

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
September 28, 2022**

A regular meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, September 28, 2022 at 11:30 a.m.

The following directors were present: Tom Henderson, Lucien Blankenship, Larry Ward, George Munchus, William "Butch" Burbage, Jr., Ronald A. Mims, and Dalton NeSmith. Director Tereshia Huffman participated in said meeting via telephone.

Others present were: Michael Johnson, General Manager; Jeff Thompson and Derrick Murphy, Assistant General Managers; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Rick Jackson, Jeff Wade, Charles McGee, Marsha Walker, Paul Lloyd, Rosalind Jones, and David Walker, BWWB Employees; K. Mark Parnell, Parnell Thompson, LLC; Byron Perkins, Perkins Law, LLC; Kim Baylor Bivins, Birmingham Construction Industry Authority; Tommy Pallandino, Agency 54; LLC; Olivia Martin, State of Alabama Attorney General's Office; Theo Johnson, Jacobs; Hal Humphrey, Gresham Smith; Peiffer Brandt, Raftelis Financial Consultants; Rob Rasmussen, mGIC; Phillip Moultrie, Valent Group; Jeff Drew, Alexander Insurance Agency; Jonathan Hardison and Vincent Parker, WBRC; Heather Gann, and Roy Johnson, AL.com; Angela Riley, and Claire Owens, O2 Ideas; Joel Morris, SOI; William Muhammad, Citizens to Save Jefferson County; Ryan Michaels, The Birmingham Times; Mark Johnson and Christy Schaffer, Fisher Brown Bottrell Insurance; and Cynthia Gould, ABC 33/40.

Vice Chairman Burbage declared a quorum in attendance.

Vice Chairman Burbage called the meeting to order at 11:30 a.m. and General Manager Michael Johnson opened with prayer.

Following, Vice Chairman Burbage asked the Board to approve the agenda. He stated he would like for the Board to consider adding accepting the resignation letter dated September 27, 2022 from Chris Rice from the Board of Directors under Unfinished Business. Director Blankenship stated he disagreed with adding the item and stated the Board should accept the original resignation Mr. Rice submitted to City of Birmingham Mayor Woodfin. He stated if the Board accepted the resignation letter dated September 27, 2022, they would in turn state that they did not accept the original resignation submitted to Mayor Woodfin. Director Blankenship then made a motion to accept the original resignation letter from Mr. Rice that was submitted on September 6, 2022 and transmitted to the City Clerk of the City of Birmingham on September 8, 2022 and Director Mims seconded the motion. The motion failed on a vote of 3 to 4. Next, Director NeSmith made a motion to approve the agenda and to add accepting the resignation of Chris Rice from the Birmingham Water Works Board to the agenda under Unfinished Business and Director Henderson seconded the motion. Director Blankenship questioned whether the Board had the authority to accept the resignation and Vice Chairman Burbage responded yes. Board Attorney Mark Parnell stated the Board received a copy of the letter from the City Attorney for Birmingham. He indicated the letter stated there was no statutory authority for a resignation from the BWWB Board to be made to the appointing authority. He stated the letter also indicated how a resignation would occur in the Board's Certificate of Incorporation. He stated the Certificate of Incorporation states a director can resign in writing by submitting the resignation to the Board or filing it with the City Clerk. Mr. Parnell stated the resignation letter Director Blankenship was referring to was not submitted to the Board; therefore, the Board didn't have any authority to take action regarding that resignation. He stated he believes there is a question of whether Mayor Woodfin could submit that resignation to the City Clerk and it would satisfy the Certificate of Incorporation. He indicated the resignation the Board received last night from Mr. Rice clearly falls within the guidelines of the Certificate of Incorporation. He stated the Board should act regarding Mr. Rice's resignation

to either reject or accept it. He stated he recommended the Board add the item to the agenda and accept the resignation. Director Blankenship then read a portion of the letter from the City Attorney of Birmingham and BWWB's Certificate of Incorporation. Mr. Parnell stated Rule 4 of the State of Alabama's Civil Procedure has nothing to do with the Certificate of Incorporation. He indicated the Certificate of Incorporation does not speak of the Chief Executive Officer for the City. He reiterated what the Certificate of Incorporation states regarding resignations from the Board. Director Blankenship stated he is concerned whether the Board has the authority to accept the resignation. He then requested the letter from the City Attorney of Birmingham be read. Mr. Parnell stated the Vice Chairman would determine whether the letter be read. He indicated there was a motion on the floor that needed to be voted on.

Subsequently, Vice Chairman Burbage called for a vote on the motion. 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. Dalton NeSmith and seconded by Mr. Tom Henderson, that the Board hereby adds accepting the resignation of Chris Rice from the Birmingham Water Works Board to the agenda under Unfinished Business. Resolution No. 9118 is hereby adopted by a roll call vote: Director Burbage, Yes; Director NeSmith, Yes; Director Ward, Yes; Director Blankenship, No; Director Munchus, Abstain, Director Henderson, Yes; and Director Mims, voted No.”

Following, Director Munchus stated he would like for agenda item 10 to be rebid and he would address the subject in Executive Session. Vice Chairman Burbage stated agenda item 10 could be moved after agenda item 12, and he stated Speakers could be moved up before Executive Session. Director Blankenship stated he would like to add to the agenda to give directors authority to participate in meetings electronically which would allow them to vote as well. Vice Chairman Burbage stated the item would need to go to the Communications Committee first for discussion. Director Blankenship stated he was satisfied with the item being forwarded to a Committee. Director Munchus questioned if the law states directors can participate in meetings electronically, does the Board need to pass a resolution. Vice Chairman Burbage stated the item would need to go to Committee first for discussion.

Following, Director NeSmith made a motion to approve the agenda with the amendments and Director Ward seconded the motion. 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. Dalton NeSmith and seconded by Mr. Larry Ward, that the Board hereby approves the agenda for the September 28, 2022 Regular Board of Directors’ Meeting. Resolution No. 9119 is hereby adopted by unanimous vote.”

Following, the Board moved to the first item on the agenda, Request Board to approve minutes from the following meetings Regular Board of Directors’ Meeting held July 13, 2022 and Regular Board of Directors’ Meeting held August 24, 2022. 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. Ronald Mims and seconded by Mr. Tom Henderson, that the Board hereby

approves minutes from its Regular Board of Directors' Meetings held July 13, 2022, and August 24, 2022. Resolution No. 9120 is hereby adopted by Directors Burbage, NeSmith, Ward, Munchus, Henderson, and Mims; Director Blankenship abstained from voting.”

Following, Vice Chairman Burbage asked to hear Reports of Committee. As there were no reports, the General Manager stated the upcoming Engineering & Maintenance Committee meeting would be held directly following the board meeting.

Following, Vice Chairman Burbage asked to hear Reports of Officers. Director Blankenship clarified that the item regarding electronic voting would be sent to the Communications Committee and Vice Chairman Burbage replied yes. Director Munchus questioned the status of HomeServe regarding the leak management program. The General Manager stated staff had been given authority to move forward; however, it has been several months since that information has been reviewed. He stated the information has been reviewed by legal counsel. He indicated there must be discussions with HomeServe and the item has to be sent back to the appropriate Committee.

Following, the Board moved to Unfinished Business, Board hereby accepts the resignation of Chris Rice from the Birmingham Water Works Board. 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. Dalton NeSmith and seconded by Mr. Larry Ward, that the Board hereby accepts the resignation of Chris Rice from the Birmingham Water Works Board. Resolution No. 9121 is hereby adopted by a roll call vote: Director Burbage, Yes; Director NeSmith, Yes; Director Ward, Yes; Director Blankenship, Yes; Director Munchus, Yes, Director Henderson, Yes; and Director Mims, No.”

Following, the Board moved to the second item on the agenda, Request Board to approve the following directors' actual travel expenses for the 2022 Alabama Water Resources Conference held September 7-9, 2022, in Orange Beach, AL. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, the Board of Directors has adopted a Travel Expense Reimbursement Policy, as amended; and

WHEREAS, pursuant to Resolution No. 8985 adopted by the Board of Directors on January 26, 2022, approval was given to attend the 2022 Alabama Water Resources Conference scheduled September 7-9, 2022, in Orange Beach, Alabama; and

WHEREAS, in accordance with Act No. 2015-164, approval is requested for the following actual expenses relative to the above-referenced conference.

NOW, THEREFORE, BE IT RESOLVED, on a motion made by Mr. George Munchus and seconded by Mr. Larry Ward, that the following board member(s) be reimbursed for his or her actual expenses pertaining to said conference as follows:

- Christopher Rice for total actual expenses including conference registration, lodging (room and tax only), in the amount of \$481.08 (as listed on the attached Itemized Travel and Business Expense Reimbursement).

- William Burbage for total actual expenses including conference registration, lodging (room and tax only), business meals and business use of personal automobile in the amount of \$2,116.28 (as listed on the attached Itemized Travel and Business Expense Reimbursement).

Resolution No. 9122 is hereby adopted by a roll call vote: Director Burbage, Abstain; Director NeSmith, Yes; Director Ward, Yes; Director Blankenship, Yes; Director Munchus, Yes, Director Henderson, Yes; and Director Mims, Yes on September 28, 2022.”

Following, the Board moved to the third item on the agenda, Request Board to adopt a resolution authorizing surviving monthly retirement benefits from the Board's Retirement Trust Fund in accordance with the terms of the pension plan and as stated on the attached memo, effective October 1, 2022, for Ms. Sallie B. Williams, the surviving spouse of Joseph Williams. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, Joseph Williams, a retiree of The Water Works Board of the City of Birmingham (“The Board”), passed away on September 9, 2022; and

WHEREAS, Joseph Williams was receiving, up until the time of his death, monthly retirement benefits from the Board’s Retirement Trust Fund in the amount of \$2,149.58, and under the terms of the Board’s Retirement Plan, his spouse is now entitled to receive 50% of that monthly benefit until such time as she either remarries or passes away; and

WHEREAS, the surviving spouse, Sallie B. Williams will begin receiving her surviving spouse monthly benefit of \$1,074.79 effective October 1, 2022.

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. Ronald Mims and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay a pension of \$1,074.79 per month to Sallie B. Williams from the Board’s Retirement Trust Fund, in accordance with the terms of the Trustee Pension Plan, with the payment to be effective October 1, 2022.

Resolution No. 9123 is hereby adopted by unanimous vote.”

Following, the Board moved to the fourth item on the agenda, Request Board to approve payment of the following invoices. Director Tereshia Huffman joined the meeting at 11:56 a.m. On a motion duly made and seconded, the following resolutions were adopted:

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

- 4.1 Dominick Feld Hyde, P.C. for the following:
 - 4.1.1 For professional services related to Pension Plan rendered August 10, 2022 in the amount of \$558.00.
 - 4.1.2 For professional services related to Other Benefit Plans rendered August 10, 2022 in the amount of \$3,742.00.

Resolution No. 9124 is hereby adopted by unanimous vote.”

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

- 4.2 Agee Law, LLC for professional services rendered August 2022 in the amount of \$7,005.00.
- 4.3 Kelvin W. Howard, LLC for professional services rendered August 2022 in the amount of \$17,610.00.

Resolution No. 9125 is hereby adopted by roll call vote: Director Burbage Yes; Director NeSmith, Yes; Director Ward, Yes; Director Blankenship, No; Director Munchus, Yes, Director Henderson, Yes; and Director Mims, No.”

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

- 4.4 Raftelis Financial Consultants, Inc., for the following:
 - 4.4.1 For professional services rendered August 2022 related to the WIFIA Loan in the amount of \$127.50.
 - 4.4.2 For professional services rendered August 2022 related to Jefferson County Cost Allocation Update in the amount of \$1,316.25.
 - 4.4.3 For professional services rendered August 2022 related to Consolidated Invoices in the amount of \$36,786.51.
- 4.5 Parnell Thompson, LLC for professional services rendered August 2022 in the amount of \$59,543.00.
- 4.6 Agency 54, Inc. for the following:
 - 4.6.1 For professional services rendered for The World Games 2022 in the amount of \$20,000.00.
 - 4.6.2 For professional services rendered July 2022 in the amount of \$25,000.00.
 - 4.6.3 For professional services rendered August 2022 in the amount of \$25,000.00.

Resolution No. 9126 is hereby adopted by a roll call vote: Director Burbage Yes; Director NeSmith, Yes; Director Ward, Yes; Director Blankenship, No; Director Munchus, Yes, Director Henderson, Yes; and Director Mims, Yes.”

Following, the Board moved to the fifth item on the agenda, Request Board to award bid to Mueller Company, the lowest responsible and responsive bidder, for estimated quantities of 16-inch resilient seated gate valves to be used throughout the BWWB service area at an estimated out-of-pocket cost to the Board of

\$56,000.00; and to authorize the General Manager and/or Assistant General Manager to execute said contract, as recommended by the Engineering and Maintenance Committee. 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. Dalton NeSmith, and seconded by Mr. Larry Ward, that the Board hereby authorizes staff to award bid to Mueller Company, the lowest responsible and responsive bidder, for estimated quantities of 16-inch resilient seated gate valves to be used throughout the BWWB service area at an estimated out-of-pocket cost to the Board of \$56,000.00; and authorizes the General Manager and/or the Assistant General Manager to execute said contract, as recommended by the Engineering and Maintenance Committee. Resolution No. 9127 is hereby adopted by unanimous vote.”

Following, the Board moved to the sixth item on the agenda, Request Board to award bid to Ferguson Water Works, the lowest responsible and responsive bidder, for estimated quantities of fire hydrants to be used throughout the BWWB service area at an estimated out-of-pocket cost to the Board of \$299,998.95; and to authorize the General Manager and/or Assistant General Manager to execute said contract, as recommended by the Engineering and Maintenance Committee. 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. Dalton NeSmith, and seconded by Mr. Larry Ward, that the Board hereby authorizes staff to award bid to Ferguson Water Works, the lowest responsible and responsive bidder, for estimated quantities of fire hydrants to be used throughout the BWWB service area at an estimated out-of-pocket cost to the Board of \$299,998.95; and authorizes the General Manager and/or the Assistant General Manager to execute said contract, as recommended by the Engineering and Maintenance Committee. Resolution No. 9128 is hereby adopted by unanimous vote.”

Following, the Board moved to the seventh item on the agenda, Request Board to award bid to Tate Contracting, the lowest responsible and responsive bidder, for estimated quantities of standard concrete replacement throughout the BWWB service area at an estimated out-of-pocket cost to the Board of \$2,265,000.00; and to authorize the General Manager and/or Assistant General Manager to execute said contract, as recommended by the Engineering and Maintenance Committee. 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. Dalton NeSmith, and seconded by Mr. Larry Ward, that the Board hereby authorizes staff to award bid to Tate Contracting, the lowest responsible and responsive bidder, for estimated quantities of standard concrete replacement throughout the BWWB service area at an estimated out-of-pocket cost to the Board of \$2,265,000.00; and authorizes the General Manager and/or the Assistant General Manager to execute said contract, as recommended by the Engineering and Maintenance Committee. Resolution No. 9129 is hereby adopted by unanimous vote.”

Following, the Board moved to the eighth item on the agenda, Request Board to approve an amendment to the agreement with Attorney Moses Stone dated December 21, 2020, to an amount not to exceed \$30,000.00 for expenses and services rendered. Director NeSmith questioned the purpose of these legal services. The

General Manager responded Mr. Stone has an agreement to handle a particular case for \$20,000.00 and he is still working on that case; however, he needs additional fees to the finish the case. Director NeSmith indicated the case precedes his time on the Board; therefore, he was not aware of the case. 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. Lucien Blankenship, and seconded by Mr. George Munchus, that the Board hereby approves an amendment to the agreement with Attorney Moses Stone dated December 21, 2020, to an amount not to exceed \$30,000.00 for expenses and services rendered. Resolution No. 9130 is hereby adopted by unanimous vote.”

Following, the Board moved to the ninth item on the agenda, Request Board to approve payment of invoice from Stone Law Firm for professional services rendered September 20, 2022 in the amount of \$8,978.20. 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. George Munchus, and seconded by Mr. Lucien Blankenship, that the Board hereby authorizes staff to execute payment to Stone Law Firm for professional services rendered September 20, 2022 in the amount of \$8,978.20. Resolution No. 9131 is hereby adopted by unanimous vote.”

Following, the Board moved to the eleventh item on the agenda, Request Board to approve the FY 2023 health insurance plan design, premium rates, COBRA rates, and Post-65 Insurance Renewal; and to authorize the General Manager and/or Assistant General Manager to execute the necessary documents. Former IWB Employees and Under 65 IWB Retirees BCBS health insurance plan design and premium rates will not change, as recommended by the Human Resources Committee. Director Munchus questioned whether the Employee Association participated in the discussions on this item and the General Manager responded yes. 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. Tom Henderson, that the Board hereby approves the FY 2023 health insurance plan design, premium rates, COBRA rates, and Post-65 Insurance Renewal; and authorizes the General Manager and/or Assistant General Manager to execute the necessary documents. Former IWB Employees and Under 65 IWB Retirees BCBS health insurance plan design and premium rates will not change, as recommended by the Human Resources Committee. Resolution No. 9132 is hereby adopted by Directors Burbage, Ward, NeSmith, Munchus, Blankenship, and Henderson; and Director Mims abstained from voting.”

Following, the Board moved to Speakers. Mr. Joel Morris, Security One, spoke regarding his assertion of an irregular bid process, and Mr. William Muhammad spoke regarding Robert’s Rules of Order.

Following, the Board moved to the twelfth item on the agenda, Request Board to enter Executive Session. Board Attorney Mark Parnell certified the Executive Session would be held to discuss legal issues. He stated there may be 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. Lucien Blankenship, and seconded by Mr. Tom Henderson, that the Board hereby enters Executive Session. Resolution No. 9133 is hereby adopted by unanimous vote.”

Following, the Board entered Executive Session at 12:10 p.m.

Next, Director Blankenship made a motion to come out of Executive Session and Director Mims seconded the motion. The Board voted unanimously to come out of executive Session. The Board came out of Executive Session at 12:31 p.m.

Next, the Board moved to the thirteenth item on the agenda, Request Board to enter into a one-year agreement with Allied Universal, for Security Guard Services, effective October 3, 2022, at various sites referenced in the Request for Proposals, at an estimated out-of-pocket cost to the Board of \$880,196.20; and to authorize the General Manager and/or the Assistant General Manager to execute the agreement, as recommended by the Engineering & Maintenance Committee. 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. Dalton NeSmith and seconded by Mr. Ronald Mims, that the Board hereby enters into a one-year agreement with Allied Universal, for Security Guard Services, effective October 3, 2022, at various sites referenced in the Request for Proposals, at an estimated out-of-pocket cost to the Board of \$880,196.20; and authorizes the General Manager and/or the Assistant General Manager to execute the agreement, as recommended by the Engineering & Maintenance Committee. Resolution No. 9134 is hereby adopted by Directors Burbage, Mims, Ward, Henderson, Blankenship, NeSmith; and Director Munchus voted no.

Next, Director Blankenship then made a motion to adjourn the meeting and Director Mims seconded the motion. On a motion duly made and seconded, the motion was approved, and the meeting was adjourned at 12:32 p.m.

/s/
William Burbage
Vice Chairman/First Vice President

Attest:

/s/
Raymond L. Ward
Secretary-Treasurer