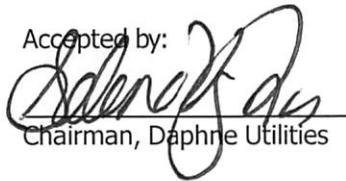


Accepted by:  
  
Chairman, Daphne Utilities



# DRAFT MINUTES

## Utilities Board Meeting

Council Chambers, Daphne City Hall ♦ January 29, 2020 ♦ 5:00 p.m.

### I. Call to Order

The regular January 2020 Board meeting for the Utilities Board of the City of Daphne was held on January 29, 2020, in the Council Chambers at Daphne City Hall and called to order at 5:00 p.m. by Chairman Selena Vaughn, followed by the Roll Call:

### II. Roll Call

**Members Present:** Selena Vaughn, Chairman  
Tim Patton, Secretary/Treasurer  
Robin LeJeune, Board Member  
Mayor Dane Haygood, Board Member  
Billy Mayhand, Vice Chairman

**Members Absent:**

**Others Present:** Jerry Speegle – Board Attorney  
Scott Polk – General Manager  
Bobby Purvis – Operations Manager  
Drew Klumpp – Administrative Services Manager  
Samantha Coppels – Communications Manager  
Teresa Logiotatos – Finance Manager  
Lori May-Wilson – Executive Assistant  
Melinda Immel – Volkert & Associates  
Ray Moore – GMC  
Joe Asarisi – Asarisi & Associates

**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 Meeting Minutes November (December 4), 2019

The Chairman requested any additions, corrections, or deletions for the submitted minutes for the November (December 4), 2019 Utilities Board meeting.

*MOTION by Tim Patton to accept the submitted December 4 (for November), 2019, Daphne Utility Board meeting minutes; Seconded by Billy Mayhand.*

AYE: Haygood, LeJeune, Mayhand, Patton, Vaughn

NAY:

ABSENT:

ABSTAIN:

**MOTION CARRIED**

## V. OLD BUSINESS –

### A. Capacity Fees for Daphne Sports Complex

Chairman Vaughn gave a recap on this issue and where it stands. She noted the request for an opinion from the Attorney General and had been advised, pointing out that if the Board supports waiving the capacity fee, the Board would have to establish a policy defining specifically the government bodies and/or organizations, and without discrimination, who would be eligible for a waiver. She also pointed out that Daphne Utilities operates beyond the City of Daphne borders.

She also offered additional information relative to Daphne Utilities' support for the City of Daphne, such as owning and maintaining fire hydrants in the City of Daphne at a cost of \$87 per hydrant per year, noting that the City of Daphne contributed annually to this at a cost of \$50 per hydrant, approximately \$60,000 per year, from the 1970's up until about 2009.

She also discussed garbage fees billings and collections Daphne Utilities delivers on behalf of the City, for which the City pays 1/3 of the costs for the statements and mailings. She pointed out that the estimated \$2,000 a month credit card fee associated with garbage fee payments is not forwarded to the City. She noted the 3% PILOT fee assessed to invest in infrastructure is also collected on behalf of the City of Daphne, as well as the ROW Permit fees that Daphne Utilities is charged and pays to the City of Daphne.

Chairman Vaughn called for discussion on the capacity fees, Mr. LeJenue requesting the amount of capacity fees in question. Mr. Polk stated the amount was \$65,000 to \$67,000. Mayor Haygood advised that he'd welcome an opportunity to discuss and present the information and consider how other municipalities handle these types of situations.

Tim Patton asked about the written opinion from the bond counsel, to which Mr. Speegle advised he is still waiting to receive the written opinion. Mayor Haygood commented on his recollection of the AG opinion and their suggestion of some consistency for which a policy would be a good way to achieve this and would be a good way to for Daphne Utilities to approach it.

## VI. NEW BUSINESS –

### A. Approval of Purchase of Budgeted Equipment – Requisition No. R30-121119A – 8Ton 15' Flat Deck Trailer

Mr. Polk advised that the equipment requisitions were grouped together, they were approved in the capital improvement plan and that once the equipment reached \$100,000, it required Board approval to move forward with the purchase.

*A MOTION by Tim Patton was made to approve the purchase of budgeted equipment under Requisition No. R30-121119A – 8Ton 15' Flat Deck Trailer; the Motion was Seconded by Mayor Dane Haygood.*

AYE: Haygood, LeJeune, Mayhand, Patton, Vaughn

NAY: ABSENT:

ABSTAIN:

**MOTION CARRIED**



**B. Approval of Purchase of Budgeted Equipment – Requisition No. R30-121119 – Bore Rig/D8\*12 S3 Navigator**

*A MOTION by Tim Patton was made to approve the purchase of budgeted equipment under Requisition No. R30-121119 – Bore Rig/D8\*12 S3 Navigator; the Motion was Seconded by Mayor Dane Haygood.*

AYE: Haygood, LeJeune, Mayhand, Patton, Vaughn    NAY:    ABSENT:    ABSTAIN:    **MOTION CARRIED**

**VII. BOARD ATTORNEY'S REPORT**

Mr. Speegle had nothing additional to include in his report but welcomed questions.

Mayor Haygood left the meeting at 5:15pm.

**VIII. FINANCIAL REPORT**

Teresa Logiotatos reviewed the financials for November 2019 pointing out the net incoming for 2 months, the net increase/decrease in cash posted on the Statement of Cash Flows report; she then reviewed the financials for December 2019 highlighting the net income, Days of Cash on Hand graph, the net increase/decrease in cash on the Statement of Cash Flows report, construction costs on the Monthly Cash Payments report, and various checks on the Check History report

**IX. GENERAL MANAGER'S REPORT**

**A. GM Report**

General Manager Scott Polk reviewed for the Board the Project Updates concerning new production water wells, natural gas steel pipeline replacement, water reclamation facility tertiary filter project; he spoke of his strategy for reviewing/validating the Mission, Vision and Values of Daphne Utilities as well as Daphne Utilities' social media presence and addressing Board inquiries of information listed on customers' bills.

Mr. Polk also announced an exploration into moving all Daphne Utilities employees' RSA retirement plan from Tier 2 to a Tier 1 RSA retirement plan, citing it would have a nominal financial investment on Daphne Utilities and a positive return on recruitment/retention of employees, noting other utilities have done the same. He stated there is not deadline but a decision would need to be made some time next year.

Mr. Polk reexamined the situation relative to the Infirmary Medical project on US90 as well as a recent incident of a potential SSO off of Bayview Drive that culminated in a small crack in a force main; he commended Johnny Grimes, Bobby Purvis, and other departments for their determination and professionalism.

He also praised the staff for the quick reaction to the lift station that went down. He reviewed the customer service report.

## **B. Operations Report**

Mr. Bobby Purvis spoke about the money being spent with unexpected equipment failures and issues with several lift stations. He expressed his appreciation for working at Daphne Utilities with such great people.

Samantha Coppels commented on upcoming training for crisis communication, the Constant Contact quarterly news update, and a Daphne Utilities mini-grant program for schools in the Daphne Utilities service area that will relate to water, waste water, natural gas or STEM.

Mr. Polk recognized new employee Aaron Kirkland for passing his Grade III exam at the Water Reclamation Facility.

## **C. Engineering & Consulting Reports**

Mr. Joe Asarisi and Mrs. Melinda Immel had nothing additional for their reports. Mr. Ray Moore advised that GMC crews were surveying for the tertiary filters at the Water Reclamation Facility; he had nothing more to include in his report.

X. **BOARD ACTION** – Previously addressed.

XI. **PUBLIC PARTICIPATION** – the Chairman invited participants to address the Board at 5:33 pm; with no comments, the Chairman closed Public Participation at 5:33 pm.

XII. **BOARD COMMENTS** – Robin LeJeune welcomed everyone back from the holidays; Tim Patton expressed his surprise at the new opportunities announced at each meeting and commended the staff who work all hours to keep the Daphne Utilities's system working; Billy Mayhand welcomed everyone back, conveyed Happy New Year to all and expressed his appreciation to everyone in the organization.

## **XIII. ADJOURNMENT**

The Chairman called for adjournment at 5:35 pm.

*A MOTION by Billy Mayhand to adjourn the meeting*

The meeting adjourned at 5:35 pm.

Preceding minutes submitted to the Daphne Utilities Board by:

  
Lori Wilson, Executive Assistant, Daphne Utilities