
CITY OF CLAY, ALABAMA

PRE-COUNCIL MEETING AGENDA

City Hall Meeting Room - 2441 Old Springville Road

April 21, 2026 @ 6:00 PM

As a matter of convenience, members of the public are invited to listen and observe in public meetings by YouTube video. Presenters and others interested in a particular matter for discussion are encouraged to attend the meeting in-person. The City is not responsible for technical issues that may occur that interfere with the video. The City Council, at its sole discretion, may proceed with its in-person business meeting regardless of whether virtual attendees can hear and/or observe the proceedings. To access the YouTube video, go to www.YouTube.com and search cityofclay in the search bar. Click on the City of Clay logo and then click on "Live" to [view the meeting.](#)

1. Outside Agency Policy
2. Procurement Card Users
3. 5 Mill Ad Valorem Tax
4. Contract with Herbicide Applicators, LLC
5. COLA (Cost of Living Adjustment) for City Employees
6. Contract with Citizenserve
7. Contract with Neumo Group, LLC
8. Set Date for Hearing

In compliance with the Americans with Disabilities Act, those requiring accommodation for Council meetings should notify the City Clerk's Office at least 24 hours prior to the meeting at 205-680-1223.

CITY OF CLAY, ALABAMA

REGULAR COUNCIL MEETING AGENDA

City Hall Meeting Room - 2441 Old Springville Road

April 21, 2026 @ 6:30 PM

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CALL TO ORDER

INVOCATION / PLEDGE OF ALLEGIANCE / ROLL CALL

APPROVE COUNCIL MINUTES

1. Pre-Council and Council Minutes from April 14, 2026

APPROVE AGENDAS

2. Meeting Agenda
3. Consent Agenda (Financial)

COMMITTEE REPORTS

4. Mayor Jane Anderton
5. Council member Nathan Thompson
6. Council member Carla Youngblood
7. Council member Chris Nail
8. Council member Joseph "Jody" Harris
9. Council member Orletta Jackson-Rush, Ed.D.

READING OF PETITIONS, APPLICATIONS, COMPLAINTS, APPEALS, COMMUNICATIONS, ETC

PUBLIC HEARINGS

10. Ordinance 2026-02: An Ordinance to levy an additional Five (5) mill Ad Valorem Tax with money designated and appropriated for Public Education Purposes

PUBLIC COMMENTS

ENTER UNANIMOUS CONSENT: CONSENT AGENDA

OLD BUSINESS:

11. Ordinance 2026-01: An Ordinance to Establish Standards & Requirements for Appropriations to Outside Agencies
12. Resolution 2026-34: A Resolution Authorizing Designated Employees to be issued Procurement Cards and Establishing individual card limits

NEW BUSINESS:

13. Ordinance 2026-02: An Ordinance to levy an additional Five (5) mill Ad Valorem Tax with money designated and appropriated for Public Education Purposes (*First Reading*)
14. Resolution 2026-38: A Resolution Authorizing a Contract with Herbicide Applicators, LLC
15. Resolution 2026-39: A Resolution to Approve FY2026 Cost of Living Adjustment (COLA) for all City Employees
16. Resolution 2026-40: A Resolution Authorizing an agreement with Online Solutions, LLC /dba/ Citizenserve
17. Resolution 2026-41: A Resolution Authorizing an agreement with Neumo Group, LLC
18. Resolution 2026-42: A Resolution to set a hearing

END UNANIMOUS CONSENT

ADJOURNMENT

NEXT CITY COUNCIL MEETING – TUESDAY, May 12, 2026

In compliance with the Americans with Disabilities Act, those requiring accommodation for Council meetings should notify the City Clerk's Office at least 24 hours prior to the meeting at 205-680-1223.

City of Clay, Alabama

Pre-Council Meeting Minutes

City Hall Meeting Room – 2441 Old Springville Road
April 14, 2026

CALL PRE-COUNCIL MEETING TO ORDER

Mayor Jane Anderton called the meeting to order at 6:00 p.m.

PRESENT

Mayor Jane Anderton
Council member Nathan Thompson
Council member Chris Nail
Council member Joseph “Jody” Harris
Council member Orletta Jackson-Rush, E.D.

1. Outside Agency Policy

Discussion was held regarding the establishment of a policy for outside agencies requesting funding in relation to the City’s annual budget.

Key points included:

- Clarification was requested on how outside agency funding requests would align with the City’s budget process.
- It was discussed that agencies seeking funding would be required to submit a standardized application form.
- The application must outline the services provided, the intended use of funds, and the benefit to the public.
- Completed applications must be submitted to the Finance Committee by **July 1**.
- The Finance Committee will review submissions and have until the **end of August** to evaluate and incorporate eligible requests into the upcoming fiscal year budget.
- All funding considerations must comply with **Title 94 of the Code of Alabama**, ensuring that expenditures serve a valid public purpose.
- It must be clearly stated whether each request does or does not meet the definition of a public purpose.
- Concerns were noted that the requirements may present challenges for smaller entities. The Mayor stated that any organization seeking funding through the City must complete the application process in order to be considered.

2. WEX Card – Fuel (Gasoline)

Discussion was held regarding the City’s current fuel card provider.

- It was noted that the City’s existing fuel card provider is no longer covered under the State bid contract.
- As a result, a change in provider is necessary to remain compliant with State purchasing requirements.
- WEX Inc. was identified as an approved provider under the State bid contract.
- Staff recommended transitioning to WEX for fuel card services to ensure continued compliance and operational efficiency.

3. Procurement Policy

Discussion was held regarding the creation of a procurement card policy.

- The purpose of the policy is to establish guidelines for the use of procurement cards for City-related purchases.
- It was proposed that procurement cards be issued to department heads, their designated assistants, Council Members, and the Mayor.
- The policy will outline authorized uses, spending limits, documentation requirements, and oversight procedures to ensure accountability and compliance with applicable regulations.

4. Procurement Users

Discussion was held regarding proposed procurement card users and associated spending limits. A list of authorized procurement card users was presented, including applicable roles within the City. Proposed spending limits for each user

were also presented for consideration. It was clarified that the listed spending amounts are **recommendations only**. The Council retains the authority to modify spending limits as deemed appropriate.

5. Innovate Alabama Grant Acceptance

Discussion was held regarding acceptance of an Innovate Alabama grant in the amount of \$92,000 for improvements to the DYS property. The grant funding and its intended use for property improvements were briefly reviewed.

6. Sign – Library

Discussion was held regarding a budget amendment related to the library sign project. It was noted that the cost of the stone included in the bid is significantly higher than anticipated, necessitating the amendment.

7. AL250 Grant Acceptance

Discussion was held regarding acceptance of an AL250 grant in the amount of \$2,500 to support activities related to the 250th anniversary celebration.

8. DYS – Committee

Discussion was held regarding the formation of a DYS Ad Hoc Committee. It was noted that the committee is intended to be temporary in nature and not a permanent body. The purpose of the committee is to meet and develop ideas and a plan for the future use and development of the DYS property.

The committee is expected to present its recommendations to the Council by the August 25 Council Meeting. Committee appointments would need to be made by May 12.

9. Employee Benefit Offering

Discussion was held regarding the implementation of payroll deductions to allow City employees access to Aflac voluntary insurance products. It was noted that participation would be voluntary and administered through employee-paid payroll deductions.

As part of the offering, Aflac would provide a \$7,500 accidental death insurance policy at no cost to the City or its employees.

10. Transfer of Alcohol Beverage License

Discussion was held regarding the transfer of ownership of the alcohol beverage license for Clay Chevron. The transfer request was reviewed as part of the standard licensing process for changes in business ownership.

11. Disciplinary Hearing – Set Date

Discussion was held regarding scheduling of a disciplinary hearing in accordance with the City’s employee disciplinary hearing policy. It was noted that a resolution declaring the public hearing will be presented at the April 21 Council meeting.

The proposed schedule is as follows: the public hearing will be held on May 5 at 7:00 p.m., with the Council’s final decision to be made at the May 12 Council meeting.

ADJOURNMENT

The meeting adjourned into the Council meeting at 6:30 p.m.

Attest:

Jane Anderton, Mayor

Toushi Arbitelle, City Clerk

City of Clay, Alabama

Regular Council Meeting Minutes

City Hall Meeting Room – 2441 Old Springville Road
April 14, 2026

CALL COUNCIL MEETING TO ORDER

Mayor Jane Anderton called the meeting to order at 6:30 p.m.

ROLL CALL / INVOCATION / PLEDGE OF ALLEGIANCE

PRESENT

Mayor Jane Anderton
Council member Place 1 – Nathan Thompson
Council member Place 3 – Chris Nail
Council member Place 4 – Joseph “Jody” Harris
Council member Place 5 – Orletta Jackson-Rush, E.D.

ABSENT

Council member Place 2 – Carla Youngblood

INVOCATION

Mayor Jane Anderton

PLEDGE OF ALLEGIANCE

Mayor Jane Anderton

APPROVE COUNCIL MINUTES

Motion to approve Pre-Council and Regular Council Minutes from March 24, 2026, made by Council member Thompson, Seconded by Council member Rush. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

APPROVE MEETING AGENDA

Motion to approve April 14, 2026, Meeting Agenda, made by Council member Rush, Seconded by Council member Harris. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush, and Mayor Anderton.

APPROVE CONSENT AGENDA (Check Register)

Motion to approve April 14, 2026, Consent Agenda (Check Register), made by Council member Harris, Seconded by Council member Rush. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

COMMITTEE REPORTS

Mayor Anderton

Mayor Anderton reported on the Autism Awareness decal program provided by the Jefferson County Sheriff's Office. The decals are available for placement on individuals' vehicles to alert law enforcement officers when a driver or passenger may have autism during a traffic stop. The Mayor also recognized local high school students who assisted with scanning and organizing needed documents.

Council member Place 1

Council Member Thompson expressed appreciation for the large turnout at the meeting. He thanked Sherry and Bill for their assistance during the pickleball tournament. He also recognized the 2nd Saturday cleanup event at Cosby Lake. Upcoming events were noted, including the grand opening for Mavis Tire on April 11. It was reported that the Deerfoot Dollar General grand opening will be held on May 2 at 7:30 a.m., with plans to consider 7:00 a.m. opening time after an initial operating period. Additionally, a ribbon cutting for Transformation Community is scheduled for June 5 at 10:00 a.m.

Council member Place 3

Council Member Nail expressed appreciation for the large crowd in attendance. He presented a framed football proclamation and noted it will be presented to the high school at a later date. He also reported that grant recipients for the school year have been completed. Additionally, he announced the 1st Annual Football Golf Scramble fundraiser to be held at Grayson Valley Country Club, with a silent auction scheduled for June 22.

Council member Place 4

Council Member Harris called on Sgt. Graham and Chief Dahlen.

Jefferson County Sheriff's Office, Sgt. Graham, gave a status report.

Center Point Fire District, Chief Dahlen, gave a status report

Council member Place 5

Council Member Rush expressed appreciation for the attendance at the meeting. She reported that dates for the summer reading program are forthcoming. She announced that Clay-Chalkville High School graduation will be held on May 17 at 2:00 p.m. at the BJCC, with a total of 348 students graduating. She also reported on the SOAR program at Bryant Park Elementary School, noting that it provides additional academic support and is available for four weeks.

READING OF PETITIONS, APPLICATIONS, COMPLAINTS, APPEALS, or COMMUNICATIONS

Mayor Anderton read a proclamation designating April 2026 Crime Victims' Rights Month.

PUBLIC HEARING

ALC-2025-08: Alcoholic Beverage License Transfer to ABID, LLC /dba/ Clay Chevron, at 6412 Old Springville Road, 35126

There was no public comment. The matter was referred to Council.

PUBLIC COMMENTS

Mr. Hunter Merola addressed the Council and stated that he was the employee referenced during the pre-council discussion. He stated that the Mayor had obtained a warrant for his arrest. He expressed concern regarding the scheduling of his disciplinary hearing, noting his objection to the hearing being set approximately two months after his dismissal.

Ms. Polly McClure reported assisting with students who were scanning documents at City Hall alongside Ms. Turner from Clay-Chalkville High School. She also recognized Clay-Chalkville High School students who have completed their pharmacy technician program. She noted, from her experience as a retired pharmacist, the value and benefit of this type of workforce training.

Mr. Kenn Galbreath addressed the Council and praised Council Member Harris for how he presides over Fire District Board meetings. He also referenced an upcoming golf tournament benefiting Kid One Transport. He further commented on grant funding referenced by Council Member Nail, expressing his view that such grants should be issued directly to teachers rather than to principals.

APPROVE CONSENT AGENDA (Resolutions)

Motion to enter unanimous consent and approve Consent Agenda (Resolutions), made by Council member Rush, Seconded by Council member Harris. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush, and Mayor Anderton.

OLD BUSINESS

There was none.

NEW BUSINESS

Ordinance 2026-01: An Ordinance to Establish Standards & Requirements for Appropriations to Outside Agencies

This is the *FIRST READING*. No Action was taken.

Resolution 2026-29: A Resolution to create an Ad Hoc Committee in response to the former DYS property development

Motion to approve Resolution 2026-29 made by Council member Harris, Seconded by Council member Rush. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

Resolution 2026-30: A Resolution Authorizing an Agreement with WEX Bank /dba/ WEX Card Services

Motion to Resolution 2026-30 made by Council member Harris, Seconded by Council member Thompson. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

Resolution 2026-31: A Resolution Authorizing an Agreement for Employee Benefits

Motion to approve Resolution 2026-31 made by Council member Harris, Seconded by Council member Rush. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

Resolution 2026-32: A Resolution Authorizing a Budget Amendment & Expenditure for Library Sign Installation

Motion to place Resolution 2026-32 made by Council member Thompson, Seconded by Council member Rush. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

Resolution 2026-33: A Resolution Adopting the Procurement Card (P-Card) Program Policy

Motion to approve Resolution 2026-33 made by Council member Harris, Seconded by Council member Rush. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

Resolution 2026-34: A Resolution Authorizing Designated Employees to be issued Procurement Cards and Establishing individual card limits

Motion to approve Resolution 2026-34 made by Council member Harris, Seconded by Council member Nail.

Motion to table Resolution 2026-34 made by Council member Harris, Seconded by Council member Thompson. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

Resolution 2026-35: A Resolution to Accept a Grant Award from America250AL for “Clay 250”

Motion to approve Resolution 2026-35 made by Council member Harris, Seconded by Council member Rush. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

Resolution 2026-36: A Resolution to Accept a Grant Award from Innovate Alabama for an “Outdoor Rec Project Award”

Motion to approve Resolution 2026-36 made by Council member Harris, Seconded by Council member Thompson. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

Resolution 2026-37: A Resolution to Consider the Transfer Approval for Alcohol License to ABID, LLC, at 6412 Old Springville Road, 35126

Motion to approve Resolution 2026-37 made by Council member Thompson, Seconded by Council member Nail. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

END UNANIMOUS CONSENT

Motion to end unanimous consent, made by Council member Thompson, Seconded by Council member Nail. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush and Mayor Anderton.

ADJOURNMENT

Motion to adjourn made by Council member Harris, Seconded by Council member Thompson. Voting Yea: Council member Thompson, Council member Nail, Council member Harris, Council member Rush, and Mayor Anderton.

The meeting adjourned at 7:45 p.m.

The next Pre-Council Meeting will be held on Tuesday, April 21st, 2026, at 6:00 p.m. at City Hall followed by the City Council meeting at 6:30 p.m.

Attest:

Jane Anderton, Mayor

Toushi Arbitelle, City Clerk

CITY OF CLAY, ALABAMA

ORDINANCE NO. 2026-01

AN ORDINANCE TO ESTABLISH STANDARDS AND REQUIREMENTS GOVERNING THE APPROPRIATION AND EXPENDITURE OF MUNICIPAL FUNDS TO OUTSIDE AGENCIES; TO PROVIDE FOR A PUBLIC PURPOSE REQUIREMENT; TO REQUIRE WRITTEN FUNDING AGREEMENTS; TO ESTABLISH PERFORMANCE AND ACCOUNTABILITY STANDARDS; TO PROVIDE FOR REPORTING, AUDIT, AND ENFORCEMENT; AND TO PROVIDE FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Clay, Alabama is authorized to expend municipal funds only for lawful public purposes in accordance with Section 94 of the Constitution of Alabama of 1901, as amended, as further implemented in Section 4 of this Ordinance; and

WHEREAS, the City Council finds that appropriations to outside agencies must be structured in a manner that ensures accountability, transparency, and a demonstrable public benefit, as further established in Sections 6, 8, and 9 of this Ordinance; and

WHEREAS, the City Council desires to establish uniform standards governing the appropriation and expenditure of municipal funds to outside agencies in order to protect the public interest and ensure compliance with applicable law, as set forth throughout this Ordinance, including Sections 5, 7, and 13; and

WHEREAS, the City Council further finds that the adoption of this Ordinance is necessary and proper to carry out its responsibilities under Alabama law, and to provide enforcement mechanisms as set forth in Sections 10, 11, and 12 of this Ordinance.

NOW, THEREFORE,

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

BE IT ORDAINED by the City Council of the City of Clay, Alabama, as follows:

SECTION 1. AUTHORITY

This Ordinance is adopted pursuant to the Constitution of Alabama of 1901, as amended, including but not limited to Section 94, and applicable provisions of the Code of Alabama. The City Council finds that it has the authority to regulate the expenditure of municipal funds and to impose conditions ensuring that such expenditures comply with constitutional and statutory requirements.

SECTION 2. LEGISLATIVE FINDINGS AND PURPOSE

The City Council finds and declares that:

(a) The expenditure of municipal funds must serve a valid and identifiable public purpose; (b) Section 94 of the Alabama Constitution prohibits the granting of public funds to private entities absent a clear public benefit; (c) Unstructured or undocumented appropriations to outside agencies create legal, financial, and accountability risks; (d) It is in the best interest of the City to establish uniform standards governing such expenditures.

Accordingly, the purpose of this Ordinance is to establish a comprehensive framework ensuring that all appropriations to outside agencies are lawful, transparent, accountable, and demonstrably beneficial to the residents of the City.

SECTION 3. DEFINITIONS

For purposes of this Ordinance, the following terms shall have the meanings set forth below:

(a) "Outside Agency" means any nonprofit organization, quasi-governmental entity, public agency, or private organization not under the direct control of the City; (b) "Public Purpose" means a use or activity that provides a direct, substantial, and demonstrable benefit to the residents of the City; (c) "Funding Agreement" means a written, legally binding contract between the City and an Outside Agency specifying obligations, deliverables, and conditions; (d) "Appropriation" means the formal allocation of funds by resolution or ordinance of the City Council; (e) "Performance Standards" means measurable criteria used to evaluate the effectiveness and compliance of funded activities.

SECTION 4. PUBLIC PURPOSE REQUIREMENT

No funds shall be appropriated or expended unless the City Council makes an explicit finding, documented in the approving resolution or ordinance, that the expenditure serves a clear and substantial public purpose. Such determination shall include consideration of the direct benefits to City residents, the necessity of the services provided, and the extent to which the services could otherwise be provided by the City.

SECTION 5. PROHIBITION ON DONATIONS AND GIFTS

The City shall not make donations, grants, or gifts of public funds or property to any Outside Agency without receiving adequate consideration. All expenditures must be structured as contractual exchanges in which the City receives identifiable services or benefits. Any attempt to structure a transaction in a manner that circumvents this requirement shall be deemed void and unenforceable.

SECTION 6. REQUIRED FUNDING AGREEMENT

All appropriations to Outside Agencies shall be governed by a written Funding Agreement approved by the City Council. Each agreement shall include, at a minimum:

(a) A detailed scope of services to be provided; (b) Clearly defined and measurable performance standards; (c) A detailed budget or description of how funds will be used; (d) Reporting requirements, including frequency and format; (e) Audit provisions granting the City access to all relevant records; (f) Claw back provisions requiring repayment of improperly used funds; (g) Term and termination provisions; (h) Any applicable performance thresholds, variance rules, or other measurable conditions attached to the appropriation.

No funds shall be disbursed until such agreement is fully executed.

SECTION 7. ANNUAL APPROPRIATION AND NON-OBLIGATION

All funding under this Ordinance shall be subject to annual appropriation by the City Council. No Funding Agreement shall create a binding financial obligation beyond the current fiscal year, and all agreements shall expressly state that continuation of funding is contingent upon future appropriations.

SECTION 8. PERFORMANCE THRESHOLDS AND ACCOUNTABILITY

The City shall require that all funded activities meet measurable performance thresholds designed to ensure that public funds are used efficiently, are traceable, and produce a documented public benefit. Unless a different standard is expressly approved by the City Council in the funding resolution or Funding Agreement based on written findings, the following default thresholds shall apply:

(a) Direct Program Use Threshold. At least sixty percent (60%) of City funds shall be used for direct program services, direct service personnel, direct program materials, or capital items directly tied to the approved public purpose.

(b) Administrative Cost Threshold. No more than twenty percent (20%) of City funds shall be used for administrative overhead, management, or indirect support costs unless the City Council approves a different cap in writing based on the nature of the funded activity.

(c) Prohibited Cost Threshold. Zero percent (0%) of City funds shall be used for lobbying, political activity, campaign activity, fundraising expenses, entertainment, gifts, bonuses, penalties, fines, or any purpose not stated in the Funding Agreement.

(d) Documentation Threshold. One hundred percent (100%) of expenditures of City funds shall be supported by contemporaneous invoices, receipts, payroll records, contracts, or other records acceptable to the City.

(e) Performance Attainment Threshold. The Outside Agency shall achieve at least eighty percent (80%) of the output measures, service units, milestones, or other deliverables stated in the Funding Agreement unless the City Council approves a waiver based on documented circumstances.

(f) Clay-Benefit Threshold. Where services are delivered to identifiable people, facilities, or locations, the Outside Agency shall maintain records showing that the City-funded portion of the program primarily benefits residents of the City of Clay or facilities, programs, or activities serving the City. If a recipient serves multiple jurisdictions, the recipient shall allocate costs on a reasonable and documented basis.

(g) Equipment and Capital Threshold. Any equipment or durable item purchased as a whole or in part with City funds having a useful life of more than one year and a cost of five hundred dollars (\$500.00) or more shall be inventoried and used only for the approved public purpose unless otherwise approved by the City.

(h) Unexpended Funds Threshold. Unspent City funds remaining at the end of the contract term, or at the end of the funded project if earlier, shall be returned to the City within thirty (30) days unless the City approves a different disposition in writing.

SECTION 9. REPORTING REQUIREMENTS

Each Outside Agency receiving funds shall submit periodic and annual reports to the City. Such reports should include:

(a) Itemized expenditures of all funds received; (b) Documentation of services provided; (c) Demonstration of compliance with the Performance Standards and performance thresholds stated in the Funding Agreement; (d) Identification and explanation of any material variance from the approved budget, approved use of funds, or required deliverables; (e) Any additional information required by the City Council.

Failure to provide required reports shall constitute a material breach of the Funding Agreement.

SECTION 10. AUDIT AND INSPECTION RIGHTS

The City shall have the right to audit, inspect, and examine all financial records, documents, and data related to the use of funds. The Outside Agency shall maintain all records in a manner that facilitates such review and shall cooperate fully with any audit conducted by or on behalf of the City.

SECTION 11. CLAWBACK AND REMEDIES

Any funds expended in violation of this Ordinance or the applicable Funding Agreement shall be subject to repayment to the City. The City may pursue all available legal remedies to recover such funds, including termination of agreements and suspension of future funding.

SECTION 12. PROHIBITED USES

Funds provided under this Ordinance shall not be used for:

(a) Private benefit unrelated to the approved public purpose; (b) Excessive or unrelated administrative overhead; (c) Political activities or lobbying; (d) Any activity not expressly authorized in the Funding Agreement.

SECTION 13. ADMINISTRATION AND ENFORCEMENT

The City Council retains sole authority to approve appropriations and Funding Agreements. The City may designate administrative personnel to monitor compliance, review reports, and enforce the provisions of this Ordinance.

SECTION 14. REPEALER

All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed to the extent of such conflict.

SECTION 15. CONFLICTS

In the event of any conflict between the provisions of this Ordinance and any other ordinance, resolution, or policy of the City, the provisions of this Ordinance shall control to the extent permitted by law.

SECTION 16. SEVERABILITY

If any provision of this Ordinance is held invalid or unenforceable, such determination shall not affect the validity of the remaining provisions.

SECTION 17. EFFECTIVE DATE

This Ordinance shall become effective immediately upon adoption.

ADOPTED AND APPROVED this ____ day of _____, 2026.

Jane Anderton, Mayor

ATTEST:

Toushi Arbitelle, City Clerk

YEAS: _____

NAYS: _____

ABSTAIN: _____

ABSENT: _____

CITY OF CLAY, ALABAMA

RESOLUTION NO. 2026-34

A RESOLUTION AUTHORIZING DESIGNATED EMPLOYEES OF THE CITY OF CLAY, ALABAMA, TO BE ISSUED PROCUREMENT CARDS AND ESTABLISHING INDIVIDUAL CARD LIMITS

WHEREAS, the City Council of the City of Clay, Alabama (“the City”) has adopted a Procurement Card Policy to promote efficient purchasing and payment of certain goods and services necessary for municipal operations; and

WHEREAS, the City recognizes that procurement cards are a convenient and cost-effective purchasing tool when used in accordance with City policy and sound internal controls; and

WHEREAS, it is necessary to identify specific City officials and employees who are authorized to be issued procurement cards and to establish spending limits for each card based on position and purchasing responsibilities;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLAY, ALABAMA, as follows:

SECTION 1. AUTHORIZED CARDHOLDERS AND LIMITS

The following officials and employees of the City of Clay are hereby authorized to be issued City procurement cards with the corresponding single-purchase and monthly limits:

Position	Limit
Mayor	\$10,000.00
City Council	\$5,000.00
City Clerk	\$10,000.00
Executive Assistant to the Mayor	\$3,000.00
Assistant Clerk	\$3,000.00
Senior Director	\$3,000.00
Assistant Senior Director	\$3,000.00
Public Works Director	\$5,000.00
Assistant Public Works Director	\$3,000.00
Parks Director	\$5,000.00
Assistant Parks Director	\$3,000.00

SECTION 2. ADMINISTRATION

All procurement cards shall be issued, managed, and monitored under the City’s Procurement Card Policy.

The City Clerk shall maintain records of all issued cards, authorized limits, and compliance with the policy.

SECTION 3. EFFECTIVE DATE

This Resolution shall become effective immediately upon its adoption and shall remain in force unless modified or rescinded by subsequent resolution of the City Council.

ADOPTED AND APPROVED this 14th day of April 2026.

CITY OF CLAY, ALABAMA

Jane Anderton, Mayor

ATTEST:

Toushi Arbitelle, City Clerk

COUNCIL VOTE:

Yeas: _____

Nays: _____

Abstain: _____

Absent: _____

**CITY OF CLAY, ALABAMA
ORDINANCE NO. 2026 – 02**

AN ORDINANCE TO LEVY AN ADDITIONAL FIVE (5) MILL AD VALOREM TAX WITHIN THE CORPORATE LIMITS OF THE CITY OF CLAY, ALABAMA; TO PROVIDE FOR THE ASSESSMENT AND COLLECTION THEREOF; TO CREATE A DESIGNATED FUND; TO PROVIDE FOR THE APPROPRIATION OF SUCH FUNDS FOR PUBLIC EDUCATION PURPOSES; AND TO PROVIDE FOR RELATED MATTERS.

WHEREAS, Section 216 of the Constitution of Alabama of 1901, as amended, authorizes municipalities to levy ad valorem taxes within prescribed limits;

WHEREAS, Amendment 373 to the Constitution of Alabama of 1901 (now Section 217 of the Constitution of Alabama of 2022) provides for the classification and assessment of property for ad valorem taxation;

WHEREAS, the Code of Alabama 1975, including Section 11-51-1 et seq., authorizes municipalities to levy and collect taxes for lawful municipal purposes;

WHEREAS, the City Council of the City of Clay, Alabama, has determined that supporting public education serving residents of the City constitutes a valid and lawful public purpose;

WHEREAS, the City Council desires to levy an additional ad valorem tax and to restrict the proceeds thereof for such public purpose, subject to appropriation by the Council;

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

SECTION 1. LEVY OF TAX.

There is hereby levied and imposed an additional ad valorem tax of five (5.0) mills on each dollar of taxable property situated within the corporate limits of the City of Clay, Alabama.

SECTION 2. ASSESSMENT AND COLLECTION.

- (a) Assessed on the assessed value of property as determined by the Jefferson County Tax Assessor;**
- (b) Collected by the Jefferson County Tax Collector, or such other official as provided by law; and**
- (c) Due and payable at the same time and in the same manner as other municipal ad valorem taxes.**

SECTION 3. CREATION OF FUND.

There is hereby created a special fund to be known as the 'City of Clay Education Support Fund.' All proceeds shall be deposited into said fund and accounted for separately.

SECTION 4. PURPOSE AND USE OF FUNDS.

Funds shall be used exclusively for public education purposes benefiting residents of the City, including support of public schools, contributions to the Jefferson County Board of Education, and lawful educational expenditures.

SECTION 5. APPROPRIATION BY RESOLUTION REQUIRED.

No funds shall be expended except upon specific appropriation by resolution of the City Council, identifying amount, purpose, and conditions.

SECTION 6. ACCOUNTABILITY AND OVERSIGHT.

Recipients must comply with use restrictions, maintain records, provide reports, and are subject to audit. Misused funds must be repaid.

SECTION 7. NO OBLIGATION CREATED.

Nothing herein creates any obligation to appropriate funds in any fiscal year.

SECTION 8. CODIFICATION.

This Ordinance shall become part of the Code of Ordinances and may be renumbered or relettered as necessary.

SECTION 9. SEVERABILITY.

Invalid provisions shall not affect remaining provisions.

SECTION 10. REPEALER.

Conflicting ordinances are repealed.

SECTION 11. EFFECTIVE DATE.

Effective October 1, 2026.

ADOPTED AND APPROVED on this 21st day of April, 2026.

Jane Anderton, Mayor

ATTEST:

Toushi Arbitelle, City Clerk

Yea: ____

Nay: ____

Abstain: ____

Absent: ____

Newspaper and Posting Version

**PUBLIC NOTICE
CITY OF CLAY, ALABAMA**

NOTICE is hereby given that the City Council of the City of Clay, Alabama, at its regular meeting to be held on the 21st day of April 21, **2026**, at 6:30 p.m., at Clay City Hall, will consider adopting the following ordinance:

ORDINANCE NO. 2026-02

AN ORDINANCE TO LEVY AN ADDITIONAL FIVE (5) MILL AD VALOREM TAX WITHIN THE CORPORATE LIMITS OF THE CITY OF CLAY, ALABAMA; TO PROVIDE FOR THE ASSESSMENT AND COLLECTION THEREOF; TO CREATE A DESIGNATED FUND; TO PROVIDE FOR THE APPROPRIATION OF SUCH FUNDS FOR PUBLIC EDUCATION PURPOSES; AND TO PROVIDE FOR RELATED MATTERS.

The proposed ordinance provides for the levy of an additional ad valorem tax of five (5.0) mills on taxable property located within the City of Clay. The proceeds of said tax will be deposited into a designated fund and used exclusively for lawful public education purposes benefiting residents of the City, with expenditures to be made only upon approval by resolution of the City Council.

A copy of the proposed ordinance is on file in the office of the City Clerk at Clay City Hall and is available for public inspection during normal business hours.

All persons who desire shall have an opportunity to be heard in opposition to or in favor of the proposed ordinance at the time and place stated above.

This notice is given pursuant to the provisions of the Code of Alabama, 1975.

CITY OF CLAY, ALABAMA

Internet Version

**PUBLIC NOTICE – PROPOSED ORDINANCE
CITY OF CLAY, ALABAMA**

The City Council of the City of Clay, Alabama, will consider for adoption at its regular meeting on **April 21, 2026, at 6:30 PM, at Clay City Hall, 2441 Old Springville Rd, Birmingham, AL 35215**, the following proposed ordinance:

ORDINANCE NO. 2026-02

AN ORDINANCE TO LEVY AN ADDITIONAL FIVE (5) MILL AD VALOREM TAX WITHIN THE CORPORATE LIMITS OF THE CITY OF CLAY, ALABAMA; TO PROVIDE FOR THE ASSESSMENT AND COLLECTION THEREOF; TO CREATE A DESIGNATED FUND; TO PROVIDE FOR THE APPROPRIATION OF SUCH FUNDS FOR PUBLIC EDUCATION PURPOSES; AND TO PROVIDE FOR RELATED MATTERS.

The proposed ordinance would levy an additional ad valorem tax of five (5.0) mills on taxable property located within the City of Clay. Proceeds of the tax would be deposited into a designated fund and used exclusively for lawful public education purposes benefiting residents of the City, with expenditures to be made only upon approval by resolution of the City Council.

A copy of the proposed ordinance is available for public inspection in the office of the City Clerk at Clay City Hall during normal business hours.

Members of the public will have an opportunity to be heard for or against the proposed ordinance at the meeting identified above.

For additional information, please contact the City Clerk's office at **205-680-1223**.

**CITY OF CLAY, ALABAMA
RESOLUTION NO. 2026-38**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH
HERBICIDE APPLICATORS, LLC FOR VEGETATION MANAGEMENT SERVICES**

WHEREAS, the City of Clay has identified the need for vegetation management services at the Old State Department of Youth Services property located at 5939 Old Springville Road, Pinson, Alabama; and

WHEREAS, said services are necessary for the control and abatement of kudzu and other invasive vegetation on approximately 8.6 acres of property; and

WHEREAS, the City has received a proposal from Herbicide Applicators, LLC to provide annual vegetation management services for the 2026 contract year; and

WHEREAS, the total cost for said services is Nine Thousand Five Hundred Dollars (\$9,500.00), with work to be performed between January and September 2026 in accordance with the scope of work provided; and

WHEREAS, the City Council finds that it is in the best interest of the City to accept said proposal and authorize the execution of the associated work authorization agreement.

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

1. That the proposal and work authorization from Herbicide Applicators, LLC for vegetation management services at the Old DYS property is hereby approved.
2. That the Mayor is hereby authorized to execute all documents necessary to enter into said agreement on behalf of the City of Clay.
3. That, prior to commencement of any work, the contractor shall provide the City with a valid Certificate of Insurance evidencing general liability coverage with minimum limits of One Million Dollars (\$1,000,000.00) per occurrence, naming the City of Clay as an additional insured. The contractor shall also provide proof of workers' compensation insurance in compliance with applicable Alabama law.
4. That the required insurance coverage shall be maintained in full force and effect for the entire duration of the contract, and the contractor shall provide updated Certificates of Insurance to the City upon renewal or upon request to ensure continuous compliance.
5. That payment for said services shall be made in accordance with the terms outlined in the contract, with a total not to exceed \$9,500.00.
6. That a copy of the contract and work authorization shall be attached hereto and made a part of this resolution.

ADOPTED AND APPROVED this the ____ day of _____, 2026.

Mayor

ATTEST:

City Clerk

Voting Record:

Yeas: _____

Nays: _____

Abstain: _____

Absent: _____

**CITY OF CLAY, ALABAMA
RESOLUTION NO. 2026-39**

A RESOLUTION AUTHORIZING ONE PERCENT (1%) COST OF LIVING ADJUSTMENT (COLA) FOR EMPLOYEES OF THE CITY OF CLAY, ALABAMA, EFFECTIVE RETROACTIVELY TO APRIL 1, 2026

WHEREAS, the City Council of the City of Clay, Alabama, recognizes the importance of maintaining competitive and equitable compensation for its employees; and

WHEREAS, the City Council has reviewed current economic conditions, including increases in the cost of living impacting City employees; and

WHEREAS, the City Council finds that it is in the best interest of the City to provide a cost-of-living adjustment to support employee retention, morale, and continued effective delivery of municipal services; and

WHEREAS, funds are available within the City’s budget to support such an adjustment.

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

SECTION 1. That one percent (1%) Cost of Living Adjustment (COLA) is hereby approved for all eligible employees of the City of Clay.

SECTION 2. That said adjustment shall be applied retroactively, effective April 1, 2026.

SECTION 3. That the Mayor and appropriate City officials are hereby authorized to take all actions necessary to implement this adjustment, including processing retroactive compensation and updating payroll records accordingly.

SECTION 4. That this resolution shall become effective immediately upon its adoption.

ADOPTED AND APPROVED this ____ day of _____, 2026.

Jane Anderton
Mayor

ATTEST:

Toushi Arbitelle
City Clerk

CERTIFICATION

I, the undersigned City Clerk of the City of Clay, Alabama, hereby certify that the foregoing resolution was duly adopted by the City Council at a regular meeting held on the ____ day of _____, 2026.

Toushi Arbitelle
City Clerk

VOTE TALLY:

Yeas: _____

Nays: _____

Abstain: _____

Absent: _____

CITY OF CLAY, ALABAMA
RESOLUTION NO. 2026-40

A RESOLUTION AUTHORIZING THE CITY OF CLAY, ALABAMA TO ENTER INTO AN AGREEMENT WITH ONLINE SOLUTIONS, LLC D/B/A CITIZENSERVE FOR PERMITTING, CODE ENFORCEMENT, CONTRACTOR REGISTRATION, AND RENTAL PROPERTY REGISTRATION AND PERMITTING SERVICES

WHEREAS, Ala. Code § 11-43-56 places the management and control of municipal finances and property in the city council, and Ala. Code § 11-45-1 authorizes municipalities to adopt resolutions not inconsistent with state law to carry into effect their lawful powers and duties;

WHEREAS, the City of Clay Administration Department publicly identifies permits, inspections, business licenses, work service requests, and code or ordinance enforcement as part of its municipal services;

WHEREAS, the City of Clay publicly posts building and sign permit applications for use by residents, contractors, and businesses, and the City's published building-code materials include residential rental-housing inspection and certificate-of-occupancy requirements;

WHEREAS, the City Council finds that an integrated community-development software platform would improve public access, workflow management, records retention, transparency, and staff efficiency in administering permitting, contractor registration, rental property registration or permitting, inspections, and code-enforcement functions;

WHEREAS, Citizenserve is a cloud-based community-development platform operated by Online Solutions, LLC and publicly markets modules for permitting, code enforcement, contractor registration or licensing, rental registration, online submissions, payment processing, mobile inspections, workflow routing, and related municipal functions;

WHEREAS, the pricing proposal dated March 10, 2026, submitted to the City reflects pricing for five users consisting of an annual subscription of \$13,500.00, a setup and training fee of \$7,500.00, an estimated data migration fee of \$10,000.00, a quoted first-year total of \$31,000.00, and recurring annual fees of \$13,500.00 thereafter; and

WHEREAS, the City Council finds that entering into an agreement substantially consistent with the proposal summarized in Exhibit A, subject to legal review and available appropriations, is in the best interest of the City and its citizens.

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

Section 1. Authorization of Agreement. The Mayor is hereby authorized, for and on behalf of the City of Clay, Alabama, to negotiate, finalize, and execute a software services agreement and any related implementation, order, or subscription documents with Online Solutions, LLC d/b/a Citizenserve for a cloud-based platform supporting permitting, code enforcement, contractor registration, rental property registration or permitting, inspections, online applications, payment collection, and related community-development functions.

Section 2. Scope and Financial Limits. The agreement authorized by this Resolution shall be substantially consistent with the March 10, 2026 proposal summarized in Exhibit A. The Mayor

is authorized to execute an agreement providing for a first-year cost not to exceed Thirty-One Thousand Dollars (\$31,000.00), which amount includes the quoted annual subscription, setup and training, and estimated data migration reflected in the proposal. Recurring annual subscription charges thereafter may be approved in an amount not to exceed Thirteen Thousand Five Hundred Dollars (\$13,500.00) per year, subject to annual appropriation. Any separately priced integration services or other charges not included within the quoted first-year total shall require additional approval by the City Council unless otherwise authorized by law and funded through an applicable appropriation.

Section 3. Legal Review and Administrative Actions. Before execution, the agreement shall be reviewed as to form and legality by the City Attorney or other legal counsel for the City. The Mayor and such other City officers, employees, and agents as may be necessary are further authorized to take all actions and execute all non-substantive documents reasonably necessary to implement this Resolution and the agreement authorized hereby.

Section 4. Funding. Payments under the agreement shall be made from funds lawfully budgeted or otherwise lawfully available for administration, permitting, inspections, code enforcement, or related municipal operations.

Section 5. No Amendment of Regulatory Standards or Fee Schedules. This Resolution authorizes the execution of the software services agreement only. Nothing in this Resolution shall be construed to amend any existing ordinance, permit requirement, inspection standard, registration requirement, or fee schedule of the City of Clay. Any such amendment shall be adopted separately in the manner required by law.

Section 6. Effective Date. This Resolution shall become effective immediately upon its adoption.

ADOPTED this ____ day of _____, 2026.

Jane Anderton
Mayor

Attest:

Toushi Arbitelle
City Clerk

Voting:

Yeas: _____

Nays: _____

Abstain: _____

Absent: _____

EXHIBIT A
Citizenserve Proposal Summary

The following summary is based on the pricing proposal dated March 10, 2026, provided to the City for Citizenserve services. This exhibit is intended as a summary reference for the authorization in the Resolution and does not replace the final negotiated contract documents.

Item	Summary
Contracting party	Online Solutions, LLC d/b/a Citizenserve
Quoted user count	5 users
Annual subscription	\$13,500.00
Setup and training fee	\$7,500.00
Estimated data migration fee	\$10,000.00
Estimated integration fee	Not stated in the proposal; blank line shown on quote
Quoted first-year total fees	\$31,000.00
Quoted additional annual fees	\$13,500.00 each additional year
Authorized functions	Permitting, code enforcement, contractor registration, rental property registration or permitting, inspections, online applications, and related workflow functions

Note: The March 10, 2026 pricing sheet reflects a blank line for an estimated integration fee while separately stating a first-year total of \$31,000.00. For that reason, the Resolution limits first-year authorization to the quoted total and requires additional council approval for any separately priced integration services not already included in the executed agreement.

Prepared as a draft working form for consideration by the City Council of the City of Clay, Alabama.

CITY OF CLAY, ALABAMA

RESOLUTION NO. 2026-41

A RESOLUTION AUTHORIZING THE MAYOR AND CITY STAFF TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH NEUMO GROUP, LLC FOR TAX ADMINISTRATION, AUDIT SERVICES, AND BUSINESS LICENSE ADMINISTRATION

WHEREAS, the City Council of the City of Clay, Alabama (the “City”), finds that efficient administration, collection, remittance, reconciliation, audit, and enforcement of municipal taxes, fees, and business licenses are essential to the protection of the City’s revenues and the orderly operation of municipal government; and

WHEREAS, the City Council is vested with the management and control of the finances and property of the municipality, and municipalities may adopt resolutions not inconsistent with Alabama law in order to carry into effect their lawful powers and duties; and

WHEREAS, Neumo Group, LLC (“Neumo”) provides tax and licensing administration, compliance auditing, online filing and remittance tools, reporting, and related government revenue compliance services for public-sector clients; and

WHEREAS, the proposed Professional Services Agreement dated July 1, 2026, together with Statement of Work No. 1 and related exhibits (collectively, the “Agreement”), provides for Neumo to perform designated tax and fee administration services, business license administration services, and audit/review services for the City under the terms set forth therein; and

WHEREAS, the Agreement contemplates an initial term beginning July 1, 2026, and continuing through June 30, 2029, unless earlier terminated in accordance with its terms; and

WHEREAS, under the Agreement, Neumo would administer only those tax and fee types designated by the City in Exhibit 1 to the Statement of Work, while audit and review services may be performed for taxes and fee types levied by the City unless otherwise directed in writing by the City; and

WHEREAS, the City Council finds that authorizing the Mayor and appropriate City staff to finalize and execute the Agreement, related exhibits, account-distribution schedules, authorization letters, and other implementation documents is in the best interest of the City, subject to legal review and completion of the final schedules and designations to be supplied by the City;

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

Section 1. Approval of Agreement.

The City Council hereby determines that it is advisable and in the best interest of the City to obtain professional services from Neumo for the administration and collection of designated municipal taxes and fees, business license administration, taxpayer support, delinquency follow-up, audit/review services, and related revenue compliance services described in the Agreement.

Section 2. Authorization to Execute.

The Mayor is hereby authorized to execute, and the Mayor, City Manager, and such other City officers, employees, and agents as may be necessary are hereby authorized to review, finalize, complete, and deliver

on behalf of the City the Professional Services Agreement with Neumo Group, LLC, together with Statement of Work No. 1, Exhibit 1 tax/fee and distribution schedules, Exhibit 2 authorization letters, and such related documents, certifications, and implementation materials as are necessary to carry out the intent of this Resolution, with such non-material insertions, completions, and modifications as may be approved by the Mayor upon advice of the City Attorney or special counsel.

Section 3. Scope of Authorized Services.

The authorization granted by this Resolution includes the engagement of Neumo to: (a) administer and collect those municipal taxes, fees, and business license charges designated by the City in the final Exhibit 1; (b) provide business license notice, renewal, and related administrative support; (c) perform audit and review services for taxes and fees levied by the City as provided in the Agreement; (d) operate taxpayer and business support functions, online filing and remittance tools, and a government services portal; and (e) perform related compliance and reporting functions contemplated by the Agreement.

Section 4. City Designations and Legal Oversight.

Before or at execution, the Mayor and staff are authorized to complete the City-specific tax and fee designations, account-routing and distribution information, implementation contacts, and authorization letters required by the Agreement. The final Agreement documents shall remain subject to review as to form and legality by the City Attorney or other legal counsel designated by the City.

Section 5. No Amendment of Taxing Authority.

Nothing in this Resolution shall be construed to levy a new tax, change an existing tax rate, amend the City’s revenue ordinances, delegate the City Council’s legislative authority, or authorize the filing of liens or judicial enforcement actions by Neumo except as may otherwise be expressly authorized by applicable law and separate action of the City.

Section 6. Funding and Administration.

Performance by the City under the Agreement shall be subject to lawful appropriation and availability of funds. The appropriate City officials are authorized to take all administrative actions reasonably necessary to implement this Resolution and the Agreement.

Section 7. Effective Date.

This Resolution shall become effective immediately upon its adoption.

ADOPTED AND APPROVED this ____ day of _____, 2026.

Jane Anderton, Mayor

City of Clay, Alabama

Toushi Arbitelle, City Clerk

Attest

Professional Services Agreement

This Professional Services Agreement (the "Agreement") is made as of July 1, 2026 ("Effective Date") by and between **City of Clay**, a local government agency within the State of Alabama ("Client") and **Neumo Group, LLC**, a Delaware limited liability company having an office a 5860 Trinity Parkway, Suite 120, Centreville, VA 20120 (referred to herein as "Contractor" or "Neumo"). Client and Contractor may sometimes be referred to herein as individually, a "Party" and collectively, the "Parties".

WHEREAS, Client desires to retain Contractor to provide certain professional services upon the terms and conditions hereinafter set forth, and Contractor is willing to perform such services under the same terms and conditions.

NOW THEREFORE, In consideration of the mutual promises herein contained and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties agree as follows:

I. SERVICES

A. SCOPE.

The services to be provided by Contractor (the "Services") are described in one or more statements of work or ordering documents (each, a "Statement of Work" or "SOW") executed by the parties from time to time. Each SOW shall be subject to the terms and conditions of this Agreement.

B. INITIAL STATEMENT OF WORK. The initial Services to be performed hereunder are set forth in the document titled *Statement of Work No. 1* ("SOW #1), which is attached hereto as "Schedule A" and incorporated herein by reference.

C. SUBSEQUENT STATEMENTS OF WORK/CHANGE ORDERS. Any additional or modified Services shall be formalized in a subsequent SOW or an amendment to an existing SOW ("Change Order"), as appropriate and shall be effective only when executed by authorized representatives of both Parties. Each SOW or Change Order shall:

- Reference this Agreement and, if applicable, the specific SOW being modified;
- Detail the specific tasks, deliverables, timelines and fees, as appropriate

Until a Change Order or new SOW is executed in writing as specified herein, Contractor shall continue to perform the Services as originally described in the then-current SOW(s) and shall have no obligation to perform any out-of-scope tasks.

II. TERM AND TERMINATION

A. TERM

The term of this Agreement shall be from July 1, 2026, through June 30, 2029 (the "Term") unless otherwise terminated pursuant to the provisions hereunder. The Term may be extended via bilateral modification subject to mutual agreement of the Parties with regards to scope and price changes, if any.

B. TERMINATION FOR BREACH

In the event a Party materially breaches its obligations under this Agreement, the other Party shall provide the defaulting Party with a written "Default Notice" describing the breach condition(s) and required remedy. Upon receipt of a Default Notice, the breaching Party shall have a period of at least sixty (60) calendar days (or another mutually agreed upon timeframe) to cure the breach; if the breaching Party fails to remedy the default condition within the designated cure period, the non-breaching Party may, upon written notice, immediately terminate this Agreement and/or the corresponding SOW for default ("Default Termination Notice"). A Default Termination Notice issued pursuant to this paragraph must specifically reference the preceding Default Notice and specify the date on which the termination becomes effective (which shall be at least one business day after the Default Termination Notice is provided to the defaulting Party in accordance with the Notices section).

C. LOSS OF FUNDING

If Client's governing body fails to appropriate funds for continued performance hereunder, Client may, upon at least sixty (60) days written notice to Contractor prior to the start date of any annual Term year, terminate this Agreement for loss of funding. To exercise this right, Client must: (i) provide Contractor with written notice of the loss of funding no later than sixty (60) days prior to the start date of the next annual Term period (i.e., at least sixty (60) days prior to June 1st); and (ii) provide formal evidence of the non-appropriation of funds.

D. EFFECT OF TERMINATION

Notwithstanding non-renewal or termination of this Agreement, Client shall be obligated to pay Contractor for Services rendered through the effective date of termination for which Contractor has not been previously paid and in accordance the payment provisions set forth herein. Termination of this Agreement for any reason will not affect any liabilities or obligations of either Party arising before termination or out of events causing termination and will not affect any damages or other remedies to which a party may be entitled under this Agreement, at law, or in equity, arising from any breach or default.

III. INVOICING AND PAYMENTS**A. FEE SCHEDULE**

Client agrees to compensate Contractor for Services rendered in accordance with the fee structure (the "Fees") and payment schedule detailed in the SOW.

B. EXPENSES

Client shall reimburse Contractor for travel, lodging, meal, and other reimbursable costs (collectively "Expenses") reasonably incurred by Contractor in providing the Services. Expenses will be invoiced to the Client in arrears Costs will be billed in accordance with Contractor's standard billing practices.

C. PAYMENT TERMS

Unless noted otherwise in the SOW, payment terms are net thirty (30) days from invoice receipt. Fees are exclusive of applicable taxes and unless a tax exemption form is furnished to Contractor, Client shall pay for any sales, use, or other tax, however designated (except taxes based on Contractor's net income) and as itemized on Contractor's invoices (if, and when applicable). Client's obligation to pay all Fees due, to the extent attributable to any period of time prior to the effective

date of termination or expiration of the Term, shall survive expiration or termination of this Agreement.

D. RESERVED

IV. CONFIDENTIALITY

A. CONFIDENTIAL INFORMATION

The Party receiving information ("Recipient") from the other Party ("Discloser") shall treat the Discloser's information as confidential and proprietary ("Confidential Information") unless: (1) Recipient is able to demonstrate that the information was known to Recipient prior to the disclosure; (2) Recipient is able to demonstrate the information is part of the public domain; or (3) Recipient's personnel, without knowledge of the Confidential Information, independently develops the information. Recipient shall: (1) protect the secrecy of the Discloser's Confidential Information using the same degree of care it accords to its own confidential information, which in no event, will be less than a reasonable degree of care; (2) not disclose the Discloser's Confidential Information to anyone other than an employee, subcontractor, or agent that has: (i) a reason to know the Confidential Information; (ii) been advised of the confidential nature of the information; and (iii) confidentiality obligations that protect the information from further disclosure; and (3) not use the other Party's Confidential Information except to perform its obligations under this Agreement. Recipient may disclose the Discloser's Confidential Information pursuant to a court order or as otherwise required by law, provided that, where legally permitted, Recipient first provides Discloser with written notice and a reasonable opportunity to oppose that disclosure, and reasonably cooperates, at the Discloser's cost, with Discloser to limit the disclosure to the extent permitted by law.

B. PUBLIC DISCLOSURE

Contractor acknowledges that Client is subject to one or more public record/open door act which generally provides that unless exempted under the applicable act, all records relating to a public agency's business constitute "public records or files" and are open to public inspection, disclosure and copying in the manner provided by the applicable public record/open door act. Accordingly, Client will not breach or be considered in violation of the confidentiality obligations set forth in this Agreement if Client needs to disclose Contractor's Confidential Information to respond to a valid request made under such an act. If Client receives a request under an applicable public records/open door act that requires the disclosure of Contractor's Confidential Information, Client will notify Contractor of the request of the information and if Contractor desires to object, reasonably assist Contractor in seeking to protect the information from such disclosure.

C. RESIDUALS

Contractor may use and disclose any general ideas, concepts, know-how, or techniques learned or developed during the performance of the Services ("Residuals") for any purpose, including providing services to other clients. This use of Residuals does not violate Contractor's confidentiality obligations, provided that Residuals do not include Client's Confidential Information.

V. WARRANTIES.**A. LIMITED WARRANTY**

Contractor warrants that the Services will be performed in a professional and workmanlike manner in accordance with generally applicable industry standards.

B. DISCLAIMER.

THE LIMITED WARRANTY SET FORTH IN SECTION V(A) IS MADE TO CLIENT EXCLUSIVELY AND IN LIEU OF ALL OTHER WARRANTIES. ALL SERVICES ARE PROVIDED "AS IS" AND CLIENT'S USE OF THEM IS AT ITS OWN RISK. CONTRACTOR DOES NOT MAKE, AND HEREBY SPECIFICALLY DISCLAIMS, AND CLIENT RELEASES AND WAIVES, ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE OR FROM A COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OR TRADE PRACTICE, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, TITLE, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. CLIENT MAY HAVE OTHER STATUTORY RIGHTS, BUT THE DURATION OF STATUTORILY REQUIRED WARRANTIES, IF ANY, SHALL BE LIMITED TO THE SHORTEST PERIOD PERMITTED BY LAW.

VI. INTELLECTUAL PROPERTY**A. CONTRACTOR INTELLECTUAL PROPERTY**

The entire right, title and interest in and to Contractor technology, Contractor Confidential Information (including all copyrights, patents, trade secrets, trademarks, trade names), and all other intellectual property rights associated with any and all ideas, concepts, techniques, inventions, processes, or works of authorship including, but not limited to, all materials in written or other tangible form developed or created in the performance of Services under Agreement, (collectively "Contractor Intellectual Property") shall vest solely in Contractor, provided however in no event shall Client Data (defined in Section VI(B) below) be deemed Contractor Intellectual Property. Subject to Client's payment of all Fees due hereunder, Contractor grants Client a limited, non-exclusive, royalty-free, non-sublicensable, non-transferable license (except as specifically permitted in this Agreement), to use those elements of Contractor Intellectual Property embodied in its Services deliverables, if any, in Client's ordinary course of business, solely as so embodied. Client shall not take any action that jeopardizes Contractor's rights to Contractor Intellectual Property, nor assume or acquire any right in the Services except the limited-use rights specified in this Agreement. The provisions of this Section shall survive the termination of this Agreement.

B. CLIENT DATA

All rights, title and interest in and to Client Data are, and shall remain, the property of Client and all intellectual property rights in Client Data are and will remain the property of Client. "Client Data" means any data or other information which is provided to Contractor by Client (directly or indirectly) in connection with the Services. Client hereby grants to Contractor, throughout the Term of this Agreement, a non-exclusive, transferable, sublicensable, worldwide and royalty-free license to use Client Data to provide the Services to Client and as necessary or useful to monitor and improve the Services. For avoidance of doubt Client Data shall be deemed "Confidential Information" and shall be protected in accordance with the confidentiality provisions set forth herein.

VII. INDEPENDENT PARTIES

This Agreement shall not constitute, create, give effect to, or otherwise imply a joint venture, partnership, or business organization of any kind. Contractor and Client are independent parties, and neither Party shall act as an agent for or partner of the other for any purpose. Nothing in this Agreement shall grant to either Party any right to make any commitments of any kind for or on behalf of the other Party without the prior written consent. Contractor shall not be restricted from providing similar products or services for others and shall not be bound to Client except as provided under this Agreement.

VIII. LIMITATION OF LIABILITY**A. CONSEQUENTIAL DAMAGES WAIVER**

WITH REGARDS TO ANY CLAIMS ARISING OUT OF RELATED TO THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE, RELIANCE, OR CONSEQUENTIAL DAMAGES OF ANY KIND, EVEN IF INFORMED OF THE POSSIBILITY IN ADVANCE, SUFFERED BY ANY PARTY OR ANY PARTY CLAIMING ON BEHALF OF OR THROUGH THE OTHER PARTY, OR ANY OTHER THIRD PARTY RESULTING FROM OR ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE PERFORMANCE OR BREACH THEREOF.

B. LIABILITY CAP.

EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, CONTRACTOR'S LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO CLIENT'S ACTUAL DIRECT DAMAGES, NOT TO EXCEED THE AMOUNTS ACTUALLY PAID TO CONTRACTOR UNDER THE APPLICABLE SOW DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO INDEMNITY CLAIMS DESCRIBED IN SECTION VII ABOVE OR DAMAGES ARISING FROM CONTRACTOR'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. FOR THE AVOIDANCE OF DOUBT, THE PRECEDING LIMITATION OF LIABILITY SHALL NOT AFFECT CLIENT'S OBLIGATION TO EFFECT PAYMENT OF FEES DUE, WHICH SHALL REMAIN IN EFFECT REGARDLESS OF, AND ON TOP OF, THE LIMITATION OF LIABILITY.

C. FAIR AND REASONABLE LIMITATIONS.

EACH PARTY ACKNOWLEDGES THAT THE LIMITATIONS OF LIABILITY SET FORTH IN THIS SECTION REFLECTS THE ALLOCATION OF RISK BETWEEN THE PARTIES UNDER THIS AGREEMENT, AND THAT IN THE ABSENCE OF SUCH LIMITATIONS OF LIABILITY, THE ECONOMIC TERMS OF THIS AGREEMENT WOULD BE SIGNIFICANTLY DIFFERENT.

IX. GENERAL**A. FORCE MAJEURE**

Contractor shall not be in default of its obligations hereunder to the extent that its performance is delayed or prevented by causes beyond its control, including but not limited to acts of God, government, quarantines, pandemics, endemics, weather, fire, flood, earthquake, weather, climate change, elements of nature, war, terrorism, civil disturbance, labor disruptions, strikes, embargoes, power or telecommunications failures, inability to obtain supplies, breakdown of equipment or interruption in vendor services or communications, or cause beyond the reasonable control of

Contractor ("Force Majeure Event"). Upon the occurrence of a Force Majeure Event, the Party that has experienced a delay or failure of performance caused by the Force Majeure Event will be excused from further performance or observance of the affected obligation(s) for as long as the extenuating circumstances prevail and that Party continues to attempt to recommence performance or observance whenever and to whatever extent possible without delay. The Party that experienced a delay or failure of performance caused by the Force Majeure Event will immediately notify the other Party, in writing, and describe in reasonable detail the circumstances causing the delay or failure of performance. The provisions of this Section shall survive the termination of this Agreement.

B. SUBCONTRACTING AND ASSIGNMENT

Contractor may utilize subcontractors to provide the Services. In addition, Contractor may, without the consent of Client, assign or transfer this Agreement to a successor-in-interest in the event of a merger, consolidation or acquisition of any portion of the business of Contractor provided that (a) the assignee to which this Agreement is assigned or transferred agrees in writing to be bound by the terms and conditions of this Agreement; and (b) Contractor notifies Client of such assignment within a reasonable period of time after it occurs. In all other circumstances, neither party shall assign any of its rights under this Agreement or delegate the performance of any of its duties hereunder, without the prior written consent of the other Party.

C. INSURANCE

During the Term, Contractor shall obtain and maintain insurance of the following types (or an equivalent policy type) and amounts: (a) commercial general liability (CGL) with a limit of not less than \$2,000,000 each occurrence; (b) automobile liability with a limit of not less than \$1,000,000 each accident; (c) workers' compensation and employers' liability insurance in accordance with each state law; and (d) technology errors and omissions insurance policy with a privacy endorsement or an equivalent policy with limits of liability in the minimum amount of \$5,000,000 in the aggregate. All insurance required hereunder shall be written by companies having an A.M. Best rating of "A-" or better, or equivalent. Within a reasonable time after Client's request, Contractor shall furnish a certificate(s) of insurance verifying coverage for insurance as indicated above to Client.

D. NOTICES

All notices (including, but not limited to, default or termination notices), requests, or consents required to be given in writing under this Agreement shall be delivery to the points of contract designated below and shall be deemed sufficiently given if sent by USPS first class certified mail, delivered by overnight delivery service (FedEx or UPS), hand delivered by a courier (signature service required), or electronic mail with delivery confirmation enabled. Notices shall be considered to have been given one (1) business day after confirmation of delivery, provided in each case that delivery in fact is affected. Either Party may change its contact person for notices and/or address for notice by means of notice to the other Party given in accordance with this Section.

If to Client:

City of Clay
Attn: Brad Watson
Address: P.O. Box 345
Clay, AL 35048
Email: bwatson@clayalabama.org

If to Contractor:

Neumo Group, LLC
Attn: Contracts Department
5860 Trinity Parkway, Suite 120
Centreville, VA 20120com
Email: contracts@neumo.com

Cc: dan.holden@neumo.com

E. GOVERNING LAW

This Agreement shall be governed by, interpreted, construed, and enforced in accordance with the laws of the State of Alabama without reference to the principles of conflict of laws.

F. INJUNCTIVE RELIEF

The Parties recognize that a remedy at law for a breach of the provisions of this Agreement relating to Confidential Information or the unauthorized use of any Contractor Intellectual Property may not be adequate for protection of Contractor, and accordingly Contractor shall have the right to seek injunctive relief to enforce the provisions of this Agreement, in addition to any other relief and remedies available.

G. CHANGES

A Party may request a modification to this Agreement by written request to the other Party specifying the requested changes and other pertinent details. Changes shall be mutually agreed upon by the Parties will become effective via written modification or amendment executed by authorized contractual representatives of both Parties.

H. HEADINGS

The headings used in this Agreement are for reference only and do not define, limit, or otherwise affect the meaning of any provisions hereof.

I. EQUAL OPPORTUNITY TO DRAFT

The Parties have participated and had an equal opportunity to participate in the drafting of this Agreement. No ambiguity shall be construed against either Party upon a claim that the other Party drafted the ambiguous language.

J. AUTHORITY TO EXECUTE

Each Party represents and warrants that the individuals who have signed this Agreement have the legal power, right, and authority to enter into this Agreement and to bind each respective Party to deliver and the perform the obligations set forth herein.

K. WAIVER

The failure of either Party at any time to enforce any right or remedy available to it under this Agreement with respect to any breach or failure by the other Party shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other Party.

L. COUNTERPARTS

This Agreement may be signed in separate counterparts including electronic signatures. Each counterpart is deemed an original and all counterparts are deemed on and the same instrument and legally binding on the Parties.

M. SEVERABILITY

If all or part of any term or condition of this Agreement, or the application of any term or condition of this Agreement, is determined by any court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of the terms and conditions of this Agreement (other than those portions determined to be invalid or unenforceable) shall not be affected, and the

remaining terms and conditions (or portions of terms or conditions) shall be valid and enforceable to the fullest extent permitted by law. If a judicial determination prevents the accomplishment of the purpose of this Agreement, the invalid term or condition (or portions of terms or conditions) shall be restated to conform to applicable law and to reflect as nearly as possible the original intent of the Parties.

N. SURVIVAL

Any provision of this Agreement that expressly or by implication is intended to survive termination or expiration of this Agreement, regardless of the date, cause, or manner of such termination, and including but not limited to rights of action accruing prior to termination and payment obligations, will survive such termination or expiration and will continue in full force and effect.

O. ORDER OF PRECEDENCE. In the event of a direct conflict between the terms of this Agreement and any SOW, the terms of the SOW shall prevail, provided however the fact that a provision exists in one document but not the other shall not be deemed a conflict for purpose of this sentence. In the event of a conflict

P. ENTIRE AGREEMENT

This Agreement, including all properly incorporated schedules and exhibits (if any), constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

IN WITNESS HEREOF, The Parties accept and agree to the terms and conditions set forth herein and have caused this Agreement to be executed by their respective authorized representatives:

NEUMO GROUP, LLC

CITY OF CLAY

By: _____

By: _____

Name:

Name:

Title:

Title:

Date:

Date:

(SCHEDULE A TO FOLLOW)

SCHEDULE A – STATEMENT OF WORK #1

This Schedule A- Statement of Work #1 (SOW#1) sets forth the initial Services to be performed by Contractor under the Agreement. Unless expressly defined otherwise below, capitalized terms used herein shall have the meanings set forth in the Agreement.

This SOW #1 includes, and incorporates by reference, the following appended SOW exhibits (the “Exhibits”):

“Exhibit 1” – Tax/Fee Types and Distribution of Funds Designations

“Exhibit 2” – Letter of Authorization Templates

I. **OBJECTIVE.**

The primary objective of Contractor’s tax administration service offering is to provide a comprehensive, turnkey approach to maximize Client’s revenue and ensure compliance. This is achieved through efficient collection, deposit, recording, delinquency follow-up, and reporting of designated local taxes and fees.

II. **SCOPE.**

1. TAX AND FEE ADMINISTRATION SERVICES Contractor will perform the following tasks for those tax and/or fee types designated by Client in Exhibit 1. Services shall commence on July 1, 2026, with collection of July 2026 taxes to be remitted on or before August 20, 2026.

1.1. Initial Setup and Engagement

- **Notification to Taxpayers and/or Businesses.** Distribute individualized tax and/or annual renewal notifications to all known taxpayers and businesses.
 - For Businesses License fees, this includes notifying businesses which have failed to include required documentation with annual business license applications and issuing, printing, and sending (via mail or email) approved business licenses.
- **Compliance and Delinquency Management.** Provide delinquency notifications, and follow-up correspondence for past due accounts. Contractor may, at its discretion, transition past due accounts to its auditing team and/or third-party collection agencies.
- **Online Portal Provision.** Provide and manage online Filing & Remittance, and Registration/License Application & Renewal portals with standard Consultant formatting
- **Customer Support for Taxpayers and Businesses.** Operate a toll-free support number (Mon-Fri, 7:30 a.m.-4:30 p.m. CST) and provide email support for taxpayer/business owner inquiries, handling them in order received, with automated return call options during peak volumes.
- **Account Database Creation:** Establish and maintain an account database (the “System of Record” or “SOR”) utilizing Client’s provided data and other relevant sources. The SOR will interact with the Client facing Government Services Portal.
- **Government Services Portal.** Maintain a cloud-based, self-service Government Services Portal that can be accessed by the Client. Portal access includes payment listings (reconciled to net receipts) and general ledger distribution aligned with the Client’s account numbers.

1.2. Payment Remittance.

- **Payment Processing.** Provide taxpayers/businesses with instructions for remitting payments due, including available payment options (ACH debit/credit, paper checks by mail, and credit cards). A 3%-4% processing fee (based on the transaction amount) will be charged to the payer for electronic payment options.
- **Batch & Deposit Management:** Batch forms/returns with collected payments. Execute deposits to Client for received payments via Automated Clearing House and in accordance with the Distribution of Funds designations set forth by Client in Exhibit 1 (less Contractor fees and Payment Processing Fees, as applicable).
 - **Specific to Business Licenses: Deposits occur 10-15 times monthly**
- **Account Posting:** Capture and post payment information to payer accounts within Contractor's System of Record, including net sales, deductions, credit sales, tax/fee measure, and demographic changes. Payment data is posted/updated following each distribution and is made available to Client via the online Government Services Portal.
- **Invoice Management:** Invoice late payments and underpayments with applicable penalties as per state codes and ordinances.

2. AUDIT/REVIEW SERVICES Unless expressly directed by Client otherwise via a written request, Contractor shall perform audit and review services for all taxes/fee types levied by the Client's taxing jurisdiction (and shall NOT be limited to the tax/fee type designations set forth in Exhibit 1).

- Examination of taxpayer records (on-site or remote), including bank statements, general ledgers, and tax returns
- Verification of return accuracy and preparation of error/omission schedules
- Issuance of preliminary/final assessments and management of third-party collections perform research or statistical analysis in relation to an audit, in-house assessment/collection efforts
- For each error/omission identified, prepare, and provide to Taxpayers audit reports and schedules explaining the errors/omissions
- perform examinations on refund requests by taxpayers over a predetermined amount.
- inform Client of pending refunds, special tax issues
- provide updates on examinations to Client upon request

III. CLIENT RESPONSIBILITIES

- **Maintaining Accurate Account Information.** Client is solely responsible for ensuring distribution of funds designations (e.g., designated recipients, account numbers, and distribution percentages), as set forth in Exhibit 1, remain current and up to date throughout the performance period of this SOW. In the event of any changes to Client's distribution and account designations, Client must, at least thirty (30) calendar days prior to such change(s) becoming effective, submit a written account distribution change notice to connie.taylor@neumo.com (delivery confirmation enabled).
- **Legislative Data.** Client is responsible for providing Contractor with current ordinances and tax codes.
- **Changes.** In the event of any change to the tax rates or fee types being administered by Contractor under this SOW (as set forth in Exhibit 1), Client must provide written notification to Contractor at least ninety (90) calendar days prior to the effective date of the change. Tax or fee changes include, but are not limited to, the following: rate increase, rate decreases, expiration of special tax districts, levy of new taxes, discontinuation of a current tax, modification of tax boundaries or creation of any special tax districts and/or other events.

- **Verification:** Client is responsible for verifying that all its information is accurately reflected in the Government Services Portal and in accordance with its Exhibit 1 designations (including, any subsequent changes submitted pursuant to above protocols).
- **Audit Authorization.** To the fullest extent allowed by law, Client hereby authorizes Contractor to act as a facilitator with the Alabama Department of Revenue and other applicable jurisdictions to share audit findings on its behalf and shall, within thirty (30) days of Agreement execution, provide Contractor with a signed Letter of Authorization, on Client letterhead, using the template appended hereto as “Exhibit 2”.

IV. ADDITIONAL TERMS AND ASSUMPTIONS

- Payment Collection.** Client understands and agrees that due to the nature of remittance processing services, Consultant will continue to accept and process payments for a period of up to ninety (90) days post-termination or expiration of this Agreement. During this 90-day window, Consultant will continue to remit all received funds to Client according to the procedures set forth herein. Following the conclusion of the ninety (90) day post-termination/expiration period, any subsequent payments remitted to Consultant on Client’s behalf will be returned directly to the respective paying entities.
- Place of Performance.** All services will be performed remotely and/or at Contractor site. If overnight travel or travel more than 25 miles beyond origination point is required, Client shall be responsible for reimbursing Contractor for all related Expenses.
- Additional Support.** Client may, upon written request to Contractor, request Contractor representation before the Alabama Tax Tribunal, subject to mutual written agreement of the parties on additional fees and other requirements.
- Client Data.** Client is solely responsible for the accuracy, content, and legality of all Client Data provided to Contractor. Client represents to Contractor that (i) Client will comply with all applicable laws in its use of the Services (including, if applicable, laws governing the protection of personal data); and (ii) Client has provided all disclosures and obtained all necessary rights, consents and permissions to collect, share and use Client Data as contemplated in this Agreement and without violation or infringement of (a) any third party intellectual property, publicity, privacy or other rights, (b) any laws, or (c) any terms of service, privacy policies or other agreement governing Client accounts with third-parties. To the extent Client Data includes personal data of a third party, Client represents and warrants that it has obtained that personal data pursuant to applicable data protection laws and has obtained all necessary authorizations and consents with respect to such information.
- Taxpayer Bill of Rights.** Contractor has adopted and will use a review and appeals process which is based on the Alabama Taxpayers’ Bill of Rights Act and Uniform Revenue Procedures Act codified as Title 40, Chapter 2A, Code of Alabama, 1975, as amended.
- Agency Status** Contractor provides all services as an agent of the Client and is not a Certified Public Accounting (CPA) firm, law firm, or fiduciary. The interpretation and application of Client’s ordinances and codes remain the sole authority and responsibility of the Client. Accordingly, Consultant shall not be responsible or liable for any costs, expenses, damages, claims, or liabilities relating in any way to the fees/taxes of Client, including, but not limited to, the determination of taxes/fees due, the collection thereof, and any refunding related thereto.
- Liens and Legal Actions:** Consultant is not authorized to, and shall not, place or record liens against businesses or taxpayers on behalf of the Client. All legal enforcement actions, including but not limited to the filing of liens or the initiation of judicial proceedings, remain the exclusive responsibility and authority of the Client.
- Liability Exclusion:** Consultant shall not be liable to Client or any third party (including but not limited to taxpayers and other paying entities) for any claims, damages, or losses arising from the remittance processing, compliance, or audit services—including the application or interpretation of Client’s tax ordinances—provided Consultant acted in good faith and in accordance with the terms of this SOW and Client’s specific instructions.

V. FEES AND OTHER COMPENSATION

Service Module	Fee Structure
Tax Admin Services: Alcohol Tax, Tobacco Tax	1.95% of gross revenues collected.
Business License Admin	Year 1 - \$15.00 per business license notice (mailed or emailed), *Subject to 5% year to year escalation*
Audit Services	\$98.00 per hour (billed in 15-minute intervals).
Ancillary Fees	Year 1 - \$5.00 per form for requested copies of original licenses or applications *Subject to 5% year to year escalation *

(SOW EXHIBITS 1-2 TO FOLLOW)

SCHEDULE A- STATEMENT OF WORK
EXHIBIT 1 – TAX/FEE TYPES AND DISTRIBUTION OF FUNDS DESIGNATIONS

1. TAX/FEE TYPES DESIGNATIONS

Contractor will perform Tax/Fee Administration Services based on the designations set forth in Table 1 below.

Table 1: Tax/Fee Types and Rates

Tax/Fee Type	Tax Rate Type	Tax Rate(s)
Alcohol	General	
Sales & Use	General	
Sales & Use	Mfg Machine	
Sales & Use	Farm	
Sales & Use	Auto	
Sales & Use	Amusement	
Sales & Use	Vending	
Business License	N/A	\$15

Tobacco Tax Types and Rates

Jurisdiction	Cigarettes Pack	Chewing Tobacco Pack	Snuff Can	Smoking Tobacco Pack	Cigar-each Cigar	Little Cigars as Indicated	Rolling Papers Pack
City of Clay							

2. DISTRIBUTION OF FUNDS DESIGNATIONS

Client hereby authorizes Contractor to distribute payment funds in accordance with the designations set forth in Table 2 below:

Table 2: Distribution of Funds

Tax/Fee Type	Rate Type	Agency	Routing #	Account #	Distribution %
Alcohol	General				
Tobacco	All types				
Sales & Use	General				
Sales & Use	Mfg Machine				

Sales & Use	Farm				
Sales & Use	Auto				
Sales & Use	Amusement				
Sales & Use	Vending				
Business Licenses	N/A				

3. CLIENT ATTESTATION AND VERIFICATION

City of Clay hereby verifies and attests that the tax/fee designations and distribution of funds details set forth in Table 1 and Table 2 above, respectively, are true, correct, and accurate as of the below signature date. Client acknowledges that Contractor is strictly relying on the accuracy of the information provided by Client in this Exhibit 1 to perform the Services under the SOW.

Client: CITY OF CLAY, AL

By: _____

Name/Title:

Date:

(END OF SOW EXHIBIT 1)

SCHEDULE A- STATEMENT OF WORK #1
EXHIBIT 2 – LETTER OF AUTHORIZATION

(TEMPLATE TO FOLLOW, PRINT ON Client LETTERHEAD)

RE: Letter of Introduction

Dear Taxpayer:

Request is hereby made to examine all books of account, invoices, sales receipts and working papers necessary to ascertain the correct amount of applicable taxes being administered by City of Clay, Alabama.

Please note that under authority granted by Section 11-3-11.2 and Sections 11-51-200 through 11-51-206 of the Code of Alabama 1975, City of Clay has contracted with Neumo Group, LLC (“Neumo”) to act as our duly authorized agent and perform taxpayer audit examination services for our jurisdiction. Therefore, Neumo is hereby authorized to examine and/or audit the records, books, or other relevant information maintained by you for the purpose of computing and determining the correct amount of any applicable tax, license, or fee assessed by our taxing jurisdiction.

At or before the beginning of this audit, Neumo will provide you with the current version of the State of Alabama Publication 1A which details, in simple and non-technical terms, a statement of your rights. Those rights include the right to be represented during an examination, a written description of the basis for any assessments, and an explanation of your appeal rights. Please read this material carefully and contact your professional advisors for tax or legal advice.

Please contact us directly if at any time you have any questions or complaints or if you are unable to obtain a reasonable response after several attempts to communicate with the person assigned to your case. For verification of the identity of an auditor, you may contact Neumo’s Audit Department at 1-800-556-7274.

Your cooperation is greatly appreciated during this process.

Sincerely,

City of Clay, Alabama

Brad Watson
INSERT SIGNATURE TITLE
INSERT SIGNATURE DATE

RESOLUTION NO. 2026-42

A RESOLUTION SETTING THE DATE AND TIME FOR THE CITY COUNCIL OF THE CITY OF CLAY, ALABAMA, TO CONDUCT A HEARING REGARDING A PERSONNEL MATTER AND SETTING FORTH THE RULES THERETO.

WHEREAS, on or about March 9, 2026, the Mayor provided a current city employee, H. Merola, with a written notice of termination outlining the alleged rule and policy violations of the City of Clay, Alabama, (“City”) (a copy of which is attached hereto as Exhibit ‘A’); and

WHEREAS, following the notice of termination, H. Merola provided written notice to the Mayor of Merola’s intent to appeal the mayor’s decision to the City Council of the City of Clay, Alabama, (“City Council”)

WHEREAS, the City Council having received Mr. Merola’s Notice of Appeal and in compliance with the City’s Employee Handbook, the City Council shall hear the appeal in accordance with its own procedure.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Clay, Alabama, while in a called session on Monday, May 4, 2026, at 6:00 PM, a quorum duly assembled as follows:

Section 1. The above stated preamble and exhibits are hereby adopted and ratified and incorporated as if fully set forth herein.

Section 2. In accordance with the City’s employee handbook, the City Council shall hear Mr. Hunter Merola’s appeal of the Mayor’s finding that Mr. Merola violated the City’s rules, regulations policies, as identified in Exhibit A and the Mayor’s subsequent decision to terminate Mr. Merola for violation those rules as identified in Exhibit B.

Section 3. The City Council hereby sets May 4, 2026, at 6:00 PM, as the date and time for its hearing of this appeal. The Clerk shall provide notice of this hearing as required.

Section 4. The City Council hereby imposes the following rules upon the hearing:

a. Absent an objection from Mr. H. Merola, the City Council intends to convene the meeting and proceed to hear the matter in an executive session.

b. The City shall proceed first and introduce all evidence used to establish Mr. Merola violated the City’s rules; the City may provide verbal testimony of same or call any witnesses he deems necessary to establish the purported violations.

c. Following the City’s presentation of evidence. Merola shall be provided with an opportunity to respond to the evidence presented through either witnesses, documents, or verbal response to the City’s presentation.

d. Each party shall provide to the other a list of witnesses intended to testify by 4:00pm Monday, April 27, 2026.

e. Each party shall have at least seven (7) copies of any exhibit that he intends to introduce.

Mr. Hunter Merola is permitted to utilize the city copier to make copies of any exhibits.

g. Mr. Hunter Merola is permitted to be represented by his attorney who shall notice his appearance through written correspondence to the mayor or city clerk no later than 4:00pm, Monday, April 27, 2026.

h. The City Council is allotting two (2) hours for the hearing and presentation of all evidence allowing each side one (1) hour for the presentation of their respective cases; if a party does not think this is enough time, that party is directed to submit in writing a requested time frame needed by Monday, April 27, 2026, at 4:00pm; the Council will consider the appropriate time frame prior to commencing the hearing.

i. Following the presentation of the evidence, the council will excuse the parties and deliberate the decision in executive session prior to reconvening in an open meeting to issue the decision. This may or may not occur on the same day as the hearing.

j. The issues to be heard by the City Council are strictly limited to whether Hunter Merola violated the City's policies and City of Clay procedures as outlined in Exhibit A and Exhibit B, and whether the disciplinary action imposed was appropriate in addition to any related issues which may arise. No new allegations, incidents, or unrelated matters shall be introduced or considered.

Following its vote, the city council will within ten (10) days provide written notice of its decision to the Mayor and Mr. Merola.

l. All testimony, evidence, and argument shall be strictly limited to matters directly relevant to the allegations contained in Exhibit A and the disciplinary action contained in Exhibit B and to any other related issues as permitted in section j above. Evidence or testimony not directly related to the charges shall be excluded.

m. No testimony or evidence shall be permitted concerning the conduct, character, or actions of any person not directly related to the allegations at issue. The City Council shall not consider statements regarding individuals who are not the subject of the charges unless such evidence is directly necessary to establish or refute the alleged violations.

n. The Mayor pro tem, as presiding officer, shall have the authority to rule on the admissibility of evidence and testimony and may exclude any statements, questions, or evidence deemed irrelevant, repetitive, immaterial, or unduly prejudicial and is permitted to vote.

q. All parties, witnesses, and representatives shall conduct themselves in a professional manner. The presiding officer may remove or restrict any individual whose conduct disrupts the proceedings.

Section 5. The mayor is permitted to vote on the decision.

Section 6. Any matter not covered herein may be decided by the mayor with any council member entitled to request a point of order to review the decision of the mayor as provided in its rules.

Section 7. The City Clerk shall provide a copy of this Resolution to both the mayor and Mr. Merola.

Section 8. This Resolution shall become effective immediately upon its adoption and publication as required by law.

Adopted this 21st day of April 2026.

Jane Anderton
Mayor

Attest:

Toushi Arbitelle
City Clerk

Yeas: _____

Nays: _____

Abstain: _____

Absent: _____

Certification of City Clerk

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, Toushi Arbitelle, City Clerk of the City of Clay, 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 Clay, Alabama, during a regularly scheduled council meeting having occurred on the 21st day of April, 202.

Witness my hand and seal of office this the _____ day of _____, 2022.

City Clerk

Toushi Arbitelle