

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
July 27, 2022**

A regular meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, July 27, 2022 at 11:30 a.m.

The following directors were present: Tom Henderson, Tereshia Huffman, Chris Rice, Larry Ward, George Munchus, and William “Butch” Burbage, Jr. Director Ronald A. Mims participated via telephone. Directors Dalton NeSmith and Lucien Blankenship were not present.

Others present were: Michael Johnson, General Manager; Derrick Murphy, Jeff Thompson and Iris Fisher, Assistant General Managers; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Rick Jackson, Jeff Wade, Charles McGee, Marsha Walker, Rosalind Jones, Ed Travis, Trey Finch, and David Walker, BWWB Employees; K. Mark Parnell, Parnell Thompson, LLC; Byron Perkins, Perkins Law, LLC; Kelvin Howard, Esq.; Tiffanie Agee, Esq.; Kimberly Baylor Bivins, Birmingham Construction Industry Authority; Martha Bozeman, and Tommy Pallandino, Agency 54; LLC; Sherri Richardson, and Kessia Crenshaw, State of Alabama Attorney General’s Office; Theo Johnson, Jacobs; Connie Harris, Sheppard Harris & Associates; James White, Banks, Finley & White; Hal Humphrey, Gresham Smith; Rusty Agi, Itron, Inc.; Phillip Pitts, Sedgwick; and William Muhammad, CSJC.

Chairman Rice declared a quorum in attendance.

Chairman Rice called the meeting to order at 11:32 a.m. and Assistant General Manager Iris Fisher opened with prayer.

Following, Chairman Rice asked the Board to approve the agenda. Chairman Rice stated he would like to table agenda item 5 until the next Board meeting. The General Manager stated agenda item 6 needs to add language “upon approval by the Board’s attorneys”. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Chris Rice and seconded by Ms. Tereshia Huffman, that the Board hereby tables agenda item 5, amends agenda item 6 to include language “upon approval by the Board’s attorneys”, and approves the agenda for the July 27, 2022 Regular Board of Directors’ Meeting. Resolution No. 9078 is hereby adopted by unanimous vote.”

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Following, Chairman Rice asked to hear Reports of Committee. As there were no reports, the General Manager stated the upcoming committee meetings. The General Manager also requested a Finance Committee Meeting be added for August 3, 2022. Chairman Rice stated the meeting could be added.

Following, Chairman Rice asked to hear Reports of Officers. Chairman Rice stated at the next Board meeting he will have a formal plan to discuss billing issues. He indicated he needs to have further discussions with the directors regarding the plan. He then questioned Assistant General Manager Jeff Thompson what the plan regarding getting a permanent security contract is. Assistant General Manager Thompson stated he is working with the Purchasing Department to develop a scope of services to solicit and that is currently in progress. Director Huffman questioned Chairman Rice how communication with the directors regarding the billing issues would be handled. Chairman Rice responded he would communicate via telephone. Director

Huffman then requested an update on Governmental Affairs. Chairman Rice stated the agendas from those discussions should be shared with all directors after the meetings have been held. He indicated this would keep the line of communication open. Subsequently, the General Manager recognized Rick Jackson, Public Relations Manager, to present a video recapping The World Games 2022. Mr. Jackson expressed his gratitude to the 100 employees who volunteered during The World Games 2022. The General Manager stated he attended events at Oak Mountain State Park. He stated the handouts given to patrons were a big hit. He indicated he asked customers if they were satisfied with their water bill. He stated customers told him they were happy about the service and quality of water they are receiving. He then expressed his gratitude for the employees that volunteered for The World Games 2022.

Next, The General Manager recognized Connie Harris, Sheppard Harris & Associates, to present the FY 2021 Pension Plan and OPEB Plan audit reports. Chairman Rice requested the directors to email Sheppard Harris & Associates and Banks, Finley & White should they have any questions after their presentations were made. Ms. Harris stated there was no issues with conducting the audit of the Pension Plan, nor were there any disagreements with management. She stated an unmodified opinion was issued for the audit. She then gave an overview of the finances. Ms. Harris then stated there was no issues with conducting the audit of the OPEB Plan, nor were there any disagreements with management. She stated an unmodified opinion was issued for the audit. She then gave a statement of the fiduciary position and the funding ratio.

Next, The General Manager recognized James White, Banks, Finley & White, to present the FY 2021 SOC-1 and Financial Statements audit reports. Mr. White stated an unqualified opinion was issued for the SOC-1 and Financial Statements audit reports. He stated the audit was clean and there were no issues with management. He indicated the SOC-1 audit is required based on the agreement the BWWB has with Jefferson County for sewer billing collection.

Following, Chairman Rice recognized speakers. Mr. William Muhammad spoke regarding transparency.

Following, the Board moved to the first item on the agenda, Request Board to adopt resolutions authorizing monthly retirement benefits from the Board's Retirement Trust Fund for David Wint, Senior Meter Reader – Customer Support Services Department, as stated on the respective retirement calculation, effective August 1, 2022, and commending Mr. Wint for his 30 years or service. Director Munchus requested the General Manager to express his appreciation to the meter readers on his behalf for the hard work they perform. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, David Wint, Sr., an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective August 1, 2022, at an age of 55, and

WHEREAS, David Wint, Sr., has 30 years of continuous service with the Board at his retirement date, and in accordance with the terms of the Trusteed Pension Plan, is entitled to receive a monthly Retirement payment from the Board's Retirement Trust Fund in the amount of \$3,789.73; and

NOW, THEREFORE, BE IT RESOLVED By the Board of Directors of The Water Works Board of the City of Birmingham, on motion duly made by Mr. George Munchus and seconded by Mr. Tom Henderson, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$3,789.73 to Mr. Wint from the Board's Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made August 1, 2022.

Resolution No. 9079 is hereby adopted by unanimous vote.”

“WHEREAS, David Wint, Sr., an employee of The Water Works Board of the City of Birmingham, is retiring, effective August 1, 2022, after 30 years of service with the Board; and

WHEREAS, management has informed the Board of David Wint, Sr.’s efficiency, reliability, and loyal service which contributed to the effective operation and growth of The Water Works Board of the City of Birmingham; and

WHEREAS, David Wint, Sr., leaves behind a record which deserves a sincere word of gratitude for a job well done; and the Board does hereby express its best wishes for many happy years ahead.

NOW, THEREFORE, BE IT RESOLVED, By the Board of Directors of the Water Works Board of the City of Birmingham, David Wint, Sr. is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of David Wint, Sr.’s services to the Board, a copy of this resolution be spread upon the minutes of The Water Works Board of the City of Birmingham and an official resolution presented to Mr. Wint.

Resolution No. 9080 is hereby adopted by unanimous vote.”

Following, the Board moved to the second item on the agenda, Request Board to adopt resolutions authorizing monthly disability retirement benefits from the Board’s Retirement Trust Fund for Annette Germany, Phone Operator – Call Center, as stated on the respective retirement calculation, effective August 1, 2022, (with retroactive payment for the months of May, June, and July 2022), and commending Ms. Germany for her 9 years and 8 months of service. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, Annette Germany, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring due to a disability, effective May 1, 2022, at an age of 58, and

WHEREAS, Annette Germany has 9 years and 8 months of continuous service with the Board at her retirement date, and in accordance with the terms of the Trusteed Pension Plan, is entitled to receive a monthly Retirement payment from the Board’s Retirement Trust Fund in the amount of \$807.72; and

NOW, THEREFORE, BE IT RESOLVED By the Board of Directors of The Water Works Board of the City of Birmingham, on motion duly made by Ms. Tereshia Huffman and seconded by Mr. Tom Henderson, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$807.72 to Mrs. Germany from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made August 1, 2022. Mrs. Germany was declared disabled as of October 13, 2021, and her retirement disability became effective May 1, 2022 (retroactive payment for May 2022 – July 2022). The Board’s Trust Fund retirement disability is reduced by the Social Security disability amount paid to the participant. Resolution No. 9081 is hereby adopted by unanimous vote.”

“WHEREAS, Annette Germany, an employee of The Water Works Board of the City of Birmingham, is retiring, effective May 1, 2022, under the Board’s Disability provision of its Retirement plan; and

WHEREAS, management has informed the Board of Annette Germany’s efficiency, reliability, and loyal service which contributed to the effective operation and growth of The Water Works Board of the City of Birmingham; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors expresses its best wishes to Annette Germany; and

BE IT FURTHER RESOLVED, that in recognition of Annette Germany’s services to the Board, a copy of this resolution be spread upon the minutes of The Water Works Board of the City of Birmingham and a copy presented to Mrs. Germany.

Resolution No. 9082 is hereby adopted by unanimous vote.”

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Following, the Board moved to the third item on the agenda, Request Board to approve payments of invoices. Chairman Rice questioned whether the subcontractors are being paid on time. Assistant General Manager Derrick Murphy responded yes. Chairman Rice questioned whether there is a timeframe to get ARCADIS invoices caught up. Assistant General Manager Derrick Murphy stated two invoices at a time are placed on the agenda to catch up the invoices. He stated the invoices should be caught up by September 2022. He stated the invoices are processed when they are submitted by ARCADIS. Chairman Rice stated he wants to ensure the subcontractors are not affected by this process. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. William Burbage, and seconded by Ms. Tereshia Huffman, that the Board hereby authorizes staff to execute payment to the following:

- 3.1 Pat Lynch & Associates for professional services rendered June 1-30, 2022 in the amount of \$10,000.00.
- 3.2 Raftelis Financial Consultants, Inc. for the following:
 - 3.2.1 For professional services rendered June 2022 related to the WIFIA Loan in the amount of \$332.50.
 - 3.2.2 For professional services rendered June 2022 related to the RSE Update in the amount of \$520.00.
 - 3.2.3 For professional services rendered June 2022 related to Debt Update in the amount of \$2,242.50.
 - 3.2.4 For professional services rendered June 2022 related to Bill Frequency in the amount of \$3,050.00.
 - 3.2.5 For professional services rendered June 2022 Financial Support in the amount of \$3,737.50.
 - 3.2.6 For professional services rendered June 2022 related to Jefferson County Cost Allocation Update in the amount of \$5,086.25.
 - 3.2.7 For professional services rendered June 2022 related to Strategic Plan Support and Dashboard in the amount of \$6,477.50.

- 3.3 Kelvin W. Howard, LLC for professional services rendered June 2022 in the amount of \$17,040.00.
- 3.4 Parnell Thompson, LLC for professional services rendered June 2022 in the amount of \$59,656.00.
- 3.5 ARCADIS, U.S., Inc. for the following:
 - 3.5.1 For professional services rendered during the month of March 2022 in the amount of \$294,214.70.
 - 3.5.2 For professional services rendered during the month of April 2022 in the amount of \$250,058.55.

Resolution No. 9083 is hereby adopted by unanimous vote.”

Following, the Board moved to the fourth item on the agenda. Director Burbage asked that agenda items 4 and 6 be voted on together and Director Ward seconded the motion. Director Ward questioned what service Landscape Unlimited provides. The General Manager responded Landscape Unlimited restores customers’ yards/property after leak repairs are performed. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. William Burbage, and seconded by Mr. Larry Ward, that the Board hereby approves items 4 and 6 on the agenda as follows:

- 4. Authorizes staff to exercise its bid option to extend a 12-month contract with Landscape Unlimited, LLC, the lowest responsible and responsive bidder, to provide landscaping restoration throughout the Distribution area, per bid awarded on April 28, 2021, at an estimated out-of-pocket cost to the Board of \$1,549,117.50; and authorizes the General Manager and/or Assistant General Manager to execute said document, as recommended by the Engineering and Maintenance Committee.
- 6. Authorizes the General Manager and/or the Assistant General Manager, upon approval by the Board’s attorneys. to approve a one-year agreement with Sedgwick Claims Management Services, Inc., (Sedgwick) to provide third party administrator (TPA) services for property, casualty, and subrogation claims for the Board. Service fees are included in Exhibit B in the agreement, as recommended by the Executive Committee.

Resolution No. 9084 is hereby adopted by unanimous vote.”

Following, the Board moved to the seventh item on the agenda, Request Board to enter Executive Session to discuss legal matters. Board Attorney Mark Parnell certified the Executive Session would be held to discuss pending and current litigation. He indicated this was a continued discussion. He stated there would be no action taken after Executive Session. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Larry Ward, and seconded by Mr. William Burbage, that the Board hereby enter Executive Session to discuss legal matters. Resolution No. 9085 is hereby adopted by unanimous vote.”

Following, the Board entered Executive Session at 12:12 p.m.

Next, Director Burbage made a motion to come out of Executive Session and Director Henderson seconded the motion. The Board voted unanimously to come out of Executive Session. The Board came out of Executive Session at 12:50 p.m.

Next, Director Burbage then made a motion to adjourn the meeting and Director Huffman seconded the motion. On a motion duly made and seconded, the motion was approved, and the meeting was adjourned at 12:50 p.m.

Christopher B. Rice
Chairman/President

Attest:

Raymond L. Ward
Secretary-Treasurer