

**MINUTES OF THE FINANCE COMMITTEE MEETING
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
August 3, 2022**

A Finance Committee meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, August 3, 2022, at 1:00 p.m., at 3600 First Avenue North, Birmingham, Alabama.

The following Committee members were present via roll call: Directors Ward (Committee Chairman), Rice and Burbage. Also present were Directors Mims and Munchus.

Others present were: Michael Johnson, General Manager; Iris Fisher, Derrick Murphy and Jeffrey Thompson, Assistant General Managers; Anitra Clark, Corporate Governance Specialist; Vanessa Washington, Executive Assistant; Rick Jackson, Colandus Mason, Rosalind Jones, Geraldine Davis, Jeff Wade, Charles McGee and David Walker, BWWB Employees; K. Mark Parnell, Parnell Thompson Law, LLC; and Kelvin Howard, KWH, LLC; Oliva Martin, State of Alabama Attorney General's Office; Martha Bozeman, Agency 54; Heather Gann, Al.com; Patrick Flannelly, ARCADIS; Mac Underwood and Michael Parker; Underwood Financial Consultants, LLC.

Inasmuch as all Committee members were present, a quorum was in attendance. Committee Chairman Ward called the meeting to order at 1:00 p.m.

Next, Chairman Ward asked the Committee to approve the agenda. Director Burbage made a motion to approve the agenda and Director Rice seconded the motion. The agenda was approved by unanimous vote.

Following, the Committee proceeded to the first item on the agenda, Request the Committee to approve minutes of March 17, 2022 and May 17, 2022. Director Burbage made a motion to approve the minutes and Director Rice seconded the motion. The minutes were approved by unanimous vote.

Next, the Committee proceeded to the second item on the agenda, Request the Committee to recommend to the Board to approve an agreement with Carr, Riggs & Ingram, LLC., Certified Public Accountants, to conduct the 2022 Financial Statement Audit at a cost not-to-exceed \$175,000.00; and to authorize the General Manager and/or the Assistant General Manager to execute said agreement, pending review and approval by the Board's attorney. Director Rice made a motion to recommend said item be moved to the full board for approval and Director Burbage seconded the motion. The agenda item was approved by unanimous vote.

Subsequently, the Committee proceeded to the third item on the agenda, Request the Committee to recommend to the Board to approve a Scope of Services Agreement with Underwood Financial Consultants, LLC., to conduct a detailed review and analysis of customer billing and collections from January 1, 2022 through July 31, 2022, at an amount not-to-exceed \$14,500.00; and to authorize the General Manager and/or the Assistant General Manager to execute said agreement. Director Mims questioned whether an opinion could be requested from the State of Alabama Attorney General's Office or the Alabama Ethics Commission regarding the legality of this item. He expressed concerns that this kind of agreement questions the integrity of current staff, and that current staff deserves an opportunity to correct issues regarding customer billing and collections. Director Mims stated that if the Alabama Ethics Commission or the State of Alabama Attorney General's Office says there is no issue entering in an

Agreement with the former employees, he would no longer question the legality of said matter. Thus, he asked the Board's lead attorney, Mark Parnell if he would request the information in writing. Director Burbage asked Director Mims, what is the basis for the questions. Director Mims stated he wanted to make sure that the former employees could do the requested work for the company. He stated he could not support the agenda item if the State and the Board was not knowledgeable of the matter. Board Attorney Parnell stated that he did not see a need for an Attorney General opinion; however, the Board could pass a resolution requesting an opinion. He indicated the response time from the State of Alabama Attorney General's Office would be 2 to 3 months. He indicated the Alabama Ethics Commission cannot give opinions to governmental entities. Board Attorney Parnell stated there is a revolving door policy in the Ethics Law that prevents employees from returning to work within a two-year time frame. Director Munchus asked Board Attorney Parnell whether the Alabama Ethics Commission could give an advisory opinion on this type of issue and whether the revolving door policy was state law. Director Munchus stated he believes it has been a practice, as no one has cited code on the subject matter. He questioned as to why the Alabama Ethics Commission cannot give an advisory opinion on the revolving door policy by way of law. Board Attorney Parnell said the Alabama Ethics Commission gives advisory, formal or informal opinions to public officials and public employees not government entities. Director Munchus asked whether Director Mims or whether the Board could have to ask for an advisory opinion from the Alabama Ethics Commission. The example Board Attorney Parnell gave was that Director Mims would have to ask, "would *he* be personally violating the ethics law". Then, Director Munchus questioned the revolving door policy. Board Attorney Parnell stated that it was in the statute as part of the Ethics Law. The revolving door prohibits public employees or officials from quitting a government entity or retiring and returning to work within two years. Chairman Ward questioned Board Attorney Parnell regarding whether he saw any ethics violations, which Board Attorney Parnell responded no. Chairman Ward commented that he was sensitive to how this may be taken by the board's employees and that this would be confirmation that everything possible is being done. However, he wants to make sure there is no misunderstanding from the staff. Afterwards, Director Burbage made a motion to recommend said item be moved to the full Board for approval and Director Rice seconded the motion. The agenda item was approved by unanimous vote.

As there was no further business before the Committee, Chairman Ward made a motion to adjourn the meeting and Director Rice seconded the motion. The meeting adjourned at 1:10 p.m.

_____/s/_____
Larry Ward
Secretary-Treasurer

Christopher B. Rice
Chairman

_____/s/_____
William "Butch" Burbage, Jr., Esq.
Vice Chairman

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