



# Daphne Utilities

## APPROVED MINUTES

### Utilities Board Meeting

City of Daphne Council Chambers ♦ September 23, 2009 ♦ 5:00 p.m.

#### I. CALL TO ORDER

The September 23, 2009, regular Board meeting for the Utilities Board of the City of Daphne was called to order by Chairman Robert Segalla, at 5:04 p.m.

#### II. ROLL CALL

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

**Others Absent:**

**Others Present:** Jerry Speegle – Board Attorney  
Rob McElroy – General Manager  
Teresa Logiotatos – Finance Manager  
Danny Lyndall – Operations Manager  
Deloris Brown – Human Resources Manager  
Drew Klumpp – Administrative Services Manager  
Lori Scharles – Executive Assistant  
Melinda Immel – Volkert & Associates  
Ray Moore – HMR  
Woodrow Maye – Daphne Utilities WasteWater Field Svcs Supervisor  
Marior Crear – Daphne Utilities  
Fredrick Williams – Daphne Utilities

**Others Absent:**

#### 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 August 26, 2009:**

The Chairman stated there were no additions, deletions, or corrections for the Corrected Minutes from the August 26, 2009, Utilities Board meeting.

**MOTION BY Mayor Small to approve the Corrected Minutes for August 26, 2009; Seconded by Mr. Johnston.**

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

**V. Old Business**

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

Mr. McElroy informed the Board Blair Troutman was completing his presentation for the Board to be given at the upcoming work session preparing for the budget.

**Sewer Only Cutoff Policy**

No new information was reported.

**b. Bay Rivers Art Guild**

Danny Lyndall advised the Board that our maintenance crew had been working at the site to repair a roof leak. Mr. McElroy added that Daphne Utilities agreed to extend the occupation arrangements with the Guild in order to facilitate any future ownership transfers of the property.

**c. Items in Abeyance:**

1. **Gas Franchise Agreement** – No current information was reported.
2. **19 Acres – Daphne Utilities property** – No current information was reported.

**VI. New Business**

**a. Submittal of Proposed 2010 Operating Budget**

Mr. McElroy stated that due to last minute changes the Proposed 2010 Operating Budget would be delivered the following week with a work session to be scheduled soon thereafter.

**b. Purchase of Property (Board Action - Resolution)**

Mr. McElroy informed the Board that a parcel of land has been located after an extensive search for property for a central services facility. Mr. Lyndall explained the hand-out as an overview of the wastewater treatment plant and the plans necessary to keep it operational as a basis for the need of the property to be used as a central services facility. Chairman Segalla recommended the Board to give authority to management for negotiation on this property. Mr. Speegle advised that negotiations have taken place and a contract has been signed subject to due diligence, title work and survey with 60 days to work through this process and if at the end of the 60 days or before it is determined that the property is unacceptable, the contract is terminated. Mr. Scott recommended waiting until the November Board Meeting to vote on the Resolution since there is a 60-day waiting period.

**c. Election of Utility Board officers (Board Action - Motion)**

Chairman Segalla called for nominations for officers for the Utilities Board of the City of Daphne.

**MOTION BY Lon Johnston to nominate Robert Segalla for the position of Chairman of the Board for the Utilities Board of the City of Daphne. Seconded by Ron Scott.**

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

**MOTION BY Chairman Segalla to nominate Ron Scott for the position of Vice Chairman of the Board for the Utilities Board of the City of Daphne. Seconded by Mayor Fred Small.**

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

**MOTION BY Chairman Segalla to nominate Lon Johnston for the position of Secretary/Treasurer of the Board for the Utilities Board of the City of Daphne. Seconded by Ron Scott.**

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

Chairman Segalla recommended a change in the Agenda to accommodate arrival of participants. Rob McElroy introduced to the Board and public the Daphne Utilities' "Skye's The Limit" Environmental Achievement Award to Miss Skye Athey, a student who after touring the Daphne Utilities' biodiesel plant experimented making her own biodiesel and conducting her own experiments with her father's tractor.

**VII. BOARD ATTORNEY'S REPORT**

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

**VIII. FINANCIAL REPORT**

Teresa Logiotatos notified the Board that Daphne Utilities is operating in the 11<sup>th</sup> month of the 2009 financials and all projections are for revenue and expenses are on track.

**IX. GENERAL MANAGER'S REPORT**

**a. GM Report**

Mr. McElroy advised the Board regarding the submission of application for an upcoming national EPA award and notified the Board of a new video included in the application that will become part of Daphne Utilities' new employee orientation video. Danny Lyndall then recognized for the Board Daphne Utilities' employees Marion Crear, Marion Jones, Nick Johnson and Woodrow Maye for their courageous first-aid efforts for a Daphne resident while working in the community. Also recognized was Frederick Williams for his continual accolades called in by customers. Mr. Johnston commented on employee recognition and gave praise to Deloris Brown for her implementation of the annual Daphne Utilities' Health Fair and expressed hopefulness in further reductions in the medical costs as in past years.

Deloris Brown noted that flu shots will be available October 5<sup>th</sup> for those interested.

Drew Klumpp had nothing further to add to his report.

**b. Operations Report**

Danny Lyndall had nothing additional to include in his report.

Melinda Immel of Volkert & Associates reviewed for the Board the recommendation of award for the bid for the US 98 Waterline project. She explained the bidding process of Schedule 1 and Schedule II; she then recommended to the Board that due to easement issues to award Schedule 11 to Nordan Contracting.

***MOTION BY Ron Scott to approve Volkert & Associates' recommendation to accept Nordan Contracting as the low bidder on Schedule II for the Water Main Connection Along US 98 – Eastbay Apartments Service Area. Seconded by Mayor Small.***

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

Ray Moore of HMR had nothing additional to include in his report.

**X. PUBLIC PARTICIPATION – none**

**XI. BOARD COMMENTS – none**

**XII. ADJOURNMENT–**

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

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

**The meeting adjourned at 5:38 p.m.**