



Daphne Utilities

APPROVED MINUTES

Utilities Board Meeting

City of Daphne Council Chambers ♦ February 29, 2012 ♦ 5:00 p.m.

I. Call to Order

The regular February 2012, Board meeting for the Utilities Board of the City of Daphne was held on February 29, 2012 and called to order by Chairman Robert Segalla, at 5:01 p.m.

II. Roll Call

Members Present: Robert Segalla, Chairman
Fenton E. Jenkins, Vice Chairman
Bailey Yelding, Mayor

Others Absent: Ron Scott, Secretary/Treasurer
Lon Johnston

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 May-Wilson – Executive Assistant
Melinda Immel – Volkert & Associates
Ray Moore - HMR

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 January 25, 2012:

The Chairman inquired if there were any corrections noted for the submitted Minutes from the January 25, 2012, Utilities Board meeting. No corrections were made.

MOTION BY Mayor Bailey Yelding to approve the Minutes for January 25, 2012; Seconded by Fenton Jenkins.

AYE: JENKINS, SEGALLA, YELDING

ABSENT: JOHNSTON, SCOTT ABSTAIN:

MOTION CARRIED

V. Old Business

A. Items in Abeyance

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

Chairman Segalla then revised the meeting to allow time for Danny Lyndall’s presentation

VI. Operations Report

Danny Lyndall gave a presentation to the Board informing them of a major catastrophe at the Waste Water Treatment Plant whereby a previous patch on a 6” line coming into the aeration tank of the D’Olive Package Plant began leaking. He explained that employees had been working diligently to take the tank off-line in order to make the repair and that ADEM had been contacted and notified that the plant was declared a “plant upset”. He further stated that ADEM would be conducting an audit to ensure that Daphne Utilities had procedurally done everything required and if they determine that this was an unavoidable upset, then any violations will not go against Daphne Utilities. He addressed the challenges of the repairs due to the aged infrastructure of this plant.

VII. New Business

A. Discussion of Utilities’ Board meeting schedule

Chairman Segalla informed the Board that this item could be discussed but all Board members would have to be present because it would have to be a resolution to change the By-Laws; Mr. Speegle confirmed that was correct. It was recommended to include this item of discussion in the Items of Abeyance for discussion at next month’s Board meeting.

VIII. BOARD ATTORNEY’S REPORT

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

IX. FINANCIAL REPORT

Teresa Logiotatos commented that there was nothing financially out of the ordinary for the month of February. She pointed out the Standard & Poor’s Rating information she handed out to the Board for the refinancing the 2003 Bond Issue which is the only Issue Daphne Utilities has left to refinance for a lower interest rate savings. She advised that the auditors are finished in-house and are now working outside with an estimated audit presentation in March or April. She then informed the Board that she is receiving quotes for the Utilities’ commercial insurance. She lastly pointed out some changes on Cash Flow report.

X. GENERAL MANAGER’S REPORT

a. GM Report

Rob McElroy pointed out the State of the Utility Report that he handed out and mentioned that we would be discussing at upcoming Board meetings. He commended Darrell Bryant and Rodney Strasser on their recent Master Gas Evaluator Certification. Chairman Segalla extended the Board’s compliments as well. Darrell Bryant introduced his new employee, Kelly Boyington.

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

Ray Moore of HMR gave an updated review of his report for the Board.

XI. PUBLIC PARTICIPATION – Melinda Immel announced Daphne Utilities’ Project of the Year Award from the Mobile Area Council of Engineers.

XII. BOARD ACTION – None.

XIII. BOARD COMMENTS – None.

XIV. ADJOURNMENT –

MOTION BY Mayor Bailey Yelding to adjourn the meeting; Seconded by Fenton Jenkins.

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

The meeting adjourned at 5:32 pm.