



Daphne Utilities

Approved MINUTES

Utilities Board Meeting

City of Daphne Council Chambers ♦ August 31, 2011 ♦ 5:00 p.m.

I. Call to Order

The regular August, 2011, Board meeting for the Utilities Board of the City of Daphne was held on August 31, 2011 and called to order by Chairman Robert Segalla, at 5:05 p.m.

II. Roll Call

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

Others Absent:

Others Present: Jerry Speegle – Board Attorney
Rob McElroy – General Manager
Danny Lyndall – Operations Manager
Teresa Logiotatos – Finance Manager
Deloris Brown – Human Resources Manager
Drew Klumpp – Administrative Services Manager
Lori Scharles – Executive Assistant
Tim Patton – Volkert & Associates
Doug Bailey – HMR
Ray Moore - HMR

Others Absent: Melinda Immel – Volkert & Associates

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 July 27, 2011:**

The Chairman inquired if there were any corrections noted for the submitted Minutes from the July 27, 2011, Utilities Board meeting.

MOTION BY Lon Johnston to approve the submitted Minutes for July, 27 2011; Seconded by Fenton Jenkins.

AYE: JOHNSTON, JENKINS, SEGALLA

ABSENT:

ABSTAIN: SCOTT, SMALL

MOTION CARRIED

V. Old Business

a. Central Services Building – Update

Mr. McElroy informed that this topic will become Central Services project update, month-to-month, either in Operations report or General Manager’s report.

b. Bay Front Park Bathrooms

Rob McElroy stated that the bathrooms have been delivered with the ramp and deck being constructed at this time with an announcement to be made to the City Council at the time of completion.

c. Items in Abeyance

- 1. Gas Franchise Agreement** – No current information was reported.
- 2. Spanish Fort Sewer Franchise issues** – No updated information was reported.

VI. New Business

a. Well Road Re-Paving and Extension bid award

Mr. Johnston protested the vote for the bid award stating it had not been brought before the board for full consideration and discussion before releasing for bid and requested the item be tabled for an opportunity for a full meeting with all board members along with the finance manager to discuss the financial impacts of this scope of work. Mr. Scott responded that he was surprise by Mr. Johnston’s protest due to the fact that it was part of the whole package and a discussion took place regarding the project. The Chairman recommended that a special meeting be held in two weeks to discuss.

b. Public Presentation on Proposed Rate Increases / Public Meeting / Board Discussion & Guidance

Chairman Segalla resolved to hearing the presentation at the end of the meeting for the benefit of the public participation. Mr. Scott commented on the time publicized for the public participation. It was decided the presentation will be given at 6:30 pm.

c. Emergency Generator Grant Application

Mr. McElroy gave an explanation as the purpose of the grant application and stated that Daphne Utilities is not accepting it at this time but just processing for consideration. Ms. Stacie McKeen with Premier Grants Consulting gave a presentation of benefits of this grant.

MOTION BY Mayor Small to approve moving forward with filing the grant application; Seconded by Ron Scott.

AYE: JOHNSTON, JENKINS, SEGALLA, SCOTT, SMALL

ABSENT:

ABSTAIN:

MOTION CARRIED

VII. BOARD ATTORNEY’S REPORT

Mr. Speegle had nothing further to add to his report. After comments were made, Mr. Speegle stated that he would shorten the history of his report, leaving the beginning date for reference.

VIII. FINANCIAL REPORT

Teresa Logiotatos reviewed the financials for the Board members. She noted the Board's attention to the Cash Flow Report and reviewed this information with the Board. She also reviewed the highlight sheet for the Board and the Public.

IX. GENERAL MANAGER'S REPORT

a. GM Report

Rob McElroy highlighted the Gulf Guardian Award and the recent AWPCA Conference held at the Daphne Civic Center and recognized John Williams and the Daphne Civic Center staff with a Certificate of Recognition. Mr. Johnston commended the staff of the improved electronic services available for customers.

b. Operations Report

Danny Lyndall had nothing further to add to his report other than to introduce Darrell Bryant the new natural gas supervisor.

Deloris Brown reminded the Board of the upcoming health fair. Chairman Segalla congratulated Courtney Tolbert and Jonathan Scott on their new promotions. Mr. Ron Scott inquired about the Blue Cross/Blue Shield rates. Mrs. Brown informed him that she would be meeting with the representative later in the week.

Tim Patton of Volkert & Associates had nothing further to add to his report.

Doug Bailey from HMR had nothing further to add to his report.

Mr. David Duette, resident of Daphne commented on the odor at D'Olive Blvd. and the discouraging image of Daphne.

Mrs. Margaret Carlisle commented on the inconvenience of the meetings being held on Wednesdays congruent to most Wednesday evening church services.

At Mayor Small's request, Tim Patton with Volkert and Associates reviewed the Engineer's Report in more detail of the current Daphne Utilities' projects for the public's information.

Doug Bailey with HMR also reviewed his Engineer's Report in more detail of the current Daphne Utilities' projects for the public's information.

The Chairman then called for a recess – 5:55 p.m.
The Chairman reconvened the meeting at 6:30 p.m.

X. PUBLIC PARTICIPATION –

Rob McElroy thanked those residents that were in attendance and proceeded to give a presentation of the current state of the Utilities as well as information relative to the rate increase.

Mr. George Cox, Chief of the Ground Source Section of the Drinking Water Branch at ADEM, gave positive comments about Daphne Utilities' progress;

Mr. Pfil Hunt, President of Gardnyr Michael Capital, explained the justification of the rate increase and the consequences of not approving of increases;

Justice Manning of 133 Rolling Hill Drive in Daphne spoke of the appearance of the justification of the rate increase and gave a comparison to his experience in Cincinnati, OH;

Evelyn Lemcool, 128 Wild Oak Drive, gave comments relative to the rate increase;

Willie Williams, 1513 Pollard Road, opposing comments regarding the rate increase;

John Lake, Councilman for the City of Daphne, gave comments opposing the rate increase and requested a review of expenses to determine and cut wasteful spending;

Jessica Gray, 572 Stuart Street, gave remarks and asked questions relative to the rate increase;

Margarete Carlisle, gave comments;

Willie Robison, 560 Stuart Street, commented on public attendance at the Utility Board meeting, councilmen attendance, and the rate increase;

Elaine Maxime, 105 Avon Circle East, requested a reduced rate increase if possible;

Board Secretary/Treasurer Lon Johnston highlighted the Board action from 2005 to present; Chairman Bob Segalla also reminded the audience that the Board is not compensated for their service;

Ray Pierson, 30102 Loblolly Circle, gave remarks relative to the history of the Utility Board and the rate increase;

Boyd Nelson, 1214 Randall Avenue, commented on the rate increase;

Kit Smith, 608 Van Avenue, commented on the impact of this rate increase and the expenses that could be cut back;

Kate Irvine, 304 Bay Hill Drive, gave remarks against the rate increase;

Jim Worley, 571 Stuart Street, commented opposition of the rate increase.

Public Participating closed – 7:54 p.m.

XI. BOARD ACTION – None

- A. Motion to recommend award of bid for Well Road Re-Paving and Extension - TABLED
- B. Resolution 2011-04 –Increase of Water and Sewer Rate Structure

Mayor Fred Small recommended to the Board that the vote be delayed 30-days in order to answer questions; Ron Scott gave his support to the Mayor relative to delaying the vote on Resolution 2011-04 to answer questions

MOTION BY Lon Johnston to approve Resolution 2011-04 - Increase of Water and Sewer Rate Structure as presented; Seconded by Ron Scott.

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

- C. Resolution 2011- 05 – Emergency Generator Grant Application – previously approved in new business.

XII. BOARD COMMENTS – None

XIII. ADJOURNMENT –

MOTION BY Lon Johnston to adjourn the meeting. Seconded by Mayor Fred Small.

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

The meeting adjourned at 8:02 pm.



Daphne Utilities

Approved MINUTES

Utilities Board Special Meeting

Community Room, Bryant Bank ♦ September 21, 2011 ♦ 11:00 a.m.

XIV. Call to Order

A special meeting of the Utilities Board of the City of Daphne was held on September 21, 2011 and called to order by Chairman Robert Segalla, at 11:00 a.m.

XV. Roll Call

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

Others Absent: Fred Small, Mayor

Others Present: Rob McElroy – General Manager
Danny Lyndall – Operations Manager
Teresa Logiotatos – Finance Manager
Lori Scharles – Executive Assistant
Doug Bailey – HMR
Ray Moore - HMR

Others Absent:

A. Well Road Re-Paving and Extension bid award

Rob McElroy reviewed the history surrounding the issue of Daphne Utilities' responsibility for paving, extending and paying for the Well Road at the Central Services Site.

Lon Johnston commented on these issues, that while it is a desirable project and due to impending financial restraints, a temporary road may have been the solution.

Ron Scott remarked of the past Planning Commission meeting discussions. Fenton Jenkins inquired if questions were presented to the Planning Commission. Mr. McElroy explained the issues and the convoluted procedures with the Planning commission surrounding the project. Mr. Jenkins also asked why a special meeting was not called to inform the Board of these issues. Mr. McElroy responded that the scope had no cost at that point. Mr. Johnston indicated that it appeared that Board members were excluded, in particular the Secretary/Treasurer, and at that time announced to the Board that effective immediately he was resigning his office as Secretary/Treasurer and requested to be removed from any signatory authority.

Chairman Segalla commented on the Planning and Development Commission procedures and remarked that as long as the General Manager was comfortable with the decisions and as long as it was within the budget, the General Manager was capable and had been delegated with the authority to make this type of engineering decision. The Chairman apologized if Board members were excluded in any way, it was not intentional. Ron Scott apologized if the Planning Commission and Council were privy to information that was not relayed on to the other Board members.

Ray Moore expanded on his experience with the Planning and Development Commission and their procedures.

Fenton Jenkins requested that special meetings be called in situations such as this.

Chairman Segalla then entertained a motion to approve the bid award.

MOTION BY Ron Scott to approve the recommended Well Road Re-Paving and Extention bid award to James Brothers Excavating in the amount of \$295,813.80; Secoded by Fenton Jenkins.

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

XVI. BOARD COMMENTS – None

XVII. ADJOURNMENT –

MOTION BY Lon Johnston to adjourn the meeting. Secoded by Ron Scott.

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

The meeting adjourned at 11:32 a.m.