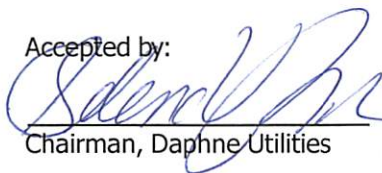


Accepted by:


Chairman, Daphne Utilities



APPROVED MINUTES

Utilities Board Meeting

Council Chambers, Daphne City Hall ♦ August 26, 2026 ♦ 5:00 p.m.

I. Call to Order

The regular August 2026 Board meeting for the Utilities Board of the City of Daphne was held on August 26, 2026, in the Council Chambers at Daphne City Hall and called to order at 5:00 pm 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
Councilman Joel Coleman, Board Member

Members Absent:

Others Present: Jennifer Holifield – Board Attorney
Alex Godfrey – Chief Operations Officer
Lexus Carlee – Chief Finance Officer
Samantha Coppels – Chief Communications Officer
Kelly DeLaney – Customer Service Manager
Lori Wilson – Executive Assistant

Others Absent: Jerry Speegle – Board Attorney
Scott Polk – CEO/General Manager

III. Pledge of Allegiance

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

IV. Approval of Minutes

A. Utilities Board Meeting Minutes July 29, 2026

The Chairwoman requested any additions, corrections, or deletions for the submitted minutes of the regular Daphne Utilities Board meeting of July 29, 2026.

With no additions, deletions or corrections, the Chairwoman declared that the submitted minutes of the regular Daphne Utilities Board meeting of July 29, 2026, would stand approved.

B. Utilities Board Budget Meeting Minutes, August 19, 2026

The Chairwoman requested any additions, corrections, or deletions for the submitted minutes of the regular Daphne Utilities budget meeting of August 19, 2026.

With no additions, deletions or corrections, the Chairwoman declared that the submitted minutes of the regular Daphne Utilities budget meeting of August 19, 2026, would stand approved.

V. OLD BUSINESS –

A. None

VI. NEW BUSINESS –

A. Authorization for Sale of Trucks and Equipment on GovDeals.com (Board Action – MOTION TO APPROVE)

Chief Operations Officer Alex Godfrey addressed the Board in CEO/GM Scott Polk's absence requesting authorization to sell on govdeals.com generators from the Water Quality department that have been replaced with natural gas generators. He informed the Board that once their authorization is given, the request will be forwarded to the Daphne City Council for final authorization.

MOTION by Vice Chairman Tim Patton to approve Authorization for Sale of Trucks and Equipment on GovDeals.com, the Motion was seconded by Billy Mayhand.

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

B. Proposed FY 26/27 Budget and Capital Improvement Plan as submitted (Board Action – MOTION TO APPROVE)

COO Alex Godfrey explained that the submitted budget has been revised to incorporate items discussed at the August 19th FY26/27 budget work session, including the proposed COLA, rate adjustments, and updated retirement costs.

MOTION by Vice Chairman Tim Patton to approve the FY26/27 Budget and Capital Improvement Plan, as presented, the Motion was seconded by Billy Mayhand.

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

C. RESOLUTION 2026-03 – to Adopt the Proposed Longevity Compensation Pay for Current, Full-Time Daphne Utilities' Employees (Board Action – RESOLUTION)

COO Alex Godfrey reminded the Board that this Proposed Longevity Compensation Pay was also discussed at the August 19th FY26/27 budget work session to update the Utilities' longevity compensation pay structure to align with what the City of Daphne currently has in place.

MOTION by Vice Chairman Tim Patton to approve Resolution 2026-03 – Longevity Compensation Pay for Current Full-Time Daphne Utilities’ Employees, as submitted, the Motion was seconded by Billy Mayhand.

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

D. RESOLUTION 2026-04 – to Adopt the Proposed Increases in Water and Sewer Rates as previously discussed (Board Action – RESOLUTION)

COO Alex Godfrey recapped the rate discussion from the August 19th budget work session to be effective October 1st [2026] with a 10% increase in water and sewer rates as well as an increase in natural gas base rate to \$1.20 with a gas minimum of \$9.52, which are included in the just-approved updated budget revenue numbers.

Mayor Robin LeJeune inquired as to how the rate was determined, CFO Lexus Carlee explained the calculation and expected revenues as well as upcoming debt service coverage. A discussion transpired regarding necessary capital improvement projects and funding.

MOTION by Vice Chairman Tim Patton to approve RESOLUTION 2026-04 – to Adopt the Proposed Increases in Water and Sewer Rates, as previously discussed; the Motion was seconded by Billy Mayhand.

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

VII. BOARD ATTORNEY’S REPORT

Ms. Jennifer Holifield, representing Mr. Jerry Speegle, had nothing further to add to the submitted report.

VIII. FINANCIAL REPORT

Finance Manager Lexus Carlee highlighted for the Board: the revenue and expenses are close to projections; the total net income is favorable; cash position changes due to three large payments were for the new vac-truck, annual loan payments and construction costs. She offered to answer questions from the Board.

IX. GENERAL MANAGER’S REPORT

A. GM Report

Chief Operations Office Alex Godfrey reported on CEO/GM Scott Polk’s absence that: progress was being made on the GOMESA by-pass pump project with all six pumps being installed and finalizing the natural gas component and waiting on SCADA integration with expectations of start-up in the coming weeks; receipt of results for the sample test well for Daphmont as well as moving forward with the land swap with the City of Daphne; received clearance from ADEM to move forward with the pre-construction process on Trojan Well #16 with a pre-construction meeting scheduled with National Water Services; Well #4 at Central Water Treatment plant pump was replaced and well was cleaned and up and running;

researching to apply for Restore Act funds to aid costs for the WRF upgrades working closely with Volkert and Krebs coordinating application for submission in October. He announced that Rob Vaughn with Krebs was in attendance to update the Board and give a presentation.

B. Operations Report

Chief Operations Officer Alex Godfrey noted that Mr. Scott Polk basically covered everything that was in his report and offered to answer any questions from the Board members.

C. Engineering & Consulting Reports –

Rob Vaughn with Krebs Engineering updated the Board regarding the current infrastructure situation and issues with aging equipment at the Water Reclamation Facility, noting that improvements and upgrades could take up to 2 years in two phases.

X. PUBLIC PARTICIPATION – At 5:41pm, Chairwoman Vaughn opened and closed Public Participation noting that there was no participation.

XI. BOARD ACTION – Previously addressed.

XII. BOARD COMMENTS –

Councilman Joel Coleman had no further comments.

Mr. Billy Mayhand had no comment.

Mr. Tim Patton had no comment.

Mayor Robin LeJeune suggested having a meeting to discuss the future of natural gas revenues and infrastructure. COO Alex Godfrey acknowledged the need for such a meeting.

XII. ADJOURNMENT

With no additional comments, the Chairwoman Vaughn called for a motion to adjourn the meeting. Councilman Joel Coleman made the Motion to Adjourn. The meeting adjourned at 5:45 pm.

Preceding minutes submitted to the Daphne Utilities Board by: Lori Wilson, Executive Assistant, Daphne Utilities

Lori Wilson