



# Daphne Utilities

## **APPROVED (Corrected)**

## **MINUTES**

### **Utilities Board Meeting**

**City of Daphne Council Chambers ♦ October 26, 2011 ♦ 5:00 p.m.**

#### **I. Call to Order**

The regular October 2011, Board meeting for the Utilities Board of the City of Daphne was held on October 26, 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  
Ron Scott, Secretary/Treasurer  
Lon Johnston  
Bailey Yelding, Mayor – arrived at 5:24 pm

**Others Absent:**

**Others Present:** Jerry Speegle – Board Attorney  
Rob McElroy – General Manager  
Danny Lyndall – Operations Manager  
Teresa Logiotatos – Finance Manager  
Janice Daniel – Customer Service Representative (for Drew Klumpp)  
Deloris Brown – Human Resources Manager  
Lori May-Wilson – Executive Assistant  
Melinda Immel – Volkert & Associates  
Doug Bailey - HMR

**Others Absent:** Drew Klumpp – Administrative Services Manager

#### **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 September 28, 2011:**

The Chairman inquired if there were any corrections noted for the submitted Minutes from the September 28, 2011, Utilities Board meeting.

**MOTION BY Lon Johnston to approve the submitted Minutes for September 28, 2011; Seconded by Ron Scott.**

**AYE: JENKINS, JOHNSTON, SCOTT, SEGALLA**

**ABSENT: YELDING**

**ABSTAIN:**

**MOTION CARRIED**

**V. Old Business**

**A. 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. 2011/2012 Budget**

***MOTION BY Lon Johnston to adopt the submitted 2011/2012 Budget; Seconded by Fenton Jenkins.***

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

Mr. Johnston commented that it was a well-developed budget.

**B. Authorization of Conversion of Unused Sick Leave to Retirement Service Credit**

Chairman Segalla requested a copy of the Provision 36-26-36.1 of the Code of Alabama 1975. Mrs. Brown explained that Daphne Utilities' was instructed by Retirement Systems of Alabama to have a separate Resolution due to the fact that the sick time conversion was adopted while the Utilities' operated under the City of Daphne; she also answered questions from Chairman Segalla.

***MOTION BY Ron Scott to approve the submitted Resolution 2011-06 – Authorization of Conversion of Unused Sick Leave to Retirement Service Credit; Seconded by Lon Johnston.***

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

Chairman Segalla requested that the Board be distributed an updated Employee Policy & Procedure Handbook as well as an updated retabulated employee vacation/sick leave report.

**VII. BOARD ATTORNEY'S REPORT**

Mr. Speegle updated the Board regarding the Bayfront portable restroom and the lease agreement for it with the City that will require approval from the City and the Utility Board. Mr. Scott requested that in the essence of time to give the authority to sign the lease to the Utility Board General Manager, Mr. McElroy.

***MOTION BY Ron Scott to Authorize the General Manager to approve the Lease Agreement for the Bayfront Portable restrooms with any changes that the General Manager deems appropriate to meet the purpose of said Lease; Seconded by Lon Johnston.***

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

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

**VIII. FINANCIAL REPORT**

Teresa Logiotatos reviewed the financial report highlighting the Statement of Cash Flows. Chairman Segalla suggested starting with a small percentage to begin a fund depreciation. Mr. Johnston seconded that comment

and reiterated that the next 3 years the Utilities could be facing financial trouble. Chairman Segalla requested that on the Projected Cash Budget / Cash Payments adding to the bottom a net for the Central Services Building.

**IX. GENERAL MANAGER'S REPORT**

**a. GM Report**

Rob McElroy invited the Board to attend the Water/Wastewater Board Member/Decisionmaker Training Session free from the ADEM and Alabama Rural Water Association in Satsuma on December 1.

Chairman Segalla welcomed Mayor Bailey Yelding to the Utility board.

***Operations Report***

Danny Lyndall had nothing further to add to the Operations report.

Melinda Immel of Volkert & Associates had nothing further to add to her report. Mr. Johnston inquired about the state of the aquifers from which the Utilities draw and referenced a recently published newspaper story. She explained that Daphne Utilities has not experienced problems with the aquifers. Danny Lyndall and Rob McElroy also updated the Board on the state of the aquifers and the well-permitting process. Mr. Johnston requested a monthly update on the status of the well-permitting process.

Doug Bailey from HMR updated the Board on the final issues associated with the Highway 64 South Sewer project as well as the Well Road project. He informed the Board that research and review is underway to locate the unsewered areas of Daphne.

**X. PUBLIC PARTICIPATION – None.**

**XI. BOARD ACTION – None.**

**XII. BOARD COMMENTS – None.**

**XIII. ADJOURNMENT –**

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

**AYE: JENKINS, JOHNSTON, SEGALLA, SCOTT, YELDING**

**ABSENT:**

**ABSTAIN:**

**MOTION CARRIED**

The meeting adjourned at 5:40 pm.