



Daphne Utilities

APPROVED MINUTES

Utilities Board Meeting

City of Daphne Council Chambers ♦ December 10, 2008 (November) ♦ 5:00 p.m.

I. CALL TO ORDER

The November, 2008, regular Board meeting for the Utilities Board of the City of Daphne was held on December 10, 2008, and 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 – arrived at 5:06 pm
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
Teresa Logiotatos – Finance Manager
Drew Klumpp – Adm. Services Manager
Lori Scharles – Executive Assistant
Cedric Goodloe – Human Resources Assistant
Melinda Immel – Volkert
Ray Moore – 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 October 29, 2008:

The Chairman asked if there were any additions, deletions, or corrections for the Minutes from the October 29, 2008, Utilities Board meeting. Mr. Ron Scott arrived at 5:06 pm and commented that he had one question. He asked about a statement under the General Manager's Report "highlighting the accomplishments of the Utilities over the past year, including a 44% increase customer load with only an 11% increase in staffing levels". Mr. McElroy clarified that this figure was a multi-year statistic. Mr. Johnston moved to approve these Minutes as Amended.

MOTION BY Mr. Johnston to approve the October 29, 2008, minutes as amended; Seconded by Mr. Jenkins.

AYE: SEGALLA, SMALL, JOHNSTON

ABSENT: JENKINS, SCOTT

MOTION CARRIED

V. OLD BUSINESS

a. 19 Acres – Daphne Utilities property

Mr. McElroy notified the Board that the topic of the Daphne Utilities 19 Acres is on the agenda for the Daphne City Council work session for December 11, 2008; He stated that no further developments were associated with the property.

b. *Items in Abeyance*

1. **Gas Franchise Agreement** – no new information was reported.
2. **Capacity Fee Study** – Mr. McElroy stated that a meeting is being planned for the first of 2009 with Bluewater Consulting Group to initiate the study.
3. **Park City Service Agreement** – to be discussed in Executive Session.

VI. New Business

a. *Daphne Utilities' Properties*

No new information was reported.

VII. BOARD ATTORNEY'S REPORT

Mr. Speegle informed the Board that mediation is set for Friday, December 12, 2008, regarding the Friday Construction issue. Mr. Scott inquired if Daphne Utilities is required to be prepared to setting in the mediation. Mr. Speegle stated yes but that his position is to be settlement authority and that further discussion would take place in Executive Session.

VIII. FINANCIAL REPORT

Teresa Logiotatos reviewed the financial report for the first month (October 2008) of the new (fiscal) year with the Board. She informed the Board that the revenue and expenses came in very close to what was budgeted. She advised and invited the Board to stop by and meet the auditors that are working and situated with the main office and will be there until February. She reminded the Board of capitalizing on more interest on the Colonial CD (certificates of deposit) that was coming due and breaking up the CD into 11 cd's in order to be protected under the FDIC limits receiving interested from 3% to 3.7%. Mr. Scott asked what the mature date is on the cd's to which Mrs. Logiotatos replied that the first one will be at the end of April 2009 and subsequently thereafter. Mr. Scott indicated that with the money that the Utilities has and the number of projects under review, he stressed his hopefulness of the Federal Government grants and that the Utilities should be in a position to implement some of these projects in order to put local people to work. He asked about the year-end financials and when they would be ready. Mrs. Logiotatos explained that the year-end financials would not be ready until the audit is completed and that a rough-figure for profit was presented in last month's board book and those figures were very close to what the end of the year will be and she stated the audit should be completed around March, 2009. She also answered more questions from the Board regarding the Check History Report.

IX. GENERAL MANAGER'S REPORT

a. *GM Report*

Rob McElroy highlighted his report acknowledging employees that worked on the Christmas parade float. He also informed the Board of the evaluations that are currently in progress and also notified and invited the Board of the Daphne Utilities' Christmas luncheon on Friday, December 19, 2008. Mr. McElroy proposed rescheduling the December Board meeting from December 31, 2008 (New Year's Eve) to January 7, 2009. Chairman Segalla pointed out the accomplishments of William Atkins and Vanna Trott.

b. *Operations Report*

Danny Lyndall informed the Board of the continued good work that Kenneth Johnson is performing in the community with regard to the grease trap inspections. Chairman Segalla also gave accolades to Earl Bolden and the outstanding task he has taken regarding the warehouse and inventory. Mr. Scott made notice of the Drew Klumpp and the improved electronic bill-pay.

Melinda Immel of Volkert & Associates had nothing further to add to her submitted report.

HMR's Ray Moore had nothing further to include in his report. Chairman Segalla inquired as to the progress on the Sanitary Sewer Mapping. Mr. Moore responded that HMR is continuing to work with Danny Lyndall and further progress is forthcoming.

X. BOARD ACTION –

- a *Reschedule of December 31, 2008, Utilities Board of the City of Daphne meeting to January 7 (corrected), 2009.*

MOTION BY Ron Scott to reschedule the December 31, 2008, Utilities Board of the City of Daphne meeting to January 7 (corrected), 2009.y. Seconded by Lon Johnston.

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

XI. PUBLIC PARTICIPATION – none

XII. BOARD COMMENTS –

Mayor Small requested consideration of changing the date of the meeting for the Utilities Board of the City of Daphne to the fourth Wednesday of each month in lieu of the last Wednesday of each month. Mr. McElroy stated that when this issue was previously presented for consideration two years ago, the current date was accommodating to the completion of the financials. Chairman Segalla asked for another review and determination.

XIII. EXECUTIVE SESSION –

MOTION BY Ron Scott to go into Executive Session at 5:31 pm; Seconded by Mayor Small.

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

XIV. ADJOURNMENT–

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

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

The meeting adjourned at 6:13 p.m.