



# Daphne Utilities

## **APPROVED MINUTES**

### **Utilities Board Meeting**

**City of Daphne Council Chambers ♦ April 4 (March), 2012 ♦ 5:00 p.m.**

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

The regular March 2012, Board meeting for the Utilities Board of the City of Daphne was held on April 4, 2012 and called to order by Chairman Robert Segalla, at 5:00 p.m.

#### **II. Roll Call**

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

**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 May-Wilson – Executive Assistant  
Melinda Immel – Volkert & Associates  
Doug Bailey - HMR  
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 February 29, 2012:**

The Chairman inquired if there were any corrections noted for the submitted Minutes from the February 29, 2012, Utilities Board meeting. No corrections were made.

***MOTION BY Mayor Bailey Yelding to approve the Minutes for February 29, 2012; Seconded by Fenton Jenkins.***

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

**ABSENT:**

**ABSTAIN:** JOHNSTON,

**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.

Mr. McElroy stated that since there has been no movement on these items that they would be removed until new information could be reported.

- 3. **Discussion of Utilities' Board meeting schedule** – Mr. McElroy stated that the Daphne Utilities' staff was fine with whatever the Board decides. Vice-Chairman Jenkins opened up the discussion. After the Board's input and discussion, it was decided to keep the Board meetings to remain on the monthly basis.

Chairman Segalla called for a Motion to change the meeting schedule from a monthly to a bi-monthly.

***MOTION BY Ron Scott to change the Utility Board meetings from being held monthly to every other month; Secoded by Fenton Jenkins. By a show of hands,***

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

Lon Johnston also commented that the public is entitled to a reasonable opportunity to attend the Utility Board meetings and voice their opinions.

**VI. New Business**

**A. Recommendation of Award for the Floor Coating System for the Biosolids Facility Building**

Mr. McElroy acknowledged the contract up for award and gave the floor to Melinda Immel of Volkert & Associates Inc. to explain the bid process and recommendation for this project to the Board.

***MOTION BY Ron Scott to accept the recommendation and award the bid for the Flooring Coating System for the Biosolids Facility Building to Melvin Pierce Painting in the amount of \$67,850.00; Secoded by Lon Johnston.***

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

**VII. BOARD ATTORNEY'S REPORT**

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

**VIII. FINANCIAL REPORT**

Teresa Logiotatos highlighted the financials for the Board. She pointed out the charts for the gas revenue, in particular, and noted that it has significantly dropped this year compared to the budget due to an unseasonably warm winter. She commented that the audit was still be prepared for presentation to the Board. Also, she notified the Board that insurance quotes are coming in and being reviewed, as well as informing the Board that a new billing system is being explored. Ron Scott asked if there was a reporting of the access securities of accounting audits. A discussion developed the financial impact of future catastrophic event based on the situation that previously happened at the Water Reclamation Facility. A request for an upcoming mid-year budget financial work session was discussed.

**IX. GENERAL MANAGER'S REPORT**

**A. GM Report**

Rob McElroy gave praise to Volkert & Associates for all their work they do for the Utilities and the Mobile Area Council of Engineers Project of the Year Award for the Water Reclamation Facility as well as Jim Caudle and his staff.

Drew Klumpp briefly updated the Board on the Lend-A-Hand program and recognized Daphne Utilities' vendor Kingdom Creations for her \$500 donation to the program.

Deloris Brown informed the Board that Daphne Utilities is participating in the E-Verify program.

Danny Lyndall introduced new natural gas employee Doug Brooks as well as informed the Board of another new employee Maurice Rasheed who will be working in the Warehouse with Earl Bolden. He advised the Board that the catastrophic event that took place at the Water Reclamation Facility has been completely corrected and thanked Jim Caudle, Art Anderson, Larry Jackson, Woodrow Maye and the employees involved in helping to rectify this situation without receiving a single violation. Ron Scott gave thanks to the Utilities for supporting the Well Road project. Mayor Yelding also gave thanks to the Utilities for the continual community events support. Fenton Jenkins asked about the warranty on the “microwave” at the Water Reclamation Facility. Melinda Immel responded to his questions.

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

Doug Bailey of HMR updated the Board that the punch-list items for the Well Road project are being addressed.

- X. BOARD ACTION – Resolution 2012-2 - A Resolution of the Utilities Board of the City of Daphne for authorization of the Utilities Board Chairman to Approve Pricing of the Refinancing of the 2003 Bond Issue.** A representative from Gardnyr, Michael Capital, Inc., David Langham, gave a presentation to the Board for the Resolution that was being proposed. After an explanation, he clarified that this resolution proposes is authorization by the Chairman to sign the bond purchase agreement when the bond are priced, which will be the following Tuesday. Mr. Scott added that this is a tenure bond.

***MOTION BY Lon Johnston to approve Resolution 2012-2 A Resolution of the Utilities Board of the City of Daphne for authorization of the Utilities Board Chairman to Approve Pricing of the Refinancing of the 2003 Bond Issue; Seconded by Mayor Bailey Yelding.***

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

- XI. PUBLIC PARTICIPATION –** Larry Jackson thanked the Board for the support of the new Central Services Facilities.
- XII. BOARD COMMENTS –** None.
- XIII. 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 5:57 pm.