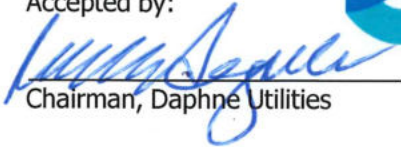


Accepted by:



Chairman, Daphne Utilities

APPROVED MINUTES

Utilities Board Meeting

Council Chambers, Daphne City Hall ♦ January 27, 2016 ♦ 5:00 p.m.

I. Call to Order

The regular January 2016 Board meeting for the Utilities Board of the City of Daphne was held on January 27, 2016 at 5:00 p.m. in the Council Chambers at Daphne City Hall and called to order by Vice-Chairman Randy Fry, proceeded by the Roll Call:

II. Roll Call

Members Present: Randy Fry, Vice Chairman
Billy Mayhand, Secretary/Treasurer
Mayor Dane Haygood, Board Member
Selena Vaughn, Board Member

Members Absent: Robert Segalla, Chairman

Others Present: Jerry Speegle – Board Attorney
Danny Lyndall – General Manager
Van Baggett – Operations Manager
Drew Klumpp – Administrative Services Manager
Rebecca Williamson – Accounting Assistant
Lori May-Wilson – Executive Assistant
Melinda Immel – Volkert & Associates
Ray Moore – HMR
Robbie Strom – HMR

Others Absent: Teresa Logiotatos – Finance Manager

III. Pledge of Allegiance

The Vice-Chairman led the Board and meeting attendees in the Pledge of Allegiance.

IV. Approval of Minutes

A. Utilities Board Corrected Minutes from December 2 (for November), 2015:

The Vice-Chairman advised that the Corrected Minutes from the December 2 (for November), 2015 Utilities Board Meeting was distributed and requested any corrections, additions or deletions.

The submitted corrected Minutes for December 2 (for November), 2015 stood approved with no corrections, additions or deletions.

V. OLD BUSINESS – No old business.

VI. NEW BUSINESS –

A. Refunding of 2005 Series Drinking Water SRF and 2006 Series Drinking and Clean Water SRF

Danny Lyndall informed the Board that no action was required on this item as it was only being provided for the Board's information at this time. He advised that 3 SRF loans are available for refinancing and our financial advisor, Mr. Pfil Hunt, has reviewed these loans and believes he is able to get a savings for Daphne Utilities close to \$300,000 over the remaining life of the loans. He noted that a resolution could come before the Board at the February or March board meeting.

B. Recommendation for Award: Olde Towne Daphne Water Treatment Facility (BOARD ACTION: Motion)

Ray Moore with Hutchinson, Moore & Rauch reviewed the project and bid tabulation for the Board and recommended the project be awarded to The Creel Company, Inc. at their submitted lowest bid \$1,812,615.00. Mr. Moore answered questions concerning the timeline.

MOTION BY Mayor Dane Haygood to award the Olde Towne Daphne Water Treatment Facility project to The Creel Company, Inc. at their submitted lowest bid of \$1,812,615.00 including Item #DD-3; Seconded by Billy Mayhand.

AYE: Fry, Haygood, Mayhand, Vaughn

NAY:

ABSENT: Segalla

ABSTAIN:

MOTION CARRIED

C. Resolution 2016-01 Restructuring of Utility Rates (BOARD ACTION: Motion)

Mr. Lyndall advised the Board that the submitted Resolution and Projection Model is the result from the presentation given last year by Raffelis Financial Consultants to simplify and reduce the number of our customer rate classes. He confirmed that Mr. Speegle had reviewed and counseled on the model. Mr. Lyndall pointed out that only one adjustment from the financial consultants' recommendation is the addition of the "raw water" rate class which stemmed recently from the Christ The King athletic field project. He also explained that this new rate structure is designed to be revenue-neutral for all rate classes but slightly lower for the residential customers and as previously suggested, commercial customers have been contacted and advised. Mayor Haygood requested to postpone this agenda item until February to review further.

MOTION BY Mayor Dane Haygood to carry over Resolution 2016-01 into the February board meeting; Seconded by Billy Mayhand.

AYE: Fry, Haygood, Mayhand, Vaughn

NAY:

ABSENT: Segalla

ABSTAIN:

MOTION CARRIED

Mr. Lyndall assured the Board that notification will be given to our customers.

VII. BOARD ATTORNEY'S REPORT

Mr. Speegle advised the Board of an error in his report and then gave a brief overview.

VIII. FINANCIAL REPORT

Rebecca Williamson pointed out a heading error on one of the tables of the Cash Flow Reports then proceeded to review the financials from November and December 2015 and offered to answer questions from the Board.

IX. GENERAL MANAGER'S REPORT

A. GM Report

Danny Lyndall had nothing additional to include in his report, however he explained the new Leadership Academy program that had been implemented in September and recognized the new

supervisors that participated in the program by attending accelerated classes: Carlos Butler, Kelly DeLaney, Fred Williams, Darrell Bryant, Percy Gulley, James McPherson and Jake Mason. Certificates were presented to each participant. Mr. Lyndall had nothing further to add.

B. Operations Report

Van Baggett reviewed his report for the Board highlighting the New Year's Day water main break repair; he also pointed out recent upgrades in areas at Central Services, the decorated Christmas crabs at the Elizabeth S. Yelding Park, and renovations to the Daphne Utilities' cooking trailer.

C. Engineering & Consulting Reports

Melinda Immel from Volkert updated the Board on the US 90 Water project that will be solicited for bids and presented to the Board in the upcoming months and offered to answer any questions from the Board.

Ray Moore from HMR elaborated on the Douglas Road project, Olde Towne Water Treatment Facility project as well as the Unsewered Area of Daphne. He offered to answer any questions from the Board.

X. BOARD ACTION – Previously addressed.

XI. PUBLIC PARTICIPATION – None.

XII. BOARD COMMENTS – Mayor Haygood thanked Daphne Utilities for participation in the many City holiday events, in particular Samantha (Coppels) for her behind-the-scenes planning and involvement; he emphasized the many compliments and praise for events and the partnership building with the City. Mayor Haygood also acknowledged Danny Lyndall for his courteous and prompt consideration to concerns and issues that surface. Billy Mayhand congratulated the supervisors on their Leadership Academy certification. Selena Vaughn express her positive anticipation for Arbor Day and upcoming collaborations. Randy Fry thanked everyone for the jobs that they do and the great organization with which to be proud.

XIII. ADJOURNMENT

MOTION BY Billy Mayhand to adjourn.

AYE: Fry, Haygood, Mayhand, Vaughn

NAY:

ABSENT: Segalla

ABSTAIN:

MOTION CARRIED

The meeting adjourned at 5:30 pm.

Preceding minutes submitted to the Daphne Utilities Board by:



Lori Wilson, Executive Assistant, Daphne Utilities