

## RESOLUTION

**WHEREAS**, as more fully set forth herein, The Water Works Board of the City of Birmingham desires to establish a Self-Governance Policy for its board of directors addressing the directors' responsibilities, conduct and training.

**NOW THEREFORE**, be it **RESOLVED** as follows:

1. **PLEDGE:** To address the responsibilities and conduct of its board of directors, the Water Works Board hereby adopts and establishes the *Board of Director Pledge for The Water Works Board of the City of Birmingham* (the "Pledge") attached hereto as Exhibit "A" and incorporated as if fully set for herein.

(a) Due to the importance for the proper governance of the Water Works Board, as well as each director's legal and fiduciary responsibilities, each director is expected to acknowledge their consent, acknowledgement and agreement to the Pledge within thirty (30) days of the date of the adoption of this Self-Governance Policy and thereafter, within thirty (30) days of a director being appointed to the Water Works Board.

(b) Upon each director's acknowledgement and acceptance of the Pledge, the Pledge will be posted on the Water Works Board's website.

2. **MANDATORY INITIAL TRAINING:**

(a) **Ethics Training.** Within sixty (60) days of the adoption of this Self-Governance Policy, the board of directors shall receive in person training from the Ethics Commission regarding Alabama's Ethic Act. Thereafter, whenever all of, or a majority of, the board of directors are appointed to serve as directors for the Water Works Board, within sixty (60) days of their appointment, the board of directors shall receive in person training from the Ethics Commission regarding Alabama's Ethic Act. Otherwise, when a single director is appointed to serve on the Water Works Board, within sixty (60) days thereafter that director shall complete the online training provided by the Ethics Commission pursuant to Ala. Code § 36-25-4.2(a)(4) (1075). In all cases, proof of each director's completion of this training shall be posted on the Water Works Board's website.

(b) **Parliamentary Training.** Within sixty (60) days of the adoption of this Self-Governance Policy, and thereafter, within sixty (60) days of a director being appointed to serve on the Water Works Board, directors shall receive training on parliamentary procedures. Such training will include the Water Works Board's Bylaws, as well as Robert's Rules of Order. Said training to be provided by either an outside consultant or legal counsel to the Water Works Board. Proof of each director's completion of this training shall be posted on the Water Works Board's website.

(c) **Alabama Public Laws.** Within sixty (60) days of the adoption of this Self-Governance Policy, and thereafter, within sixty (60) days of a director being appointed to serve the Water Works Board, directors shall receive training on Alabama Open Meetings Act, Public Records Act, Competitive Bidding Act, and Public Works Act. Said training to be provided by

legal counsel to the Water Works Board. Proof of each director's completion of this training shall be posted on the Water Works Board's website.

3. **MANDATORY ONGOING TRAINING.**

(a) Annually, between January 1 and April 30 of each year, the board of directors will receive a minimum of two (2) hours of additional combined training on Alabama's Ethics Laws, Open Meetings Act, Public Records Act, Competitive Bidding Act, and Public Works Act. Said training to be provided by legal counsel to the Water Works Board. Proof of each director's completion of this training shall be posted on the Water Works Board's website.

(b) Each director shall obtain a minimum of three (3) hours of training on topics relevant to the water industry. Such topics to include, but not be limited to, corporate governance, business operations, public finance, utility rate setting, employment/personnel topics, and engineering related matters. Said training to be provided by any of the following: legal counsel to the Water Works Board, an expert in rate setting, the Water Works Board's Independent Engineer, through attendance at any required continuing professional education or through attending any relevant water utility conferences. Proof of each director's completion of this training shall be posted on the Water Works Board's website.

3. **ENFORCEMENT PROVISION.**

Resolution No. 8330 establishes the amount that a director may receive as an expense allowance under Ala. Code § 11-50-234.1 (1975), as limited by Ala. Code § 11-50-303(a) (1975) ("Expense Allowance"). Effective immediately, Resolution No. 8330 is amended and supplemented to provide that the failure or refusal of a director to comply with this Self-Governance Policy shall disqualify that director from receiving an Expense Allowance during the period of time that such director is noncompliant.