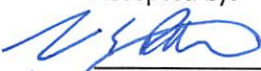


Accepted by:

Vice Chairman, Daphne Utilities



APPROVED MINUTES

Utilities Board Meeting

Council Chambers, Daphne City Hall ♦ September 27, 2023 ♦ 5:00 p.m.

I. Call to Order

The regular September 2023 Board meeting for the Utilities Board of the City of Daphne was held on September 27, 2023 in the Council Chambers at Daphne City Hall and called to order at 5:01 p.m. by Chairwoman Selena Vaughn, followed by the Roll Call:

II. Roll Call

Members Present: Selena Vaughn, Chairwoman
Tim Patton, Vice Chairman
Billy Mayhand, Secretary/Treasurer
Mayor Robin LeJeune, Board Member
Councilwoman Angie Phillips, Board Member

Members Absent:

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
Teresa Logiotatos – Finance Manager

Others Absent:

III. Pledge of Allegiance

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

IV. Approval of Minutes

Utilities Board Meeting Minutes August 30, 2023

The Chairwoman requested any additions, corrections, or deletions for the submitted minutes of the August 30, 2023, Daphne Utilities Board meeting.

With no additions, corrections or deletions for the submitted minutes of the August 30, 2023 Daphne Utilities Board meeting, the Chairwoman announced the minutes would stand approved.

V. OLD BUSINESS – None

VI. NEW BUSINESS –

A. Board Officer Election – (Board Action – Motion)

1. Chairman -

Chairwoman Vaughn nominated Mr. Billy Mayhand for Chairman; Mr. Mayhand thanked her for her kind words and nomination but declined due to the fact that he would be working night classes at the college during the next semester for the next year.

Mr. Tim Patton then nominated Selena Vaughn as Chairwoman; with no other nominations declared for chair, Chairwoman Vaughn closed nominations and called for a vote.

MOTION by Vice Chairman Tim Patton to nominate Selena Vaughn for the officer position of Chairperson. With no other nominations, a call for votes was announced:

AYE: LeJeune, Mayhand, Patton, Phillips

NAY:

ABSENT:

ABSTAIN: Vaughn

MOTION CARRIED

2. Vice Chairperson –

MOTION by Mayor Robin LeJeune to nominate Tim Patton for the officer position of Vice Chairperson. With no other nominations, a call for votes was announced:

AYE: LeJeune, Mayhand, Patton, Phillips

NAY:

ABSENT:

ABSTAIN: Vaughn

MOTION CARRIED

3. Secretary/Treasurer -

MOTION by Mr. Tim Patton to nominate Mr. Billy Mayhand for the officer position of Secretary/Treasurer. With no other nominations, a call for votes was announced:

AYE: LeJeune, Mayhand, Patton, Phillips

NAY:

ABSENT:

ABSTAIN: Vaughn

MOTION CARRIED

B. Discussion – Board members salary

Mayor LeJeune advised that this topic was discussed at the budget work-session and decided to communicate with Legal and was sent information and then referred to Mr. Speegle to address. Mr. Speegle advised that for a company organized under [Daphne Utilities'] specific statute, the City Council can authorize payment to directors/board members for up to \$600 per meeting for the Chair, not more than \$7,200 per year, cannot pay for sewer related, it is for the first non-sewer system, an additional \$10 per meeting for each additional non-sewer system; board members, not more than \$400 per meeting or more than \$4,800 per year as the general parameters. Chairwoman Vaughn asked if there was the ability to refuse the pay, Mr. Speegle stated that he did not know the answer to that question but offered that the pay could be accepted and donated to charity and take a deduction on one's tax return. He clarified that Daphne Utilities is a public corporation and not a 501C3 but that he would have to investigate further. Mr. Speegle noted that the issue would need to be requested by the City Council to

evaluate and determine compensation to board members via letter by the Chair to the City Council would be sufficient.

C. Recommendation for Motion to Approve – draft Interconnection and Water Purchase Agreement for the sale and purchase of water with the City of Fairhope (**Board Action – Motion**)

General Manager Scott Polk advised that Legal reviewed the legality of connecting and the agreement and was forwarded to Fairhope as a draft as well for their review and presented to the Board that we would be making an official connection with Fairhope and this document protects Daphne Utilities and Fairhope for that connection. Mr. Tim Patton stated that after reviewing ADEM documents, they encourage utilities to have a written agreement. He provided a few noted changes. Councilwoman Angie Phillips offered a grammatical change.

MOTION by Councilwoman Angie Phillips to approve the Interconnection and Water Sale/Purchase Agreement with the changes noted; Seconded by Mr. Billy Mayhand.

AYE: LeJeune, Mayhand, Patton, Phillips

NAY:

ABSENT:

ABSTAIN: Vaughn

MOTION CARRIED

D. Proposed FY22-23 Budget and Capital Improvement Plan – (**Board Action – Motion**)

Mr. Scott Polk advised there were no significant changes to the budget from work-session with the Board, except the only consideration would be depending on if the City authorizes compensation for the Board, which we discussed would be funded from the legal budget. Mr. Speegle noted that no additional authorization would be required.

MOTION by Councilwoman Angie Phillips to approve the [submitted] FY22-23 Budget and Capital Improvement Plan; Motion was Seconded by Vice Chairman Tim Patton.

AYE: LeJeune, Mayhand, Patton, Phillips

NAY:

ABSENT:

ABSTAIN: Vaughn

MOTION CARRIED

VII. BOARD ATTORNEY'S REPORT

Mr. Jerry Speegle had no formal report but was available for questions.

VIII. FINANCIAL REPORT

Finance Specialist Lexus Carlee pointed out for the Board on: the Financial Summary that the total assets have increased, the Truist Money Market account earning interest better than expected, metered services performing over budget except for gas due to cost of gas being lower than anticipated for this year, total year to date expenses are under budget, the total net income for the year seeming high due to larger invoices requiring payment before closing out the fiscal year; the Cash Flow Operating report cash balance reflecting low compared to normal due to a bond disbursement, and concluded reviewing a few checks in the Check History Report.

IX. GENERAL MANAGER'S REPORT

A. GM Report

General Manager Scott Polk updated the Board on: the Vortex Grit System at the WRF, the Village Drive water main replacement phase 1 of 3, GOMESA funds designated for US90 Force Main stabilization project, Well #15 (formerly Well #2) final testing protocol for quantity, the Diamante Well going on line, the next steps for the 5-Year Strategic Plan included in the 20-Year Capital Improvement Plan, and finally the current status of the water interconnect with Fairhope.

Mr. Polk pointed out that this would be the last meeting for retiring finance manager, Teresa Logiotatos.

Samantha Coppels advised the Board of the ribbon-cutting and grant award day timeframe.

B. Operations Report

Mr. Bobby Purvis apprised the Board on: work at Fire Station #2, the Belrose Avenue project, and lastly Lavendar Lane water and gas project.

C. Engineering & Consulting Reports – nothing to add to the submitted reports. Mr. Polk complimented Mrs. Melinda Immel and the staff at Volkert in coordinating with ADEM to receive the ARPA grants.

X. BOARD ACTION – previously addressed.

XI. PUBLIC PARTICIPATION

Chairwoman Vaughn announced Public Participation at 5:35 pm. With no participants, the Chairwoman closed Public Participation at 5:35 pm.

XII. BOARD COMMENTS –

Mayor Robin LeJeune thanked Mrs. Teresa Logiotatos for her work at the Utilities and congratulated her on her retirement.

Mr. Tim Patton, Chairwoman Vaughn, Mr. Billy Mayhand, and Councilwoman Phillips also thanked and congratulated Mrs. Logiotatos and wished her well.

XIII. ADJOURNMENT

Chairwoman Vaughn called for a motion to adjourn the meeting.

MOTION by Secretary/Treasurer Billy Mayhand to adjourn the meeting; Motion was Seconded by Vice Chairman Tim Patton.

AYE: LeJeune, Mayhand, Patton, Phillips

NAY:

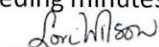
ABSENT:

ABSTAIN: Vaughn

MOTION CARRIED

The meeting adjourned at 5:37pm.

Preceding minutes submitted to the Daphne Utilities Board by:



Lori Wilson, Executive Assistant, Daphne Utilities