



SPANISH FORT WATER SYSTEM

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BOARD MEETING OF SPANISH FORT WATER SYSTEM, INC. DATED SEPTEMBER 13, 2022

Board Members Present: Hank Bauer, Jr., President; Robbins Flynn, Vice-President; Robert Robbins, Jimmy Ashcraft, and Doug Miles Board Members.

Secretary-Treasurer Present: Boyd Pugh

Staff Present: Terry Evans, General Manager; Jason Evans, Superintendent; and Jonda Kiper, Office Manager

Guests Present: Carah Vuncannon and Derek Kelly with McCrory & Williams; Ellen Cox, Robert Bouler, Debbie Isbell, Lisa Strickler, Ed Strickler, April Willis, Robin Gentry, and Nancy Gentry

Call to Order at 6:30

Invocation given by Jimmy Ashcraft
Pledge of Allegiance

Jimmy Ashcraft motioned to approve the August 9 minutes as written. Robbins Flynn seconded this motion. Motion passed unanimously.

Boyd Pugh presented the financial statements.

Doug Miles motioned to approve the August financials as written with a possibility of amendment. Robert Robbins seconded this motion. Motion passed unanimously.

There was a discussion with Doug Miles and the BOD concerning an email sent by Mr. Miles. In this email Mr. Miles listed many inaccurate and misleading statements and information. Mr. Miles also admitted to contacting North Baldwin Utilities officials without the BOD approval. Other BOD's stated that Mr. Miles actions were unprofessional, inexcusable, and could warrant dismissal with cause from the BOD. The BOD was united that Mr. Miles acted without BOD approval. Mr. Miles was given the opportunity to express his side point of view behind email and the negative BOD comments towards him.

The contract with NBU that expired in 2018 was discussed. The President stated that, after many months of negotiations and mark ups with NBU, SFWS Legal counsel advised the SFWS BOD not to sign the proposed contract submitted by NBU. Additionally, NBU stated that their proposed new contract must be accepted as written, and to take it or leave it.

Our engineer, Carah Vuncannon was asked if it was possible for NBU to provide all the water SFWS needs daily. She replied that it was her professional opinion that NBU could not provide all the water that SFWS needs, without substantial infrastructure additions, and new water sources.

Our engineering firm did not have anything new for the BOD.

A question was asked why SFWS was in a lawsuit with NBU? Hank Bauer answered that SFWS alleged that NBU crossed into our service area by providing water to a subdivision off Stroh Road. SFWS expected the USDA to protect water system territory as SFWS has a loan with USDA. Unfortunately, they would not testify on behalf of SFWS. SFWS was not granted a temporary injunction to stop NBU.

Mr. Bouler asked what we be the harm in speaking with NBU.

Ms. Cox expressed her deep concern about the lines running on the causeway above the ground and it being the peak of Hurricane Season.

It was stated that SFWS has completed the water connection with Loxley.

There were no other comments or questions from any other guests attending.

Terry Evans gave updates on the system. He explained the extraordinary expenses were a result of a couple of line breaks and ordering parts needed to operate SFWS. Due to supply shortages, extra parts were ordered. The connection with Loxley cost was \$44,292.

Jason updated the BOD on the SHARP status from OSHA.

The BOD granted Doug Miles permission to speak with NBU to vet the opportunity for providing water to SFWS and issued a deadline of providing the BOD with any information he gathers within 3 weeks from 9-13-12.

The BOD went into executive session at 7:59 and reconvened at 8:45pm

Bob Robbins motioned to drop the lawsuit with NBU. Doug Miles seconded this motion. The BOD voted unanimously to drop the current lawsuit with NBU.

The BOD adjourned the meeting at 8:50 pm