



# Daphne Utilities

## APPROVED MINUTES

### Utilities Board Meeting

City of Daphne Council Chambers ♦ March 25, 2009 ♦ 5:00 p.m.

#### I. CALL TO ORDER

The March 25, 2009, 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  
Fenton E. Jenkins

**Others Absent:**

**Others Present:** Jerry Speegle – Board Attorney  
Rob McElroy – General Manager  
Danny Lyndall – Operations Manager  
Rebecca Williamson – Finance Assistant  
Deloris Brown – Human Resources Manager  
Drew Klumpp – Adm. Services Manager  
Lori Scharles – Executive Assistant  
Melinda Immel – Volkert & Associates  
Tim Patton – Volkert & Associates  
Ray Moore – HMR

**Others Absent:** Teresa Logiotatos – Finance Manager

#### III. PLEDGE OF ALLEGIANCE

The Chairman led the Board and meeting attendees in the Pledge of Allegiance. He then introduced Mr. John Gray and David Nichols with Strategy (Public Relations) who would be participating in executive session this evening. Chairman Segalla emphasized that a lengthy executive session is anticipated and asked to promptly proceed with the agenda.

#### IV. APPROVAL OF MINUTES

a. **Utilities Board Minutes from February 25, 2009:**

The Chairman stated there were no additions, deletions, or corrections for the Minutes from the February 25, 2009, Utilities Board meeting.

**MOTION BY Mr. Johnston to approve the February 25, 2009; Seconded by Mayor Small.**

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

**V. OLD BUSINESS**

**a. Capacity Fee Study / Rate Study**

Mr. McElroy informed the Board that a work session could possibly be called the week before the April Board meeting to review several topics in order to reduce the length of time to cover numerous items of discussion for the April meeting. He notified the Board that the audit will be presented at as well.

**b. Park City Water Authority – Joint Billing Agreement**

Chairman Segalla advised that this topic will be discussed in Executive Session.

**c. Sewer Only Cutoff Policy**

Mr. McElroy had nothing new to report at this meeting.

**d. Items in Abeyance**

1. Gas Franchise Agreement – no new information was reported.
2. 19 Acres – Daphne Utilities property – no new information was reported.

**VI. New Business**

**a. None**

**RESOLUTION 2009-03** – Vote to Adopt a Cutoff Policy for Sewer Only Customers

**VII. BOARD ATTORNEY’S REPORT**

Mr. Speegle had nothing further to add to the submitted report. Chairman Segalla highlighted the new claim for fixed charge capacity fee. Mr. Speegle advised that he is reviewing the claim and accompanying documents as well as Mr. Nichols’ discount capacity fee claims.

**VIII. FINANCIAL REPORT**

Rebecca Williamson filled in for Teresa Logiotatos and reviewed the financial report for February 2009 with the Board. Mr. Scott questioned the “Budgetary Comments”; Mr. McElroy explained that the “Revenue” and “Expenses” are not the whole of the ‘Net Income”.

**IX. GENERAL MANAGER’S REPORT**

**a. GM Report**

Rob McElroy had nothing further to include in his report. Chairman Segalla complimented Nicholas Johnson and Frederick Williams for the favorable letters received from customers. Drew Klumpp then briefed the Board on the positive response to the E-Billing. Chairman Segalla commented on the positive message and atmosphere at the recent company luncheon he and Lon Johnston attended. Mayor Small suggested including a “savings” sheet for Daphne Utilities’ employees with their paychecks to keep them continually aware of the benefits of being a Daphne Utilities’ employee.

**b. Operations Report**

Danny Lyndall had nothing further to add to his report. Chairman Segalla inquired about the gas lines project at Lake Forest. Mr. Lyndall responded that no new information has developed since he last spoken with Steve regarding the project.

Melinda Immel of Volkert & Associates had nothing further to add to his report. Ron Scott asked if there were specific projects ready to be implemented; Mrs. Immel stated that a headworks project is scheduled to be recommended to the Board. The Board discussed several possible projects.

Ray Moore of HMR had nothing to add to his report.

**X. PUBLIC PARTICIPATION – none**

**XI. BOARD ACTION –**

**XII. BOARD COMMENTS – None**

**XIII. EXECUTIVE SESSION –**

**MOTION BY Lon Johnston to go into Executive Session at 5:35 pm for discussion of pending and potential litigation; Seconded by Mayor Small.**

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

**Executive Session adjourned at 5:49 p.m.**

**XIV. ADJOURNMENT–**

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

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

**The meeting adjourned at 5:49 p.m.**