

January 8, 2007

STATE OF ALABAMA,
LIMESTONE COUNTY,
CITY OF ATHENS.

The City Council of the City of Athens, Alabama, met in regular session at the Athens Police Department Court Room at 951 Hobbs Street East in the said City on January 8, 2007, at 5:30 p.m. The meeting was called to order by Councilman Harold Wales, President of the Council. Upon roll call, the following were found to be present: Councilmembers Johnny Crutcher, Harold Wales, Jimmy Gill, Ronnie Marks and Mildred Caudle. Mayor Dan Williams was present and John Hamilton, the Clerk, was present and recorded the Minutes of the meeting. Ronnie Marks offered the invocation and Mayor Williams led the Pledge of Allegiance. The Chairman stated that a quorum was present and that the meeting was open for the transaction of business.

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The Chairman stated that the Minutes of the December 18, 2006 City Council Meeting had been submitted for approval. Councilman Crutcher moved that the reading of the Minutes be suspended and that the Minutes be approved as recorded. The motion was seconded by Councilman Marks and was unanimously carried. The Chairman stated that the Minutes of the December 18, 2006 Special City Council Minutes had been submitted for approval. Councilman Crutcher moved that the reading of the Minutes be suspended and that the Minutes be approved as recorded. The motion was seconded by Councilman Marks and was unanimously carried.

A public hearing was held to discuss the sale of alcohol for Jay Kapish, Discount Tobacco & Beer located at 19017 Alabama Highway 127 North. No one spoke for or against.

A public hearing was held to discuss the rezoning of property located on Mooresville Road for Old Stone, LLC. No one spoke for or against.

A public hearing was held to discuss the rezoning of property located at 1206 W. Market Street for Tim Collier. Tim Collier spoke in favor of the rezoning. Barry Campbell, 306 Buckeye Street, turned in a petition of residents against the rezoning. The following residents spoke against; Tommy Ezell - 408 Gale Street, Sam Mitchell - 304 Buckeye Street, Roy Shaw - 1208 Gale Lane, David Curtis - 301 Gale Lane, Jimmy Sloan - 305 Gale Lane and Bill Irby - 1212 Gale Lane.

Kelly Kelso, 702 Hereford Drive, spoke in favor of the rezoning and ask if the property is part of the neighborhood.

The public hearing was closed.

William E. Ford, 16595 Becky Street, expressed hope of a sewer system in the Ezell Street area.

Councilman Crutcher moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, that a Public Hearing will be held at the City Council meeting of February 12th, 2007, at 5:30 p.m., to receive comments on the annexation/zoning request of Tommy Reid to annex property located north of Nick Davis Road, south of Alabama State Route 251 and west of Oakdale Road, and zone said property as R-2 Medium Density Residential District.

The motion was seconded by Councilman Marks and was unanimously carried.

Councilman Crutcher moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, that a Public Hearing will be held at the City Council meeting of February 12th, 2007, at 5:30 p.m., to receive comments on the zoning request of Russell Strickland, Ernest Bayless and Syble Bayless to zone property located north of Nick Davis Road, south of Alabama State Route 251 and east of Linton Road, and zone said property as R-5 Planned Unit Development District.

The motion was seconded by Councilman Marks and was unanimously carried.

Councilman Crutcher moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, that a Public Hearing will be held at the City Council meeting of February 12th, 2007, at 5:30 p.m., to receive comments on the annexation/zoning request of Juliaett G. Himmelight to annex property located at 2446 Hine Street South, and zone said property as R-1 Low Density Residential District.

The motion was seconded by Councilman Marks and was unanimously carried.

Councilman Crutcher introduced the following ordinance:

STATE OF ALABAMA,
LIMESTONE COUNTY,
CITY OF ATHENS.

ORDINANCE NUMBER 2007-1619

WHEREAS, the City Council of the City of Athens, Alabama, has heretofore adopted, "The Zoning Ordinance of the City of Athens, Alabama," and,

WHEREAS, the Planning Commission of the City of Athens, Alabama, has made a recommendation to the City Council of the City of Athens, Alabama, that the hereinafter described area should be rezoned from "R-1 Low Density Residential District to R-3 High Density Residential District".

The City Council of the City of Athens, Alabama, finds that "The Zoning Ordinance of the City of Athens, Alabama," should be amended so as to rezone the hereinafter described area as "R-3" rather than "R-1".

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

That all of the hereinafter described area or real estate is hereby zoned "R-3 High Density Residential District, in accordance with and defined by "The Zoning Ordinance of the City of Athens, Alabama," and that the areas which are zoned as aforesaid is situated in Athens, Limestone County, Alabama, and are more particularly described as follows:

A tract of land described as Lot Number 13 of Athens East Subdivision located in Plat Book G, Page 74 as recorded in the Probate Office of Limestone County, Alabama.

Subject to: Easements as shown on the final plat of said Athens East Subdivision.

Councilmember Marks moved that unanimous consent be given for immediate consideration of and action on said ordinance, which motion was seconded by Councilmember Gill, and upon the said motion being put to vote the following vote was recorded: YEAS: Councilmembers Crutcher, Wales, Gill, Marks and Caudle; NAYS: None. The President thereupon declared that the motion for unanimous consent for immediate consideration of and action on the said ordinance had been unanimously carried. Councilman Crutcher thereupon moved that the ordinance be finally adopted, which motion was seconded by Councilmember Marks and upon the said motion being put to vote the following vote was recorded: YEAS: Councilmembers Crutcher, Wales, Gill, Marks and Caudle; NAYS: None. The President thereupon announced that the motion for the adoption of the said ordinance had been unanimously carried.

The ordinance to approve rezoning of property on 1206 W. Market Street for Tim Collier failed for the lack of a motion.

Councilman Marks introduced the following ordinance:

STATE OF ALABAMA,
LIMESTONE COUNTY,
CITY OF ATHENS.

ORDINANCE NUMBER 2007-1620

WHEREAS, the City Council of the City of Athens, Alabama, has heretofore adopted, "The Zoning Ordinance of the City of Athens, Alabama," and,

WHEREAS, the Planning Commission of the City of Athens, Alabama, has made a recommendation to the City Council of the City of Athens, Alabama, that the hereinafter described area should be rezoned from "R-3 High Density Residential District to B-2 General Business District".

The City Council of the City of Athens, Alabama, finds that "The Zoning Ordinance of the City of Athens, Alabama," should be amended so as to rezone the hereinafter described area as "B-2" rather than "R-3".

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

That all of the hereinafter described area or real estate is hereby zoned "B-2 General Business District, in accordance with and defined by "The Zoning Ordinance of the City of Athens, Alabama," and that the areas which are zoned as aforesaid is situated in Athens, Limestone County, Alabama, and are more particularly described as follows:

A tract of land lying in Section 16, Township 3 South, Range 4 West, also being a part of French Farms Subdivision East as recorded in Plat Book "G" Page 313 in the Office of the Judge of Probate of Limestone County, Alabama, and being more particularly described as follows:

Commence at the northeast corner of Lot 3 of French Farms Subdivision East as recorded in Plat Book "G" page 313 in the Office of the Judge of Probate of Limestone County, Alabama, said point also being the Point of True Beginning of the tract herein described,

Thence from the Point of True Beginning South along the west right of way of said Cloverleaf Drive Road a distance of 200.00 feet to a point; thence west for 300.00 feet, thence north 200.00 feet, thence west 300.00 feet to the true point of beginning and containing 1.38 acres more or less.

Subject to: Easements as shown on the final plat of said French Farms Subdivision East.

Councilmember Crutcher moved that unanimous consent be given for immediate consideration of and action on said ordinance, which motion was seconded by Councilmember Gill, and upon the said motion being put to vote the following vote was recorded: YEAS: Councilmembers Crutcher, Wales, Gill, Marks and Caudle; NAYS: None. The President thereupon declared that the motion for unanimous consent for immediate consideration of and action on the said ordinance had been unanimously carried. Councilman Marks thereupon moved that the ordinance be finally adopted, which motion was seconded by Councilmember Gill and upon the said motion being put to vote the following vote was recorded: YEAS: Councilmembers Crutcher, Wales, Gill, Marks and Caudle; NAYS: None. The President thereupon announced that the motion for the adoption of the said ordinance had been unanimously carried.

Councilman Marks moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, to grant the purchase of six (6) PC's and one (1) 16 port switch for the Police Department. Appropriation line item 10.25.90112 will be charges.

The motion was seconded by Councilman Crutcher and was unanimously carried.

Councilman Marks moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, to grant the purchase of one (1) Computerized Mug Shot System for the Police Department. Appropriation line item 10.25.90112 will be charged.

The motion was seconded by Councilman Crutcher and was unanimously carried.

Councilman Marks moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, to grant the purchase of one (1) Overhead Projector System Plus Installation for the Police Department. Appropriation line item 10.25.90112 will be charged.

The motion was seconded by Councilman Crutcher and was unanimously carried.

Councilman Marks introduced the following ordinance:

STATE OF ALABAMA,
LIMESTONE COUNTY,
CITY OF ATHENS.

ORDINANCE NUMBER 2007-1621

WHEREAS, the City Council of the City of Athens, Alabama, has heretofore adopted, "The Zoning Ordinance of the City of Athens, Alabama," and,

WHEREAS, the Planning Commission of the City of Athens, Alabama, has made a recommendation to the City Council of the City of Athens, Alabama, that the hereinafter described area should be rezoned from "R-1 Low Density Residential District to R-3 High Density Residential District".

The City Council of the City of Athens, Alabama, finds that "The Zoning Ordinance of the City of Athens, Alabama," should be amended so as to rezone the hereinafter described area as "R-3" rather than "R-1".

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

That all of the hereinafter described area or real estate is hereby zoned "R-3 High Density Residential District, in accordance with and defined by "The Zoning Ordinance of the City of Athens, Alabama," and that the areas which are zoned as aforesaid is situated in Athens, Limestone County, Alabama, and are more particularly described as follows:

A tract of land lying in Section 16, Township 3 South, Range 4 West, also being a part of French Farms Subdivision East as recorded in Plat Book "G" Page 313 in the Office of the Judge of Probate of Limestone County, Alabama, and being more particularly described as follows:

The Southern 10 acres +/- of lot # 3 French Farms Subdivision East (Plat Book G, pg. 313).

Subject to: Easements as shown on the final plat of said French Farms Subdivision East.

Councilmember Marks moved that unanimous consent be given for immediate consideration of and action on said ordinance, which motion was seconded by Councilmember Gill, and upon the said motion being put to vote the following vote was recorded: YEAS: Councilmembers Crutcher, Wales, Gill, Marks and Caudle; NAYS: None. The President thereupon declared that the motion for unanimous consent for immediate consideration of and action on the said ordinance had been unanimously carried. Councilman Crutcher thereupon moved that the ordinance be finally adopted, which motion was seconded by Councilmember Gill and upon the said motion being put to vote the following vote was recorded: YEAS: Councilmembers Crutcher, Wales, Gill, Marks and Caudle; NAYS: None. The President thereupon announced that the motion for the adoption of the said ordinance had been unanimously carried.

Councilman Gill moved the adoption of the following resolution:

RESOLUTION NUMBER 2007-1005

**A RESOLUTION REGARDING THE CONVEYANCE OF CERTAIN REAL PROPERTY TO
JERRY JOHNSON**

WHEREAS, the City of Athens, Alabama is the owner of certain real property described in this resolution;

WHEREAS, the City Council desires to convey said real property to Jerry Johnson, who will utilize the property in the furtherance of his industrial business operation;

WHEREAS, the further development of the economy and industry in Athens and Limestone County, along with the increase in jobs, is the public benefit sought to be achieved by this action;

WHEREAS, the City Council desires to enter into an agreement with Jerry Johnson regarding the real property;

WHEREAS, the City of Athens shall make such conveyance pursuant to Amendment No. 772 of the *Constitution of Alabama of 1901*;

WHEREAS, a notice of this proposed action has been published in the *Athens News Courier* at least seven days prior to the public meeting at which this conveyance is being considered by the City Council;

WHEREAS, the real property is not needed by the City of Athens for other municipal or public purposes; and

THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA while in regular session on January 8, 2007 at 5:30 p.m. as follows:

1. That the expenditure of public funds and the conveyance of city property for the purpose described herein will serve a valid and sufficient public purpose, the further development of the economy and industry in Athens and Limestone County, along with the increase in jobs, notwithstanding any incidental benefit accruing to any private entity or entities.

2. That the Mayor is hereby authorized to execute the agreement with the Jerry Johnson, attached hereto as Exhibit A. A description of the real property to be conveyed, as well as a recitation of the terms of the agreement, is fully described therein.

3. That, upon the execution of the above-referenced agreement by both parties, the Mayor is hereby authorized to carry out the terms thereof and to ultimately execute a deed whereby the City shall convey certain real property to Jerry Johnson.

ADOPTED and APPROVED this, the 8th day of January, 2007.

/s/ Harold Wales
PRESIDENT, CITY COUNCIL,
CITY OF ATHENS, ALABAMA

/s/ Dan Williams
MAYOR, CITY OF ATHENS, ALABAMA

ATTEST:

/s/ John S. Hamilton
CITY CLERK, CITY OF ATHENS, ALABAMA

CERTIFICATION OF CITY CLERK

STATE OF ALABAMA)
LIMESTONE COUNTY)

I, John Hamilton, City Clerk of the City of Athens, Alabama, do hereby certify that the above and foregoing is a true and correct copy of a Resolution duly adopted by the City Council of the City of Athens, Alabama, on the ____ day of _____, 2007.

Witness my hand and seal of office this ____ day of _____, 2007.

John Hamilton, City Clerk

The motion was seconded by Councilman Marks and was unanimously carried.

Councilman Marks moved the adoption of the following resolution:

RESOLUTION NUMBER 2006-1006

This resolution made this 8th day of January, 2007, (the Effective Date) by the City Council, City of Athens, Alabama (the Granting Authority), to grant a tax abatement for J & R Sheet Metal, Inc. (the Company).

WHEREAS, the Company has announced plans for a (check one):

new project or _____ major addition to their existing facility (the Project),

located within the jurisdiction of the Granting Authority; and

WHEREAS, pursuant to the Tax Incentive Reform Act of 1992 (Section 40-9B-1 et seq., Code of Alabama 1975) (the Act), the Company has requested from the Granting Authority an Abatement of (check all that apply):

all state and local noneducational property taxes,

all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, and /or

_____ all mortgage and recording taxes; and

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

WHEREAS, the Granting Authority has considered the request of the Company and the completed applications (copy attached) filed with the Granting Authority by the Company, in connection with its request; and

WHEREAS, the Granting Authority has found the information contained in the Company's application to be sufficient to permit the Granting Authority to make a reasonable cost/benefit analysis of the proposed project and to determine the economic benefits to the community; and

WHEREAS, the construction of the project will involve a capital investment of \$40,000.00; and

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

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

NOW THEREFORE, be it resolved by the Granting Authority as follows:

Section 1. Approval is hereby given to the application of the Company and abatement is hereby granted of (check all that apply):

all state and local noneducational property taxes,

all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, and /or

all mortgage and recording taxes

as the same may apply to the fullest extent permitted by the Act. The period of abatement for the noneducational property taxes (if applicable) shall extend for a period of 10 years measured as provided in Section 40-9B-3(8) of the Act.

Section 2. The governing body of the Granting Authority is authorized to enter in to an abatement agreement with the Company to provide for the abatement granted in Section 1.

Section 3. A certified copy of this resolution, with the application and abatement agreement, shall be forwarded to the Company to deliver to the appropriate local taxing authorities (if applicable) and to the Alabama Department of Revenue in accordance with the Act.

Section 4. The governing body of the Granting Authority is authorized to take any and all actions necessary or desirable to accomplish the purpose of the foregoing of this resolution.

I hereby certify that the above and foregoing was duly adopted by the City Council of the City of Athens, Alabama at a meeting held on the 8th day of January, 2007.

ADOPTED and APPROVED this, the 8th day of January, 2007.

/s/ Harold Wales
PRESIDENT, CITY COUNCIL,
CITY OF ATHENS, ALABAMA

/s/ Dan Williams
MAYOR, CITY OF ATHENS, ALABAMA

ATTEST:

/s/ John S. Hamilton

CITY CLERK, CITY OF ATHENS, ALABAMA

The motion was seconded by Councilman Gill and was unanimously carried.

Councilman Marks moved the adoption of the following resolution:

RESOLUTION NUMBER 2006-1007

This resolution made this 8th day of January, 2007, (the Effective Date) by the City Council, City of Athens, Alabama (the Granting Authority), to grant a tax abatement for Jerry Johnson. (the Company).

WHEREAS, the Company has announced plans for a (check one):

new project or major addition to their existing facility (the Project),

located within the jurisdiction of the Granting Authority; and

WHEREAS, pursuant to the Tax Incentive Reform Act of 1992 (Section 40-9B-1 et seq., Code of Alabama 1975) (the Act), the Company has requested from the Granting Authority an Abatement of (check all that apply):

all state and local noneducational property taxes,

all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, and /or

all mortgage and recording taxes; and

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

WHEREAS, the Granting Authority has considered the request of the Company and the completed applications (copy attached) filed with the Granting Authority by the Company, in connection with its request; and

WHEREAS, the Granting Authority has found the information contained in the Company's application to be sufficient to permit the Granting Authority to make a reasonable cost/benefit analysis of the proposed project and to determine the economic benefits to the community; and

WHEREAS, the construction of the project will involve a capital investment of \$302,152.00; and

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

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

NOW THEREFORE, be it resolved by the Granting Authority as follows:

Section 1. Approval is hereby given to the application of the Company and abatement is hereby granted of (check all that apply):

all state and local noneducational property taxes,

X all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, and /or

 all mortgage and recording taxes

as the same may apply to the fullest extent permitted by the Act. The period of abatement for the noneducational property taxes (if applicable) shall extend for a period of 10 years measured as provided in Section 40-9B-3(8) of the Act.

Section 2. The governing body of the Granting Authority is authorized to enter in to an abatement agreement with the Company to provide for the abatement granted in Section 1.

Section 3. A certified copy of this resolution, with the application and abatement agreement, shall be forwarded to the Company to deliver to the appropriate local taxing authorities (if applicable) and to the Alabama Department of Revenue in accordance with the Act.

Section 4. The governing body of the Granting Authority is authorized to take any and all actions necessary or desirable to accomplish the purpose of the foregoing of this resolution.

I hereby certify that the above and foregoing was duly adopted by the City Council of the City of Athens, Alabama at a meeting held on the 8th day of January, 2007.

ADOPTED and APPROVED this, the 8th day of January, 2007.

/s/ Harold Wales
PRESIDENT, CITY COUNCIL,
CITY OF ATHENS, ALABAMA

/s/ Dan Williams
MAYOR, CITY OF ATHENS, ALABAMA

ATTEST:

/s/ John S. Hamilton
CITY CLERK, CITY OF ATHENS, ALABAMA

The motion was seconded by Councilman Gill and was unanimously carried.

Councilman Caudle moved the adoption of the following resolution:

RESOLUTION NUMBER 2006-1008

A RESOLUTION REGARDING AN OPTION CONTRACT TO
SOUTHEASTERN BIOENERGY, L.L.C.

WHEREAS, the City of Athens (the "City") and Southeastern BioEnergy, L.L.C. ("SBE") wish to describe in detail the real property that is the subject of Paragraph 7 of the "Contract for Sale and Grant of Option" entered into between the City and SBE;

WHEREAS, the City is the owner of certain real property described herein;

WHEREAS, the City Council desires to convey an option to purchase said real property to SBE,

who will utilize the property in the furtherance of its industrial business operation;

WHEREAS, the further development of the economy and industry in Athens and Limestone County, along with the increase in jobs, is the public benefit sought to be achieved by this action;

WHEREAS, the City Council desires to enter into a further agreement with SBE regarding the real property;

WHEREAS, the City of Athens has authority to make such conveyance pursuant to Amendment No. 772 of the Constitution of Alabama of 1901, among other things;

WHEREAS, a notice of this proposed action has been published in the *Athens News Courier* at least seven days prior to the public meeting at which this action is being considered by the City Council; and

WHEREAS, the real property is not needed by the City of Athens for other municipal or public purposes;

THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA while in regular session on January 8, 2007 at 5:30 p.m. as follows:

1. That the expenditure of public funds and the conveyance of city property for the purpose described herein will serve a valid and sufficient public purpose, the further development of the economy and industry in Athens and Limestone County, along with the increase in jobs, notwithstanding any incidental benefit accruing to any private entity or entities.
2. That the Mayor is hereby authorized to execute the agreement with SBE, attached hereto as Exhibit A. A description of the real property that is the subject of the option, as well as a recitation of the terms of the agreement, is fully described therein.
3. That, upon the execution of the above-referenced agreement by both parties, the Mayor is hereby authorized to carry out the terms thereof and to ultimately execute a deed whereby the City shall convey certain real property to SBE.

ADOPTED and APPROVED this, the 8th day of January, 2007.

/s/ Harold Wales
PRESIDENT, CITY COUNCIL,
CITY OF ATHENS, ALABAMA

/s/ Dan Williams
MAYOR, CITY OF ATHENS, ALABAMA

ATTEST:

/s/ John S. Hamilton
CITY CLERK, CITY OF ATHENS, ALABAMA

CERTIFICATION OF CITY CLERK

STATE OF ALABAMA

LIMESTONE COUNTY

I, John Hamilton, City Clerk of the City of Athens, Alabama, do hereby certify that the above and foregoing is a true and correct copy of a Resolution duly adopted by the City Council of the City of Athens, Alabama, on the ____ day of _____, 2007.

Witness my hand and seal of office this ____ day of _____, 2007.

John Hamilton, City Clerk/Treasurer

**AMENDMENT TO CONTRACT FOR SALE AND GRANT OF OPTION
EXHIBIT A**

WHEREAS, the City of Athens, Alabama (the "City") and Southeastern BioEnergy, LLC, (hereinafter "SBE") wish to describe in detail the real property that is the subject of Paragraph 7 of the "Contract for Sale and Grant of Option" entered into between the City and SEB on or about _____, 2006 (the "Contract"), and wish to do so by this amendment to the Contract; and

THEREFORE, the City and SBE do hereby amend Paragraph 7 of the Contract to state as follows:

7. In conjunction with the property herein acquired and for and in consideration of the sums paid unto the CITY by SBE, the City hereby further grants to SBE, its successors and assigns, an exclusive right and option to purchase that certain real property described in Exhibit A, attached hereto, together with all improvements, easements, and appurtenances thereto. The parties further acknowledge and agree as to the grant of this option as follows:

- a. This option is irrevocable and will expire two (2) years from the effective date of the Contract.
- b. This option may be amended or renewed at any time prior to the lapse of same upon agreement of the parties.

- c. This option may be exercised by SBE or its successors or assigns upon giving notice of exercise in writing prior to the date of the expiration of this option. Notice shall be deemed given on the date the notice is sent by Federal Express, UPS, DHL, or similar overnight courier to the CITY.
- d. The purchase price for the property subject to the option granted herein shall be Forty Thousand and 00/100 Dollars, with total acreage to be verified by survey at or before the closing of same.

The City and SBE do not amend any other sentence, term or provision in the Contract.

IN WITNESS WHEREOF, the parties have executed this "Amendment to Contract for Sale and Grant of Option" as follows, as of the dates indicated below:

THE CITY OF ATHENS, ALABAMA

Dated: _____

By: _____

Name: _____

Its: _____

SOUTHEASTERN BIOENERGY, L.L.C.

Dated: _____

By: _____

Name: _____

Its: _____

EXHIBIT A TO AMENDMENT

TRACT 8-A

STATE OF ALABAMA
 COUNTY OF LIMESTONE

Begin at the northeast corner of Section 32, Township 2 South, Range 4 West, Athens, Limestone County, Alabama, and run thence N 87 degrees 21'44" W along the north boundary of said Section 32 a distance of 610.50 feet to an iron pin and the true point of beginning of the tract herein described; thence from the true point of beginning S 00 degrees 43' 51" W a distance of 1303.12 feet to a point; thence N 87 degrees 10' 37" W a distance of 269.87 feet to an iron pin; thence N 00 degrees 31' 52" E a distance of 1302.40 feet to a point on the north boundary of said Section 32; thence S 87 degrees 21' 44" E along the north boundary of said Section 32 a distance of 274.48 feet to the true point of beginning, lying and being within the NE1/4 of Section 32, Township 2 South, Range 4 West, Athens, Limestone County, Alabama, and containing 8.133 acres, more or less.

The motion was seconded by Councilman Crutcher and was unanimously carried.

Councilman Caudle moved the adoption of the following resolution:

RESOLUTION

Be it resolved that the City of Athens will allocate to the Athens-Limestone Public Library Board of Trustees funds to be used by the Board to pay the interest charges for the years 2008, 2009, and 2010, on the loan acquired by the Board in order to purchase the old Kroger property for renovation as a new Athens-Limestone Public Library. This Library shall be open to the public and its use and operation will provide a great public benefit to the citizens of Athens. The maximum amount supplied by the City of Athens will not exceed \$20,000 in any of these given years. This resolution is contingent on Limestone County supplying an equal amount of funding to the Board for this purpose during the same time period.

This resolution is further contingent upon the Athens-Limestone Public Board of Trustees' renovation of the facility at the old Kroger property for use as a new Athens-Limestone Public Library. In the event that the City Council determines that said facility is not fully renovated for use as a new Athens-Limestone Public Library, then the Athens-Limestone Public Library Board of Trustees shall refund the above-mentioned funds to the City of Athens, or the City Council may, in its discretion, reduce annual appropriations to the Athens-Limestone Public Library Board of Trustees in an amount equivalent to the above-mentioned fund allocation.

The motion was seconded by Councilman Marks and was unanimously carried.

Councilman Marks moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA to rescind "Resolution K" from the 12-18-06 city council meeting which said "to increase line item 10.15.82404 by \$2,750.00 to grant the purchase of one postage machine "(for the police department). It is being rescinded because the postage machine will be leased, instead of being bought. The lease cost will be charged to line item 10.15.82404 (Equipment Maintenance – Outsource) without amending the budget at this time.

The motion was seconded by Councilman Gill and was unanimously carried.

Councilman Crutcher moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA to award the bid for a tapping machine for the Water Department to the low bidder, Eagle Wholesale, in the amount of \$13,463 and to authorize the Manager, Water Services to execute a corresponding purchase order.

The motion was seconded by Councilman Gill and was unanimously carried.

Councilman Gill moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA extend the current franchise of Charter Communications for 12 months from 1-29-2006 through 1-28-2007.

The motion was seconded by Councilman Caudle and was unanimously carried.

Councilman Marks introduced the following ordinance:

STATE OF ALABAMA,
LIMESTONE COUNTY,
CITY OF ATHENS.

ORDINANCE NUMBER 2007-1622

**AN ORDINANCE REPEALING ORDINANCE NO. 99-1321;
AND CONTINUING THE ADOPTION OF THE NATIONAL
ELECTRICAL SAFETY CODE AND THE NATIONAL
ELECTRICAL CODE WITH RESPECT TO
TELECOMMUNICATIONS ENTITIES**

WHEREAS, the Athens City Council wishes to repeal Ordinance No. 99-1321, relating to wireline telecommunications;

WHEREAS, the Athens City Council wishes to continue its adoption of the National Electric Code (NEC) or the National Electrical Safety Code (NESC) with respect to telecommunications entities; and

THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, while in session on January 8, 2007 at 5:30 P.M., as follows:

Section 1. Ordinance No. 99-1321 is hereby repealed, subject to Section 2.

Section 2. All owners or operators of telecommunications systems that utilize the City's property or rights of way to transmit for a commercial purpose shall at all times comply with the most current editions of the National Electric Code (NEC) or the National Electrical Safety Code (NESC), including any changes or amendments thereto, with respect to their activities and operations thereon, unless otherwise and to the extent exempted from compliance by State or federal law.

Section 3. This Ordinance shall become effective upon its adoption as provided by law.

ADOPTED and APPROVED this, the 8th day of January, 2007.

/s/ Harold Wales
PRESIDENT, CITY COUNCIL,
CITY OF ATHENS, ALABAMA

/s/ Dan Williams
MAYOR, CITY OF ATHENS, ALABAMA

ATTEST:

/s/ John S. Hamilton
CITY CLERK, CITY OF ATHENS, ALABAMA

CERTIFICATION OF CITY CLERK

STATE OF ALABAMA)

LIMESTONE COUNTY)

I, John Hamilton, City Clerk of the City of Athens, Alabama, do hereby certify that the above and foregoing is a true and correct copy of an Ordinance duly adopted by the City Council of the City of Athens, Alabama, on the ____ day of _____, 2007.

Witness my hand and seal of office this ____ day of _____, 2006.

John Hamilton, City Clerk

Councilmember Crutcher moved that unanimous consent be given for immediate consideration of and action on said ordinance, which motion was seconded by Councilmember Gill, and upon the said motion being put to vote the following vote was recorded: YEAS: Councilmembers Crutcher, Wales, Gill, Marks and Caudle; NAYS: None. The President thereupon declared that the motion for unanimous consent for immediate consideration of and action on the said ordinance had been unanimously carried. Councilman Marks thereupon moved that the ordinance be finally adopted, which motion was seconded by Councilmember Gill and upon the said motion being put to vote the following vote was recorded: YEAS: Councilmembers Crutcher, Wales, Gill, Marks and Caudle; NAYS: None. The President thereupon announced that the motion for the adoption of the said ordinance had been unanimously carried.

Councilman Gill moved the adoption of the following resolution:

RESOLUTION NUMBER 2006-1009

WHEREAS, the City of Athens directly contacted known qualified firms in order to obtain proposals for the provision of engineering services for CDBG Project No. LR-CE-PF-06-021, and

WHEREAS, based on the City's rating of all proposals received, using the City's rating system, Civil Solutions, LLP has been deemed most qualified for the services called for and the proposed contract price is considered appropriate and reasonable, and

WHEREAS, it has been determined that it is in the best interest of the City of Athens to enter into a contract with Civil Solutions, LLP.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Athens, Alabama as follows:

SECTION 1. That, based on the City's understanding of procurement policy of ADECA, the acceptance of the proposal of Civil Solutions, LLP for the provision of professional services for CDBG Project No. LR-CE-PF-06-021, has been determined to be in the best interest of the City of Athens, and that the proposed fee has been accepted as reasonable based on the complexity of the project and the amount and nature of the local match to be provided by the City .

SECTION 2. That the City of Athens enter into an agreement with Civil Solutions, LLP for the provision of engineering services, with said agreement attached hereto.

SECTION 3. That this action is based on the current interpretation of ADECA procurement policy which is acknowledged by this resolution and ADECA policy on file.

SECTION 4. That Dan Williams, in his capacity as Mayor, is hereby authorized and directed to execute said agreement on behalf of the City of Athens.

ADOPTED and APPROVED this, the 8th day of January, 2007.

/s/ Harold Wales
PRESIDENT, CITY COUNCIL,
CITY OF ATHENS, ALABAMA

/s/ Dan Williams
MAYOR, CITY OF ATHENS, ALABAMA

ATTEST:

/s/ John S. Hamilton
CITY CLERK, CITY OF ATHENS, ALABAMA

The motion was seconded by Councilman Crutcher and was unanimously carried.

Councilman Marks moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA that the sole bid for the Wastewater Department building addition from Crews, Inc. be rejected because it exceeds the approved budget. BE IT FURTHER RESOLVED that the Manager, Water Services, is authorized to negotiate a contract with Crews, Inc. so long as the original project intent is accomplished, the final project price is less than Crews original bid and that price is comparable to the approved project budget.

The motion was seconded by Councilman Gill and was unanimously carried.

Councilman Crutcher moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA to award the bid for an air compressor for the Wastewater Department to the low bidder, E.A. Nelson, in the amount of \$10,988.00 and to authorize the Manager, Water Services to execute a corresponding purchase order.

The motion was seconded by Councilman Gill and was unanimously carried.

Councilman Marks moved the adoption of the following resolution:

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA to authorize the Mayor to enter into an agreement with KPS to develop a new zoning ordinance for the City of Athens, Alabama in an amount not to exceed \$20,000.00. The project shall be funded from the City of Athens Capital Improvement Fund.

The motion was seconded by Councilman Gill and was unanimously carried.

Councilman Marks introduced the following ordinance:

STATE OF ALABAMA,
LIMESTONE COUNTY,
CITY OF ATHENS.

ORDINANCE NUMBER _____
Amending Ordinance Number 2000-1346

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ATHENS, ALABAMA, AS
FOLLOWS:

The following schedule of rates respecting furnishing natural gas from the City of Athens natural gas distribution system shall supersede the previous rate schedule published under Ordinance 00- 1346 and shall become effective with all meter readings on or after February 1, 2007.

CITY SCHEDULE OF GAS RATES (Applicable to all customers within Athens City Limits)

1. For **residential** customers having facilities that burn less than 35,000 cubic feet during any 24 hour period, and to whom the supply of gas shall be firm, the rates shall be as follows, subject to billing adjustments authorized by the Gas Department and the Purchased Gas Adjustment (PGA) attached hereto:

Monthly Availability Charge: \$2.00 per Month per Meter.

Base Usage Charge: \$7.38 per MCF, subject to adjustment under the PGA.

2. For **commercial** customers and **small industrial** customers having facilities that burn less than 35,000 cubic feet during any 24-hour period, and to whom the supply of gas shall be firm, the rates shall be as follows, subject to billing adjustments authorized by the Gas Department and the Purchased Gas Adjustment (PGA) attached hereto:

Monthly Availability Charge: \$5.00 per Month per Meter.

Base Usage Charge: \$7.38 per MCF, subject to adjustment under the PGA.

Note: Customers using over 35,000 cubic feet on any day shall be subject to rates for customers using in excess of 35,000 cubic feet per day as outlined hereinafter.

3. For **commercial** customers and **small industrial** customers having facilities that burn more than 35,000 cubic feet during any 24-hour period, and to whom the supply of gas shall be firm, the rates shall be as follows, subject to billing adjustments authorized by the Gas Department and the Purchased Gas Adjustment (PGA) attached hereto:

Monthly Availability Charge: \$15.00 per Month per Meter.

Base Usage Charge: \$3.68 per MCF, subject to adjustment under the PGA.

Base Demand Charge: A charge of \$10.00 each month for each 1,000 cubic feet of the maximum quantity of gas delivered to the consumer on any day during the twelve month period ending with the current month. The maximum quantity of gas shall be calculated by dividing the monthly consumption by 22 or by use of a demand meter.

4. For **industrial** customers having facilities that burn more than 135,000 cubic feet during any 24-hour period, such gas not to be resold, and to whom the supply of gas shall be subject to

curtailment in whole and/or in part at any time at the discretion of the Gas Department upon one hour's notice (a "curtailment order"), the rates shall be as follows, subject to billing adjustments authorized by the Gas Department and the Purchased Gas Adjustment (PGA) attached hereto:

Monthly Availability Charge: \$15.00 per Month per Meter.

Base Usage Charge: \$3.68 per MCF, subject to adjustment under the PGA.

Other Applicable Charges: For each MCF of natural gas used by the customer during a curtailment order, the customer shall pay (1) the Base Demand Charge for commercial and small industrial customers in paragraph 3 above for (i) the current Month and then (ii) for the next twelve consecutive Months and (2) a penalty of \$15.00 per MCF plus the applicable delivered cost of natural used during the curtailment order and (3) any charges or costs charged to or levied upon the Gas Department or that are caused by the customer, or that the customer causes the Gas Department to incur, shall be paid to the Gas Department by the customer, as and when billed. These charges shall be paid together with, and in addition to, the Monthly Availability Charge and Base Usage Charge and any other charges for the Month in which the curtailment order usage occurred.

5. For **industrial** and **agricultural** customers receiving natural gas through a single point of delivery, such gas not to be resold, and who are in an approved creditworthy standing with the City of Athens Utilities, and to whom the supply of gas shall be subject to curtailment in whole and/or in part at any time at the discretion of the Gas Department upon one hour's notice (a "curtailment order"), certain rates and terms and conditions for services that are not necessarily included in this Ordinance or that may not be applicable to the service to be provided, as determined by the Gas Department, may be available under a Special Services Agreement at rates and terms and conditions for services that are agreed to in writing by the customer and the Gas Department.
6. Monthly billing quantities will be determined by converting cubic feet to dekatherms using the monthly average British Thermal Unit (BTU) value of the natural gas delivered for that Month.

COUNTY SCHEDULE OF GAS RATES (Applicable to all customers outside Athens City Limits)

1. For **residential** customers having facilities that burn less than 35,000 cubic feet during any 24 hour period, and to whom the supply of gas shall be firm, the rates shall be as follows, subject to billing adjustments authorized by the Gas Department and the Purchased Gas Adjustment (PGA) attached hereto:

Monthly Availability Charge: \$4.00 per Month per Meter.

Base Usage Charge: \$7.50 per MCF, subject to adjustment under the PGA.

2. For **commercial** customers and **small industrial** customers having facilities that burn less than 35,000 cubic feet during any 24-hour period, and to whom the supply of gas shall be firm, the rates shall be as follows, subject to billing adjustments authorized by the Gas Department and the Purchased Gas Adjustment (PGA) attached hereto:

Monthly Availability Charge: \$8.00 per Month per Meter.

Base Usage Charge: \$7.50 per MCF, subject to adjustment under the PGA.

Note: Customers using over 35,000 cubic feet on any day shall be subject to rates for customers using in excess of 35,000 cubic feet per day as outlined hereinafter.

3. For **commercial** customers and **small industrial** customers having facilities that burn more than 35,000 cubic feet during any 24-hour period, and to whom the supply of gas shall be firm, the rates shall be as follows, subject to billing adjustments authorized by the Gas Department and the Purchased Gas Adjustment (PGA) attached hereto:

Monthly Availability Charge: \$50.00 per Month per Meter.

Base Usage Charge: \$6.00 per MCF, subject to adjustment under the PGA.

Base Demand Charge: A charge of \$10.00 each month for each 1,000 cubic feet of the maximum quantity of gas delivered to the consumer on any day during the twelve month period ending with the current month. The maximum quantity of gas shall be calculated by dividing the monthly consumption by 22 or by use of a demand meter.

4. For **industrial** customers having facilities that burn more than 135,000 cubic feet during any 24-hour period, such gas not to be resold, and to whom the supply of gas shall be subject to curtailment in whole and/or in part at any time at the discretion of the Gas Department upon one hour's notice (a "curtailment order"), the rates shall be as follows, subject to billing adjustments authorized by the Gas Department and the Purchased Gas Adjustment (PGA) attached hereto:

Monthly Availability Charge: \$50.00 per Month per Meter.

Base Usage Charge: \$5.00 per MCF, subject to adjustment under the PGA.

Other Applicable Charges: For each MCF of natural gas used by the customer during a curtailment order, the customer shall pay (1) the Base Demand Charge for commercial and small industrial customers in paragraph 3 above for (i) the current Month and then (ii) for the next twelve consecutive Months and (2) a penalty of \$15.00 per MCF plus the applicable delivered cost of natural used during the curtailment order and (3) any charges or costs charged to or levied upon the Gas Department or that are caused by the customer, or that the customer causes the Gas Department to incur, shall be paid to the Gas Department by the customer, as and when billed. These charges shall be paid together with, and in addition to, the Monthly Availability Charge and Base Usage Charge and any other charges for the Month in which the curtailment order usage occurred.

5. For **industrial** and **agricultural** customers receiving natural gas through a single point of delivery, such gas not to be resold, and who are in an approved creditworthy standing with the City of Athens Utilities, and to whom the supply of gas shall be subject to curtailment in whole and/or in part at any time at the discretion of the Gas Department upon one hour's notice (a "curtailment order"), certain rates and terms and conditions for services that are not necessarily included in this Ordinance or that may not be applicable to the service to be provided, as determined by the Gas Department, may be available under a Special Services Agreement at rates and terms and conditions for services that are agreed to in writing by the customer and the Gas Department.
6. Monthly billing quantities will be determined by converting cubic feet to dekatherms using the monthly average British Thermal Unit (BTU) value of the natural gas delivered for that Month.

Councilman Marks moved that they adjourn to go into Executive Session and was seconded by Councilman Crutcher and was unanimously carried. The President of Limestone County Economic Development Association, Tom Hill, gave the required statutory certification that an Executive Session was needed to discuss commerce and competition in the City.

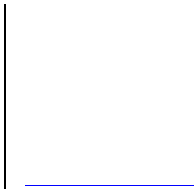
The Executive Session was closed at 7:10 p.m.

There being no further business to come before the meeting, the same was, upon motion by Councilman Gill and second by Councilman Crutcher, duly and properly adjourned.

/s/ Harold Wales
PRESIDENT, CITY COUNCIL

ATTEST:

/s/ John S. Hamilton
CITY CLERK



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