

**Alabaster Water Board
MINUTES
Regular Scheduled October 21, 2025**

The meeting began at approximately 6:25 p.m. in the Conference Room of Alabaster Water located at 200 Kent Stone Blvd. Interim Secretary Cindy Carlson called roll.

Present:

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

Attendees:

LaDonna Chapman, Interim General Manager (via Teams)
Michael Cain, Operations and Technology Manager
Cindy Carlson, Accounts Payable and Customer Service Manager
Christy Drennan, Human Resources Manager
Ben Goldman, Attorney

Agenda Topic Index:

Approval of Pre-Meeting Minutes
Approval of Regular Meeting Minutes
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Rate Study Presentation
Resolution 12-102125-R
FY26 & FY27 Operations Budget
Resolution 13-102125-R
FY26 & FY27 Capital and Non-Capital Outlay Budget
Resolution 14-102125-R
FY26 & FY27 Capital Improvement Plan
Resolution 15-102125-R
Rate Increase
Resolution 16-102125-R
Central State Bank
Resolution 17-102125-R
Master Meter Policy
Approval of FY26 Holiday Schedule
Executive Session
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Topic: Approval of Pre-Meeting Minutes

Vice Chairman Harris made a motion to approve the Pre-Meeting minutes of September 23, 2025, as written. Director Farrell seconded the motion. Vote called. All ayes. Motion carried.

Topic: Approval of Regular Meeting Minutes

Director Ellis made a motion to approve the Regular Meeting minutes of September 23, 2025, with revisions. the following revision: Resolution 11-092325-R Retention of Board Attorney seconded by Director Farrell, not Director Ellis. Vice Chairman Harris seconded the motion. All ayes. Motion carried.

Director Farrell made a motion to revise the Regular Meeting minutes of September 23, 2025, as follows: Resolution 11-092325-R Retention of Board Attorney seconded by Director Farrell, not Director Ellis. Director Rakestraw seconded the motion. All ayes. Motion carried.

Topic: Approval of Special Called Meeting Minutes

Director Farrell made a motion to approve the Special Called Meeting Minutes of October 6, 2025, with the following revision: correct the spelling of Director's Rakestraw's last name. Vice Chairman Harris seconded the motion. All ayes. Motion carried.

Topic: Financial Report

Interim Manager Chapman reported cash in bank of \$3,505,500 with cash in excess of the 150 day minimum of \$52,284, a debt service coverage ratio of 1.36, 152 days of cash on hand, metered water sales of \$865,113, total operating revenue \$959,624, total operating expenses of (\$1,272,228), other income and expenses of (\$265,396), a net loss before capital contributions of (\$578,023) for the month of September and a year-to-date net profit before capital contributions of \$513,023. Interim General Manager Chapman reported strong collections of water (99.37%), sewer (99.55%), garbage set-up (100.00%), and garbage (99.37%) fees for the month of September.

New Business

**Topic: Rate Study Presentation
Raftelis Financial Consultants**

Mr. Tony Hairston and Ms. Diana Lang presented the findings from the financial forecast completed by Raftelis Financial Consultants during the pre-meeting. The recommendation to

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the Board was to implement a 10% rate increase in April of 2026 and a 9% rate increase in April of the years 2027 – 2031 to fund planned capital projects and increase operating costs.

Topic: Table of Agenda Items 6, 7, 8 and 9

Director Farrell made a motion to table Agenda Items 6 (Resolution 12-102125-5 FY26 and FY27 Operations Budget), 7 (Resolution 13-102125-R FY26 and FY27 Capital and Non-Capital Outlay Budget) 8 (Resolution 14-102125-R Capital Improvement Plan) and 9 (Resolution 15-102125-R Rate Increase) until the Board reconvenes after Executive Session. Vice Chairman Harris seconded the motion. All ayes. Motion carried.

**Topic: Resolution 16-102125-R
Central State Bank**

Interim Manager Chapman presented Resolution 16-102125-R to the Board to remove Laura Koon as a signatory and add Michael Cain. Director Rakestraw made a motion to approve Resolution 16-102125-R as presented. Director Farrell seconded the motion. All ayes. Motion carried.

**Topic: Resolution 17-102125-R
Master Meter Policy Revision**

Interim Manager Chapman presented Resolution 17-102125-R to the Board to revise the current Master Meter Policy to continue billing residential customers in multi-unit properties at the residential rate after conversion. Director Ellis made a motion to approve the revisions to the Master Meter Policy. Director Rakestraw seconded the motion. All ayes. Motion carried.

Topic: FY Holiday Schedule

Interim Manager Chapman presented for the Board's consideration to approve the presented FY26 Holiday Schedule, including Friday, December 26th as an additional holiday. Director Rakestraw made a motion to approve the presented FY26 Holiday Schedule recognizing Friday, December 26th as an additional holiday. Vice Chairman Harris seconded the motion. All ayes. Motion carried.

General Business

Mr. Cain noted that the Board will be closed on Tuesday, November 11th in observance of Veteran's Day.

Mr. Cain noted that the Fixed Income/Reduced Rate Program open enrollment will begin on November 1st and end on December 31st.

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Mr. Cain introduced Christy Drennan as the Human Resources Manager. Ms. Drennan has approximately 15 years of experience in human resources at Dunn Road Builders in Laurel, MS. Mr. Drennan has her PHR and SHRM certifications and is a certified Flag Instructor and holds an OSHA 500 certification.

Mr. Cain noted that the next Regular Board meeting would be November 18, 2025.

Topic: Executive Session

Director Farrell made a motion to go into Executive Session at 6:45 p.m. and to reconvene the regular board meeting no sooner than 7:15 p.m. 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.

The Executive Session was adjourned and the Regular Board Meeting was reconvened at 8:15 p.m.

**Topic: Resolution 12-102125-R
FY26 and FY27 Operations Budget**

Interim Manager Chapman presented Resolution 12-102125-R to the Board for the FY26 and FY27 Operations Budget. Director Farrell made a motion to approve Resolution 12-102125-R as presented. 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 13-102125-R
FY26 and FY27 Capital and Non-Capital Outlay Budget**

Interim Manager Chapman presented Resolution 13-102125-R to the Board for the FY26 and FY27 Capital Outlay Budget. Director Rakestraw made a motion to approve Resolution 13-102125-R as presented. 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: Resolution 14-102125-R
FY24 and FY25 Capital Improvement Plan**

Interim Manager Chapman presented Resolution 14-102125-R to the Board for the FY26 and FY27 Capital Improvement Plan. Director Ellis made a motion to approve Resolution 14-102125-R as presented. Vice Chairman Harris seconded the motion. Vote called. Chairman
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Allen, yes. Vice Chairman Harris, yes. Director Ellis, yes. Director Farrell, yes. Director Rakestraw, yes. Motion carried.

**Topic: Resolution 15-102125-R
Water Rate Increases**

Interim Manager Chapman presented Resolution 15-102125-R to increase water rates by 10% effective with the April 2026 and 9% effective with the April 2027 as recommended by Raftelis and as presented in Exhibit A. Director Farrell made a motion to increase water rates by 9% effective with the January 2026 and January 2027 billing as recommended by Raftelis. 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.

Chairman Allen entertained a motion to adjourn at 8:23 p.m. Director Rakestraw so moved. Director Ellis seconded the motion. Vote called. All ayes. Motion carried.


Chairman, Mike Allen


Interim Secretary, Cindy Carlson