



# Daphne Utilities

## APPROVED MINUTES

### Utilities Board Meeting

City of Daphne Council Chambers ♦ April 28, 2010 ♦ 5:00 p.m.

#### I. CALL TO ORDER

The April 28, 2010 regular Board meeting for the Utilities Board of the City of Daphne was held and called to order by Chairman Robert Segalla, at 5:05 p.m.

#### II. ROLL CALL

**Members Present:** Robert Segalla, Chairman  
Ron Scott, Vice Chairman  
Lon Johnston, Secretary Treasurer  
Fred Small, Mayor

**Others Absent:** Fenton E. Jenkins

**Others Present:** Jerry Speegle - Board Attorney (arrived at 5:08)  
Rob McElroy - General Manager  
Danny Lyndall - Operations Manager  
Teresa Logiotatos - Finance Manager  
Cedric Goodloe - Benefits Coordinator  
Drew Klumpp - Administrative Services Manager  
Lori Scharles - Executive Assistant  
Melinda Immel - Volkert & Associates  
Doug Bailey - HMR

**Others Absent:** Deloris Brown - Human Resources Manager

#### III. PLEDGE OF ALLEGIANCE

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

#### IV. APPROVAL OF MINUTES

a. *Utilities Board Minutes from March 31, 2010:*

The Chairman inquired if there were any corrections noted for the Minutes from the March 31, 2010, Utilities Board meeting. No corrections, additions and/or deletions were noted.

***MOTION BY Lon Johnston to approve the Minutes for March 31, 2010; Seconded by Ron Scott.***

**AYE: JOHNSTON, SCOTT, SEGALLA, SMALL ABSENT: JENKINS ABSTAIN: MOTION CARRIED**

#### V. Old Business

a. *Central Services Building (Property Investigation) – Update*

Mr. McElroy advised that a presentation will be given to the Board in Executive Session.

b. *Items in Abeyance:*

1. **Gas Franchise Agreement** – No current information was reported.
2. **19 Acres – Daphne Utilities property** – No current information was reported.
3. **Sewer Cut-off** – No current information was reported.

#### VI. New Business

a. *MWPP*

Danny Lyndall explained to the Board that the Municipal Water Pollution Prevention program in which the Board is required each year to adopt a resolution acknowledging that the Annual Report is completed as well as accompanying actions and schedules.

b. *CWSRF – Designation of Official Representation*

Melinda Immel summarized for the Board the requirements of the Clean Water State Revolving Fund loan application.

(Jerry Speegle arrived at 5:08 pm)

#### VII. BOARD ATTORNEY'S REPORT

Mr. Speegle stated that it would be necessary for Executive Session for pending litigation and also for matters relating to making offers to purchase property. He as well as Drew Klumpp updated the Board on the sewer-only promissory notes and the unpaid balances. Chairman Segalla stated that if we've given every opportunity for these customers to make good on their account, the only other choice would be to disconnect their sewer and asked for other comments from the Board. Mr. Johnston concurred with the Chairman's comments. No other comments were made and no Motion was required to proceed with disconnections according to Mr. Speegle. Mr. McElroy explained to the Board about a copy of his letter to Spanish Fort's Mayor Bonner regarding sewer issues and a relative discussion proceeded.

**VIII. FINANCIAL REPORT**

Teresa Logiotatos addressed the Board advising them that the audit will be presented by Mike Andreoli. She confirmed for Chairman Segalla that it is an unqualified audit. She then reviewed the financials for the Board, stating that six months' into the fiscal year, the Utilities' numbers are very well.

**IX. GENERAL MANAGER'S REPORT**

**a. GM Report**

Mr. McElroy pointed out for the Board the award given to the Wastewater Treatment Plant for Best Operated Plant from the Alabama Water Environment Association. Jim Caudle presented the plaque to the Board and explained that this is the first award for the plant and the procedures that were followed to obtain the award.

**b. Operations Report**

Danny Lyndall had nothing further to add to his report.

Mr. Scott asked for Mr. McElroy to attend and display the award to the Daphne City Council at their upcoming council meeting.

Chairman Segalla was briefed by Mr. McElroy on the irrigation promotion.

Danny Lyndall read a complimentary email received from a customer.

Melinda Immel of Volkert & Associates reminded the Board of the Resolution included in the Board book that needed their attention.

Doug Bailey from HMR updated the Board on the Highway 64 South Sewer (Behind Target). Mr. Johhnton asked how much more is required to complete the sewer mapping. Mr. Bailey answered that it is complete and all that is necessary now is a format review meeting with Mr. McElroy and Mr. Lyndall.

**X. Board Action**

- A. Motion for Land Acquisition Approval – discussion in Executive Session was necessary.
- B. 2010-02 - RESOLUTION FOR MUNICIPAL WATER POLLUTION PREVENTION (MWPP) PROGRAM

**MOTION BY Mayor Fred Small to approve Resolution 2010-02 – Resolution For Municipal Water Pollution Prevention (MWPP) program; Seconded by Ron Scott.**

**AYE: JOHNSTON, SCOTT, SEGALLA, SMALL    ABSENT: JENKINS    ABSTAIN:    MOTION CARRIED**

C.    2010-03 - RESOLUTION DESIGNATING OFFICIAL REPRESENTATIVE CWSRF

**MOTION BY Lon Johnston to approve Resolution 2010-03 – Resolution Designating Rob McElroy as the Official Representative for CWSRF; Seconded by Ron Scott.**

**AYE: JOHNSTON, SCOTT, SEGALLA, SMALL    ABSENT: JENKINS    ABSTAIN:    MOTION CARRIED**

**XI.    PUBLIC PARTICIPATION –**

Marvin Ussery, a customer residing at War Eagle Drive, addressed the Board about sewer taps in which he contacted the Utilities' office the previous Monday, April 5. He explained that he paid the tap fees in 2004 for his residence, his elderly mother-in-law, and his sister-in-law, for which his sister-in-law had her sewage installed a year ago, and his mother-in-law and himself to have it installed recently. After contacting a contractor, he was instructed to have the tap located. Mr. Ussery stated that he was advised by his contractor to contact the Utilities to have his tap to have it located. He stated that someone from the Utilities contacted him about and discussed his plans for hooking into the sewer line. He continued explaining about his difficult experience and wanted to express his concerns and bring to this to the Board's attention regarding the lack of communication, timeliness and the failure to follow up with customers/contractors.

Mr. Ben Cruitt addressed the Board regarding a procedure of Robert's Rule of Order that was conducted in error. He stated that it was brought to the Board's attention and denied an error was made. He stated that after talking with other, the attorney also denied that an error was made. After being requested from Chairman Segalla, Mr. Cruitt highlighted the error in question, which was in the process of voting for the increase in the rates, there was an Amendment made to the Motion; the Motion Amendment was voted on and passed and at that time you, the Chairman, declared that the Motion carried when in fact the main Motion that was made originally was never voted on. Chairman Segalla stated that it did not have to be because it was amended; he continued that if the main Motion would have been voted on, then it is not necessary to amend the Motion, but the Motion was amended before it was voted upon; he then deferred to Board Attorney Jerry Speegle as to the proper protocol for Robert's Rule of Order. Mr. Cruitt suggested researching Robert's Rules of Order because it states a different procedure. He continued that his point he was trying to make is that if the meetings are to be run under Robert's Rule of Order to get it right. Chairman Segalla again asked Mr. Speegle if the Motion was voted on properly. Mr. Speegle stated he thought it was.

**XII.    EXECUTIVE SESSION –**

**MOTION BY Ron Scott to go into Executive Session at 5:44 pm for discussion of pending litigation and the consideration to be paid for real estate transaction as predicated upon the proper purposes outlined by Jerry Speegle; Seconded by Mayor Fred Small.**

**AYE: JOHNSTON, SCOTT, SEGALLA, SMALL    ABSENT: JENKINS    ABSTAIN:    MOTION CARRIED**

Executive Session ended 6:21 p.m.

**BY Ron Scott to call a special-called meeting for Wednesday, May 5, 2010 at 5:00 p.m. to authorize the General Manager to handle a real estate contract; Seconded by Lon Johnston.**

**AYE: JOHNSTON, SCOTT, SEGALLA, SMALL    ABSENT: JENKINS    ABSTAIN:    MOTION CARRIED**

XIII.    **BOARD COMMENTS – None**

XIV.    **ADJOURNMENT–**

*MOTION BY Mr. Johnston to adjourn the meeting. Seconded by Mr. Scott.*

**AYE:JOHNSTON, SCOTT, SEGALLA, SMALL    ABSENT: JENKINS    ABSTAIN:    MOTION CARRIED**

The meeting adjourned at 6:23 p.m.