

**CITY OF HOOVER**  
**CITY COUNCIL**  
**SUMMARY**  
**MAY 18, 2020**

The City Council of the City of Hoover met in regular session on this date at 6:00 PM, at the Hoover Senior Center, following publication and posting pursuant to Alabama Law. Council President Gene Smith called the meeting to order and the City Clerk called the roll with the following:

**Members Present:** Gene Smith, Council President  
John Greene, Council Pro-Tem  
John Lyda, Council Member  
Casey Middlebrooks, Council Member\*  
Derick Murphy, Council Member  
Curt Posey, Council Member  
Mike Shaw, Council Member  
\*via teleconference/video conference

**Other Officials Present:** Mayor Frank V. Brocato  
Phillip Corley, City Attorney  
April Danielson, Assistant City Attorney  
Rod Evans, Assistant City Attorney  
Jason Cope, Technology Director  
Wendy Dickerson, City Clerk  
Allan Rice, City Administrator

Wendy Dickerson, Hoover City Clerk, led the invocation.

Mr. Posey led the Pledge of Allegiance.

**MINUTES**

The minutes of the May 4, 2020, regular meeting was presented for approval.

**MOTION:** Motion to dispense with the reading of the minutes of the May 4, 2020, (Regular Meeting) and approve them as presented was by Mr. Lyda and second by Mr. Greene.

Mr. Smith called for the question with a roll call vote, as follows:

Mr. Greene – Yes                      Mr. Lyda- Yes  
Dr. Middlebrooks – Yes              Mr. Murphy - Yes

Mr. Posey - Yes  
Mr. Smith- Yes

Mr. Shaw - Yes  
Motion carried.

The motion carried approving the minutes of the May 4, 2020, regular meeting.

### **ANNOUNCEMENTS AND GUEST RECOGNITION**

- The Mayor recognized the following employees for 20 years of service:
  - Michael Cornwell, Dispatch
  - Mindy Wyatt, Information and Reporting
- The Mayor recognized the following employees for 25 years of service:
  - Brian Nelson, Police
  - Barry Stamps, Police
  - Elizabeth Stanley, Dispatch
- The Mayor introduced Chris Reeves as the new City of Hoover City Engineer. He has been operating as the interim City Engineer, but it is now permanent.
- The Mayor introduced Jim Wyatt as the new City of Hoover Chief Operations Officer. He has been operating as the interim City Engineer, but it is now permanent.
- The Mayor announced that Dr. Melinda Lopez and Mr. Frank Lopez has decided to retire. They are both very talented individuals and will be missed.
- Hazardous Waste Day – August 1, 2020 from 8 a.m. to noon
- Mr. Rice updated the Council on the financial report of the City.

Discussion ensued about the financial report.

The financial report is attached to the summary.

Mr. Smith asked if there was any more reports or recognitions from the Council.

There being none, Mr. Smith stated that we will move forward to the consent agenda.

## **Consent Agenda**

### **PAYMENT OF BILLS**

### **RESOLUTION NUMBER 6249-20**

**A RESOLUTION AUTHORIZING PARTICIPATION OF THE CITY OF HOOVER IN THE 2019 “BACK-TO-SCHOOL” SALES TAX HOLIDAY.**

**RESOLUTION NUMBER 6250-20**

**A RESOLUTION ACCEPTING PUBLIC IMPROVEMENTS WITHIN PUBLIC RIGHT-OF-WAY.**

**RESOLUTION NUMBER 6251-20**

**A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH ALDOT.**

**RESOLUTION NUMBER 6252-20**

**A RESOLUTION DETERMINING THAT CERTAIN PERSONAL PROPERTY IS NOT NEEDED FOR PUBLIC OF MUNICIPAL PURPOSES AND DIRECTING THE DISPOSAL OF SAID SURPLUS PROPERTY.**

**RESOLUTION NUMBER 6253-20**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH CHARTER COMMUNICATIONS OPERATING, N**

**RESOLUTION NUMBER 6254-20**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE SHI.**

Resolution Number 6253-20 will be continued.

Mr. Smith asked if anybody wanted anything else to removed from the consent agenda for additional discussion. There being none, he asked for a motion.

Mr. Corley read the Resolutions.

**MOTION** Motion to approve the Consent Agenda with the exception of Resolution Number 6253-20 was made by Mr. Lyda and seconded by Mr. Greene.

Mr. Smith asked if the Council or audience had any questions or comments.

There being none, Mr. Smith called for the question with a roll call vote, as follows:

Mr. Greene – Yes	Mr. Lyda - Yes
Dr. Middlebrooks – Yes	Mr. Murphy - Yes
Mr. Posey - Yes	Mr. Shaw - Yes
Mr. Smith- Yes	Motion carried.

The motion carried adopting all the consent items with the exception of Resolution Number 6253-20.

### **1<sup>st</sup> Reading (*Items to be considered on June 1, 2020*)**

#### **ORDINANCE NUMBER 20-2480**

#### **AN ORDINANCE TO AMEND ORDINANCE NUMBER 19-2449 TO ESTABLISH VOTING LOCATIONS FOR ALL MUNICIPAL ELECTIONS TO BE HELD IN THE CITY OF HOOVER.**

Mr. Corley read the summary of the Ordinance.

Mr. Smith stated that one of the voting locations name had changed and the Ordinance indicates the correct name.

Mr. Lyda asked for a motion to suspend the rules for immediate consideration.

**MOTION** Motion to suspend the rules and have immediate consideration of Ordinance Number 20-2480 was made by Mr. Lyda seconded by Mr. Greene.

Mr. Smith called for the question with a roll call vote, as follows:

Mr. Greene – Yes	Mr. Lyda - Yes
Dr. Middlebrooks – Yes	Mr. Murphy - Yes
Mr. Posey - Yes	Mr. Shaw - Yes
Mr. Smith- Yes	Motion carried.

**MOTION** Motion to approve Ordinance Number 20-2480 was made by Mr. Lyda seconded by Mr. Greene.

Mr. Smith asked for any questions or comments from the Council or audience.

Mr. Smith called for the question with a roll call vote, as follows:

Mr. Greene – Yes	Mr. Lyda- Yes
Dr. Middlebrooks – Yes	Mr. Murphy - Yes
Mr. Posey - Yes	Mr. Shaw - Yes
Mr. Smith- Yes	Motion carried.

Motion carried approving Ordinance Number 20-2480.

**ORDINANCE NUMBER 20-2481**

**ANNEXATION – 1919 & 1921 SHANNON ROAD (OLD SHANNON FIRE DEPARTMENT), VERNON AND KIM STARLING, OWNER.**

Mr. Corley read the summary of the Ordinance.

**ORDINANCE NUMBER 20-2482**

**ANNEXATION – 5400 AND 5410 SADDLECREEK LANE, LOCATED NEAR GREYSTONE LEGACY, ALAN HOWARD, AJH PROPERTIES, LLC, OWNER.**

Mr. Corley read the summary of the Ordinance.

**Set Public Hearings For *June 1, 2020 (No Action To Be Taken At This Meeting)***

Set public hearings for **Monday, June 1, 2020, at 6:00 PM** to consider the following requests which come forward with a positive recommendation from the March 2020 Planning and Zoning Commission meeting:

**ORDINANCE NUMBER 20-2477**

**Z-0320-02 – PRE-ZONING OF 1919 & 1921 SHANNON ROAD (OLD SHANNON FIRE DEPARTMENT) VERNON AND KIM STARLING – V&K HOLDINGS LLC, JEFF CO. I-2 TO HOOVER C-1.**

Mr. Corley read the summary of the Ordinance.

**ORDINANCE NUMBER 20-2478**

**Z-0120-01 – ALAN HOWARD, AJH PROPERTIES, LLC, IS REQUESTING PRE-ZONING OF PROPERTY OWNED BY ROY W. AND JUDITH L. GILBERT AT LEGACY. MR. HOWARD IS ASKING FOR THE PROPERTY TO BE PRE-ZONED TO PRD (PLANNED RESIDENTIAL DEVELOPMENT DISTRICT) FOR THE PURPOSE OF BUILDING A RESIDENTIAL DEVELOPMENT.**

Mr. Corley read the summary of the Ordinance.

Mr. Charlie Beavers, representing AJH Properties, LLC, explained the request. It is currently in unincorporated Shelby County. The original request consisted of 97 lots at 65' wide. The request now consist of 81 lots at 75' wide.

Mr. Martin, City Planner, stated that the following changes had been made:

1. Reduction of Number of Lots
2. Reduction of Lot Width
3. Increase in Buffer

Discussion ensued about the presentation.

The presentation is attached to the summary.

**ORDINANCE NUMBER 20-2479**

**Z-0320-03 – SPECIAL EVENTS/LIVE ENTERTAINMENT  
ORDINANCE.**

Mr. Corley read the summary of the Ordinance.

**COMMENTS/QUESTIONS**

Mr. Smith stated that he is opening the meeting to comments and questions.

Mr. Arnold Singer, Riverhaven Place, made a presentation via teleconference/video conference.

The presentation is attached to the summary.

Mr. Ray Fitzpatrick, Castlehill Road, stated that he represents the Founders Association. It is adjacent to Greystone Founders and they are not in favor of the request. He stated that his client Mr. Wright, also, opposes the request.

Discussion ensued.

Mr. Smith asked if there was anything else from the Council.

There being no further business, the meeting was adjourned at 7:27 p.m.

## City of Hoover COVID19 Financial Plan

**UPDATE**

5/18/2020

<b>Objectives</b>		
1. Forecast <b>expected lost revenue</b> in current budget year.		<b>\$8,000,000 to \$15,000,000</b>
<ul style="list-style-type: none"> <li>a. Identify <b>midpoint</b> dollar amount.</li> <li>b. Identify <b>funds currently available</b> to apply to revenue shortfall.</li> <li>c. Identify <b>cuts to current operating budget</b> to apply to shortfall.</li> <li>d. Identify potential <b>cuts to capital projects</b> (requires City Council approval)</li> </ul>		<p><b>\$11,500,000</b></p> <p><b>Goal is \$15,000,000</b></p>
2. Protect financial health and stability of the city.		
3. Provide highest possible level of services to the public.		
4. Maintain status as municipal employer of choice.		
<b>FY20 Budget Reductions</b>	<b>Amount</b>	<b>Notes</b>
1. Operating		
a. Cuts from operating budget (Goal \$1,400,000)	<b>\$2,861,321</b>	<b>204% of original goal</b>
b. Savings from unfilled positions	<b>\$1,035,916</b>	<b>↑ \$30,276</b>
c. Savings from cancelled events	<b>\$642,858</b>	<b>↓ \$75,000</b>
d. Savings from OT reductions	<b>\$501,000</b>	<b>Round 1 (estimated)</b>
e. Move some capital projects to ESCO	<b>\$306,860</b>	<b>↑ \$12,000</b>
<b>Total from Operating</b>	<b>\$5,347,955</b>	<b>36%</b>
1. Capital		
a. Eliminate new vehicle purchases	<b>\$537,000</b>	<b>↑ \$37,000</b>
b. Capital project closeouts	<b>\$332,917</b>	<b>↑ \$50,000</b>
c. Savings from (potential) cancelled capital projects	<b>\$5,782,128</b>	
d. Unallocated capital funds	<b>\$3,000,000</b>	
<b>Total from Capital</b>	<b>\$9,329,639</b>	<b>64%</b>
<b>Current Total</b>	<b>\$15,000,000</b>	
<b>Special Revenue</b>	<b>\$901,620</b>	

**KEEPING HOOVER**

**HOOVER**

Arnold Singer



How does Hoover plan to move forward and recover from the ravages of the Novel Corona Virus known as COVID-19?

I will share with you my concerns as well as hopes for the future of Hoover.

**This document is not about COVID-19 but is about the financial impact that it caused and how to recover to the “new normal”.**

I believe that we are at an interesting crossroads.

One path results losing the Hoover we know and love while the other results in

# KEEPING HOOVER

# HOOVER

In August I will be voting for candidates who come closest to my vision for Hoover.

If you agree with me, in whole or in part, please express yourself in a manner that becomes visible to whomever is running for Mayor and City Council.

Arnold Singer

My first involvement with Hoover government and governance was early in 2008 when Mayor Petelos gave his State of the City presentation to The Friends of the Hoover Library.

During the Q & A following his presentation, a question was asked regarding when she could expect a branch library in her neighborhood. I was expecting a response that would satisfy the resident but the mayor said that branch libraries are not being considered because it would dilute the quality of service to the Hoover community.

**Very Pleasant Surprise** - Municipal elections are non-partisan.

Almost everyone enjoys the quality of services provided by Hoover. The major exception is Garbage Collection which is provided by an outside contractor.

I have been highly impressed with the management and employees of the City of Hoover through several administrations.

**Very Pleasant Surprise** - Annual budget surplus is not applied to the next budget. Hoover does not issue Tax Anticipation Notes. .

**Even Better Surprise** - Hoover has a rainy day balance in excess of \$30 million which has grown by \$100,000 each year. In the current budget it grew by \$500,000.

**Mind Blowing** - Capital projects are pre-funded.

So where are we now?

Since mid-March, business as usual has stopped in Hoover as well as the rest of the country.

It has been a financial disaster for many Hoover businesses as well as many households.

The fiscal year that began October 1, 2019 has produced positive results but COVID-19 has turned the tables around quickly.

**It is currently estimated that reduced sales tax revenue will result in a deficit of between \$8 million and \$15 million through September 30, 2020.**

As of the last City Council meeting, identified savings are approaching \$15 million; mostly from capital projects that have not begun as well as limiting overtime, travel, etc.

So what can we expect for the next budget if there is a significant sales tax receipt deficit. Or if there is a significant amount of unpaid real estate taxes on January 1, 2021.

The FY2020 proposed budget was \$146 million; after some cuts by the City Council the approved budget was \$144 million.

Salaries and Benefits totaled more than \$76 million or more than 50% of the budget.

Debt Service of approximately \$11.8 million is untouchable if we want to keep our excellent bond rating.

The Capital Projects Fund has been stripped to help meet the shortfall in the FY 2019/2020 budget.

**Assuming tax collections for the next budget (FY 2020/2021) are projected to be about \$15 million, where do we cut?**

**Close the Hoover Public Library?**

**Close Hoover Recreation including the Senior Center and sports programs?**

**These two would not cover the deficit.**

**Eliminate the \$5 million for the BOE?**

**Or are cross-the-boards furloughs/layoffs preferable and may include public safety?**

The most important qualifier to my solution:

Does Hoover face a worse financial future than the Recession of 2008?

Answer: Yes

So, how do we continue to enjoy the same high quality services from the City of Hoover while there are **significant deficits in sales tax receipts and the danger of delinquent ad valorem taxes?**

Next qualifier:

Does Hoover have a “rainy day fund”?

YES: Hoover has a “rainy day fund” with over \$30 million.

Solution:

**Adopt our next budget to include tapping the “rainy day fund” for a maximum of \$15 million. This can be drawn against monthly based on normal tax receipts.**

If the deficit in tax receipts continues into the following year, again allocate a maximum of \$15. million from the “rainy day fund”.

What if the deficit continues into a third year?

In the third year, Principal and Interest payment will drop from \$11.8 million to \$6.5 million. This frees up \$5.3 million and can be used for the tax receipt deficit.

What happens when tax receipts return to “normal”?

Answer: **We celebrate and begin restoring our “rainy day fund” and funding capital projects using the \$5.3 million not spent on bonds.**

This is my plan for

# KEEPING HOOVER

# HOOVER

Are there any other benefits?

We can share our story with other communities and companies.

People and companies like to be associated with fiscally sound communities which offer high quality services to its residents and businesses.

We will have given a great tool to our Economic Developer.

We will be able to weather the financial storm without the loss of city services.