

Regular Meeting August 6, 2015

Chairman O'Neil Robinson called the regular meeting of the Board of Water and Sewer Commissioners of the City of Saraland, Alabama, to order at 6:30 P.M. at the Saraland Water Service conference room with the following Board Members present:

Present:
Mr. H. O'Neil Robinson
Mr. Jackie R. Haines
Mr. James E. Davis
Mr. Ron K. Mitchell

Absent:
Mr. Allen K. Wine

Mr. Raymond Bell, Board Attorney, and Mr. Darryl Russell, Board Engineer, were present.

Mr. Robinson opened the meeting with prayer.

The minutes of the July 16, 2015 meeting were approved by signature.

Committee Reports:

Mr. Davis reported, since the last Board Meeting; the men have resolved 22 Complaint Cards and worked 25 Alabama 811 locates. Starting in October we will be receiving Alabama 811 locate transmissions for both water and sewer. Mrs. Robinson is researching an option to continue receiving the transmissions; at no cost for the locate transmissions. Mr. Davis asked Mrs. Robinson to elaborate. Mrs. Robinson explained how choosing a different delivery method would save the Board money.

Mr. Mitchell reported, since the last Board Meeting; the men moved a ¾" meter out of the driveway at Brock Circle. The men replaced an angle stop on Laredo Drive and installed two ¾" partial taps in Spanish Trace. The men have installed twenty-six ¾" radio read meters. Mr. Mitchell discussed the previous two financial statements, minimum bills, FDIC insured amounts, and bonds.

Mr. Haines reported, since the last Board Meeting; four new tires were put on Truck #32, 2005 Ford ¾ ton. Mr. Vaughn built and installed burglar bars for the front doors of the new shop. Mr. Haines stated if any of the Board Members have a moment please stop by and look at them. Mr. Hennis, Mr. Russell and Mr. Robinson walked through the new shop to get remodeling ideas and what it will take to accomplish it.

Old Business:

Mr. Robinson opened discussion on the tank maintenance. Mr. Hennis reported he and the Chairman will be meeting with a Regions representative Monday, August 10, 2015 to sign the loan documents. The money borrowed will pay for cleaning the tanks, reservoir and begin tank maintenance contracts. Mr. Haines asked Mrs. Robinson to discuss the terms of the low interest loan. Mrs. Robinson explained the terms to the Board.

Mr. Robinson opened discussion on the chemical bid proposal. Mr. Hennis asked Mr. Russell to report on this under the Engineer's Report later in the meeting.

Mr. Robinson opened discussion on updating the signature cards at Regions Bank for all bank accounts. Mr. Robinson asked all of the Board Members to sign. Mr. Robinson asked Mr. Hennis to get Mr. Wine's signature and driver's license.

Mr. Robinson opened discussion on the booster pump variable frequency drive. Mr. Hennis explained one of the variable frequency drives at the booster pump was damaged due to a surge either by lighting or by the power company. Mr. Hennis received two quotes on replacing the variable frequency drive. Mr. Hennis reviewed the quotes with the Board. Mr. Hennis recommended the Board go with the lower quote from Mayer Electric in the amount of \$2,250.00. Mr. Davis made a motion to accept the Superintendent's recommendation and go with Mayer Electric to replace the damaged variable frequency drive at the Norton Avenue booster pump for the cost of \$2,250.00. Mr. Haines seconded. Motion passed.

New Business:

Mr. Robinson opened discussion regarding customer Cherie Skeen. Ms. Skeen asked to be placed on the agenda to address the Board regarding a high bill. Mrs. Robinson stated Ms. Skeen could not be present tonight, due to a prior commitment, but she would appreciate the Board reviewing her situation. Ms. Skeen plans to attend the next Board meeting. The Board discussed Ms. Skeen's bill and the readings from billing to all of the re-checks.

Mr. Robinson opened discussion on the independent rate schedule for water and sewer. Mr. Hennis explained the benefits of separating the two rate schedules. The Board discussed how separating the rates would impact our customers. Mr. Hennis discussed establishing a commercial rate separate from the residential rate schedule. The Board discussed the rate schedules. Mr. Hennis suggested the Board pay all water and sewer employees out of water gross revenue account so all sewer revenue can be used to pay for maintenance and the bond payments. Mr. Hennis will bring suggestions for rate increases and commercial rates to the next meeting. Mr. Mitchell agreed it is a good idea to create different rate schedules for residential and business.

Mr. Robinson opened discussion on the 10% special merit increase for Mr. Terrance Brown, Public Service Worker I. Mr. Hennis stated Mr. Brown has really stepped; he is doing a great job and he is very deserving of this special merit increase. Mr. Davis added; Mr. Brown has really stepped up in the absence of Mr. Rogers even at times filling the demands of two employees. Mr. Haines discussed the results of Mr. Brown's operator exams. Mr. Davis reminded the Board Mr. Rogers is a Public Service Worker I and he has been out due to illness since April 2015. Mr. Davis made a motion to accept the Superintendent's request to grant Mr. Terrance Brown, Public Service Worker I, a 10% special merit increase. Mr. Haines seconded. Motion carried.

Mr. Robinson opened discussion on the 2-1/2% merit increase for Mrs. Nicole Robinson, Office Assistant III. Mr. Hennis stated this is not a special merit increase it is the regular 2-1/2% annual merit increase all employees are eligible for on their anniversary date. Mr. Hennis stated based on Mrs. Robinson's service evaluation she is deserving of the merit increase. Mr. Mitchell made a motion to grant Mrs. Nicole Robinson, Office Assistant III, a 2-1/2% merit increase. Mr. Davis seconded. Motion carried. Mrs. Robinson thanked the Board.

Mr. Robinson opened discussion on the 5% special merit increase for Mrs. Katherine McDuffie, Office Assistant II. Mr. Hennis explained there is a top out pay rate for each job classification and Mrs. McDuffie topped out four years ago. Mr. Robinson stated Mrs. McDuffie does a terrific job and he feels she deserves this special merit increase. Mr. Haines agreed with Mr. Robinson. Mr. Haines made a motion to grant Mrs. Katherine McDuffie, Office Assistant II, a 5% special merit increase. Mr. Davis seconded. Motion carried.

Mr. Robinson opened discussion on the 10% special merit increase for Mr. Chad Hennis, Superintendent. Mr. Robinson stated Mr. Hennis has done an exemplary job as Superintendent. Mr. Davis stated Mr. Hennis has shown excellent leadership and management skills. Mr. Robinson reported he received Mr. Hennis' Working Test Period Quarterly Evaluation from the Mobile County Personnel Board. Mr. Robinson stated based on Mr. Hennis' job performance and management ability he would like to end the required one year work test period early. Mr. Robinson added it is customary to give an employee a 10% special merit increase at the end of their work test period. Mr. Mitchell made a motion to end the one year work test period and grant Mr. Chad Hennis, Superintendent, a 10% special merit increase. Mr. Davis seconded. Motion carried. Mr. Hennis thanked the Board. Mr. Davis added it is much deserved.

Mr. Robinson opened discussion on the Chamber of Commerce membership renewal and the renewal fee of \$210.00. Mr. Mitchell discussed the importance of being a Chamber of Commerce member. The Board agreed with Mr. Mitchell. Mr. Mitchell made a motion to renew the Chamber of Commerce membership and pay the \$210.00 membership fee. Mr. Haines seconded. Motion carried. Mr. Mitchell stated we need attendance; Saraland Water is a secretive organization and we need to get out more.

Mr. Robinson opened discussion on the invoices presented for ratification: Central Pipe Supply, Inc. inv#S100013102.003, dated 7/2/15 in the amount of \$14,800.00 for the meter reading laptop, warranty and training. (The Board authorized Mr. Hennis to order the laptop in the 2/19/15 Board Meeting.) Mobile County Personnel Board inv#10609, dated 7/21/15 in the amount of \$1,812.08 for 2014-2015 Quarterly Personnel Board Expense. Betancourt and King CPA, invoice dated 7/24/15 in the adjusted amount of \$3,500.00 for the Feasibility Study. The Board discussed the invoices presented for ratification. Mr. Hennis asked the Board not to pay the Central Pipe Supply invoice until after the training session has been completed. Mr. Hennis stated he will notify Central Pipe of the reason for delayed payment. Mr. Haines made a motion to pay the invoices from the Mobile County Personnel Board (\$1,812.08) and Betancourt and King CPA (\$3,500.00). Mr. Mitchell seconded. Mr. Mitchell stated he feels the invoice from the CPA is still excessive. Motion carried.

Secretary / Treasurer's Report:

Mr. Wine was not present at this meeting.

Vice-Chairman's Report:

Mr. Davis reported the final stage of the Mainframe / Workstation Upgrade is near completion. We have purchased an EPSON track feed printer for the front office and the staff will use this printer to print receipts for customer who come in without their bills and print blank receipts as needed by our customers. The goal is to have installation completed before the next meeting. Mr. Davis will report on the status at the next meeting. Mr. Davis, also, commended the office staff for providing parents with requested information for school registration.

Chairman's Report:

Mr. Robinson stated he met with Mayor Rubenstein. Mayor Rubenstein will be taking care of the ADEM transfer from the City of Saraland to the Board of Water and Sewer Commissioners; the City's attorney will handle the paperwork and the City will pay all fees incurred with the transfer. Mr. Robinson would like our Board Attorney, Mr. Raymond Bell, to talk to City Attorney, Mr. Andrew Rutens, about the ADEM transfer. Mr. Robinson wants work to begin on the new shop, because he wants one central location for all of the outside employees to meet when clocking in and out every day. Mr. Robinson would like the remodel to happen as quickly as possible. Mr. Robinson commended Mr. Vaughn for the quality of work in building and installing burglar bars at the new shop. Mr. Robinson discussed his ideas

for development of the area around the new shop. Mr. Robinson discussed the City subsidy with Mayor Rubenstein and they agreed it will be paid on the first of October each year. Mr. Robinson met with a BB&T representative this week and will be opening a sewer account at BB&T. Mr. Robinson commended Mrs. Jessee, BB&T, for her efficiency and professionalism. Mr. Robinson would like for the ladies in the Office Assistant I position to take the exam for Office Assistant II. There was discussion amongst the Board. Mr. Robinson clarified the Board created another Office Assistant II position at the last Board meeting. Mr. Mitchell does not see the need to hire two employees for the Office Assistant I positions. Mr. Haines stated he would like for the Board to proceed slowly and see what the demands are after we take over the sewer before we hire two new employees. Mr. Davis stated we need another laborer. Mr. Robinson explained the office is understaffed already. Mrs. Robinson added we will be redistributing duties some of which cannot be performed by an Office Assistant I for an extended period of time. Doing so would have them working outside of their classification. Mr. Bell stated he has been in contact with the Mobile County Personnel Board regarding the transfer of sewer employees. Mr. Bell continued; he asked the Personnel Board for a list of employees they have for the sewer department. Afterwards Mr. Bell spoke with Mr. Hennis and it appears there are two employees who are not necessarily sewer employees. Mr. Bell stated all the Personnel Board is asking for is a letter from both entities agreeing on the employees to be included in the transfer. Mr. Bell advised the Board to deliberate on the existing positions both in the water and sewer departments and decide if they want to add additional positions. Mr. Bell stated this needs to be done before October 1, 2015; sooner would be better than later. Mr. Davis asked who should do this. Mr. Bell stated he will draft a very simple letter and Mr. Hennis can sign it. Mrs. Robinson asked for clarification of the Board's decision on the promotional exam for the vacant Office Assistant II positions. Mr. Robinson stated he wants the employees currently in the Office Assistant I position to take the exam so they can be promoted and we will hire one Office Assistant I later. Mr. Robinson wants the Board to think about hiring a new CPA for the Board of Water and Sewer Commissioners. Mr. Mitchell agreed. Mr. Robinson asked the Board to think about it and if they have any recommendations to bring the names to a Board meeting. Mrs. Robinson asked the Board if they were planning to retain a new CPA before the 2014-2015 fiscal year audit. Mr. Hennis stated the Board will need time to find the right person for the job. Mr. Mitchell agreed. Mr. Robinson stated their will customer complaints when the Board increases the water and sewer rates. Mr. Robinson wants to send a letter to the water and sewer customers stating why the Board is taking over the City of Saraland Sewer Department. Once the letter is drafted he will present it to Mr. Bell for review; upon approval, Mr. Robinson wants to mail the letter to all of the customers and put it on the website. Mr. Robinson stated if there are numerous complaints; he wants the Board to consider creating a committee of two Board Members to address customer complaints. Mr. Davis suggested the Board direct them to the Saraland Water Service website for the customers to leave their complaints so the Board can improve our programs. Mr. Haines suggested including information enclosed in the packet from Mayor Rubenstein stating why the Board has been asked to take over the Sewer Department. Mr. Mitchell suggested including a comparison of rates of the surrounding municipalities to Saraland Water and Sewer rates. Mr. Mitchell suggested bringing a draft of the letter to the next Board meeting. Mr. Mitchell stated the same letter will be put on the website. Mr. Robinson stated Saraland Water Service currently has three operators, but we do not have an Assistant Superintendent due to the promotion of Mr. Hennis to Superintendent. The Board discussed the importance of having a proper chain of command. Mr. Robinson wants the operators to take the test for the two vacant Assistant Superintendent positions. Mr. Robinson wants Mr. Hennis and Mr. Davis to bring recommendations to the Board to fill the vacant Assistant Superintendent positions. Mr. Davis stated they will have their recommendation at the next Board meeting. Mr. Robinson stated Mr. Davis is over all of the outside men and this will include the sewer employees effective October 1, 2015. Mr. Robinson wants Mr. Davis to begin the process of getting all of the sewer employees fitted for uniforms and safety boots. Mr. Robinson added if the men wear a hat it needs to be a Saraland Water and Sewer hat and worn properly. Mr. Robinson asked Mr. Hennis and Mr. Davis to contact Turnerville Water District to negotiate the fee for billing of sewer service in their area and remittance of funds to Saraland Water and Sewer. Mr. Haines asked what the sewer rates

were in Turnerville District. Mr. Hennis stated he does not know the current rate, but he will find out. Mr. Davis asked if Saraland Water and Sewer Service could bill for the sewer service in Turnerville Water District. Mr. Mitchell explained why it is not possible for us to bill for the service in their area. Mr. Hennis stated the contract will now be between Saraland Water and Sewer Board and Turnerville and not the City of Saraland. Mr. Hennis suggested the Board start preparing themselves, because the same situation is going to arise once the Cherry Hill Subdivision is developed and it has Kushla Water Service and Saraland Sewer Service. The Board continued to discuss the funds generated from the sewer service in Turnerville Water District. Mr. Robinson asked Mr. Haines and Mr. Mitchell to be in charge of getting all of the sewer maps, employee classifications, certificates, payroll files, personnel files and all other files relating to sewer. He asked them to contact Mr. Ricky Herring regarding the maps. Mr. Mitchell explained why the sewer assessment files have to be permanent records. Mrs. Robinson stated we need copies of the forms for the sewer department so we can begin ordering them. Mr. Robinson also asked Mr. Mitchell to work with the City of Saraland regarding the balloon payments of the general obligation warrants. Mr. Robinson asked about the sewer employee accrued vacation and sick pay and what the payout would be should any of the employees should resign or retire. The Board discussed the accrual of vacation and sick pay. Mr. Davis suggested looking at all of the policies and deciding what will work best for both entities. Mr. Hennis stated he would like to use Saraland Water policies because they have worked over here. Mr. Haines asked when Mr. Herring will start attending the Board meetings. Mr. Robinson wants Sewer Superintendent Ricky Herring to attend the Board meetings starting with the first meeting in September. Mr. Robinson asked Mr. Haines and Mr. Hennis to contact Mr. Herring and determine the equipment needs of the sewer system. Mr. Mitchell asked them not to exceed the budgeted amount. Mr. Mitchell asked them to make a five year plan. Mr. Haines suggested including Mr. Russell with the assessment of the sewer equipment needs. Mr. Davis asked everyone will be on the same radio frequency. Mr. Hennis stated he is working on the radio situation. Mr. Robinson stated he has given the Board a lot to consider and there will be additional items to come up as we continue the process of taking over the Sewer Department.

Superintendent's Report:

Mr. Hennis stated Mr. Russell has completed the survey and Mr. Hennis is getting prices to run the water lines on Lazy Buck from Highway 158. Mr. Hennis stated he would like to send two employees to the sewer class in August 2015 the cost will be \$400.00 per person the location of the class will be Dauphin Island. This will be a ten week class on Tuesdays and Thursdays starting August 25, 2015. The men will drive a company vehicle to the class. Mr. Davis asked if the sewer class was offered to the Saraland Sewer employees. Mr. Hennis confirmed they were asked if anyone wanted to attend the class. Mr. Hennis stated as of today no one from the Sewer Department has expressed any interest in attending the sewer class. Mr. Hennis stated he would like to have a CEH class at the new shop in January. Mr. Hennis talked to the instructor and he will teach the class for \$80.00 per person. Surrounding municipalities can also send their employees to the class. Mr. Davis asked about Highway 158. Mr. Hennis stated Mr. Russell will report on it later in the meeting.

Attorney's Report:

Mr. Bell has contacted Mr. Andy Rutens, Attorney for the City of Saraland. The City of Saraland has done their part in voting for the takeover. Mr. Rutens will do the first draft of the documents. Mr. Bell will review and bring the draft to the Board. At that point, the Board will have an opportunity to add things the City may have overlooked. Mr. Bell stated Mr. Rutens will include in the document the subsidy payment date from the City. Mr. Robinson stated September is the last month Saraland Water Service will write a check to the City of Saraland for sewer. Mr. Robinson was concerned about having operation funds in October. Mr. Bell stated we will bargain for all funds effective October 1, 2015. All funds will become an asset of the Board of Water and Sewer Commissioners on that date. Mr. Bell

explained the information he will include in the document will be supportive of the Board's requests. Mr. Bell stated this takeover should be like any other; at the time of the takeover there should be a running balance and those funds will come over with the Sewer Department. Mr. Bell advised the Board they should remember the Sewer Department has been operating in a deficit and that is why the City wants the Board to take it over. The Board may not be able to save the City subsidy; due to the lack of operation funds.

Engineer's Report:

Mr. Russell discussed the chemical solicitation package. Mr. Russell stated he has prepared the packet and Mr. Hennis has made some amendments. Mr. Russell will discuss the need for advertisement for bid with Mr. Bell. Mr. Bell stated in a situation such as this where it involves moving commodities there are some allowances in the bid law. Mr. Mitchell added the Board will save money if they lock in a rate for a period time. Mr. Russell discussed an index rate for a commodity. Mr. Russell stated he and Mr. Hennis have been working on the technical specifications for the Board. The technical specs will include the types of material accepted by the Board for their water lines and how the work is to be constructed. Having this in a published format will be useful for contractors coming into the area. Mr. Russell has given the draft to Mr. Hennis to review. Mr. Hennis stated he is in the process of reviewing the draft. Mr. Russell has been working with Mrs. Stallman on grant funding. Mr. Russell and Mrs. Stallman discussed getting grant funding for two projects. One of the projects is expanding the water lines creating a looping system from Celeste Road to Highway 158. Mr. Russell proposed putting a booster station at James Street Tank and developing the test well into a viable well. Mr. Russell has developed a conceptual plan and estimates for Mrs. Stallman. Mr. Davis summarized the first project: looping the water lines from Highway 158 to Celeste Road, installing a booster station for the James Street Tank and developing the test well into a water treatment package. Mr. Hennis stated this project will help with the future growth on the west side of the system. The second project will be to complete the meter upgrade to radio read meters. Mr. Russell stated he has developed what it would take to complete the upgrade in its entirety and provided estimates to Mrs. Stallman. The idea is to finish the project in a short period of time instead of installing a few meters each month over a longer period of time. Mr. Russell discussed the plans for the construction of a church on Celeste Road. The church will need a 6" fire line for fire protection and tap a 2" for domestic water use. Mr. Russell stated there are two options to provide water and they are deciding which will be the best most cost effective way to provide the water for the church. Mr. Hennis explained the two options to the Board. Mr. Robinson discussed additional water lines. Mr. Hennis stated those are included in the projects. Mr. Robinson thanked Mr. Russell and Mr. Bell for working so diligently together on these projects. Mr. Russell discussed relocating of water lines on Celeste Road due to an ALDOT project to widen Celeste Road. Mr. Russell has developed and submitted a plan to ALDOT. ALDOT responded to Mr. Russell this week. ALDOT had a few comments about the plan. Mr. Davis asked Mr. Russell about sewer projects Mrs. Stallman was working to get funding. Mr. Russell stated Mrs. Stallman is still working on those projects. Mr. Davis asked if Mrs. Stallman is able to get funding for those projects how that be handled with the takeover. Mr. Bell stated those grants would come to the Board of Water and Sewer Commissioners. Mr. Davis asked about the grants. Mr. Mitchell stated it would be CDBG grants for the sewer department.

Mr. Robinson stated we have a lot of things going on right now and we will have to work together to make this a smooth transition. Mr. Robinson advised the Board members to contact him if they had a problem getting any information for their sewer assignments and he would contact Mayor Rubenstein.

Mr. Haines informed the Board he will be out of town for the next three weeks and will not be at the next Board meeting. Mr. Mitchell wanted to make sure ACH payment, credit card payment and the website are on the back of the new water bill. Mr. Davis asked about Mrs. Boykin. Mr. Hennis stated Mrs.

Boykin came back to work last Monday and she is doing a lot better. Mr. Mitchell stated he wanted to see a budget before he will vote on a water rate increase above the scheduled 2% increase.

Correspondence:

- Ltr from Water and Waste Specialties, LLC, dtd 7/23/15, re: Notification of 150# Chlorine price increase
- Quote from Chapman Promotional Products, dtd 7/29/15, re: Bill Stock with modifications
- Eml from Saraland Chamber, dtd 7/29/15, re: August 20, 2015 Luncheon
- Bulletin No. 234 – Mobile County Personnel Board, dtd 7/31/15, re: Deadline for Bonus / Incentive Requests

There being no further business to come before the Board; Mr. Davis made a motion to adjourn the meeting.

Mr. Mitchell seconded. Meeting adjourned at 8:27 P.M.

ATTEST:

RATIFIED AND APPROVED:
