

**MINUTES OF THE HUMAN RESOURCES COMMITTEE MEETING
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
Wednesday, September 15, 2021
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, September 15, 2021 at 11:30 a.m., via electronically [via teleconference/telephone-Public].

The following Committee members were present via roll call: Committee Chairman Lucien Blankenship and Tom Henderson were in attendance. Committee Member Tereshia Huffman was not present. Other directors present were George Munchus, Chris Rice and Ronald A. Mims.

Others present via teleconference/telephone: Michael Johnson, General Manager; Iris Fisher, Derrick Murphy and Jeffrey Thompson, Assistant General Managers; Cynthia Williams, Board Administrator; Vanessa Washington, Executive Assistant; Colandus Mason, Paul Lloyd, Joyce Dupree, Sam Day, Cherita King, Derrick Maye and Rick Jackson, BWWB Employees; K. Mark Parnell, Parnell Thompson Law, LLC; Charles Wilkinson, Human Resources Management, Inc.; Andrea Lewis, Human Capital Services and Mark Johnson, Fisher Brown Bottrell.

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

Committee Chairman Blankenship called the meeting to order at 11:38 a.m. Human Resources Manager Paul Lloyd opened the meeting with prayer.

Next, the Committee proceeded to Approval of the Agenda. Committee Chairman Blankenship called for any additions or deletions to be added to the agenda. As there were no items to be added to the agenda, Director Henderson made a motion to approve the printed agenda and Committee Chair Blankenship seconded the motion. The Committee approved the printed agenda by unanimous vote.

Following, the Committee proceeded to Agenda item one, Request Committee to approve HR Committee minutes dated June 21, 2021. Director Henderson made a motion to approve agenda item one and Committee Chair Blankenship seconded the motion. The agenda item was approved by unanimous vote.

Next, the Committee proceeded to the Report of Officers, which there were no reports. Afterwards, Committee Chair Blankenship asked if any directors had questions or comments. Director Munchus inquired as to whether the Employee Association was aware of the items on the agenda, and GM Johnson replied yes. GM Johnson stated that Mr. Derrick Maye, Employee Association President, was invited to participate in the meeting and was present via telephone. Committee Chair Blankenship requested staff to share the Human Resources Agendas with the Employee Association prior to the Human Resources Committee Meetings to allow the Committee enough time to address any concerns or feedback from the Employee Association.

Following, as there was not any Unfinished Business, the Committee proceeded to New Business. Agenda item two requested the Committee to recommend to the Board to approve the extension of the COVID-19 Employee Assistance Policy to September 30, 2022. Director Henderson made a motion to approve agenda item two and Committee Chair Blankenship seconded the motion. The agenda item was approved by unanimous vote. Said item was moved to the full Board for consideration.

Next, agenda item three requested the Committee to hear a presentation and to recommend to the Board to approve the FY 2022 health insurance plan design, premium rates and COBRA rates; and for the General Manager or Assistant General Manager to execute necessary health insurance agreements to include agreements with Wellness Program providers and Wex to provide 3rd party administrative services for Flexible Spending Plans, Health Reimbursement Accounts, Health Savings Accounts and COBRA Administration. Former IWWB Employees & Under 65 IWWB Retirees BCBS health insurance plan design and premium rates will not change. Mr. Mark Johnson presented information on said topic. He discussed the health insurance 2021 Planned Budget vs the 2022 Projected Budget. The FY2022 projected budget is \$11,791,358.00 and the FY2022 projected expenses are \$11,362,376.00. Per Mr. Mark Johnson, if no modifications are made to the health insurance plan/premiums the projected funding would be \$12,200,000.00 for the health insurance budget. He discussed the various increases to the healthcare budget. Per Mr. Mark Johnson, changes were made to the plan design to offset changes in the healthcare plan cost and to be competitive in the marketplace. Currently, BWWB has two health insurance plans. However, his team is recommending the Value HSA Plan as the third option, which is a lower cost plan for the employees. Mr. Mark Johnson reviewed the side by side comparison of the three proposed health insurance plans (1) *Value HSA*, (2) *Current Value PPO*, and (3) *Modified Premier Plan*. Director Munchus inquired about the TASC account, its cost and whether Mr. Maye had any concerns. Mr. Maye indicated that his concern was the slight increase in the health insurance cost related to employees. Committee Chair Blankenship asked that Mr. Maye's concerns be noted. Following, Mr. Mark Johnson reviewed a side by side comparison for the Dental Plans (1) *Basic Plan* and (2) *Enhanced Plan* for BWWB. GM Johnson stated staff's recommendation is to move to the three plans option, because if no changes are made it will cost the board \$12,200,00.00. Afterwards, Committee Chair Blankenship made a motion to approve agenda item three with there being continued discussion between staff and employees and Director Henderson seconded the motion. The agenda item was approved by unanimous vote. Said item was moved to the full Board for consideration.

Next, agenda item four requested the Committee to hear a presentation and to recommend to the Board to approve the General Manager or Assistant General Manager to execute an agreement (subject to review by the Board's attorney) with Human Resource Management, Inc. to perform compensation services at a projected cost of \$82,950.00. Director Mims entered the meeting at 12:24 p.m. Charles Wilkinson introduced Andrea Lewis to give an overview on said topic. Ms. Lewis presented information to directors on phases one through three (*Project Planning & Launch, Conduct Job Analysis and Develop/Update Job Descriptions*) of the Human Resources Management Compensation Services Proposal. Mr. Wilkinson discussed phases four through six (*Conduct Market Study, Update Pay Structure and Conduct External/Internal Equity Review*) of the proposal and concluded his presentation. Director Rice expressed concern regarding the job descriptions issues in the past and suggested that job descriptions are closely reviewed and modified as needed to eliminate those issues. Director Munchus also expressed

concerns and cautioned staff on the reclassification of jobs, pay grades and the impact it will have on employees. GM Johnson stated staff's recommendation is to move forward on said agenda item. Director Henderson made a motion to approve agenda item four and Committee Chair Blankenship seconded the motion. The agenda item was approved by unanimous vote. Said item was moved to the full Board for consideration.

Following, agenda item five requested the Committee to hear a presentation and to recommend to the Board to approve a Sign-On Bonus Program for designated positions and to approve an Employee Referral Bonus Program. Mr. Paul Lloyd presented information regarding the programs. He discussed information on guidelines for both programs and indicated the need for the programs due to a competitive work market and recruiting employees. Mr. Lloyd gave an overview of the Sign-On Bonus Program and the Employee Referral Bonus Program Guidelines. Per Mr. Lloyd, it has been challenging to locate qualified candidates to fill entry level and professional level positions. He stated that there are three proposed categories for the sign-on bonuses, which are as follows: (1) \$500.00 - Hourly Positions (2) \$1,000.00 – Exempt Positions (3) \$2,000.00 – Exempt Information Technology Positions (I.T.). Attorney Parnell inquired as to whether the programs had been reviewed by the Board's Attorney Emory Anthony or any legal counsel. He suggested that the programs be looked at from an ethics law standpoint and as a public employer. Committee Chair Blankenship stated the item would be fully vetted before implementation. Director Rice expressed concerns of the bonus not being the same across the board regardless of work class or job title. Committee Chair Blankenship indicated that staff, Director Rice, and the Board's Attorneys would be allowed time to discuss and review the issue further. Director Mims left meeting at 1:07 p.m. Committee Chair Blankenship made a motion to approve agenda item five subject to a consensus on said item before the next board meeting and Director Henderson seconded the motion. The agenda item was approved by unanimous vote. Said item was moved to the full Board for consideration.

Next, agenda item six requested the Committee to hear a presentation and to recommend to the Board to approve a Scheduled On-Call Pay Policy Program. Mr. Lloyd gave an overview on the topic. Per Mr. Lloyd the current On-Call process is assigned to employees on a rotational basis. He stated that the proposed Program is to provide extra compensation for employees on-call that do not get called back in to work but must make themselves available. Director Henderson inquired about the cost associated with said agenda item and asked that the information be provided to directors, as it would be necessary for the budget. Mr. Lloyd agreed to provide the requested information. Director Henderson made a motion to approve agenda item six and Committee Chair Blankenship seconded the motion. The agenda item was approved by unanimous vote. Said item was moved to the full Board for consideration.

Following, agenda item seven requested the Committee to hear a presentation and to recommend to the Board to approve an Employee Recognition Program. Sam Day presented information to the directors on said topic. Mr. Day talked about the programs' purpose and referenced the recommendations drawn from research. Afterwards, he discussed the following proposed five programs: (1) *Individual Quarterly Award* (2) *Teams Award* (3) *Leaders Quarterly Award* (4) *Real Time Recognitions* and (5) *Create a "Culture Committee"*. Director Rice inquired about the cost and whether the program was being requested to start this year. Mr. Lloyd stated that the estimated projected cost is \$90,000.00, which would be included in the FY2022 budget if approved. Per GM Johnson, staff would be educated first. He stated that there are available funds to begin the program this year. Committee Chair Blankenship asked for

clarification on whether funds are being requested to be allocated for the remaining year and the full amount allocated for next year, which Director Rice confirmed. Director Rice recommended that staff ensure the cost is included in the resolution; for instance, if staff is requesting a 4th of the allotment for this year (4th Quarter), and the full allotment for FY2022, it should be indicated in the resolution. GM Johnson agreed to add the requested language. Afterwards, Director Henderson made a motion to approve agenda item seven and Committee Chair Blankenship seconded the motion. The agenda item was approved by unanimous vote. Said item was moved to the full Board for consideration.

Subsequently, the Committee proceeded to agenda item eight, which requested the Committee to hear an update on adding additional HR staff to recruit, add HR analytics, and support strategic workforce development goals. Mr. Lloyd stated that his department was in dire need of additional staff. He requested the following three positions: (*Talent Management Recruiter, Talent Management Coordinator and Human Resources Information Systems (HRIS) & Analytics Officer*). Director Rice expressed concern relative to adding some of the requested positions as it was stated that some of the positions would require temporary duties as they would relate to the impact of COVID-19. Director Rice inquired about the job descriptions and salary for the proposed job positions. He requested that the data (*job duties/descriptions, salary range, and analysis for outsourcing*) for all three positions be provided to the directors. Director Rice suggested considering outsourcing as a possible option for two of the job positions, because they will possibly be useless in the future based on the need of vacant positions. Director Rice suggested tabling said agenda item. Director Henderson agreed and indicated he shared some of the same concerns. Per Director Rice, the reason for the requested positions needed to be validated. Director Henderson made a motion to table said item and Committee Chair Blankenship seconded the motion. It was agreed that said item be brought back to the HR Committee within 30 days for further consideration. The agenda item was tabled by unanimous vote.

As there was no further business before the Committee, Director Henderson made a motion to adjourn the meeting. Committee Chair Blankenship adjourned the meeting at 1:45 p.m.

_____/s/_____
Lucien B. Blankenship, Esq.
Second Vice-Chairman

_____/s/_____
Tereshia Q. Huffman
Assistant Secretary-Treasurer

_____/s/_____
Thomas E. Henderson
Director

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