


Accepted by:



Chairman, Daphne Utilities



APPROVED MINUTES

Utilities Board Meeting

Council Chambers, Daphne City Hall ♦ May 31, 2023 ♦ 5:00 p.m.

I. Call to Order

The regular May 2023 Board meeting for the Utilities Board of the City of Daphne was held on May 31, 2023 in the Council Chambers at Daphne City Hall and called to order at 5:00 p.m. by Chairwoman Selena Vaughn, followed by the Roll Call:

II. Roll Call

Members Present: Selena Vaughn, Chairwoman
Tim Patton, Vice Chairman
Councilwoman Angie Phillips, Board Member

Members Absent: Billy Mayhand, Secretary/Treasurer
Mayor Robin LeJeune, Board Member

Others Present: Jerry Speegle – Board Attorney
Scott Polk – General Manager
Bobby Purvis – Operations Manager
Lexus Carlee – Finance Specialist
Alex Godfrey – Administrative Services Manager
Samantha Coppels – Communications Manager
Lori Wilson – Executive Assistant

Troy Strunk – City of Daphne Executive Director City Development

Others Absent: Teresa Logiotatos – Finance Manager

III. Pledge of Allegiance

The Chairwoman led the Board and meeting attendees in the Pledge of Allegiance.

IV. Public Participation

Chairwoman Vaughn announced a change to the agenda by opening Public Participation at 5:01 pm and invited anyone from the audience to address the Board. With no participants, she closed Public Participation at 5:01pm.

V. Approval of Minutes

Utilities Board Meeting Minutes April 26, 2023

The Chairwoman requested any additions, corrections, or deletions for the submitted minutes of the April 26, 2023, Daphne Utilities Board meeting.

Vice Chairman Tim Patton requested his abstention votes under New Business be reflected as in favor. Chairwoman Vaughn called for a Motion to accept the minutes with those changes.

MOTION by Vice Chairman Tim Patton to accept the submitted April 26, 2023 Daphne Utilities Board meeting minutes with the noted corrections; Motion was Seconded by Councilwoman Angie Phillips.

AYE: Patton, Phillips, Vaughn

NAY:

ABSENT: LeJeune, Mayhand

ABSTAIN:

MOTION CARRIED

VI. OLD BUSINESS

A. None

VII. NEW BUSINESS –

A. **Emergency Declaration** for pump failure at Well #10

GM Scott Polk explained to the Board about the pump failure that occurred at Well #10 on April 29th that required the initiation of emergency work orders to restore it to operational use.

B. **Recommendation for Bid Award** – Village Drive Water Main Replacement Phase One (Volkert Project #408261) for the total bid amount of \$360,983.10 to Circle S Contracting, LLC
(Board Action – MOTION)

Marcus Stacey from Volkert justified the recommendation to the Board and answered questions for this project.

MOTION by Vice Chairman Tim Patton to award the Village Drive Water Main Replacement Phase One (Volkert Project #408261) for the total bid amount of \$360,983.10 to Circle S Contracting, LLC ; Motion was Seconded by Councilwoman Angie Phillips

AYE: Patton, Phillips, Vaughn

NAY:

ABSENT: LeJeune, Mayhand

ABSTAIN:

MOTION CARRIED

C. **Presentation** of 2021/2022 Audit by Mike Andreoli of Robertson, Andreoli & Covington, PC

Mr. Mike Andreoli from Robertsdon, Andreoli & Covington reviewed the audit with the Board members.

VIII. BOARD ATTORNEY'S REPORT

Mr. Jerry Speegle had nothing to add but was available for questions.

IX. FINANCIAL REPORT

Finance Specialist Lexus Carlee highlighted for the Board the April 2023 financials reporting: the savings transfer to a new money market account; metered services performing over budget, under expenses and on target to meet the budgeted year-end income; and several checks from the Check History Report. She offered to answer any questions.

Mr. Polk commented that we are evaluating the current 6-month financials against the rate-increase spreadsheet to gauge our standing and make adjustments as needed.

X. GENERAL MANAGER'S REPORT

A. GM Report

General Manager Scott Polk reported on: the progress at the Diamante water well moving forward; power interruptions at the Grit Removal System Upgrade project due to the contractor inadvertently severing power line; road closure plans for the water main reconnection at the US98 Gator Boardwalk project; the continuing progression of the North Main Street Sewer Line Upgrade GOMESA project whereby the contractor experienced a very serious incident that required the worksite to be temporarily shut down while OSHA performed their investigation, and he commended the employees, Daphne first responders and emergency personnel who swiftly assisted. Mr. Polk clarified a Board question regarding the OSHA investigative report, noting that since it was the contractor that experienced the incident it would be unlikely that Daphne Utilities would be privy to the report from OSHA. He further commented that Bobby Purvis initiated a safety stand-down for our employees that day to discuss what happened and preventative measures. Mr. Polk then continued his review of his submitted report: updating the status of the Rehab of Well #2 -now Well #15 – project; announcing a meeting being scheduled to discuss further tasks for the Water Reclamation Facility Capital Improvement Plan; and lastly pointing out that the CCR had been mailed out to customers as required by ADEM.

B. Operations Report

Mr. Bobby Purvis reported on employees being transitioned into other positions within Daphne Utilities – Alex Godfrey will replace Drew Klumpp as Administrative Services Manager; Devin Merriweather promoted to Natural Gas Supervisor; and Willie Autry promoted to Natural Gas Manager. Mr. Purvis expressed how proud he is of their accomplishments.

Mr. Polk announced Drew Klumpp's official retirement in a few weeks. Chairwoman Vaughn commented on the long-standing and good people approaching retirement and expressed her appreciation for their tenure.

C. Engineering & Consulting Reports – nothing to add to the submitted reports.

XI. BOARD ACTION – previously addressed.

XII. BOARD COMMENTS –

Troy Strunk, City of Daphne Executive Director City Development, was present to report that Mayor LeJeune was absent due to upcoming pre-op surgery, and Mr. Strunk was in attendance to give a report on the Mayor's behalf.

Mr. Strunk discussed a City of Daphne large drainage project along North Main Street and through Lake Forest targeting drainage issues in that area and, in particular, near the fire station whereby the contractor encountered a water line and sewage line in the repair of a drainage box.

He announced that: there had been a change order proposed due to some conflicting information on the horizontal and vertical separation of the sewer line, the water line, and the drainage box; Mr. Polk and Mr. Purvis had been involved in some aspects of it; the change order is approximately \$100,000; the City of Daphne understood that this is a project the City had undertaken and considered and be responsible for some of the change orders. Since there are water and sewer lines involved in this project, he requested that Daphne Utilities and its Board consider contributing toward this repair order for approximately 25% or \$25,000 to relocate the water line and reinforce the sewer line to protect the drainage structure.

Chairwoman Vaughn questioned about our previous financial involvement in this specific area, to which Mr. Polk confirmed the total costs of materials and labor amounting to approximately \$20,000 to \$25,000. He also commented that, additionally, we had to contract one of our engineers to develop a plan to protect the sewer and water lines, though we have not received the cost on this as yet, in order to make sure that whatever is done over the lines will adequately protect them from causing any problems.

Vice Chairman Patton asked if Daphne Utilities is considering another alternative to what is being proposed. Mr. Polk explained that they have met with the contractor on site and suggested a couple of options to protect the lines, though their engineering team went with one of the options however they did not develop a plan and just requested material from WR Mitchell and communicated with WR Mitchell, asking for the plans to find out what they were doing to make sure it was going to be adequate protection, realized they did not have anything drawn up, and they were just going to move things. Mr. Polk stated we then asked for one of our engineers to develop a quick set to protect those lines adequately.

Mr. Strunk commented that the City understood: that there are plans being developed by Daphne Utilities just recently; the City had been provided a change order that the City was under the impression that Daphne Utilities was okay with and presented that change order to the City Council; and that the Daphne City Council and the Mayor wanted to bring it to Daphne Utilities to explore the possibility for the payment of the relocation of the water and the reinforcement of the sewer line. Mr. Polk noted that the communication gap is with the engineering firm and they forwarded it to the City without confirmation it was acceptable with Daphne Utilities because we would have asked to see the drawings. Mr. Strunk confirmed that the Mayor has spoken with Mr. Polk and that the City is waiting to hear about the revised drawings but the point is the City would like 25% from the Utilities in addition to what has been spent.

Chairwoman Vaughn emphasized that the City and Daphne Utilities should ensure thorough communication about all these projects before the scope of work ever gets out for the bid process because much of this would have been discovered and she reaffirm the dedication to always be available when the City calls to be involved in infrastructure planning. She also recapped that this work for the utilities was not included in the scope of work. Mr. Polk pointed out that this was done several years ago even before there was a City Engineer on staff and that it's possible it could have been that the engineer did not miss recording with us, there are as-builts with lines that are very well known, and it appears to be a miscommunication issue with the engineer but not with the City and Daphne Utilities. Mr. Strunk stated that his communication and experience with Daphne Utilities with Scott [Polk] and Bobby [Purvis] in particular have always been readily available and helpful.

Chairwoman Vaughn inquiringly summarized the situation as having nothing at that location that required an update or change so that everything that Daphne Utilities has spent is just to relocate and not just to relocate but to buy new material.

Mr. Purvis explained that was correct for the water line, the plan was to relocate and lower it, but the sewer line was not going to be relocated, with a plan to try to reinforce it so that the actual basin didn't cause a problem because his concern was that concrete settles over time and he was interested in something built similar to what was constructed for the drainage at Well Road and County Road 13 where there was the raw water line that was a huge concern and there was almost a bridge built over it with footers, with a platform added then poured concrete over so there was no

way for it to settle on top of our pipe. Mr. Purvis stated when he talked to WR Mitchell, they wanted Daphne Utilities to put a casing over it with some rock and he had concerns with that because it would settle and that's when they sent him some plans; he said that's when he suggested pausing to see if he could get some plans to get someone to show how we could protect this line because we cannot take it out of service, we would have to bypass it if we had to relocate it because it's the main line going to the [water reclamation] plant which would be a big undertaking. He stated he thought based on the elevations of the sewer line and the bottom of the stormwater basin that building a platform with those footers would be the best route to take but would rely on an engineering firm to determine the cost.

Councilwoman Angie Phillips asked if what Mr. Purvis just explained and recommended is in the change order. Mr. Strunk advised that it was not and said it was part of what they are still working for, but they received a change order for just over \$100,000; he stated he was just advised earlier in the day that Daphne Utilities requested additional some plans and hired an engineer to review and make sure they're comfortable with the design or proposed solution, something he stated they may or may not be and his understanding was that this was a solution proposed on site during a meeting with Daphne Utilities but that he was not there, Mr. Purvis acknowledged he was not either.

Mr. Polk commented that the solutions that were proposed however would still require engineering drawings to determine how they were going to do that and did not disagree what the City received as the change order would be everything needed, it would just mean additional protection is possible. Mr. Strunk agreed that was fair and glad Daphne Utilities was proceeding to provide a safe system for everyone.

Vice Chairman Tim Patton asked if this could be finalized before a vote in order to know on what amount to be voted. Chairwoman Vaughn inquired where Daphne Utilities have to cut on their own projects and improvements to accommodate this. Mr. Polk responded that we would have to know what the total cost would be and what the Board is requesting to transfer to the City.

Mr. Strunk reiterated the amiable cooperation in working with Scott Polk and Bobby Purvis.

Mr. Patton commented on the employees being promoted and remarked about the assumption of pumping a lot of water based on his recent interaction with Mr. Larry English and thanked everyone.

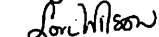
Councilwoman Phillips congratulated those employees who were present on their promotions and asked to convey congratulations to those promoted employees not in attendance.

XIII. ADJOURNMENT

Chairwoman Vaughn announced the meeting was adjourned.

The meeting adjourned at 5:47pm.

Preceding minutes submitted to the Daphne Utilities Board by:



Lori Wilson, Executive Assistant, Daphne Utilities