Fee, and the right to audit and to re-compute any amounts determined to be payable under this Section at the City’s expense; provided, however, that any such audit shall take place within six (6) years from the date the City received such payment, after which period any such payment shall be considered final. If the City believes it is owed any additional compensation from the Provider, it will give the Provider notice of same along with a calculation of the additional amount. The Parties shall work together in good faith to resolve the matter. Any additional amounts due to either Party shall be promptly paid within thirty (30) days following resolution of the payment dispute.

11. **Liability Insurance.** At all times, the Provider shall maintain, at its own cost and expense, a general liability policy in the minimum amount of \$1,000,000 per occurrence and \$3,000,000 general aggregate limit for bodily injury and property damage. Such general liability policy shall designate the City as an additional insured and shall be non-cancellable except upon thirty (30) days’ prior written notice to the City. The City shall be provided with a certificate or certificates of such coverage. In addition, the Provider shall secure any and all other insurance as the Provider, in its sole discretion deems appropriate. Nothing in this paragraph is intended to be a waiver of the City’s immunity under State-agent immunity or any other immunity afforded municipalities under Alabama or Federal law.

12. **Books and Records.** Throughout the Term of this Agreement, the Provider agrees to keep such books and records regarding the operation of the System and the provision of Services in the City as are reasonably necessary to ensure the Provider’s compliance with the terms and conditions of this Agreement. All such documents pertaining to financial matters, which may be the subject of an audit by the City, shall be retained by the Provider for a minimum period of six (6) years.

13. **Transfer of Ownership or Control**

(a) The Provider shall not transfer this Agreement or any of the Provider’s rights or obligations in or regarding the Agreement without the prior written consent of the City, which shall not be unreasonably withheld. No such consent shall be required, however, for (i) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Provider in the Agreement or in the System in order to secure indebtedness, (ii) a transfer to any Person

controlling, controlled by or under the same common control as the Provider, or (iii) a transfer to any Person purchasing all or substantially all of the assets or common stock of the Provider.

(b) The Provider shall give the City prior written notice of any impending transfer of Control of the Provider or its assets under Sections 13 (a)(ii) or (iii). Furthermore, the Provider shall ensure that the Person to whom Control of the Provider or its assets is transferred is authorized by the applicable state or federal authority to occupy the Rights-of-Way pursuant to this Agreement and assumes in writing all of the obligations of the Provider under this Agreement effective as of the date of the transfer of Control or sale. The Provider shall provide the City with a copy of such assignment instrument upon request. The transfer of ownership or Control pursuant to this section shall not be deemed to waive any rights of the City to subsequently enforce noncompliance issues relating to this Agreement even if such issues predated the transaction, whether known or unknown to the City.

(c) For purposes of this Section 13, “Control” means ownership of a majority interest or the actual working control and day to day management of the Provider.

14. **Compliance with Applicable Law.** The Provider shall at all times comply with all laws applicable to its provision of Services in the City. Notwithstanding the foregoing, the Franchise Fees paid pursuant to this Agreement shall replace and be paid in lieu of any business license fees normally assessed to the Provider pursuant to City Ordinance and Alabama law.

15. **Enforcement and Termination.**

(a) **Breach.** In addition to all other rights and powers retained by the City under this Agreement or otherwise, the City reserves the right to terminate this Agreement and all rights and privileges of the Provider hereunder in the event of a material breach of its terms and conditions.

(b) **Notice of Violation.** In the event the City believes the Provider has not complied with the provisions of this Agreement, the City shall make a written demand that the Provider comply with any such provision, rule, order, or determination under or pursuant to this Agreement. If the violation by the Provider continues for a period of thirty (30) days following the Provider’s receipt of such written demand without written proof that the corrective action has been taken or is being actively and expeditiously pursued, the City may place the issue of termination of the Agreement before the City Council. The City shall cause to be served upon the Provider, at least twenty (20) days prior to the date of such a City Council meeting, a written notice of intent to request such termination, the provisions of this Agreement under which termination is sought, and the time and place of the meeting. Public notice shall be given of the meeting and issues that the City Council is to consider pursuant to the requirements of Alabama law.

(c) **Consideration of Breach.** The City Council shall hear and consider the issue and shall hear any Person interested therein and shall determine whether or not any substantial breach by the Provider has occurred.

(d) **Declaration of Forfeiture.** If the City Council shall determine the violation by the Provider was the fault of the Provider and within its control, the City Council may, by resolution (i) seek specific performance of any provisions which reasonably lends itself to such remedy, as an alternative to damages; or (ii) commence an action at law for monetary damages; or (iii) declare a substantial breach and declare that this Agreement shall be terminated unless there is compliance

within such period as the City Council may fix, such period not to be less than sixty (60) days, provided no opportunity for compliance need be granted for fraud or misrepresentation.

(e) No Forfeiture of Legal Rights or Remedies. Nothing herein shall be construed as a waiver or forfeiture of any right or remedy that either Party may have concerning or arising out of this Agreement, including the right to seek judicial redress for any breach or violation of the terms of this Agreement.

16. **Miscellaneous.**

(a) Applicable Law. This Agreement will be deemed to be a contract made under the laws of the State of Alabama and for all purposes will be governed by and interpreted in accordance with the laws prevailing in the State of Alabama, without regard to principles of conflict of laws.

(b) Entire Agreement. The terms and provisions of this Agreement constitute the entire agreement between the Parties, and there are no collateral agreements or representations or warranties other than as expressly set forth or referred to in this Agreement.

(c) Inurement. This Agreement shall be binding upon, and shall inure to the benefit of, the respective Parties, their successors and assigns, including any and all subsequent owners of the fiber optic lines installed pursuant to this Agreement.

(d) Fees and Costs. In the event of any disputes or controversies arising from the Agreement or its interpretation, the prevailing Party shall be entitled to recover from the non-prevailing Party, in addition to any other relief awarded, the costs and expenses incurred in connection with such dispute or controversy, including reasonable attorneys' fees.

(e) No rights to private property. Nothing in this Agreement shall be construed expressly or impliedly to grant to the Provider any rights with respect to any private property.

(f) The Provider's repair, inspection, etc. All of the obligations imposed by this Agreement upon the Provider with regard to construction shall be equally applicable in the event that the Provider or its agents, employees or contractors, repair, inspect, or otherwise, deal with the Rights-of-Way. All obligations, duties and responsibilities imposed upon the Provider by this Agreement shall be continuing and not limited solely to the construction period.

(g) Independent contractor. The Parties stipulate and agree that the Provider is an independent contractor and neither Party shall take any action or make any statement that could, in any way, suggest a different relationship between the Parties. It is specifically agreed that the Parties hereto are not partners or joint venturers and do not occupy any similar relationship.

(h) No guaranty, etc. by the City. It is hereby agreed that neither the City nor any of its elected officials, officers, employees, agents or contractors have made any guaranty, representation, promise or assurance to the Provider or its officers, officials, employees or contractors, other than as expressly contained in writing in this Agreement and the Provider stipulates and agrees that it is not relying upon any promise, representation, guaranty or assurance, other than as is contained in writing in this Agreement.

(i) Notice. Any notice or response required under this Agreement shall be in writing and shall be deemed given upon receipt: (i) when hand delivered; (ii) when delivered by commercial courier; or (iii) after having been posted in a properly sealed and correctly addressed

envelope by certified or registered mail, postage prepaid, return receipt requested. The addresses of the Parties for notice are as follows:

If to the City: City of Daphne
Office of the Mayor
1705 Main Street
Daphne, Alabama 36526

With copy to: Adams and Reese LLP
Jay M. Ross, Esq.
11 North Water Street, Suite 23200
Mobile, AL 36602

If to the Provider: City of Loxley

With copy to:

The City and the Provider may designate such other address or addresses from time to time by giving notice to the other as provided in this section.

(j) Severability. If the legislature or a court or regulatory agency of competent jurisdiction determines that any provision of this Agreement is illegal, invalid, or unconstitutional, all other terms of this Agreement will remain in full force and effect for the Term of the Agreement and any renewal.

(k) Change of Law. In the event that any effective legislative, regulatory, judicial, or legal action materially affects any material terms of this Agreement, or the ability of the City or the Provider to perform any material terms of this Agreement, the Parties agree to amend this Agreement as necessary to comply with the changes in law within thirty (30) days of receipt of written notice of such change in law.

* * *

Publication, Effective Date and Acceptance. This Ordinance shall be published in accordance with applicable laws. This Ordinance and Agreement shall become effective only upon receipt of a written unconditional acceptance by the Provider of the terms and conditions contained herein within thirty (30) days of the passage of this Ordinance.

With its acceptance, the Provider shall also deliver a certified or cashier's check, approved by the City, in the amount of Five Thousand Dollars (\$5,000) made payable to the City of Daphne, Alabama, as a license fee, and insurance certificates as required herein, that have not previously been delivered. The license fee shall be deposited in an account of the City, and shall serve to recover expenses incurred by the City in the preparation of this Ordinance, including attorneys' fees incurred by the City.

ADOPTED AND APPROVED this _____ day of _____, 2026.

CITY OF DAPHNE, ALABAMA

Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk

APPROVED AND ACCEPTED:

CITY OF LOXLEY, ALABAMA

Richard Teal, Mayor

ATTEST:

Melissa Lawrence, City Clerk

**CITY OF DAPHNE, ALABAMA
ORDINANCE 2026-33**

**AN ORDINANCE AUTHORIZING THE ACQUISITION OF CERTAIN
REAL PROPERTY COMMONLY KNOWN AS THE APALACHEE
PROPERTY; APPROVING A PURCHASE AND DONATION
AGREEMENT; AUTHORIZING THE MAYOR TO EXECUTE THE
AGREEMENT AND RELATED DOCUMENTS; AUTHORIZING THE
EXPENDITURE OF FUNDS; AND PROVIDING FOR RELATED
MATTERS**

WHEREAS, Section 11-40-1, Code of Alabama (1975), as amended, authorizes a municipality to acquire property by purchase, gift, devise, or appropriation for a municipal purpose authorized by law; and

WHEREAS, Section 11-47-170, Code of Alabama (1975), as amended, authorizes a municipality, whenever in the judgment of its governing body it is necessary or expedient for the carrying out and full exercise of any power granted by law, to acquire by purchase the necessary lands, rights, easements, or interests therein; and

WHEREAS, pursuant to Section 11-43-56, Code of Alabama (1975), as amended, the City Council has the management and control of the finances and real and personal property of the City; and

WHEREAS, Barry L. Booth (“Booth”) and Chunchula Energy Corporation, an Alabama corporation (“Chunchula”), hold record title to Lot 1-B of the Resubdivision of Lot 1, Sundowne Subdivision, and Apalachee Development LLC, an Alabama limited liability company (“Apalachee”), holds record title to Lot 1-A of the Resubdivision of Lot 1, Sundowne Subdivision, which parcels, together with all appurtenant rights and easements, constitute the property commonly known as “Apalachee,” located at 28747 2nd Street, Daphne, Alabama, and more particularly described in the Purchase and Donation Agreement referenced below (the “Property”); and

WHEREAS, the City desires to acquire one hundred percent (100%) fee simple title to the Property, together with all appurtenant rights and easements, for municipal purposes; and

WHEREAS, the City and Booth, Chunchula, and Apalachee (collectively, the “Sellers”) have negotiated a Purchase and Donation Agreement substantially in the form attached hereto as Exhibit A and incorporated herein by reference (the “Agreement”); and

WHEREAS, pursuant to the Agreement, the aggregate cash purchase price to be paid by the City for the Property is Two Million Three Hundred Seventy-Five Thousand Dollars (\$2,375,000), consisting of (i) One Million Dollars (\$1,000,000) payable with respect to Lot 1-B and (ii) One Million Three Hundred Seventy-Five Thousand Dollars (\$1,375,000) payable with respect to Lot 1-A; and

WHEREAS, the Agreement further provides that Three Hundred Seventy-Five Thousand Dollars (\$375,000) of the value attributable to Lot 1-B will constitute a charitable gift and donation to the City, for which the City will provide the acknowledgment described in the Agreement,

resulting in total consideration and donated value of Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000); and

WHEREAS, the Property was appraised by Edmond G. Eslava III, MAI, SRA, ASA, of The Appraisal & Consultant Group, with an effective date of August 26, 2025, at an “As Is” market value of the fee simple estate of Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000); and

WHEREAS, after consideration of the Agreement, the appraisal, the location and characteristics of the Property, the interests to be acquired, and the anticipated municipal use and benefit of the Property, the City Council finds and determines that the acquisition of the Property serves a valid municipal and public purpose, that the terms of the proposed acquisition are fair and reasonable, and that acquisition of the Property is in the best interests of the City and its citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, AS FOLLOWS:

SECTION 1. APPROVAL OF ACQUISITION. The acquisition by the City of one hundred percent (100%) fee simple title to the Property, together with all rights and easements appurtenant thereto, upon the terms and subject to the conditions set forth in the Agreement, is hereby authorized and approved. The City Council further finds and determines, pursuant to Section 11-47-170, Code of Alabama (1975), as amended, that acquisition of the Property is necessary or expedient in furtherance of the lawful municipal purposes of the City.

SECTION 2. APPROVAL OF PURCHASE AND DONATION AGREEMENT. The Agreement, substantially in the form attached hereto as Exhibit A, is hereby approved. The Mayor is hereby authorized and directed, for and on behalf of the City, to execute and deliver the Agreement and, following its execution and prior to Closing, to execute and approve such amendments, supplements, modifications, waivers, consents, and other changes thereto as the Mayor, with the approval of the City Attorney as to legal form and sufficiency, may determine to be necessary, desirable, or appropriate to consummate the transaction contemplated hereby; provided, however, that without further approval of the City Council, no such amendment, modification, waiver, or other change shall: (a) increase the aggregate cash Purchase Price above Two Million Three Hundred Seventy-Five Thousand Dollars (\$2,375,000); (b) materially reduce the real property interests to be acquired by the City, including the City’s acquisition of one hundred percent (100%) fee simple title to Lots 1-A and 1-B together with the appurtenant easement rights contemplated by the Agreement; (c) materially change the public purpose of the acquisition; or (d) materially increase the City’s financial obligations other than customary and reasonable closing costs and expenses authorized by this Ordinance.

SECTION 3. AUTHORIZATION OF PURCHASE PRICE AND OTHER TRANSACTION COSTS. The City is hereby authorized to pay at Closing the aggregate cash Purchase Price of Two Million Three Hundred Seventy-Five Thousand Dollars (\$2,375,000), allocated among the Sellers as provided in the Agreement. The City is further authorized to pay the title insurance premiums, recording charges, survey costs, closing charges, professional fees, and other costs expressly allocated to the City under the Agreement or otherwise reasonably necessary to consummate the acquisition. The Finance Director and other appropriate officers and employees of the City are authorized and directed to take such actions as may be necessary to effectuate such payments.

SECTION 4. SOURCE OF FUNDS. The Purchase Price and other costs authorized by this Ordinance shall be paid from the City's General Fund, which funds are hereby appropriated for such purposes to the extent not previously appropriated.

SECTION 5. AUTHORITY TO CONSUMMATE TRANSACTION. The Mayor, City Clerk, Finance Director, and other appropriate officers and employees of the City are hereby authorized and directed to execute, attest, deliver, accept, and, where appropriate, record such closing statements, settlement statements, certificates, affidavits, acknowledgments, tax forms, deeds, title documents, and other instruments and to take such other actions as may be reasonably necessary or appropriate to consummate the acquisition contemplated by the Agreement. Without limiting the foregoing or the authority granted in Section 2, the Mayor is authorized, with the approval of the City Attorney as to legal form and sufficiency, to determine whether the conditions to the City's obligation to close under the Agreement have been satisfied or waived, to exercise any rights, remedies, elections, consents, or approvals granted to the City under the Agreement, and to approve and execute such amendments, supplements, modifications, waivers, consents, closing documents, and other instruments as may be necessary, desirable, or appropriate to consummate the acquisition, subject to the limitations set forth in Section 2.

SECTION 6. CHARITABLE DONATION ACKNOWLEDGMENT. The Mayor is authorized to execute and deliver, on behalf of the City, the charitable donation acknowledgment contemplated by the Agreement. Nothing in this Ordinance shall constitute a representation or warranty by the City concerning the valuation, deductibility, or federal, state, or local tax treatment of the charitable donation.

SECTION 7. DISCLOSURE PURSUANT TO ALA. CODE § 9-15-100. The City Clerk is hereby directed to ensure compliance with Section 9-15-100, Code of Alabama (1975), as amended, concerning disclosure of information relating to the purchase of real property with public funds. To the extent the City elects to satisfy the requirements of § 9-15-100 pursuant to subsection (d) thereof, the minutes of the meeting at which this Ordinance is adopted shall reflect the information required by subsection (b), including:

- (a) identification of the Property;
- (b) the identity of the appraiser, the date and effective date of the appraisal, and the appraised value of the Property;
- (c) the Agreement and the material terms of the acquisition;
- (d) the source or sources of all public funds used for the acquisition; and
- (e) such other related information and materials as are required by Section 9-15-100.

If the requirements of § 9-15-100 are not satisfied pursuant to subsection (d) thereof, the City Clerk shall cause the disclosures required by that section to be made within sixty (60) days following the Closing, including preparation of the required public report, attachment of the report to the minutes of the next scheduled meeting of the City Council, and publication on the City's website as required by law.

SECTION 8. RATIFICATION. All prior actions taken by the Mayor, City Clerk, City Attorney, and other officers, employees, and agents of the City in connection with the negotiation, due diligence, appraisal, title examination, and proposed acquisition of the Property that are consistent with the terms of this Ordinance are hereby ratified and confirmed.

SECTION 9. SEVERABILITY. If any section, subsection, sentence, clause, phrase, or provision of this Ordinance is held invalid or unenforceable by a court of competent jurisdiction, such determination shall not affect the validity or enforceability of the remaining provisions hereof.

SECTION 10. REPEALER. All ordinances, resolutions, orders, or parts thereof in conflict with this Ordinance are hereby repealed to the extent of such conflict.

SECTION 11. EFFECTIVE DATE. This Ordinance shall become effective upon its adoption and approval and upon publication to the extent required by applicable law.

ADOPTED AND APPROVED this ____ day of _____, 2026.

Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk

EXHIBIT A
FORM OF PURCHASE AND DONATION AGREEMENT

(attached)

PURCHASE AND DONATION AGREEMENT

THIS PURCHASE AND DONATION AGREEMENT (this “Agreement”) is entered into as of the ____ day of _____, 2026 (the “Effective Date”), by and among:

SELLERS/DONORS:

(1) Barry L. Booth, an individual resident of Baldwin County, Alabama (“Booth”), with a mailing address of PO Box 7406, Spanish Fort, AL 36577;

(2) Chunchula Energy Corporation, an Alabama corporation (“Chunchula”), with a mailing address of 1000-A Cody Road, Mobile, AL 36695;

(3) Apalachee Development LLC, an Alabama limited liability company (“Apalachee” and, together with Booth and Chunchula, collectively the “Sellers”), with a mailing address of 1000-A Cody Road, Mobile, AL 36695; and

BUYER/DONEE:

The City of Daphne, Alabama, a municipal corporation organized and existing under the laws of the State of Alabama (the “City”), acting by and through its Mayor and City Council, with a mailing address of 1705 Main Street, Daphne, Alabama 36526.

The Sellers and the City are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, Booth and Chunchula hold record title to Lot 1-B, and Apalachee holds record title to Lot 1-A, of the Resubdivision of Lot 1, Sundowne Subdivision, together constituting all of the real property commonly known as “Apalachee,” located at 28747 2nd Street, Daphne, Alabama 36526, in Baldwin County, Alabama, and more particularly described herein (the “Property”); and

WHEREAS, according to the Title Commitment, title to Lot 1-B is vested in Booth and Chunchula, and title to Lot 1-A is vested in Apalachee; and

WHEREAS, Booth holds a fifty percent (50%) membership interest in Apalachee, and an affiliate of Chunchula holds the remaining fifty percent (50%) membership interest in Apalachee; and

WHEREAS, the Sellers together hold one hundred percent (100%) of the ownership interests in the Property and desire to convey all such interests to the City; and

WHEREAS, an appraisal of the Property was conducted by Edmond G. Eslava III, MAI, SRA, ASA, of The Appraisal & Consultant Group, with an effective date of August 21, 2026’, which concluded that the “As Is” Market Value of the Fee Simple Estate of the entire Property is Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000); and

WHEREAS, the Parties have agreed that the total consideration for the Property shall be Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000), consisting of cash payments totaling Two Million Three Hundred Seventy Five Thousand Dollars (\$2,375,000) and a charitable donation acknowledgment in the amount of Three Hundred Seventy Five Thousand Dollars (\$375,000); and

WHEREAS, the consideration shall be allocated as follows: (i) with respect to Lot 1-B, One Million Dollars (\$1,000,000) in cash and a Three Hundred Seventy Five Thousand Dollar (\$375,000) charitable donation acknowledgment (the “Lot 1-B Consideration”); and (ii) with respect to Lot 1-A, One Million Three Hundred Seventy Five Thousand Dollars (\$1,375,000) in cash (the “Lot 1-A Consideration”); and

WHEREAS, the City desires to acquire one hundred percent (100%) fee simple title to the Property for municipal purposes; and

WHEREAS, the City Council of the City of Daphne has authorized or, upon execution, will have authorized the acquisition of the Property in accordance with applicable Alabama law governing municipal acquisition of real property; and

WHEREAS, the foregoing recitals are provided for background and context only, are not representations, warranties, covenants, or agreements of any Party, and shall not be construed to impose any obligation or liability upon any Seller.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations, and warranties set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I — DEFINITIONS

Section 1.1 — Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

(a) “Appraisal” means the appraisal report prepared by Edmond G. Eslava III, MAI, SRA, ASA, of The Appraisal & Consultant Group, dated August 25, 2026, with an effective date of August 21, 2026, estimating the Market Value of the Fee Simple Estate of the entire Property at \$2,750,000.

(b) “Closing” has the meaning set forth in Section 5.1 of this Agreement.

(c) “Closing Date” has the meaning set forth in Section 5.1 of this Agreement.

(d) “Deed” means one or more warranty deeds in the form attached hereto as Exhibit B, each conveying the applicable Seller’s right, title, and interest in the Lot to which such Seller holds record title, in recordable form and in compliance with Alabama law, and containing the covenants and warranty of title set forth therein.

(e) “Donation Amount” means Three Hundred Seventy Five Thousand Dollars (\$375,000), representing that portion of the Lot 1-B Consideration that constitutes a charitable gift from Booth to the City, as described in Section 3.2.

(f) “Property” means the real property described in Article II of this Agreement.

(g) “Purchase Price” means Two Million Three Hundred Seventy Five Thousand Dollars (\$2,375,000), representing the aggregate cash consideration payable by the City to the Sellers at Closing, allocated as follows: (i) One Million Dollars (\$1,000,000) payable to Booth and Chunchula with respect to Lot 1-B (the “Lot 1-B Cash Payment”); and (ii) One Million Three Hundred Seventy Five Thousand Dollars (\$1,375,000) payable to Apalachee with respect to Lot 1-A (the “Lot 1-A Cash Payment”).

(h) “Sellers’ Interest” means the Sellers’ collective one hundred percent (100%) fee simple ownership interest in the Property, including all right, title, and interest of Booth and Chunchula in Lot 1-B and all right, title, and interest of Apalachee in Lot 1-A, as confirmed by the Title Commitment.

(i) “Title Commitment” means the commitment for title insurance to be obtained by the City, as described in Section 4.1.

(j) “Total Consideration” means Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000), consisting of the Purchase Price and the Donation Amount.

ARTICLE II — DESCRIPTION OF THE PROPERTY

Section 2.1 — Property Description. The Property is that certain parcel of real property commonly known as “Apalachee,” with a street address of 28747 2nd Street, Daphne, Alabama 36526, situated in Baldwin County, Alabama, consisting of Lot 1-A and Lot 1-B, and legally described as follows:

Parcel 1 (Lot 1-B): Lot 1-B of the Resubdivision of Lot 1 of Sundowne Subdivision, according to the plat thereof recorded in Slide 2244-E in the records of the Office of the Judge of Probate of Baldwin County, Alabama.

Parcel 2 (Lot 1-A): Lot 1-A of the Resubdivision of Lot 1 of Sundowne Subdivision, according to the plat thereof recorded in Slide 2244-E in the records of the Office of the Judge of Probate of Baldwin County, Alabama.

Easement: Together with that certain 30-foot Non-Exclusive Perpetual Ingress/Egress Easement conveyed in Instrument 939804, more particularly described in Exhibit A attached hereto.

Section 2.2 — Property Characteristics. The Property consists of approximately 490,485 square feet, or 11.26 acres, of which approximately 5.00 acres are considered usable and developable. The balance of the site is located within FEMA Flood Zones AE and VE, which are subject to potential flooding and are not considered developable. The Property is an irregularly shaped parcel located on Mobile Bay, situated approximately one block west of U.S. Highway 98 and just north of 2nd Street, Daphne, Alabama. The Property is currently zoned R-4 (High Density Single & Multi-Family Residential) under the zoning ordinances of the City of Daphne. The

Property is a vacant site with no improvements. The information set forth in this Section 2.2 and in Section 2.3 is derived from the Appraisal and from public records and is provided for informational purposes only. No Seller makes any representation or warranty, express or implied, as to acreage, square footage, usable or developable area, flood zone designation, zoning, or the accuracy of any tax assessment or parcel data, and the City shall rely solely upon its own survey, inspections, and investigations.

Section 2.3 — Tax Parcels. The Property is assessed as two separate tax parcels, as follows:

Lot	Parcel Number	Assessed Market Value	Current Taxes
Lot 1-A	43-03-06-0-004-010.000	\$396,400	\$3,645.96
Lot 1-B	43-03-06-0-004-010.002	\$808,900	\$7,441.88

Section 2.4 — Ownership Structure.

(a) According to the Title Commitment, title to Lot 1-B (Parcel 1) is vested in Booth and Chunchula.

(b) According to the Title Commitment, title to Lot 1-A (Parcel 2) is vested in Apalachee.

(c) Booth holds a fifty percent (50%) membership interest in Apalachee, and Chunchula holds the remaining fifty percent (50%) membership interest in Apalachee.

(d) Prior to Closing, each Seller shall deliver to the City the following documentation with respect to such Seller and the Lot to which such Seller holds record title, together with such other documentation as may be reasonably required by the title company to confirm such Seller's existence, authority, and capacity to consummate the transactions contemplated hereby: (A) as to items (i) and (ii) below, which are within such Seller's possession or reasonable control, such Seller shall deliver the same; and (B) as to items (iii) through (vi) below, which require the execution or cooperation of third parties or governmental agencies not controlled by any Seller, such Seller shall use commercially reasonable efforts to obtain the same, at no out-of-pocket cost to such Seller in excess of Five Thousand Dollars (\$5,000) in the aggregate and without any obligation to commence or prosecute litigation. Failure to obtain any item described in clause (B), despite such commercially reasonable efforts, shall constitute the failure of a condition precedent and shall not constitute a default by any Seller; in such event, the City may either waive such condition and proceed to Closing or terminate this Agreement in its entirety by written notice, whereupon no Party shall have any further liability in respect thereof. The items are: (i) operating agreements, articles of incorporation, or other organizational documents governing any entity holding title; (ii) resolutions or authorizations evidencing the authority of the signatory to execute this Agreement and the Deed on behalf of such entity; (iii) certificates of existence or good standing for any entity, as applicable; (iv) certificates of compliance from the Alabama Department of Revenue for each entity; (v) a scrivener's affidavit correcting the legal description in the deed recorded in Instrument No. 939803 as required by the Title Commitment; and (vi) a waiver and relinquishment of grantor rights from Purcell Co., Inc. (surviving entity of Lake Forest, Inc.) as required by the Title Commitment.

ARTICLE III — PURCHASE PRICE AND DONATION

Section 3.1 — Purchase Price. The City shall pay to the Sellers at Closing the sum of Two Million Three Hundred Seventy Five Thousand Dollars (\$2,375,000) (the “Purchase Price”) in immediately available funds by wire transfer or certified check, allocated and payable as follows:

(a) One Million Dollars (\$1,000,000) with respect to Lot 1-B, allocated and payable by separate wire transfer as follows: \$312,500 to Barry L. Booth and \$687,500 to Chunchula Energy Corporation, in each case to the account designated in writing by such Seller not less than three (3) business days prior to Closing; and

(b) One Million Three Hundred Seventy Five Thousand Dollars (\$1,375,000) payable to Apalachee (or as it may direct) with respect to Lot 1-A.

Section 3.2 — Charitable Donation.

(a) The Parties acknowledge and agree that the difference between the Lot 1-B Consideration (\$1,375,000) and the Lot 1-B Cash Payment (\$1,000,000), that is, Three Hundred Seventy Five Thousand Dollars (\$375,000) (the “Donation Amount”), constitutes a charitable gift and donation from Booth to the City, a political subdivision of the State of Alabama, in connection with the conveyance of Lot 1-B.

(b) The Parties intend that the Donation Amount shall qualify as a charitable contribution for federal and state income tax purposes to the extent permitted by applicable law, including but not limited to Section 170 of the Internal Revenue Code of 1986, as amended (the “Code”), governing charitable contributions to political subdivisions described in Section 170(c)(1) of the Code.

(c) The City shall, within thirty (30) days following the Closing Date, provide Booth with (i) a written acknowledgment of the Donation Amount in a form satisfying the contemporaneous written acknowledgment requirements of Section 170(f)(8) of the Code and applicable Treasury Regulations, including a statement that no goods or services were provided by the City to Booth in consideration for the Donation Amount (or, if any such goods or services were provided, a description and good-faith estimate of the value thereof); and (ii) a properly executed IRS Form 8283.

(d) Booth acknowledges and agrees that: (i) the tax consequences of the charitable donation are the sole responsibility of Booth; (ii) the City makes no representations or warranties regarding the deductibility of the Donation Amount for federal, state, or local tax purposes; (iii) the City makes no representations or warranties regarding the valuation of the Donation Amount or the Property for any purpose; and (iv) Booth is advised to consult with independent tax counsel regarding the tax implications of this transaction. The City’s sole obligation with respect to the charitable donation is to provide the contemporaneous written acknowledgment described in Section 3.2(c) and the executed Form 8283.

ARTICLE IV — CONDITIONS PRECEDENT

Section 4.1 — Title Commitment. The City has obtained or shall obtain, at its sole cost and expense, a commitment for title insurance (the “Title Commitment”) covering the Property. The City shall have five (5) business days following the later of (i) receipt of the Title Commitment and all instruments referenced therein or (ii) the Effective Date (the “Title Review Period”) within which to review the same and to deliver written notice to the Sellers of any objection to title. Except as otherwise provided in this Section 4.1, the City’s obligation to close is conditioned upon the City’s receipt of good, marketable, and insurable fee simple title to the Property, subject only to the Permitted Exceptions approved or deemed approved by the City in accordance with this Section 4.1.

(a) “Permitted Exceptions” shall mean, collectively: (i) current ad valorem taxes and assessments not yet due and payable; (ii) zoning ordinances, land use and subdivision regulations, and all other governmental laws, rules, ordinances, and regulations affecting the Property; (iii) building restriction lines, drainage and utility easements, and all other matters shown on the recorded plats in Slide 2176-C and Slide 2244-E; (iv) mineral, oil, gas, and other reservations, severances, and leases of record, including those recorded in Deed Book 421, page 703 and RP Book 144, page 1708; (v) restrictions recorded in RP Book 13, page 502; (vi) the agreement for water and sewer service recorded in RP Book 223, page 417; (vii) the Access Easement Agreement recorded in Instrument 939804; (viii) easements, covenants, conditions, restrictions, and other matters of record specifically identified in the Title Commitment and not objected to by the City within the Title Review Period or any applicable objection period; and (ix) matters disclosed by survey and not objected to by the City within the Title Review Period or any applicable objection period. An exception, requirement, or condition in the Title Commitment does not become a Permitted Exception merely by virtue of its appearance in the Title Commitment; requirements and conditions in Schedule B-I of the Title Commitment that are applicable to the Sellers shall be satisfied by the Sellers as provided in Section 4.1(b). Notwithstanding the foregoing, Permitted Exceptions shall not include any Mandatory Cure Item, as defined in Section 4.1(b)(ii), which the applicable Seller shall cause to be satisfied, released, or insured over at or prior to Closing.

(b) Seller Title Obligations; City Remedies. (i) Each Seller shall satisfy, at or prior to Closing, the requirements and conditions in Schedule B-I of the Title Commitment that are applicable to such Seller and within such Seller’s reasonable control, including delivery of entity authority documents, certificates of compliance, affidavits of identity, and similar instruments customarily required of a seller in order for the title company to issue an owner’s policy of title insurance. (ii) “Mandatory Cure Items” means (A) any mortgage, deed of trust, or other consensual monetary lien voluntarily created or assumed by any Seller, (B) any judgment lien against any Seller, (C) any mechanic’s or materialman’s lien arising from work, labor, services, or materials contracted for by any Seller, (D) any delinquent ad valorem taxes or assessments for which any Seller is liable, and (E) any encumbrance voluntarily created by any Seller after the Effective Date; each Seller shall satisfy, release, or cause the title insurer to insure over any Mandatory Cure Item applicable to such Seller at or prior to Closing. (iii) The scrivener’s affidavit described in Section 2.4(d)(v) and the Purcell/Lake Forest waiver and relinquishment described in Section 2.4(d)(vi) shall be obtained in accordance with Section 2.4(d). (iv) The City acknowledges that it is responsible for obtaining and examining” the Title Commitment and survey and for causing its title insurer to conduct such search and examination as the City deems appropriate. No Seller makes any representation, warranty, or covenant that title to the Property is good, marketable, or

insurable, or that the Property is free of liens, encumbrances, easements, restrictions, or defects, except as expressly set forth in Section 6.1(b). (v) If the City timely objects to any title or survey matter (other than a Mandatory Cure Item or a requirement applicable to the Sellers under clause (i)), the affected Seller may elect, in its sole discretion, whether to cure such matter, and shall notify the City of its election within five (5) business days after receipt of the objection; failure to give such notice shall be deemed an election not to cure. If the Seller elects or is deemed to elect not to cure, or if the Seller elects to cure and such matter is not cured as of the Closing, the City may' (A) waive the objection and proceed to Closing, in which event the matter shall constitute a Permitted Exception, or (B) terminate this Agreement in its entirety by written notice, whereupon no Party shall have any further obligation hereunder except for those obligations expressly surviving termination. (vi) If any matter first appears of record or is first disclosed on an update to the Title Commitment or survey after expiration of the Title Review Period, the City shall have five (5) business days after receipt of such update to object in writing, and any such matter not so objected to shall be deemed approved and shall constitute a Permitted Exception. (vii) If' any Mandatory Cure Item is not satisfied, released, or insured over as of the Closing, the City may' (A) waive the same and proceed to Closing, in which event such item shall constitute a Permitted Exception, or (B) terminate this Agreement in its entirety by written notice, whereupon no Party shall have any further obligation hereunder except for those obligations expressly surviving termination. (viii) No Seller shall have any liability to the City for consequential, special, indirect, incidental, or punitive damages arising from any title matter. The City's sole recourse with respect to any matter of record or survey matter not constituting a breach of a Mandatory Cure Item obligation or a surviving representation shall be against its title insurer and not against any Seller, provided that nothing in this subsection shall relieve any Seller of liability for its own intentional misrepresentation or active suppression of a material fact actually known to such Seller. This Section 4.1(b) shall survive the Closing and the delivery of the Deed.

Section 4.2 — Municipal Approvals. The obligation of the City to close this transaction is further conditioned upon:

(a) Authorization and approval of this Agreement and the transactions contemplated hereby by the City Council of the City of Daphne, Alabama, in accordance with applicable provisions of the Code of Alabama (1975), as amended, including without limitation any requirements for public hearings, resolutions, or ordinances related to the acquisition of real property by a municipality.

(b) Appropriation of sufficient funds by the City Council to pay the Purchase Price and all closing costs allocated to the City hereunder.

(c) Compliance with any other requirements of Alabama law applicable to the municipal acquisition of real property.

Section 4.3 — Ownership Verification. The obligation of the City to close this transaction is further conditioned upon each Seller's delivery to the City, no later than five (5) business days prior to the Closing Date, of satisfactory documentation confirming such Seller's ownership structure and authority to convey such Seller's interest in the Property, as contemplated by Section 2.4(d). Failure of any Seller to deliver such documentation shall entitle the City to terminate this Agreement in its entirety by written notice, whereupon no Party shall have any further obligation hereunder except for those obligations expressly surviving termination.

Section 4.4 — Environmental; Access.

(a) The City shall have the right, at its sole cost and expense, to obtain a Phase I Environmental Site Assessment of the Property during the period commencing on the Effective Date and ending twenty (20) days thereafter (the “Due Diligence Period”). If such assessment identifies a recognized environmental condition requiring remediation at an estimated cost exceeding Fifty Thousand Dollars (\$50,000), the City may terminate this Agreement by written notice delivered to the Sellers on or before the last day of the Due Diligence Period, time being of the essence. If such notice is not so delivered, this condition shall be deemed satisfied and irrevocably waived.

(b) Each Seller grants the City and its consultants reasonable access to such Seller’s Lot during the Due Diligence Period upon not less than two (2) business days’ prior written notice, subject to the following: (i) no invasive, subsurface, or Phase II testing shall be conducted without such Seller’s prior written consent, which may be withheld in its sole discretion; (ii) the City shall maintain, and cause each consultant to maintain, commercial general liability insurance of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, naming each Seller as an additional insured, with certificates delivered prior to entry; (iii) the City shall promptly restore the Property to substantially its condition prior to entry; (iv) to the fullest extent permitted by Alabama law, the City shall indemnify and hold each Seller harmless from all claims, liens, damages, and costs arising from such entry, excluding the mere discovery of a pre-existing condition; (v) the City shall deliver copies of all reports, data, and results to each Seller promptly upon receipt, at no cost; and (vi) except to the extent disclosure is required by the Alabama Open Records Act, the Alabama Open Meetings Act, other applicable law, or the order of a court or regulatory authority, the City shall keep such results confidential and shall give the affected Seller not less than five (5) business days’ prior written notice before reporting any environmental condition to any governmental authority, unless a shorter period is required by law. This Section 4.4(b) shall survive the Closing and any termination of this Agreement.

Section 4.5 — Sellers’ Conditions Precedent. The obligation of each Seller to close is expressly conditioned upon: (a) delivery by the City of a certified copy of the authorizing ordinance described in Section 4.2(a) and written evidence of the appropriation described in Section 4.2(b); (b) delivery of the Purchase Price and all other City deliveries described in Section 5.3; (c) the representations and warranties of the City in Section 6.2 being true and correct in all material respects as of the Closing Date; and (d) the absence of any injunction or order restraining the transactions contemplated hereby. If any such condition is not satisfied or waived on or before the Closing Date, the affected Seller may terminate this Agreement as to its own Lot by written notice to the City, without liability of any kind; provided, however, that if any Seller terminates this Agreement as to its Lot pursuant to this Section 4.5, the City may elect, by written notice delivered within five (5) business days after receipt of such termination notice, to terminate this Agreement in its entirety, whereupon no Party shall have any further liability hereunder except as to those obligations expressly surviving termination.

ARTICLE V — CLOSING

Section 5.1 — Closing Date and Location. The closing of the transactions contemplated by this Agreement (the “Closing”) shall take place on or before September 25, 2026, or such other date as the Parties may agree upon in writing (the “Closing Date”), at a location mutually agreed

upon by the Parties or through an escrow arrangement with [] (the “Closing Agent”), in Baldwin County, Alabama. Closing as to Lot 1-A and Lot 1-B shall occur simultaneously; neither the City nor any Seller shall be obligated to close as to one Lot unless the Closing occurs as to both Lots. If the Closing has not occurred on or before September 30, 2026 (the “Outside Date”) for any reason other than the default of the Party seeking to terminate, either any Seller (as to its own Lot) or the City may terminate this Agreement by written notice to the other Parties; provided, however, that if any Seller terminates as to its Lot, the City may elect, by written notice delivered within five (5) business days, to terminate this Agreement in its entirety. Upon any termination pursuant to this Section 5.1, this Agreement shall be of no further force or effect except as to those provisions that expressly survive. The City shall give the Sellers not less than ten (10) business days’ prior written notice of any Closing scheduled to occur earlier than the Outside Date.

Section 5.2 — Sellers’ Deliveries at Closing. At or prior to the Closing, each Seller shall deliver or cause to be delivered to the City or the Closing Agent the following, as applicable:

(a) A duly executed and acknowledged Deed from each Seller, in the form attached hereto as Exhibit B, conveying such Seller’s interest in the Lot to which such Seller holds record title, subject to the Permitted Exceptions, in recordable form and in compliance with Alabama law. No Seller shall be required to execute any deed or instrument of conveyance, or to warrant title, with respect to any Lot in which such Seller does not hold record title, and the obligations of each Seller under this Section 5.2 are several and not joint.

(b) Such affidavits, certificates, resolutions, or other documents as may be reasonably required by the title company to issue a standard owner’s policy of title insurance in favor of the City, provided that no Seller shall be required to deliver any indemnity, undertaking, or affidavit that increases such Seller’s liability beyond that expressly set forth in this Agreement or that requires the expenditure of funds, and provided further that items (v) and (vi) below are subject to Section 2.4(d). Such documents include:

(i) proof of organization for Chunchula Energy Corporation, including its articles of incorporation and any operating agreement, together with resolutions authorizing the transaction and designating the person(s) authorized to execute on its behalf;

(ii) a Certificate of Compliance from the Alabama Department of Revenue for Chunchula Energy Corporation;

(iii) the Operating Agreement of Apalachee Development LLC, together with resolutions authorizing the transaction and designating the person(s) authorized to execute on its behalf;

(iv) a Certificate of Compliance from the Alabama Department of Revenue for Apalachee Development LLC;

(v) a Scrivener’s Affidavit from the preparer of the deed recorded in Instrument 939803 correcting the legal description to read: “Lot 1A of the re-subdivision of Lot 1, Sundowne Subdivision”; and

(vi) a Waiver and Relinquishment of Grantor Rights from Purcell Co., Inc. (surviving entity of Lake Forest, Inc.) waiving and relinquishing its architectural and building plan approval rights set forth in the deed recorded in RP Book 13, page 501.

(c) Evidence of authority of the signatory or signatories to execute and deliver this Agreement, the Deed, and all other closing documents on behalf of each Seller, including any required entity resolutions.

(d) A non-foreign affidavit in compliance with Section 1445 of the Code (FIRPTA) from each Seller, or, if applicable, evidence that withholding is not required.

(e) An Affidavit of Residence or Exemption from Withholding Tax on Real Property by Nonresidents from each Seller in compliance with Section 40-18-86 of the Code of Alabama (1975), as amended, or, if any Seller does not meet the requirements of residency or exemption, evidence of payment or withholding of applicable taxes.

(f) Internal Revenue Service Form 8283, completed by the donor or donors identified in Section 3.2(a) and bearing the declaration of the appraiser, presented to the City at Closing for execution of the Donee Acknowledgment in Part V thereof. This Section 5.2(f) applies solely to the donor or donors identified in Section 3.2(a), and imposes no obligation on Apalachee Development LLC.

(g) Possession of the Property, free and clear of all tenancies and occupancies.

(h) If applicable, a properly completed Alabama Department of Revenue Form RT-1 (Real Estate Sales Validation Form), or the conveyance documents shall contain the information required by Section 40-22-1 of the Code of Alabama (1975), as amended.

(i) Such other documents as may be reasonably required to consummate the transactions contemplated hereby.

Section 5.3 — City's Deliveries at Closing. At or prior to the Closing, the City shall deliver or cause to be delivered to the Sellers or the Closing Agent:

(a) The Purchase Price of \$2,375,000 in immediately available funds, allocated and payable as set forth in Section 3.1.

(b) A certified copy of the ordinance of the City Council authorizing the City to enter into this Agreement and to consummate the transactions contemplated hereby.

(c) The written acknowledgment of the Donation Amount described in Section 3.2(c) to be delivered to Booth, or confirmation that such acknowledgment will be delivered within thirty (30) days following the Closing Date.

(d) An Internal Revenue Service Form 8283, with Section V (Donee Acknowledgment) of said Form completed and signed by an appropriate representative of the City.

(e) Such other documents as may be reasonably required to consummate the transactions contemplated hereby.

Section 5.4 — Prorations. Ad valorem real property taxes and assessments for the year in which the Closing occurs shall be prorated between the Sellers and the City as of the Closing Date on the basis of the most recent available tax bills, with the Sellers responsible for taxes attributable to the period prior to and including the Closing Date and the City responsible for taxes attributable to the period after the Closing Date. If the actual tax bills for the year of Closing are not available at the time of Closing, the proration shall be based on the prior year's taxes, subject to re-proration upon receipt of the actual bills.

Section 5.5 — Closing Costs. Unless otherwise agreed in writing:

(a) The Sellers shall pay: (i) any transfer taxes, documentary stamps, or recording fees imposed on the grantor under Alabama law; (ii) one-half (1/2) of any escrow or closing fees charged by the Closing Agent; and (iii) the Sellers' own attorneys' fees.

(b) The City shall pay: (i) the cost of preparing the Deed; (ii) the cost of the Title Commitment and any owner's title insurance policy; (iii) the cost of any survey obtained by the City; (iv) any recording fees for the Deed; (v) one-half (1/2) of any escrow or closing fees charged by the Closing Agent; and (vi) the City's own attorneys' fees.

ARTICLE VI — REPRESENTATIONS AND WARRANTIES

Section 6.1 — Representations and Warranties of the Sellers. Each Seller represents and warrants to the City, severally and not jointly and solely as to itself and its own interest in the Property, as of the Effective Date and as of the Closing Date, as follows, provided that: (i) a Seller may update any representation by written notice to the City to reflect facts first arising after the Effective Date and not caused by such Seller's breach, and no such update shall constitute a default by such Seller; (ii) the City's sole remedy in respect of any such update that is materially adverse to the City shall be to terminate this Agreement by written notice delivered within five (5) business days after receipt of such update; (iii) no Seller shall have any liability in respect of any representation of which the City had actual knowledge prior to Closing; (iv) subject to Section 9.10, the representations and warranties in subsections (a) through (j) of this Section 6.1 shall survive the Closing for a period of twelve (12) months, and no claim for breach thereof may be brought after such period; and (v) no member, manager, shareholder, officer, director, employee, or agent of any Seller shall have any personal liability in respect of any representation or warranty herein, but such limitation shall not relieve the applicable Seller entity (or, in the case of Booth, Booth individually) of liability for breach of a surviving representation. The representations are:

(a) **Authority.** Such Seller has full power, authority, and legal capacity to enter into this Agreement, to perform such Seller's obligations hereunder, and to consummate the transactions contemplated hereby. If such Seller's interest is held by an entity, such entity is duly organized, validly existing, and in good standing under the laws of the State of Alabama, and all necessary entity authorizations have been obtained.

(b) **Title.** Such Seller holds good and marketable title to such Seller's interest in the Property, free and clear of all mortgages, liens, pledges, security interests, encumbrances, claims, charges, restrictions, and defects voluntarily created or suffered by such Seller, except for the Permitted Exceptions, all matters of record affecting the Property, all matters that an accurate survey or physical inspection would disclose, and all matters disclosed by the Title Commitment. Each Seller makes the representation in this Section 6.1(b) solely as to its own interest in the Lot

to which it holds record title, and no Seller makes any representation or warranty as to the title, interest, ownership, or acts of any other Seller or as to any Lot in which it does not hold record title.

(c) **No Conflict.** The execution, delivery, and performance of this Agreement by such Seller does not and will not, to such Seller's knowledge, result in a material breach of any agreement or instrument to which such Seller is a party, other than the Permitted Exceptions and any matter disclosed in the Title Commitment.

(d) **Litigation.** To such Seller's knowledge, there is no pending or threatened litigation, arbitration, administrative proceeding, or governmental investigation that materially and adversely affects the Property or such Seller's interest therein or that would materially impair such Seller's ability to perform under this Agreement.

(e) **Environmental.** To such Seller's knowledge, without independent investigation, no hazardous substances, pollutants, contaminants, or toxic materials have been generated, stored, released, or disposed of on, under, or about the Property, except as may be common to the ordinary use of vacant land.

(f) **No Leases or Occupancy Agreements.** To such Seller's knowledge, there are no leases, licenses, occupancy agreements, or other agreements granting any third party the right to use or occupy any portion of the Property that would be binding upon the City following Closing, except as may be disclosed in the Title Commitment.

(g) **Condemnation.** To such Seller's knowledge, no condemnation or eminent domain proceedings are pending or threatened with respect to the Property.

(h) **Compliance with Laws.** To such Seller's knowledge, the Property is in material compliance with all applicable federal, state, and local laws, ordinances, rules, and regulations, including but not limited to zoning, building, and environmental laws.

(i) **FIRPTA.** Such Seller is not a "foreign person" within the meaning of Section 1445 of the Code.

(j) **Bankruptcy.** Such Seller has not filed, and no third party has filed against such Seller, any petition in bankruptcy, and such Seller is not insolvent.

Section 6.2 — Representations and Warranties of the City. The City represents and warrants to the Sellers as of the Effective Date and as of the Closing Date as follows:

(a) **Authority.** The City is a municipal corporation duly organized and validly existing under the laws of the State of Alabama and has full power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, subject to obtaining the municipal approvals described in Section 4.2.

(b) **No Conflict.** The execution, delivery, and performance of this Agreement by the City does not and will not violate, conflict with, or result in a breach of any applicable law, ordinance, regulation, order, judgment, or decree, or any agreement or instrument to which the City is a party or by which the City is bound.

(c) **Funds.** Subject to the appropriation described in Section 4.2(b), the City has or will have sufficient funds available to pay the Purchase Price and to satisfy the City's obligations under this Agreement.

(d) **Due Diligence.** The City has had, or will have, the opportunity to conduct such inspections, investigations, and due diligence with respect to the Property as the City deems appropriate.

Section 6.3 — AS-IS, WHERE-IS; No Reliance; Release. EXCEPT FOR THE EXPRESS REPRESENTATIONS SET FORTH IN SECTION 6.1, AS LIMITED BY SECTION 9.10, THE CITY ACKNOWLEDGES AND AGREES THAT IT IS ACQUIRING THE PROPERTY "AS IS, WHERE IS, WITH ALL FAULTS," AND THAT NO SELLER HAS MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE CONDITION, ACREAGE, SQUARE FOOTAGE, BOUNDARIES, SOILS, DRAINAGE, EROSION OR ACCRETION, FLOOD ZONE DESIGNATION, WETLANDS, RIPARIAN OR LITTORAL RIGHTS, SUITABILITY OR SUFFICIENCY FOR DEVELOPMENT, ZONING, ENTITLEMENTS, UTILITIES, ACCESS, MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE PROPERTY, OR AS TO THE STATE OF TITLE, THE COMPLETENESS OR ACCURACY OF THE TITLE COMMITMENT, OR THE EXISTENCE, VALIDITY, PRIORITY, OR EFFECT OF ANY EASEMENT, COVENANT, RESTRICTION, RESERVATION, LIEN, OR OTHER MATTER OF RECORD OR ANY MATTER THAT AN ACCURATE SURVEY WOULD DISCLOSE. THE CITY ACKNOWLEDGES THAT IT HAS BEEN AFFORDED FULL OPPORTUNITY TO INSPECT AND INVESTIGATE THE PROPERTY AND IS RELYING SOLELY UPON ITS OWN INVESTIGATIONS AND NOT UPON THE APPRAISAL, THE INFORMATION SET FORTH IN SECTIONS 2.2 AND 2.3, OR ANY OTHER STATEMENT, DOCUMENT, OR INFORMATION FURNISHED BY OR ON BEHALF OF ANY SELLER. EFFECTIVE AS OF THE CLOSING, THE CITY RELEASES EACH SELLER AND ITS AFFILIATES, MEMBERS, MANAGERS, OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS FROM ANY AND ALL CLAIMS, DEMANDS, LIABILITIES, AND CAUSES OF ACTION ARISING FROM OR RELATING TO THE PHYSICAL, GEOTECHNICAL, OR ENVIRONMENTAL CONDITION OF THE PROPERTY, WHETHER SUCH CONDITION AROSE BEFORE OR AFTER THE CLOSING, INCLUDING WITHOUT LIMITATION ANY CLAIM ARISING UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OR ANY ANALOGOUS FEDERAL, STATE, OR LOCAL LAW. THE CITY ACKNOWLEDGES THAT IT MAY HEREAFTER DISCOVER FACTS DIFFERENT FROM OR IN ADDITION TO THOSE IT NOW KNOWS OR BELIEVES TO BE TRUE WITH RESPECT TO THE PROPERTY, AND THE CITY INTENDS THAT THE FOREGOING RELEASE SHALL BE AND REMAIN EFFECTIVE IN ALL RESPECTS NOTWITHSTANDING THE DISCOVERY OF ANY SUCH DIFFERENT OR ADDITIONAL FACTS. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION 6.3 SHALL RELIEVE ANY SELLER OF LIABILITY FOR ITS OWN INTENTIONAL MISREPRESENTATION OR ACTIVE SUPPRESSION OF A MATERIAL FACT ACTUALLY KNOWN TO SUCH SELLER. THIS SECTION 6.3 SHALL SURVIVE THE CLOSING AND THE DELIVERY OF THE DEED WITHOUT LIMITATION AS TO TIME.

ARTICLE VII — DEFAULT AND REMEDIES

Section 7.1 — Seller Default. If any Seller fails to perform any material obligation under this Agreement and such failure continues for five (5) business days after written notice from the City delivered in accordance with Section 9.5, the City may, as its sole and exclusive remedies, at its option: (a) terminate this Agreement in its entirety by written notice to all Sellers; or (b) seek specific performance of this Agreement against such defaulting Seller as to such Seller's Lot. The City shall have no right to seek damages against any Seller for any breach or default, and in no event shall any Seller be liable to the City for consequential, special, indirect, incidental, or punitive damages.

Section 7.2 — City Default. If the City fails to perform any material obligation under this Agreement and such failure continues for five (5) business days after written notice from any Seller delivered in accordance with Section 9.5, each affected Seller may, as its sole and exclusive remedies, at its option: (a) terminate this Agreement as to the Lot to which such Seller holds record title; or (b) seek specific performance of this Agreement as to such Lot. If any Seller terminates this Agreement as to its Lot pursuant to this Section 7.2, the City may not compel the remaining Seller or Sellers to close as to their respective Lots, and the remaining Sellers may each elect to terminate as to their own Lots by written notice delivered within five (5) business days. The exercise or non-exercise of remedies by one Seller shall not bind, limit, or prejudice any other Seller.

Section 7.3 — Remedies Exclusive; Limitation. The remedies expressly set forth in this Article VII, in Section 4.1(b), and in Section 9.10 are the sole and exclusive remedies of the Parties with respect to any breach, default, or failure of a condition under this Agreement, and each Party waives all other remedies at law or in equity. In no event shall any Seller be liable to the City for consequential, special, indirect, incidental, or punitive damages, or for lost profits, lost opportunity, or diminution in value. The obligations and liability of the Sellers under this Article VII are several and not joint, and no default by one Seller shall constitute or be deemed a default by any other Seller or give rise to any remedy against any other Seller; provided, however, that nothing in this Section 7.3 shall limit the City's right to terminate this Agreement in its entirety as expressly provided in Section 7.1(a). This Section 7.3 shall survive the Closing and any termination of this Agreement.

ARTICLE VIII — RISK OF LOSS

Section 8.1 — Risk of Loss. Risk of loss or damage to the Property by fire, casualty, or other cause shall remain with the Sellers until the Closing. No Seller shall have any obligation to maintain, obtain, or renew any policy of casualty or other insurance with respect to the Property, or to repair, restore, or replace the Property or any portion thereof. If, prior to the Closing, all or any material portion of a Lot is damaged or destroyed, or is taken or threatened to be taken by eminent domain, the City may, at its option, by written notice delivered to the affected Seller within ten (10) business days after receipt of written notice of such event: (a) proceed with the Closing as to both Lots, in which event the affected Seller shall assign to the City, without recourse or warranty, such insurance proceeds or condemnation awards, if any, as such Seller actually receives and is entitled to retain with respect to such Lot; or (b) terminate this Agreement in its entirety, whereupon no Party shall have any further obligation hereunder except for those obligations expressly surviving termination. If the City fails to deliver such notice within such period, the City

shall be deemed to have elected clause (a). For purposes of this Section, damage or destruction is “material” if the cost to restore exceeds Fifty Thousand Dollars (\$50,000) as to the affected Lot.

ARTICLE IX — MISCELLANEOUS PROVISIONS

Section 9.1 — Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Alabama, without regard to its conflict-of-laws principles.

Section 9.2 — Entire Agreement. This Agreement, together with all exhibits, schedules, and addenda attached hereto, constitutes the entire agreement **among the Parties** with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations, and discussions, whether oral or written, **among the Parties** relating thereto.

Section 9.3 — Amendment. This Agreement may not be amended, modified, or supplemented except by a written instrument executed by both Parties.

Section 9.4 — Waiver. No waiver of any provision of this Agreement shall be effective unless in writing and signed by the Party against whom enforcement is sought. No waiver of any breach of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision.

Section 9.5 — Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted under this Agreement shall be in writing and shall be deemed duly given when: (a) delivered personally; (b) sent by certified or registered mail, return receipt requested, postage prepaid; or (c) sent by nationally recognized overnight courier, to the Parties at the following addresses (or such other address as a Party may designate by written notice to the other Party):

If to the Sellers:

Barry L. Booth¹
PO Box 7406, Spanish Fort, AL 36577
Attention: Dr. Barry L. Booth
Email: [_____]

With a copy to:

Helmsing, Leach, Herlong, Newman & Rouse, PC
Attn. Leslie Weeks
365 Grand Ave., Ste C., Fairhope, AL 36532
lgw@helmsinglaw.com

Chunchula Energy Corporation:

[_____]

¹ NTD: Sellers to provide their respective contact information.

Attention: [_____]

Email: [_____]

Apalachee Development LLC:

[_____]

Attention: [_____]

Email: [_____]

If to the City:

City of Daphne, Alabama
1705 Main Street
Daphne, AL 36526
Attention: Office of the Mayor

With copies to:

Adams and Reese LLP
11 N Water St, Ste 23200
Mobile, AL 36602
Attention: Jay Ross
Email: jay.ross@arlaw.com

Notice given to one Seller shall not constitute notice to any other Seller. Any notice asserting a default, or commencing any cure or election period, must be delivered separately to each affected Seller and to such Seller's designated counsel at the address set forth above.

Section 9.6 — Severability. If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and the remaining provisions shall continue in full force and effect.

Section 9.7 — Assignment. No Party may assign its rights or obligations under this Agreement without the prior written consent of the other Parties, except that the City may assign its rights hereunder to any agency, authority, or instrumentality of the City without the Sellers' consent, provided that such assignee assumes in writing all obligations of the City hereunder and a copy of such assumption is delivered to each Seller not less than five (5) business days prior to Closing. No assignment shall relieve the City of any of its obligations or liabilities under this Agreement, and the City shall remain jointly and severally liable with any assignee for the performance thereof. This Section 9.7 shall survive the Closing and any termination of this Agreement.

Section 9.8 — Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Signatures transmitted by electronic means, including but not limited to facsimile or portable document format (.pdf), shall be deemed original signatures for all purposes.

Section 9.9 — Time of the Essence. Time is of the essence with respect to all dates, deadlines, and time periods set forth in this Agreement.

Section 9.10 — Survival; Merger; Limitation of Liability.

(a) Except as expressly provided in this Section 9.10 and in Sections 4.1(b) and 6.3, all covenants and agreements of the Sellers set forth in this Agreement shall terminate at, and shall not survive, the Closing, and shall merge into the Deed upon delivery thereof to the extent relating to title to the Property. The representations and warranties of the Sellers set forth in Section 6.1(a) through (j) shall survive the Closing for a period of six (6) months, and no claim by the City for breach of any such representation or warranty may be commenced after such six (6) month period. The aggregate liability of all Sellers for breaches of the representations and warranties in Section 6.1 shall not exceed Three Hundred Thousand Dollars (\$300,000), and the City shall not be entitled to recover for any individual claim (or series of related claims) unless the damages exceed Ten Thousand Dollars (\$10,000). From and after the expiration of the six (6) month survival period, and except as expressly provided in Sections 4.1(b) and 6.3, no Seller shall have any liability whatsoever to the City under or in connection with this Agreement, and the City's sole and exclusive recourse in respect of title to the Property shall be (i) against its owner's policy of title insurance and (ii) against the applicable Seller solely under the warranty of title expressly set forth in such Seller's Deed. In no event shall any Seller be liable for consequential, special, indirect, incidental, or punitive damages. Notwithstanding the foregoing, nothing in this subsection (a) shall relieve any Seller of liability for its own intentional misrepresentation or active suppression of a material fact actually known to such Seller.

(b) The obligations of the City under Sections 3.2, 4.4(b), 5.3, and 9.7, and the provisions of Sections 4.1(b), 6.3, 7.3, 9.15, and 9.16, shall survive the Closing or any termination of this Agreement in accordance with their respective terms. The representations and warranties of the Sellers in Section 6.1(a) through (j) shall survive the Closing as provided in subsection (a) above.

(c) The obligations and liability of the Sellers under this Agreement are several and not joint. No Seller shall have any liability or responsibility for any act, omission, representation, warranty, covenant, or breach of any other Seller, and no default by one Seller shall constitute or be deemed a default by any other Seller.

Section 9.11 — Further Assurances. Each Party agrees to execute and deliver such additional documents, instruments, conveyances, and assurances and to take such further actions as may be reasonably required to carry out the provisions of this Agreement and to give effect to the transactions contemplated hereby.

Section 9.12 — Relationship of the Parties. Nothing in this Agreement shall be construed to create a partnership, joint venture, or agency relationship between the Parties.

Section 9.13 — No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and shall not confer any rights or remedies upon any third party.

Section 9.14 — Recording. This Agreement shall not be recorded in the public records of Baldwin County, Alabama, or any other jurisdiction; provided, however, that a memorandum of this Agreement may be recorded upon the mutual written consent of the Parties.

Section 9.15 — Non-Recourse. No member, manager, shareholder, officer, director, partner, employee, agent, or affiliate of any Seller shall have any personal liability or obligation under or in connection with this Agreement, the Deed, or the transactions contemplated hereby, and the City shall look solely to the assets of the applicable Seller entity in respect of any claim arising hereunder. This Section 9.15 shall survive the Closing and any termination of this Agreement.

Section 9.16 — Brokers. Each of Chunchula and Booth represents that it has dealt with no broker other than its respective broker, and shall be solely responsible for any commission payable to its own broker under its own written agreement; Apalachee and the City each represent that they have dealt with no broker, agent, or finder, and neither shall have any obligation to pay any commission, fee, or other compensation to any broker in connection with this transaction. The obligations under this Section are several and not joint, and each party shall indemnify and hold harmless the other parties from any claim asserted by any broker, agent, or finder claiming by, through, or under such indemnifying party. This Section 9.16 shall survive the Closing and the delivery of the Deed and any termination of this Agreement.

(SIGNATURES ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the Parties have executed this Purchase and Donation Agreement as of the date first written above.

SELLERS/DONORS:

LOT 1-B SELLERS:

Barry L. Booth, individually

CHUNCHULA ENERGY CORPORATION,
an Alabama corporation

By: _____
Name: _____
Title: _____

LOT 1-A SELLER:

APALACHEE DEVELOPMENT LLC,
an Alabama limited liability company

By: _____
Name: _____
Title: _____

BUYER/DONEE:

CITY OF DAPHNE, ALABAMA

By: Robin LeJeune, Mayor

ATTEST:

Cindy Beaudreau, City Clerk
[SEAL]

EXHIBIT A — LEGAL DESCRIPTION

The Property consists of the following parcels, together with appurtenant easement rights:

Parcel 1 (Lot 1-B): Lot 1-B of the Resubdivision of Lot 1 of Sundowne Subdivision, according to the plat thereof recorded in Slide 2244-E in the records of the Office of the Judge of Probate of Baldwin County, Alabama.

Parcel 2 (Lot 1-A): Lot 1-A of the Resubdivision of Lot 1 of Sundowne Subdivision, according to the plat thereof recorded in Slide 2244-E in the records of the Office of the Judge of Probate of Baldwin County, Alabama.

Appurtenant Easement: Together with that certain 30-foot Non-Exclusive Perpetual Ingress/Egress Easement conveyed in Instrument 939804 and more particularly described as follows:

Beginning at the Northwest corner of Second Street, said point being along the East line of Lot 1B, of the Resubdivision of Lot 1, Sundowne Subdivision, as recorded on Slide 2244E, in the Office of the Judge of Probate, Baldwin County, Alabama; thence run North 89 degrees 42 minutes 52 seconds West, 3.84 feet to a point; thence run North 00 degrees 20 minutes 12 seconds East 268.37 feet to a point on the North line of said Lot 1B, said point also being on the South line of Lot 1A, said Resubdivision of Lot 1, Sundowne Subdivision; thence run South 89 degrees 51 minutes 05 seconds East, along said North line of Lot 1B, and the South line of said Lot 1A, 30.00 feet to the Northeast corner of said Lot 1B, said point also being the Southeast corner of said Lot 1A; thence run South 00 degrees 20 minutes 12 seconds West along the East line of said Lot 1B, 268.44 feet to the Southeast corner of said Lot 1B, and a point on the North right of way line of Second Street; thence run North 89 degrees 42 minutes 52 seconds West, along said North right of way line of Second Street, 26.16 feet to the Point of Beginning.

EXHIBIT B — FORM OF DEED

Prepared by and return to:

Adams and Reese LLP
11 N Water Street, Suite 23200
Mobile, AL 36602

STATUTORY WARRANTY DEED

STATE OF ALABAMA §
 §
COUNTY OF BALDWIN §

THIS STATUTORY WARRANTY DEED (this “Deed”) is made as of the [____] day of [____], 2026, between [____], a/an [____] (“Grantor”), and the CITY OF Daphne, ALABAMA, an Alabama municipal corporation, the address of which is 1705 Main Street, Daphne, Alabama 36526 (“Grantee”).

That for and in consideration of the sum of [_____] Dollars (\$_____), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby GRANT, BARGAIN, SELL AND CONVEY unto Grantee, subject to the Permitted Encumbrances hereinafter described, all of Grantor’s right, title, and interest in and to the real property located in Baldwin County, Alabama, described on Exhibit A attached hereto and incorporated herein by reference (the “Land”), together with (i) all improvements thereon, if any, to the extent owned by Grantor, and (ii) all privileges, easements, and rights of access appurtenant thereto, including without limitation that certain 30-foot Non-Exclusive Perpetual Ingress/Egress Easement conveyed in Instrument 939804 (collectively, the “Property”).

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee, its successors and assigns, forever IN FEE SIMPLE.

This conveyance, and the covenants and warranty of title set forth herein, are made expressly subject to the matters set forth on Exhibit B attached hereto and incorporated herein by reference (collectively, the “Permitted Encumbrances”).

COVENANTS OF TITLE. Grantor covenants with Grantee, its successors and assigns, that: (a) Grantor is seized of the Property in fee simple and has good right, full power, and lawful authority to sell and convey the Property; (b) the Property is free and clear of all liens, encumbrances, and

defects of title, except for the Permitted Encumbrances; (c) Grantee shall have quiet and peaceable possession of the Property, free from lawful disturbance; and (d) Grantor will forever warrant and defend title to the Property unto Grantee, its successors and assigns, against the lawful claims of all persons whomsoever. Each Seller conveys only its own right, title, and interest in the Lot to which it holds record title, and no Seller makes any covenant, representation, or warranty with respect to the title, interest, ownership, or acts of any other owner or cotenant of the Property, or with respect to any undivided interest in the Property not held of record by such Seller.

INTEREST CONVEYED. This Deed conveys only the right, title, and interest of Grantor in and to the Property. Grantor makes no covenant, representation, or warranty of any kind with respect to any undivided interest in the Property not held of record by Grantor, or with respect to the title, interest, ownership, or acts of any other owner or cotenant of the Property.

Pursuant to Ala. Code § 40-22-1 (1975), the following information is provided in lieu of Form RT-1:

Grantor's Name and Mailing Address: [_____]

Grantee's Name and Mailing Address: the City of Daphne,, Alabama, 1705 Main Street
Daphne, AL 36526

Property Address: 28747 2nd Street, Daphne, Alabama 36526

Purchase Price: \$[_____]

The Purchase Price can be verified by the closing statement.

[SIGNATURE PAGE FOLLOWS]

[USE THE APPLICABLE BLOCK]

ENTITY GRANTOR

IN WITNESS WHEREOF, Grantor has caused this Deed to be executed by its duly authorized signatory as of the date first written above.

Chunchula Energy Corporation
an Alabama Corporation

By: _____

Name: _____

Title: _____

INDIVIDUAL GRANTOR

IN WITNESS WHEREOF, Grantor has executed this Deed as of the date first written above.

Barry L. Booth, an individual

ENTITY ACKNOWLEDGMENT

STATE OF ALABAMA
COUNTY OF Baldwin

I, _____, a Notary Public in and for said County in said State,
hereby certify that _____, whose name as
_____ of _____, a/an
_____, is signed to the foregoing instrument and who is known to
me, acknowledged before me on this day that, being informed of the contents of the instrument,
he/she, as such officer and with full authority, executed the same voluntarily for and as the act of
said entity.

Given under my hand and official seal this ____ day of _____, 2026.

Notary Public

My commission expires: _____

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ALABAMA
COUNTY OF Baldwin

I, _____, a Notary Public in and for said County in said State,
hereby certify that _____, whose name is signed to the foregoing
instrument and who is known to me, acknowledged before me on this day that, being informed of
the contents of the instrument, he/she executed the same voluntarily on the day the same bears
date.

Given under my hand and official seal this ____ day of _____, 2026.

Notary Public

My commission expires: _____

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B
PERMITTED ENCUMBRANCES

The Permitted Encumbrances are the “Permitted Exceptions” as defined in Section 4.1(a) of the Purchase and Donation Agreement (as approved or deemed approved by the City in accordance with Section 4.1), and include the following:

1. Current ad valorem taxes and assessments not yet due and payable.
2. Zoning ordinances, land use and subdivision regulations, and all other governmental laws, rules, ordinances, and regulations affecting the Property.
3. Building restriction lines, drainage and utility easements, and all other matters shown on the recorded plats in Slide 2176-C and Slide 2244-E.
4. Mineral, oil, gas, and other reservations, severances, and leases of record, including those recorded in Deed Book 421, page 703 and RP Book 144, page 1708.
5. Restrictions recorded in RP Book 13, page 502.
6. The agreement for water and sewer service recorded in RP Book 223, page 417.
7. The Access Easement Agreement recorded in Instrument 939804.
8. Matters disclosed by survey and not objected to by the City within the Title Review Period or any applicable objection period.
9. Matters of record specifically identified in the Title Commitment and not objected to by the City within the Title Review Period or any applicable objection period.

IN WITNESS WHEREOF, Grantor has caused its duly authorized signatory to execute this Deed as of the Effective Date.

[_____]
A/an [_____]

By: _____
Name: _____
Title: _____

STATE OF ALABAMA
COUNTY OF BALDWIN

I, _____, a Notary Public in and for the State and County aforesaid, hereby certify that _____ whose name as _____ of _____, an _____, is signed to the foregoing instrument and who is personally known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said _____.

Given under my hand and official seal on this ____ day of _____, 2026.

Notary Public
Print Name: _____
My commission expires: _____

[Notary Seal]

EXHIBIT C — FORM OF CHARITABLE DONATION ACKNOWLEDGMENT

[TO BE ATTACHED]