

**MINUTES OF THE HUMAN RESOURCES COMMITTEE MEETING
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
Wednesday, October 21, 2020
11:30 a.m.**

A Human Resources Committee meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, October 21, 2020 at 11:30 a.m., via electronically [via teleconference/telephone].

The following Committee members were present via a roll call: Committee Chairman Lucien Blankenship, Tommy J. Alexander, and Brenda J. Dickerson. Other directors present were Deborah Clark, William R. Muhammad and George Munchus.

Others present via teleconference/telephone: Michael Johnson, General Manager; Derrick Murphy and Iris Fisher, Assistant General Managers; Grace Amison, Executive Assistant to the Board of Directors; Cynthia Williams, Board Administrator, Vanessa Washington, Executive Assistant; Colandus Mason, Paul Lloyd, Joyce Dupree, Rick Jackson; BWWB Employees, Mary Thompson, Parnell Thompson Law, LLC; Mindy Falkner and Cooper Johnson, Valent Group; and Mark Johnson, Creation Benefit Solutions.

Inasmuch as all of the Committee members were present, a quorum was in attendance.

Committee Chair Blankenship called the meeting to order at 11:30 a.m. Human Resources Manager Paul Lloyd opened the meeting with prayer.

Next, Committee Chair Blankenship called for any additional items to be added to the agenda. Director Munchus indicated that he would be leaving the meeting at 12:15 p.m. Committee Chair Blankenship asked Director Dickerson to give leadership for agenda item 6 when it is time to address said item, which she agreed. As there were no items to be added to the agenda, Director Dickerson made a motion to approve the agenda. Director Alexander seconded. The agenda before the Committee was approved by a unanimous voice vote.

Following, agenda item one requested the Committee to review and to recommend to the Board to approve an agreement with Optum for the 2021 Stop Loss Insurance renewal at a projected annual cost of \$411,254.00 (the annual premium amount can vary depending on individuals being added or being deleted from the medical insurance plan during the year); and to authorize the General Manager or the Assistant General Manager to execute the agreement; necessary to perform essential minimum functions of the governmental body. Per GM Johnson, this is done yearly and is a reduction in premium from last year. As there were no questions, Director Dickerson made a motion to approve agenda item one. Director Alexander seconded. The agenda item was approved by a unanimous voice vote. Said item was moved to the full Board for consideration.

Next, agenda item two requested the Committee to review and to recommend to the Board to approve an agreement with Amwins/ TransAmerica to provide 2021 Post 65 Health Insurance

coverage at a projected annual cost of \$853,440.00. The 2020 annual premium for Post 65 Health Insurance is projected to be \$909,169.00; and to authorize the General Manager or the Assistant General Manager to execute the agreement; necessary to perform essential minimum functions of the governmental body. GM Johnson stated a RFP was issued for this item. The projected premium has decreased, because employees have been removed from the coverage. HR Manager Lloyd explained the cons of the plan to directors. He recommended that BWWB stay with the current plan. Afterwards, Director Dickerson made a motion to approve agenda item two. Director Alexander seconded. The agenda item was approved by a unanimous roll call vote. Said item was moved to the full Board for consideration.

Following, agenda item three requested the Committee to review and to recommend to the Board to approve the 2021 Health Insurance premium rates and credit employees (and covered spouses) and under 65 retirees (and covered spouses) as having a biometric screening if completed by the due date which is anticipated to be in the Spring of 2021; necessary to perform essential minimum functions of the governmental body. GM Johnson explained that COVID-19 has prevented BWWB from having its usual biometric screening in the fall prior to open enrollment. Per GM Johnson, the credit to employees would allow them to get the lesser premium until the biometric screening is completed in the spring and if not completed by that time frame then an adjustment would be made to increase the premium. Typically, the screening would be done onsite at BWWB; however, due to COVID-19, the screening can be done at employees' physician office. Thus, Director Dickerson made a motion to approve agenda item three. Director Alexander seconded. The agenda item was approved by a unanimous roll call vote. Said item was moved to the full Board for consideration.

Next, agenda item four requested the Committee to review and to recommend to the Board to approve the following revisions to the Vacation Policy for the current year (2020) due to the impact of COVID-19 on company operations; necessary to perform essential minimum functions of the governmental body: (1) To waive the mandatory taking of five (5) consecutive days of vacation for 2020 relative to employees with fiduciary or internal control responsibilities; wherein (2) Employees will be allowed to roll over all accrued and unused vacation time from 2020 to 2021. Director Clark inquired whether an employee could sell the vacation days back next year, which GM Johnson replied yes. He stated that vacation sold back is not an expense to the board because it is expensed when accrued and has no impact on the budget. Committee Chair Blankenship asked for clarification on excess vacation pertaining to an employee retiring. HR Manager Lloyd explained the current policy and stated that unused accrued vacation would be included on the employee's last paycheck. He explained that unused sick time for a retiring employee would be time loss, which is common. HR Manager Lloyd explained that the amount of sick time and vacation time an employee accrues is based upon an employee's years of service. Also, Director Munchus inquired about coverage relating to the employee's job duties and responsibilities when taking the mandatory 5 consecutive days. He asked whether anyone served in an interim role during that time. GM Johnson explained that the responsibilities role up to the next authority level and the work process continues. Committee Chair Blankenship expressed concerns and suggested that appropriate planning be put in place before taking the 5 consecutive vacation days. The meeting paused at 12:09 p.m., because Director Dickerson's iPad stopped working and to allow her to be reconnected to the meeting. Director Munchus indicated that it was a good time for the HR Committee to take on the issue of succession planning. Director Munchus

left the meeting at 12:11 p.m. Director Dickerson was reconnected at 12:13 p.m. and the meeting resumed. There was more discussion on said agenda item and the process for job responsibilities being handled in the absence of an employee in an essential function role. Afterwards, Director Dickerson made a motion to approve agenda item four. Director Alexander seconded. The agenda item was approved by a unanimous roll call vote. Said item was moved to the full Board for consideration.

Following, agenda item five requested the Committee to review and to recommend to the Board to approve revisions to the Vacation Policy in Section 8.8 in the Employee Handbook and in Section 8080 in the HR Management Guide as set out in Exhibits “A” and “B” attached hereto; necessary to perform essential minimum functions of the governmental body. HR Manager Lloyd presented the topic. There was much discussion on Section 8.8 and 8080 (exhibits “A and B”) relative to the suggested changes from staff. HR Manager Lloyd presented information on the policy. He stated the purpose of the first change was to be more competitive when recruiting. Thus, certain positions (ex: SAP or Manager Level) have several years of work experience and are not interested in starting over with two weeks of vacation. The flexibility to offer three weeks of vacation in their first year for certain job positions starting out would make BWWB more competitive. HR Manager Lloyd clarified that the change would be used as a negotiation tool for hiring/strategic recruiting purposes. The second proposed change to the policy would allow employees to roll over an additional 40 vacation hours over the amount accrued each year without AGM approval based on the way the company has already been operating. Per Committee Chair Blankenship, employees should not have to forfeit earned vacation time. He indicated that when the vacation balance gets to a certain amount an employee should use the time. In addition, staff could evoke a privilege stating an employee can only take a certain amount of time off within a year and/or based on the critical needs of the company (ex: pandemic). GM Johnson stated vacation buyback reduces the balance, and there is not a negative impact on the company nor financial impact on the budget. Various directors expressed concerns regarding the verbiage of the policy. There was a consensus among the Committee to revise language relating to the Vacation Accrual Limits. Thus, Committee Chair Blankenship made a motion to approve agenda item five subject to revisions. Director Alexander seconded. The agenda item was approved by a unanimous roll call vote. Said item would move to the full board for consideration subject to the suggested language revisions.

Next, agenda item six requested the Committee to hear a presentation on how merit and COLA increases are calculated according to the Salary Administration Plan; necessary to perform essential minimum functions of the governmental body. Committee Chair Blankenship yielded agenda item six to Director Dickerson to lead the discussion. She stated that the agenda item should be tabled until there have been further conversations regarding how merit increases are administered by other water systems, et al. Also, Director Dickerson asked two questions relative to the creation of BWWB’s Salary Administration Policy that were answered by HR Manager Lloyd. Committee Chair Blankenship made a motion to table the agenda item. Director Alexander seconded. The agenda item was tabled by a unanimous roll call vote.

Subsequently, the Committee proceeded to agenda item seven, which addressed new business. Director Muhammad asked a question regarding the role of the Human Resources Department in vetoing PARFs. Committee Chair Blankenship stated the topic should be discussed

and submitted as a single item at next Human Resources Committee Meeting. He asked GM Johnson to provide the process in advance to all directors.

As there was no further business before the Committee, Director Dickerson made a motion to adjourn the meeting. Director Alexander seconded. Thus, Committee Chair Blankenship adjourned the meeting at 12:54 p.m.

_____/s/_____
Lucien Blankenship, Esq.
Director

Brenda J. Dickerson, Ph.D.
First Vice Chair/First Vice President

Tommy J. Alexander
Director

_____/s/_____
Michael Johnson, MBA, CPA
General Manager