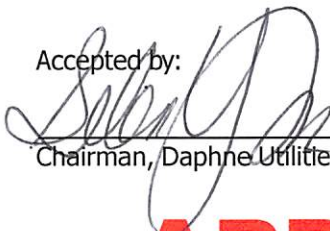


Accepted by:

Chairman, Daphne Utilities



APPROVED MINUTES

Utilities Board Meeting

Council Chambers, Daphne City Hall ♦ April 28, 2021 ♦ 5:00 p.m.

I. Call to Order

The regular April 2021 Board meeting for the Utilities Board of the City of Daphne was held on April 28, 2021, in the Council Chambers at Daphne City Hall and called to order at 5:00 p.m. by Chairwoman Selena Vaughn, followed by the Roll Call:

II. Roll Call

Members Present: Selena Vaughn, Chairwoman
Tim Patton, Vice Chairman
Billy Mayhand, Secretary/Treasurer
Mayor Robin LeJeune, Board Member – arrived at 5:03 pm
Councilman Doug Goodlin, Board Member

Members Absent:

Others Present: Jennifer Holifield – Board Attorney
Scott Polk – General Manager
Bobby Purvis – Operations Manager
Teresa Logiotatos – Finance Manager
Drew Klumpp – Administrative Services Manager
Samantha Coppels – Communications Manager
Lori Wilson – Executive Assistant

Others Absent: Jerry Speegle – Board Attorney

III. Pledge of Allegiance

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

IV. Approval of Minutes

A. Utilities Board Meeting Minutes March 31, 2021

The Chairwoman requested any additions, corrections, or deletions for the submitted minutes for the March 31, 2021 Utilities Board meeting.

With no additions, deletions, or corrections, the Chairwoman declared that the submitted March 31st minutes would stand approved.

V. OLD BUSINESS – None

VI. NEW BUSINESS - None

VII. BOARD ATTORNEY'S REPORT

Ms. Jennifer S. Holidfield was sitting in for Mr. Speegle and had no new or remaining matters to report.

VIII. FINANCIAL REPORT

Teresa Logiotatos reviewed for the Board: the Balance Sheet Highlights total assets, Gas Revenue graph, Cash Compared to Current Liabilities chart, Cash Flow Statement, and Check History Report. She also announced that due to COVID-19 issues, the audit would be presented a month later in May.

Chairwoman Vaughn then revised the Agenda to open Public Participation at 5:07 pm.

IX. PUBLIC PARTICIPATION –

Mr. Steve Olen, (Daphne City) Councilman District 2 addressed the Board on behalf of a number of residents in his district concerning the brown or yellow water coming into their homes that has been occurring for quite a while with no resolution. He named the areas in the City where the concerns have been made to bring awareness to the Utility Board in order to determine what can be done to solve this ongoing problem.

With no additional participants, Chairwoman Vaughn closed Public Participation at 5:09 pm.

X. GENERAL MANAGER'S REPORT

A. GM Report

General Manager Scott Polk reviewed the "Project Updates" for the Board, noting: the progression of the Diamante (S/D) water well production, receiving easement from Malbis Plantation and reviewing an easement with Alabama Power; no issues at the halfway point with the natural gas line upgrade/replacement in Daphmont; the Tertiary Filter and Enhanced UV Project at the WRF is on schedule and a start-up of everything is planned for January 2022; the Grit Removal System upgrade is awaiting the grit study prior to transferring to GMC in order to better evaluate the system needed; the Rigsby Road sewer expansion may still be in development; and lastly, the Douglas Road Water Tank project contracts are being finalized.

He also reported the estimate of approximately 50% of Daphne Utilities' employees have received the COVID-19 vaccine.

Mr. Polk advised that: one of the submitted projects for the Hurricane Sally Recovery/Mitigation has been obligated for funding; the State of Alabama will be covering 12.5% of our 25% of our first project; and that FEMA notified that the right-of-way clearing issues encountered for our foundations and footings for Daphne Utilities' sewer lines would not be covered under Hurricane Sally Mitigation. Mr. Bobby Purvis confirmed that a priority list of sewer lines to be replaced had been developed.

Mr. Polk informed the Board that after a cost/benefit analysis of continuing gas main installations at Jubilee Farms was prepared, it was determined that it would not be financially feasible for Daphne Utilities to continue; he noted that a meeting was held with a DR Horton site manager there advising her of this decision to which she agreed and understood. Mr. Polk stated that Daphne Utilities had requested a written official email or notice from DR

Horton acknowledging this, however they requested to have one more meeting but he had no update on a scheduled meeting at this point. Mr. Polk told the Board that he reached out to apprise Councilman Coleman of the developments due to Mr. Coleman's relationship with DR Horton should he receive any feedback and to be aware of the situation.

Mr. Polk also explained to the Board of another option that was presented to DR Horton, to which they declined.

GM Polk enlightened the Board of the efforts of the Daphne Utilities' staff to minimize sso's during recent multiple heavy rain events. Operations Manager Bobby Purvis explained the strategy they developed. Mr. Polk did advise the Board of an ongoing sso currently occurring at City Hall, noting that Daphne Utilities is helping as much as they can and stating that the contractor did not call before digging which resulted in breaking the private sewer lateral for the building. He answered questions from the Board relative to the situation. Mayor LeJeune gave insight to the situation stating that: the contractor is aware that they will be responsible for the bill for whenever the lateral is pumped out; the contractor is working on a plan of action with the engineer to relocate the pipe which he anticipated a two-week timeframe for repair; and the public works director is working on this with the contractor. Mayor LeJeune stated that they (the contractor) assumed the line was vacated.

Mayor LeJeune revisited the gas service situation at Jubilee Farms, asking what would happen to the future phases of the development should residences decide they would want to have a natural gas option. Mr. Bobby Purvis explained that in the case of Lake Forest, since it is a developed neighborhood with all the utilities in place, any gas lines installed would have to be bored in, which results in higher installation costs, and Daphne Utilities would not be able to recoup the excessive costs in running a gas line for one customer. He also stated that to run a gas line for one customer to the backside [of Jubilee Farms] after it is developed, the cost would be exorbitant. He emphasized the importance that DR Horton understand that if they include one additional "drop" per residence, it would be beneficial to the neighborhood in running gas lines at no additional cost to DR Horton. Mr. Purvis stated that without DR Horton implementing the additional "drop", Jubilee Farms residences will likely be in the same situations as some current Lake Forest residences requesting gas line installation.

Mr. Purvis then addressed Councilman Olen's comments and concerns relative to the water. He pointed out the aggressive testing procedure of our water that is reported monthly in the board book, and are very responsive to the citizens' calls with any concerns by sending a technician out to collect a sample and test in front of them. He explained that the aesthetics of the water is due to manganese causing a yellow tint and highlighted the steps that have been taken to remedy the issue. He clarified that [starting with Captain ONeal Drive] another line was looped in to keep the water moving, the aesthetics will not be a problem. He also stated that 5 automatic flushers were installed throughout this area, with additional flusher installations being planned. He advise that a door tag is being developed to place on customers' doors to instruct on how to let Daphne Utilities know of their water problems. Mr. Purvis suggested that if the problem is systemic in a particular area, a different approach would have to be taken and he indicated one method Daphne Utilities has taken was to increase the pH to help sustain the chemical that prevents manganese from showing. He explained that we are working to try different methods to prevent the tinted water and requested that citizens that encounter these problems to call Daphne Utilities so that we can chart the problem areas and take action, instead of venting complaints on Facebook. He responded to a Boardmember's question explaining that manganese is a natural-occurring mineral that is in the ground therefore present in water and explained his investigation with other utilities' handling of this type of problem and how Daphne Utilities plans to strategically implement various methods of addressing the issue.

Mr. Polk stressed the importance of specifically-impacted citizens alerting Daphne Utilities in order to identify if the problem is occurring with the water system in the area or a specific residence and gave an example of an incident that happened.

Councilman Olen expounded on the comments and remarks he's received from residents in his district which lead to further discussions. Mr. Purvis and Mr. Polk thanked him for attending the meeting and bringing this issue to their attention.

B. Operations Report

Mr. Bobby Purvis had nothing further to add to his report.

C. Engineering & Consulting Reports

Mr. Marcus Stacey with Volkert had nothing further to add to his report.

Mr. Ray Moore with GMC had nothing further to add to his report

XI. BOARD ACTION – Previously addressed.

XII. PUBLIC PARTICIPATION – previously addressed.

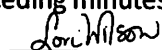
XIII. BOARD COMMENTS – Mayor LeJeune had no comment; Mr. Patton commented that after reminiscing over past 20+ years of newspaper clippings relating to Daphne Utilities, he realized the accomplishments and improvements that has taken place and also thanked the employees for their diligent efforts managing during the recent heavy rains; Mr. Billy Mayhand had no comment; Councilman Goodlin had no comment; Chairman Vaughn concurred with Mr. Patton regarding the Daphne Utilities employees' hardworking energy during the inclement weather as well as the progress Daphne Utilities has made throughout the years and the continued improvements for the future.

XIV. ADJOURNMENT

With no further discussions, the Chairwoman called for adjournment at 5:38pm.

The meeting adjourned at 5:38pm.

Preceding minutes submitted to the Daphne Utilities Board by:



Lori Wilson, Executive Assistant, Daphne Utilities