



# Daphne Utilities

## APPROVED MINUTES

### Utilities Board Meeting

City of Daphne Council Chambers ♦ January 2, 2008 ♦ 5:00 p.m.

#### I. CALL TO ORDER

The December 2007, regular Board meeting for the Utilities Board of the City of Daphne was held on January 2, 2008, and called to order by Chairman Robert Segalla, at 5:00 p.m.

#### II. ROLL CALL

**Members Present:** Robert Segalla, Chairman  
Ron Scott, Vice Chairman  
Lon Johnston, Secretary Treasurer  
Fenton E. Jenkins

**Others Absent:** Fred Small, Mayor

**Others Present:** Jerry Speegle – Board Attorney  
Rob McElroy – General Manager  
Danny Lyndall – Operations Manager  
Teresa Logiotatos – Finance Manager  
Drew Klumpp – Adm. Services Manager  
Lori Scharles – Executive Assistant  
Cedric Goodloe – Payroll/Benefits Coordinator  
Tim Patton, Engineer - Volkert  
RayMiller, Engineer– Volkert  
Ray Moore, Engineer – 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 November 28, 2007:*

The Chairman requested clarification on d3 of the Minutes from the November 28, 2007, Utilities Board meeting.

**MOTION BY Mr. Scott to approve the Utilities Board of the City of Daphne minutes from the regular Board meeting conducted November 28, 2007; Seconded by Mr. Johnston.**

**AYE: SEGALLA, SCOTT, JENKINS, JOHNSTON,**

**ABSENT: SMALL**

**MOTION CARRIED**

Chairman Segalla requested the Board to review possible days in which to hold the regular Utilities Board meetings. After discussion, all Board members present agreed to continue conducting the meetings on the current day as the last Wednesday of the month at 5:00 p.m.

## V. OLD BUSINESS

### a. *Park City Service Agreement:*

Mr. Speegle informed the Board that he spoke with Park City Attorney Tim Grogan today who would be meeting with his Board this week and that the only issue unclear in the agreement is who would collect the garbage service fees and their charges for water service. He explained that the Park City proposal involved a combined billing but directing the customer to issue separate payment of the bill for water, sewer and garbage service. Mr. Speegle stated that after discussion with Mr. McElroy and Mr. Lyndall, he informed Mr. Grogan of the disapproval of this accounting/billing procedure and to keep the agreement as it was originally drafted. Mr. Grogan was to meet this week to finalize the agreement. Mr. Scott pointed out that the original discussion with Park City was initiated December 20, 2006, and stressed that this issue be finalized by the end of March, 2008. Chairman Segalla requested that Mr. McElroy and Mr. Speegle explore a 60 or 90 day resolution date or be forced to move in another direction.

### b. *Wells 10 & 11 Construction Update:*

Mr. McElroy updated the Board on his communication with the Baldwin County Board of Education's Mike Keating which included a cost estimate of \$17,000 for the relocation of the pipe from Daphne Utilities site in order to re-route the water flow. He stated that Mr. Keating wanted a commitment from Daphne Utilities to share half of this cost as Mr. McElroy proposed this to be a better solution for both parties. Mr. McElroy expressed concern that Mr. Keating was still unclear how this would benefit the School Board and that he would have to convince them that it would be in their best interest to spend \$8,500. Mr. McElroy stated that he is continuing to clarify to Mr. Keating what the ultimate goal is, as well as to explore other options with Mr. Speegle if the School Board decides to prohibit the drainage modification. He inquired as to the information that Mr. Speegle had given him earlier that since the property in question was within the city limits, would the Utility be able to deflect the water in any way in order to protect it from damage? Chairman Segalla posed the question to Mr. Speegle that if the terrain is high to low and the water would have natural drainage flow in that manner, is it legal to accumulate the water into a pipe and distribute it onto the neighboring property. Mr. Speegle stated that the problem is the fact that the situation has persisted for so long. Chairman Segalla asked if it would excuse an illegal act; Mr. Speegle responded that the Statute of Limitations can be referred to for a nuisance unless it exceeds two years. Mr. Speegle went on to state that surface run-off is deemed to be a common enemy that can affect everyone and can be diverted but not to harm a lower elevation property by erecting a berm or wall to avoid potential damage to the well. Mr. McElroy further remarked that Mr. Keating appears to understand that it is in their best interest to be a good neighbor with the Utilities by sharing this cost in order to benefit a more aesthetically pleasing and safe solution to this problem. Mr. Scott asked who would be performing the actual work. Mr. McElroy answered that the Utilities would pay half the amount for the School Board to perform the work since it is on their property. Chairman Segalla commented that our employees should exercise this awareness in the day-to-day operations of new construction sites drainage plans.

### c. *Items in Abeyance:*

1. **Gas Franchise Agreement** – no updated information.
2. **19 Acres** – no new development.
3. **Daphne High School Stadium** – Mr. McElroy stated that he made contact with Doug Gresham of the Quarterback Club for Daphne High School and that Mr. Gresham will need to meet with Mr. Vickery regarding advertising proposal that had been previously prepared. Chairman Segalla questioned Mr. Speegle if there would be a reason why the School Board would not furnish standard advertising rates for various advertising promotions. Mr. Speegle answered that if it is the School Board, then the information should be subject to the Open Records Act. Mr. McElroy stated that he understood it to be the Quarterback Club that sets the advertising rates but not sure of their function. Mr. Speegle added that he believed that if it is on School Board property, the Quarterback Club would be deemed an agent and subject to the Open Records Act. Chairman Segalla stated that he wants to be given the same fair rates as anyone else and close this issue out and trusted that the Board members are of the same opinion.

**VI. NEW BUSINESS** – No new business

**VII. BOARD ATTORNEY’S REPORT**

Mr. Speegle had nothing new to add to his report.

**VIII. FINANCIAL REPORT**

Teresa Logiotatos reviewed the Financial Report for November, 2007, and informed the Board that due to computer alteration of some of the calculations in the Financials, a revised handout was being distributed. Chairman Segalla had questions about the graphs, to which Mrs. Logiotatos stated that she would investigate the inquiry. Mr. McElroy addressed a question from last month’s meeting regarding an entry on the Check History Report and further explained our accounting review procedures.

**IX. GENERAL MANAGER’S REPORT**

**a. GM Report**

Mr. McElroy reviewed the General Manager’s report. Drew Klumpp clarified the IT expense graph and answered questions relating to computer replacements. Mr. Klumpp also answered questions regarding the website online payment graphs and the Lend-A-HAND program graphs. Mr. Scott suggested updating a marketing plan on the Lend-A-HAND program to increase participation and a discussion followed.

**b. Operations Report**

Mr. Lyndall updated the Board on the #5 well and the unfeasibility of re-drilling the well. Mr. Scott questioned the Code Enforcement legal authority for violations, to which Mr. Lyndall explained that the Board had set the policy for fines and penalties for violations to the Daphne Utilities’ Grease Management program. Mr. Lyndall also reviewed the draft Summary of the 2007 Safety Committee. Mr. Jenkins commented that a daily safety briefing is constructive in relaying information to the employees and questioned the documentation of these meetings.

Mr. Ray Miller was present to review the Volkert Project Status Report. No further discussion took place.

Mr. Ray Moore was present to discuss with the Board the HMR Project Status Report. No further discussion

**X. BOARD ACTION** – None

**XI. PUBLIC PARTICIPATION** – None

**XII. BOARD COMMENTS** –

Mr. Johnston commented on the success of the performance reviews this year and acknowledge the continued emphasis of the cross-training. Mr. Scott expressed his concern for Mrs. Melinda Immel's condition and that of her baby

**XIII. ADJOURNMENT:**

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

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

The meeting adjourned at 6:02 p.m.