

Accepted by:

Chairman, Daphne Utilities



APPROVED MINUTES

Utilities Board Meeting

Council Chambers, Daphne City Hall ♦ May 27, 2020 ♦ 5:00 p.m.

I. Call to Order

The regular May 2020 Board meeting for the Utilities Board of the City of Daphne was held on May 27, 2020, in the Council Chambers at Daphne City Hall and called to order at 5:01 p.m. by Chairman Selena Vaughn, followed by the Roll Call:

II. Roll Call

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

Members Absent: Mayor Dane Haygood, Board Member

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

Others Absent: Joe Asarisi – Asarisi & Associates

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 February 29, 2020

The Chairman requested any additions, corrections, or deletions for the submitted minutes for the January 29, 2020 Utilities Board meeting.

With no additions, deletions, or corrections, the Chairman declared that the submitted February 29th minutes would stand approved.

Chairman Vaughn then readjusted the order of the Agenda and addressed issues under New Business.

V. NEW BUSINESS –

A. Presentation of 2018/2019 Audit by Mike Andreoli of Robertson, Andreoli & Covington, PC
Mr. Mike Andreoli of Robertson, Andreoli & Covington presented the 2018/2019 audit to the board members. He emphasized: the Independent Auditor's Report, the Management's Discussion and Analysis, the Basic Financial Statements which includes the Statements of Net Position or balance sheet, Notes to Financial Statements, and Supplementary Information. Chairman Selena thanked Mr. Andreoli for his good report.

B. Discussion of Emergency Water Conservation Plan

Mr. Scott Polk advised the Board that this plan had been developed in October 2019 and is presented to the Board for review and discussion. At Chairman Vaughn's questions, a discussion of distribution and formulation followed. Mr. Purvis pointed out that Danny Lyndall and Melinda Immel prepared this data-driven plan as a result of water shortage in 2006 and considers it to be in the range of most conservation plans.

C. RESOLUTION 2020-02 – Resolution to Adopt and Approve the MWPP (Municipal Water Pollution Prevention) Program (Board Action: RESOLUTION 2020-02)

Mr. Scott Polk answered questions regarding this routine annual report and required resolution for ADEM.

A MOTION by Robin LeJeune was made to adopt Resolution 2020-02 – Adopt and Approve the MWPP (Municipal Water Pollution Prevention) Program; the Motion was Seconded by Tim Patton.

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

D. RESOLUTION 2020-03 - Resolution Designating Official Representation for CWSRF (Board Action: RESOLUTION 2020-03)

Mr. Scott Polk and Mrs. Melinda Immel briefed the Board on details for the Clean Water State Revolving Fund loan, explaining the presented Resolution was to designate Mr. Polk to be the official representative to file on behalf of the Utilities for the loan.

A MOTION by Robin LeJeune was made to adopt Resolution 2020-03 – Designating Official Representative (for the CWSRF loan); the Motion was Seconded by Tim Patton.

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

E. RESOLUTION 2020-04 - Resolution Designating Official Representation for DWSRF (Board Action: RESOLUTION 2020-04)

Mrs. Melinda Immel explained to the Board that the previous resolution for the state revolving fund loan was for clean water/wastewater and this is part 2 for drinking water.

A MOTION by Robin LeJeune was made to adopt Resolution 2020-04 – Designating Official Representative (for the DWSRF loan); the Motion was Seconded by Billy Mayhand.

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

Chairman Vaughn then returned to the Capacity Fees for Daphne Sports Complex under Old Business.

VI. OLD BUSINESS –

A. Capacity Fees for Daphne Sports Complex

Chairman Vaughn announced that Mayor Haygood informed her that he would not be in attendance at tonight’s meeting and advised her that he might have some wording changes once the Utility Board settles on the agreement but that he could submit those changes when presented and discussed at the City Council meeting. Mr. Scott Polk clarified that a resolution was created in preparation for discussion. Councilman LeJeune lead a discussion regarding the presented agreement that Mr. Speegle researched and prepared. He confirmed the Daphne City Council’s cooperation of the agreement in exchange for the City’s right-of-way fees as credit toward the amount of capacity fees as a way to conclude this issue. Board Secretary/Treasurer Tim Patton and Vice Chairman Billy Mayhand stated they both reviewed the agreement and neither had any disagreements.

A MOTION by Tim Patton was made to approve Resolution 2020-05 – To Execute an Agreement between the Utilities Board of the City of Daphne and The City of Daphne for Payment of Capacity Fees for the Park Drive Municipal Sports Complex; the Motion was Seconded by Billy Mayhand.

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

Mr. Speegle noted that changes may be presented to the Board after the Daphne City Council’s review. Councilman LeJeune stated that the Agreement looks straightforward and appreciated everyone’s patience and cooperation.

VII. BOARD ATTORNEY’S REPORT

Mr. Speegle had nothing additional to include in his report but advised he had been in contact with ADEM regarding the consent decree concluding that although they appear fine with our final reports, they may not have the staff to finalize. He noted that Board members may receive calls, as he had, from other water treatment facilities around the area about our case and invited the Board members to refer those call to him and refrain from discussing Daphne Utilities’ legal issues with others.

VIII. FINANCIAL REPORT

Teresa Logiotatos reminded the Board members of previous mid-year financial presentation around June of each year and advised that it could be presented next month if the Board members prefer. She mentioned that after reviewing and comparing past years of accounts receivable, she has noticed no issues with utility bill payment failures. She advised there were 3 months of financials included in the board book and intended to only highlight a few items. She then emphasized: April’s financial summary sheet noting the revenue, expenses, total net income, budgeted year end income, net increase (decrease) in cash listed on the cash flow report, and the check history report.

IX. GENERAL MANAGER’S REPORT

A. GM Report

General Manager Scott Polk addressed the Board with a projects update. He spoke about

the status of the Everbridge Alert System and Mr. Bobby Purvis talked about the natural gas work and issues taking place at Jubilee Farms subdivision.

Mr. Polk advised the Board that Daphne Utilities will no longer be utilizing public relations services from Strategy Inc. He stated that we have been in consultations with Raftelis, which is a utility-based public relations firm.

Mr. Polk also pointed out to the Board that the previous two progress reports submitted to ADEM relative to the consent decree indicated that we had nothing new to report.

He then expressed to the Board the adjustments employees made to address the threat of the COVID-19 virus and the return to more normal hours. He acknowledged Bobby Purvis' operational contingency planning he started in early March and Drew Klumpp's help in setting up those who worked remotely. He expressed gratitude to DBC Delivers "Daily Bread" and Judy Swan who delivered numerous meals to first responders.

B. Operations Report

Mr. Bobby Purvis had nothing further to add to his report but clarified an equipment purchase and the working-hour modifications Daphne Utilities employees worked to minimize virus exposures.

Samantha Coppels gave additional comments on her report regarding a Raftelis customer survey to be distributed in the coming weeks with results presented thereafter. She emphasized the annual CCR report that was mailed, noted the mandated gas survey for pipeline safety was finalized, and advised of the distribution of the 2nd quarter newsletter. She informed the Board of her participation in a Raftelis webinar relating to utilities dealing with COVID-19 and communications and outreach.

C. Engineering & Consulting Reports

Mrs. Melinda Immel from Volkert added comments about the sewer work taking place in Lake Forest; Mr. Ray Moore from GMC had nothing additional for their reports.

X. BOARD ACTION – Previously addressed.

XI. PUBLIC PARTICIPATION – the Chairman invited participants to address the Board at 6:16 pm; with no additional comments, the Chairman closed Public Participation at 6:16pm.

XII. BOARD COMMENTS – No comment from Billy Mayhand; Robin LeJeune expressed his appreciation for all the hard work everyone had done during the recent stressful times; Tim Patton noted the encouragement having the lawsuit finalized, having good water supply, having a great MWPP reports and completing the resolutions for the SRF loans and noted the many positive issues taking place. He commended the staff for all the work being performed. Chairman Vaughn complimented the staff's quick response and adaptation to the continuing changes.

XIII. ADJOURNMENT

The Chairman called for adjournment at 6:18 pm.

A MOTION by Robin LeJeune to adjourn the meeting; Seconded by Tim Patton.

The meeting adjourned at 6:18 pm.

Preceding minutes submitted to the Daphne Utilities Board by:



Lori Wilson, Executive Assistant, Daphne Utilities