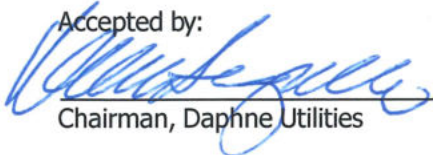


Accepted by:  
  
Chairman, Daphne Utilities



# APPROVED MINUTES

## Utilities Board Meeting

Council Chambers, Daphne City Hall ♦ January 25, 2017 ♦ 5:00 p.m.

### I. Call to Order

The regular January 2017 Board meeting for the Utilities Board of the City of Daphne was held on January 25, 2017 at 5:04 p.m. in the Council Chambers at Daphne City Hall and called to order by Chairman Robert Segalla, proceeded by the Roll Call:

### II. Roll Call

#### Members Present:

Robert Segalla, Chairman  
Billy Mayhand, Vice Chairman  
Selena Vaughn, Secretary/Treasurer - arrived at 5:05 pm  
Mayor Dane Haygood, Board Member - arrived at 5:05 pm  
Robin LeJeune, Board Member

#### Members Absent:

#### Others Present:

Jerry Speegle – Board Attorney  
Danny Lyndall – General Manager  
Van Baggett – Operations Manager  
Drew Klumpp – Administrative Services Manager  
Teresa Logiotatos – Finance 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.  
Selena Vaughn arrived.  
Mayor Dane Haygood arrived.

### IV. Approval of Minutes

#### A. Utilities Board Minutes from November 30, 2016:

The Chairman requested any additions, corrections, or deletions for the submitted Minutes from the November 30, 2016 Utilities Board Meeting.

**MOTION by Robin LeJeune to approve the submitted Minutes for the November 30, 2016 Utilities Board meeting; SECONDED by Billy Mayhand.**

AYE: Haygood, LeJeune, Mayhand, Segalla, Vaughn

NAY:

ABSENT:

ABSTAIN:

**MOTION CARRIED**

V. OLD BUSINESS – None

VI. NEW BUSINESS –

**A. Recommendation for Award: System-wide SmartPoint Installation and Programming – RFB#2016-05 (BOARD ACTION: MOTION)**

Drew Klumpp reviewed for the Board the scope of the radio-read project that initiated two years ago and clarified that while there were several contractors at the pre-bid conference in December, only one bid was submitted as presented in the amount of \$284,890.85. Mr. Klumpp explained that this was the last step for completion of the project whereby the contractor will install the end-points on the water, irrigation and gas meters, program them and re-program the existing meters in the field. He advised that this particular contractor has extensive experience and has 120 days to complete the project.

***MOTION by Mayor Haygood to accept the staff recommendation for RFB#2016-05 in the amount of \$284,890.85 for SmartPoint Installation and Programming; Seconded by Billy Mayhand.***

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

Chairman Segalla recognized and thanked Councilman Goodlin for attending the meeting.

**B. Motion to Authorize Sale of Trucks and Equipment (BOARD ACTION: MOTION)**

Jerry Speegle advised that by statute, Daphne Utilities is required to receive City approval after the Board approves. Danny Lyndall explained that the listed vehicles and equipment are no longer of value to the Utilities and once Daphne City Council approves, the items will be submitted for auction on govdeals.com.

***MOTION by Mayor Haygood to authorize the sale of trucks and equipment as described on the list headed as August 2016 as truck #1182, truck #2, truck #63, gas meter power, trencher, truck #7, truck #32, truck #88, truck #1153; Seconded by Billy Mayhand.***

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

**C. Right of Entry Agreement between Daphne Utilities and AlaPt. LLC (BOARD ACTION: MOTION)**

Danny Lyndall explained that this is a wireless broadband company requesting to put antennas on one of Daphne Utilities' water storage tanks which he had been talking to since last year and attorneys from each have agreed on details. He requested the agreement be approved by the Board in order to be submitted before the City Council for their approval as well. He answered questions from the Board.

***MOTION by Billy Mayhand to approve the Agreement between Daphne Utilities and ALAPT LLC as submitted; Seconded by Selena Vaughn.***

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



**D. Agreement between Daphne Utilities and Algae Systems for Remediation Guarantee (BOARD ACTION: MOTION)**

Mr. Speegle advised that a mutual agreement is forthcoming whereby Algae Systems will place a certain amount of money in their lawyer's trust account based on a proposal for work they received from a contractor regarding the site with the scope of work at the site that is acceptable to Daphne Utilities as we are most interested in getting the last of the equipment removed from the water. He continued that Mr. Lyndall anticipates that it will cost more than what Algae Systems' contractor has quoted. He advised that considering the alternative of suing, seeking a judgement for some amount and at the same time attempting to gain the insurance proceeds they are expecting to receive, this would be the quickest way to obtain the most money for the project of restoring the site to an orderly condition. Mr. Speegle recommended that we move forward and agree to the proposal negotiated with Algae Systems' lawyer and to also require them to put into their lawyer's trust account an amount to pay Volkert, to which they owe, who performed the marine survey and will perform an additional marine survey which will be required by the Corps of Engineers. He summarized that this agreement is as much as could be expected. A discussion took place regarding the clean-up project.

*MOTION by Mayor Dane Haygood to authorize the General Manager to enter into an Agreement between Daphne Utilities and Algae Systems for remediation guarantees related to the lease at the wastewater treatment plant but in no event less than \$50,000.00 for funds guaranteed to go toward remediation of that site contingent upon legal approval; Seconded by Billy Mayhand.*

AYE: Haygood, LeJeune, Mayhand, Segalla, Vaughn

NAY:

ABSENT:

ABSTAIN:

**MOTION CARRIED**

Mayor Haygood and Councilman LeJeune left the meeting.

**VII. BOARD ATTORNEY'S REPORT**

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

**VIII. FINANCIAL REPORT**

Teresa Logiotatos reviewed financial highlights for the month of December pointing out that it is a year-to-date report which would include November. She advised that the inventory has decreased due to the AMR project and the need for new signature cards for the 3 banks with which we conduct business. Mr. Lyndall pointed out that some of our expenses may appear heavier toward the end of the year which will effect the net income figure throughout the year. Mrs. Logiotatos advised that she will be revamping some of the bank accounts that appear on the Balance Sheet chart and explained several of the checks that appear on the Check History Report.

**IX. GENERAL MANAGER'S REPORT**

**A. GM Report**

Danny Lyndall announced the completion of the Olde Towne Daphne Treatment facility on 6<sup>th</sup> Street and plans to conduct the dedication, ribbon-cutting and open house on Friday, February 24<sup>th</sup>. He invited the Board members to the 10am dedication and invited city officials, city leaders and the public to the 10:30am ribbon cutting and open house. He invited Samantha Coppels to talk about the "in service" held for our employees. Mrs. Coppels explained the "reFRESHer" week where topics that were reviewed included finance, employee handbook, and procedures and policies. Mr. Lyndall also noted the results of a GALLUP Survey on employee engagement.

**B. Operations Report**

Van Baggett introduced new employees Darren Slaughter as the Wastewater Treatment Manager, Myron Moseley in the Maintenance Department, and Matthew Williamson in the Wastewater Treatment Plant. He also announced that Mr. Lyndall received his Masters of Public Administration

from Troy University. He noted heavy rainfall and overflows and commended the staff for their quick reaction to the events.

**C. Engineering & Consulting Reports**

Melinda Immel from Volkert had nothing to add to her report.

Ray Moore from HMR updated the Board on the 6<sup>th</sup> Street project as well as the City's sewerage project.

**X. BOARD ACTION** – Previously addressed under new business.

**XI. PUBLIC PARTICIPATION** – None

**XII. BOARD COMMENTS**

Mr. Mayhand commended Danny Lyndall and staff for doing a great job.

**XIII. ADJOURNMENT** –

***MOTION by Billy Mayhand to adjourn.***

The meeting adjourned at 5:51 pm.

Preceding minutes submitted to the Daphne Utilities Board by:



Lori Wilson, Executive Assistant, Daphne Utilities