

Alabaster Water Board
MINUTES
Regular Scheduled July 15, 2025

The meeting began at approximately 6:03 p.m. in the Conference Room of Alabaster Water located at 200 Kent Stone Blvd. Secretary LaDonna Chapman called roll.

Present:

Mike Allen, Chairman
Bobby Harris, Vice Chairman
Rick Ellis, Director
Greg Farrell, Director
Stacy Rakestraw, Director

Attendees:

Laura Koon, General Manager
LaDonna Chapman, Finance and HR Manager
Michael Cain, Operations and Technology Manager
Brian Kilgore, Attorney
Brad Green, Raymond James

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Resolution 06-071525-R
Resolution Authorizing Condemnation of Property
Meter Replacement Project Cost Sharing Options
New City/Board Agreement
General Business

Topic: Approval of Pre-Meeting Minutes

Director Rakestraw made a motion to approve the Pre-Meeting minutes of June 17, 2025, as written. Vice Chairman Harris seconded the motion. All ayes. Motion carried.

Topic: Approval of Regular Meeting Minutes

Director Ellis made a motion to approve the Regular Meeting minutes of June 17, 2025, as written. Director Farrell seconded the motion. All ayes. Motion carried.

Topic: Financial Report

Ms. Chapman reported cash in bank of \$3,629,482 with cash in excess of the 150 day minimum of \$176,267, a debt service coverage ratio of 2.03, 158 days of cash on hand, metered water sales of \$758,532, total operating revenue \$817,084, total operating expenses of (\$646,675), other income and expenses of (\$258,624), a net loss before capital contributions of (\$63,961) for the month of June and a year-to-date net income before capital contributions of \$25,632.

Ms. Chapman reported strong collections of water (99.73%), sewer (99.47%), garbage set-up (100.00%) and garbage (99.22%) fees for the month of June.

The Board agreed to move the following three agenda items to the top of the agenda during the pre-meeting.

Topic: Engagement Letter Raymond James

Manager Koon requested authorization to execute a Municipal Advisor Agreement with Raymond James on behalf of the Board in the amount of \$42,500. Vice Chairman Harris asked about the Bond Underwriter Request for Proposals and how the bond underwriter would be selected. Mr. Green discussed items that will be evaluated including experience, capital and net equity available to purchase bonds that do not sell, the sales force available to sell the bonds, and regulatory compliance. Director Ellis made a motion to authorize Manager Koon to sign the Municipal Advisor Agreement on behalf of the Board in the amount of \$42,500. Director Farrell seconded the motion. Vote called. Chairman Allen, yes. Vice Chairman Harris, yes. Director Ellis, yes. Director Farrell, yes. Director Rakestraw, yes. Motion carried.

Topic: Resolution 03-071525-R
Resolution Authorizing Reimbursement for Certain Board Expenditures

Manager Koon presented Resolution 03-071525-R authorizing reimbursement for certain Board expenditures and requested Board approval. Vice Chairman Harris made a motion to adopt Resolution 03-071525-R. Director Rakestraw seconded the motion. Vote called. Chairman Allen, yes. Vice Chairman Harris, yes. Director Ellis, yes. Director Farrell, yes. Director Rakestraw, yes. Motion carried.

Topic: Resolution 04-071525-R
Resolution Authorizing Certain Actions with Respect to the Series 2025 or 2026 Bonds

Manager Koon presented Resolution 04-071525-R authorizing certain actions related to the Series 2025 or 2026 Bonds and requested Board approval. Director Farrell made a motion to adopt Resolution 04-071525-R. Director Rakestraw seconded the motion. Vote called. Chairman Allen, yes. Vice Chairman Harris, yes. Director Ellis, yes. Director Farrell, yes. Director Rakestraw, yes. Motion carried.

The Board resumed the printed order of the agenda as presented.

Topic: Award of Hwy 11 Master Meter Installation Contract

Manager Koon presented two bids received by InSite Engineering for the Hwy 11 Master Meter Installation with one bid from Byrd Contractor, Inc. in the amount of \$44,300 and one bid from Dark Horse Construction, LLC in the amount of \$54,537. Manager Koon recommended award of the contract to Byrd Contractors and requested Board authorization to execute the contract with Byrd Contractors, Inc. Director Rakestraw made a motion to award the Hwy 11 Master Meter Installation contract to Byrd Contractors, Inc. in an amount not to exceed \$44,300. Vice Chairman Harris seconded the motion. Vote called. Chairman Allen, yes. Vice Chairman Harris, yes. Director Ellis, yes. Director Farrell, yes. Director Rakestraw, yes. Motion carried.

Topic: Award of Hwy 87 Production Well Contract

Manager Koon stated that the Board had received public bids for the Hwy 87 Production Well at 2:00 p.m. on July 10th and received one bid from Hand Service Company, Inc. in the base bid amount of \$751,800. Manager Koon recommended awarding the contract to Hand Service Company, Inc and reminded the Board that Hand Service Company, Inc. had recently successfully drilled the test well at this site.

Director Farrell made a motion to award the Hwy 87 Production Well contract to Hand Services Company, Inc. in a base bid amount of \$751,800.00. Director Ellis seconded the motion. Vote called. Chairman Allen, yes. Vice Chairman Harris, yes. Director Ellis, yes. Director Farrell, yes. Director Rakestraw, yes. Motion carried.

Topic: Professional Services Agreement – Raftelis

Manager Koon presented a Professional Services Agreement with Raftelis for a Billing Cost of Service Study in the amount of \$35,310. Director Rakestraw made a motion to authorize the Billing Cost of Service Study with Raftelis in an amount not to exceed \$35,310 and that Manager Koon and Ms. Chapman work with John Haggard and Fred Hawkins at the City of Alabaster on the study. Director Farrell seconded the motion. Vote called. Chairman Allen, yes. Vice Chairman Harris, yes. Director Ellis, yes. Director Farrell, yes. Director Rakestraw, yes. Motion carried.

**Topic: Resolution 05-071525-R
Resolution Authorizing Regions Bank to serve as Authorized Depository**

Manager Koon presented Resolution 05-071525-R authorizing Regions Bank to serve as a depository of the Board. Director Ellis made a motion to adopt Resolution 05-071525-R. Vice Chairman Harris seconded the motion. Vote called. Chairman Allen, yes. Vice Chairman Harris, yes. Director Ellis, yes. Director Farrell, yes. Director Rakestraw, yes. Motion carried.

**Topic: Resolution 06-071525-R
Resolution Authorizing Condemnation of Property**

Manager Koon stated that condemnation is not the Board's preference to obtain the property, but that the property owner is not responding to the Board's prior offers. Manager Koon stated that the Board offered appraised value of \$13,000 initially and then offered two times the appraised value of \$26,000 to avoid litigation. Mr. Kilgore discussed that the attorney for the property owner is not responding. Manager Koon noted that the attorney representing the owner is Josh Arnold who was previously with Ellis Wallace. The Board discussed the condemnation and decided to table the Motion until the August Board meeting.

Director Rakestraw made a motion to Table Resolution 06-071525-R. Director Farrell seconded the motion. Vote called. Motion carried.

Topic: Meter Replacement Project Cost Sharing Options

Manager Koon reviewed the meter change-out memorandum included in the packet and presented 5 reimbursement options for the Board's consideration. Director Farrell recommended pursuing Option 3 with the City to obtain up to \$1.25M in meter replacement materials reimbursement from the City sewer fund. Director Ellis agreed and stated that he did not think the City Council would agree to fund the full \$2.55M originally contemplated. Manager Koon stated that she would draft a Memorandum of Understanding (MOU) for the City for the \$1.25M. Director Farrell stated that he would present the reimbursement request to the City Council at the next Work Session. Director Farrell made a motion to recommend reimbursement Option 3 to the City in the form of MOU for a reimbursement amount of \$1.25M and for the City's previously paid \$653,305 be applied towards the \$1.25M. Director Rakestraw seconded the motion. Vote called. Chairman Allen, yes. Vice Chairman Harris, yes. Director Ellis, yes. Director Farrell, yes. Director Rakestraw, yes. Motion carried.

Topic: New City/Board Agreement

Manager Koon discussed potential items to consider in a new agreement between the City and the Board to replace the 1997 Intergovernmental Agreement. Manager Koon stated that the findings regarding the Cost of Service Study could be considered as well as the Board paying the 3% Business License Fee to the General Fund and allocating the cost of billing to the Sewer and Garbage funds. Manager Koon also mentioned some potential Board policy changes related to annexation and a potential annual economic development contribution.

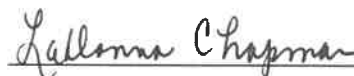
General Business

Manager Koon stated the next regular Board meeting will be on August 19, 2025.

Director Rakestraw made a motion to adjourn at 6:48 p.m. Director Ellis seconded the motion. Vote called. All ayes. Motion carried.



Chairman, Mike Allen



Secretary, LaDonna Chapman