

**MINUTES OF THE HUMAN RESOURCES COMMITTEE MEETING
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
July 25, 2017**

A Human Resources Committee Meeting of The Water Works Board of the City of Birmingham was held on Tuesday, July 25, 2017, at 9:00 a.m., in the principal office of the Board, 3600 First Avenue North, Birmingham, Alabama.

The following HR Committee Members were present: Directors George Munchus, Ronald A. Mims, and Brenda J. Dickerson. The following Non-Committee Members were also in attendance: Directors William R. Muhammad and Deborah Clark. Directors Sherry W. Lewis arrived at 9:05 a.m., Brett A. King arrived at 9:09 a.m., and William “Butch” Burbage, Jr. arrived at 9:33 a.m.

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

The meeting was also attended by: Mac Underwood, General Manager; Michael Johnson, Darryl Jones, and T.M. “Sonny” Jones, Assistant General Managers; Grace Amison, Executive Assistant to the Board of Directors; Vanessa Washington, Executive Assistant to Michael Johnson; Paul Lloyd, Cherita King, Rick Jackson, George Anderson, Jr., Terrell Jones, Board Employees; K. Mark Parnell, Parnell Thompson, LLC; Kelvin Howard, KWH, LLC.; Dorian Kendrick, Agency 54; Jerry Jones, ARCADIS; Isaac Ballard, Visitor.

GM Underwood called the meeting to order at 9:05 a.m. and proceeded with the agenda. The first agenda item requested the Committee to approve the HR Committee Meeting minutes of May 4, 2017. Management recommended approval of the minutes. The item was moved by Director Ronald A. Mims and seconded by Dr. George Munchus, thus approved to move forward to the full Board.

Next, agenda item two requested the Committee to approve proposed changes to Amendment 1 of the Retiree Medical Plan (BWVB) and Retiree Medical Plan (IWB Participants). These changes would amend the Plan regarding Dependent Eligibility requirements (24-month rule) and amend the Plan regarding Dependent Spouse. GM Underwood asked HR Manager Paul Lloyd to address this item. HR Manager Paul Lloyd explained that the 24-month rule meant BWVB employee’s spouses must be covered under the Plan 24-months prior to retirement to be eligible for retirement insurance and the rule also prevents a spouse from being added to the retirement plan at the last minute. The proposal to the Committee was to keep the 24-month rule in place. In addition, if the spouse is covered under their employer plan, that covered time would count towards the 24 months. After the employee retires (under 65 retirees), this would allow the spouse to be covered by the Plan if he or she needs insurance. Director Clark asked HR Manager Paul Lloyd about bringing in spouses under age 65 that have insurance elsewhere and covering them under BWVB’s Plan. Per HR Manager Paul Lloyd, the purpose is to allow spouses to be covered under the BWVB Plan as an option if the spouse had coverage under his or her employer’s plan 24 months prior to a BWVB employee retiring. Director Clark expressed concern about taking care of a spouse as opposed to an actual single or married BWVB employee. Dr. Dickerson also expressed the need for clarification on the Plan changes. GM Underwood gave a brief explanation with examples to clarify the changes to Amendment 1 of the Retiree Medical Plan for BWVB and IWB Participants. In addition, Director Clark inquired as to the purpose of the Plan

changes: cost and length of time to the Board, the benefits, and whose benefiting from the changes. Chairwoman Lewis explained that these are options for the employees and that some employees will get coverage under their spouse's insurance. After much discussion, the agenda item was moved by Director Ronald A. Mims and seconded by Dr. Brenda J. Dickerson, thus approved to be moved forward to the full Board for approval at the Regular Board of Directors' Meeting to be held on Thursday, July 27, 2017.

Following, agenda item three requested the HR Committee to hear an overview of the HR Management Guide and Employee Handbook. GM Underwood asked HR Manager Paul Lloyd to cover the topic. HR Manager Paul Lloyd referred the request to HR Business Partner Cherita King. Ms. King gave a general overview of the Employee Handbook and the HR Management Guide. Ms. King explained that the primary purpose of the Employee Handbook is to provide the employees with a guide to use that identifies the BWWB policies and procedures. In addition, the Management Guide is for BWWB Managers and Supervisors to assist them in handling corrective actions and other issues. Dr. Munchus inquired as to the identity of the HR Business Partners. Ms. King stated that she, Charlotte Harris, and LaTasia Sanford are the HR Business Partners. Per Cherita King, both guides are in place to provide an understanding of the organization in addition to promoting consistency and fairness in administration of procedures. Ms. King indicated that employees have access to the Employee Handbook and only Managers and Supervisors have access to the HR Management Guide. Director Mims made a request to GM Underwood to have Personnel provide Personnel Action Request Forms (PARFs) for review from the last two years. Per Director Mims, he has questions about promotion procedures. Then, Dr. Dickerson requested a list of unbudgeted positions for the past two years with someone hired into the position. It was clarified that the information is to be made available for viewing with someone from Personnel and a physical copy is not necessary. Director Mims, Dr. Dickerson, and Director Clark indicated they are interested in viewing promotions and unbudgeted positions with Personnel. Cherita King continued the presentation. Director Muhammad expressed concern about progressive discipline and its gray areas. The issue of progressive discipline was discussed further for clarification. Chairwoman Lewis reminded the Board members that the Board sets policy and does not get involved in Operations. GM Underwood reiterated to the Board that there is some possibility Board members could be subpoenaed in a legal matter when becoming closely involved with employment matters if an employee chose to file a lawsuit. Chairwoman Lewis stated that employees have the option outside of BWWB to contact the Equal Employment Opportunity Commission (EEOC) if he/she is unsatisfied with internal disciplinary action from BWWB. Cherita King continued her presentation. There was a brief discussion among the group about key performance goals and performance review evaluations. Chairwoman Lewis voiced concern that the form evaluating the process for an employee receiving a raise should be reviewed by the HR Committee. A random sampling of the evaluations was requested for Dr. Dickerson's review of the measures in place. Ms. King concluded her presentation on the HR Management Guide and Employee Handbook.

Next, Cherita King acknowledged HR Manager Paul Lloyd to introduce agenda item four. Agenda item four requested the Committee to review and discuss the Proposal for a Problem Resolution Committee submitted by Director Muhammad. Before HR Manager Paul Lloyd presented, Director Muhammad stated he was very proud of Ms. King's accomplishments and the job she has done. In addition, Director Muhammad stated that his concerns regarding the policy implementation has nothing to do with the Human Resources Department. Afterwards, HR Manager Paul Lloyd presented the proposed information for a Problem Resolution Committee. He indicated that the Human Resources Team listed issues addressed in the Employee Handbook

policy and procedures that were also referenced in the Problem Resolution Policy document. HR Manager Paul Lloyd discussed a comparison of the Employee Handbook Policies, University of Alabama at Birmingham (UAB) Policy, and the Proposed Problem Resolution Policy. The pros and cons for a Problem Resolution Committee was also discussed. Per Dr. Munchus' inquiry, Director Muhammad indicated that the Problem Resolution Committee would be an optional choice. There were concerns indicated in the discussion among the group regarding this topic. Subsequently, the item was moved by Dr. Brenda J. Dickerson and seconded by Director Ronald A. Mims, thus it was approved to move forward to the full Board to adopt a Problem Resolution Committee at the Regular Board of Directors' Meeting to be held on Thursday, July 27, 2017. GM Underwood went on record as stating he does not recommend allowing a Committee to overturn a decision made by the HR Manager, HR Business Partner, and Assistant General Manager. Director King requested an email listing the grounds for termination.

Finally, agenda item five requested the Committee to review and discuss conducting a Salary Survey and updating the Salary Administration Plan. HR Manager Paul Lloyd gave a summary on the topic. He indicated that conducting a Compensation Services and Salary Survey was being proposed. Dr. Munchus asked when was the last salary survey. HR Manager Paul Lloyd stated the Salary Survey was last implemented in 2007; there was also a Salary Survey in 2012 that was not implemented. Chairwoman Lewis indicated concerns with the last survey was the companies were being compared on a national level rather than a regional or local level. Per Chairwoman Lewis, water systems like ours need to be compared. Also, national, regional, and local areas need to be researched. HR Manager Paul Lloyd gave justification for the need for a RFP. He then concluded the presentation. Following, the item was moved by Dr. George Munchus and seconded by Director Ronald A. Mims, thus the item was approved to move forward to the full Board.

As there was no further business to be brought before the Committee, a motion to adjourn the meeting was duly made and seconded, and the meeting adjourned at 11:30 a.m.

_____/s/_____
George Munchus, Ph.D.
Director

_____/s/_____
Ronald A. Mims
Director

_____/s/_____
Brenda Dickerson, Ph.D.
Director

_____/s/_____
Mac Underwood
General Manager