



# Daphne Utilities

## APPROVED MINUTES

### Utilities Board Meeting

City of Daphne Council Chambers ♦ May 28, 2008 ♦ 5:00 p.m.

#### I. CALL TO ORDER

The May 28, 2008, regular Board meeting for the Utilities Board of the City of Daphne was 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  
Rob McElroy – General Manager  
Danny Lyndall – Operations Manager  
Deloris Brown – Human Resources Manager  
Cedric Goodloe – Human Resource Assistant  
Drew Klumpp – Adm. Services Manager  
Teresa Logiotatos – Finance Manager  
Voneka Nettles – Accounting Technician  
Tim Patton - Volkert  
Robbie Strom – HMR  
Mike Andreoli- Robertson, Andreoli & Covington, PC

**Others Absent:** Lori Scharles – Executive Assistant

#### III. PLEDGE OF ALLEGIANCE

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

**Announcement:** Chairman Segalla announced that Mike Andreoli will discuss the audit and findings of the Utilities Board of the City of Daphne.

#### IV. APPROVAL OF MINUTES

**a. Utilities Board Minutes from April 30, 2008:**

The Chairman stated there were no additions, deletions, or corrections for the Minutes from the April 30, 2008, Utilities Board meeting.

**MOTION BY Mr. Johnston to approve the Utilities Board of the City of Daphne minutes from the regular Board meeting conducted April 30, 2008; Seconded by Mayor Small**

**AYE: SEGALLA, SCOTT, SMALL, JOHNSTON**

**ABSENT: JENKINS**

**MOTION CARRIED**

## V. OLD BUSINESS

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

Mr. McElroy reported Daphne Utilities Board met with Park City's Board to discuss the verbiage in the proposed agreement. Park City's Board will meet and discuss the proposal and will notify Daphne Utilities Board of its decision. Daphne Utilities Board has yet to hear from Park City and will move forward with other options to address issue and will brief the Board at next month's meeting.

### b. **Daphne High School Stadium:**

Mr. McElroy stated that Baldwin County Board of Education has been billed for capacity fees associated with the stadium project but Daphne Utilities still has not received payment.

### c. **Advertising:**

Mr. McElroy reported the proposal for advertising was sent to Daphne High School Quarterback Club for a signature.

### d. **Capacity Fee Study – Call for Workshop - TABLED**

Mr. Scott commented about Riviera Utilities and suggested Mr. McElroy talk to Mike Dugger of Riviera Utilities.

### e. **Items in Abeyance:**

1. **Gas Franchise Agreement** – no updated information.
2. **19 Acres** – no new development.

## VI. NEW BUSINESS –

### a. **Construction Specifications Revisions**

Mr. Lyndall discussed the Revisions and asked the Board for an approval. Mr. Segalla stated the Board will wait until the June board meeting to vote for an approval; giving the Board members a chance to read the revisions in its entirety. Grinder pumps specifications were discussed at length.

### b. **Revisement of Bylaw of Utilities Board of the City of Daphne:**

There was confusion about the verbiage used in the second sentence of Article V. A lengthy discussion ensued among the Board about the reader's interpretation of verbiage in Article V.

### c. **Certificate of Amendment to Certificate of Incorporation of the Utilities Board of the City of Daphne:**

Chairman Segalla asked Mr. Speegle to resubmit the Amendment to Certificate of Incorporation for clarification due to the confusion of the verbiage in Article V. Mr. Speegle added that a new agreement will also need to be resubmitted.

### d. **Reschedule of July 2008 Board Meeting:**

Mr. McElroy asked the Board for a motion to reschedule the July 2008 Board meeting to July 23, 2008.

**MOTION BY Mr. Scott to reschedule board meeting to July 23, 2008: Seconded by Mr. Johnston**

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

## VII. BOARD ATTORNEY'S REPORT

Mr. Speegle requested an Executive Session.

Mr. Johnston commented that the title search needs to come to a close.

## VIII. FINANCIAL REPORT

Mrs. Logiotatos gave a review of the April 2008 Financial Report and commented about the Auditors Report. Mr. Johnston stated in the future he would like to see a third line added to the graphs of the auditors' report to include the actual expenses versus the previous year. The other Board Members concurred with Mr. Johnston's request. Mike Andreoli discussed the 2006 and 2007 audits and findings of the Utilities Board of Daphne. Mr. Segalla commented that the wording contained on page 19 of the Auditors' Report regarding the tap / capacity fees need to be consistent. Mr. Johnston added that he would like to see the debt reduced and Mr. McElroy commented that ways to reduce the debt will be included in the Strategic Planning. Mr. Andreoli concluded by commending Daphne Utilities Board for

their responsible fiscal management of the Utility especially as it concerns our efforts towards better asset management and controlling labor costs.

**IX. GENERAL MANAGER'S REPORT**

**a. GM Report**

Rob McElroy discussed the launch of the Biodiesel Workshops and he also reminded the Board Members that the grand opening of the Elizabeth S. Yelding Park is scheduled for June 27, 2008. Drew Klumpp presented the customer service report and he commented on the positive Customer service ratings received from the customers during a recent Customer Service Survey. Chairman Segalla commented to Mr. McElroy about an outstanding job that two Daphne Utilities employees performed for his father-in-law and to anticipate a letter of accommodation from his father-in-law.

**b. Operations Report**

Danny Lyndall commented on the corrections to sewer manhole problems that had recently been underway in swampy areas which were contributing to high inflow and filtration we had been seeing. Mr. Lyndall also discussed the recent safety training conducted by the operations departments. Mr. Lyndall explained this safety training was actually conducted using in-house personnel as the trainers and featured Power Point Presentations designed by our own staff. The subjects covered were: personal protective equipment, hand tool safety, chemical safety, traffic / roadside work safety, workmen's compensation and accident / incident reporting. The employees involved who deserve special recognition for their efforts were: Cedric Goodloe, Kenny Johnson, Tommy Mitchell, Rex Rentz and Martin Dale.

**X. BOARD ACTION**

July Board Meeting was approved and rescheduled for July 23, 2008.

**XI. PUBLIC PARTICIPATION – None**

**XII. BOARD COMMENTS**

Mr. Johnston commented on unpainted fire hydrants throughout the city of Daphne and the weed growth around the fire hydrants; He suggested Daphne Utilities take a better look at the upkeep of fire hydrants. Mr. Lyndall reported that we had recently finished flushing of the entire system and the crews would now begin the regular maintenance of the fire hydrants which included painting and installing the blue pavement reflectors. Mr. Lyndall also explained that the location of the fire hydrants in rights-of-way should be maintained by the City or County when the roadways are mowed. In other instances, the hydrants are located in resident's yards who have planted flowers around the hydrants and we are looking at ways to address those situations.

**XIII. EXECUTIVE SESSION –**

**MOTION BY Mr. Scott to go into Executive Session at 6:05 pm; Seconded by Mr. Johnston.**

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

**Executive Session concluded at 6:40 pm.**

**XIV. ADJOURNMENT:**

**MOTION BY Mr. Scott to Authorize the General Manager to represent the Daphne Utilities Board at mediation in accordance with agreement in Executive Session; Seconded by Mayor Small.**

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

**The meeting adjourned at 6:45 p.m.**