

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS OF THE
WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
October 12, 2022**

The regular bi-monthly meeting of the Directors of The Water Works Board of the City of Birmingham was held on Wednesday, October 12, 2022, at 11:30 a.m., at 3600 First Avenue North, Birmingham, Alabama – In Person, Training Room. The Public has the option to listen by phone by calling (888) 398-2342 Code: 5608731.

The following Directors were present via roll call: Lucien Blankenship, William “Butch” Burbage, Jr., Tom Henderson, Tereshia Huffman, Ronald A. Mims, George Munchus, Dalton NeSmith, Jr., and Larry Ward.

Others present were: Michael Johnson, General Manager; Derrick Murphy and Jeffrey Thompson, Assistant General Managers; K. Mark Parnell, Parnell Thompson Law, LLC; Kelvin Howard, Kelvin Howard, LLC; Tiffanie Agee, Agee Law, LLC; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Tammy F. Wilson, Executive Assistant to Assistant General Managers Derrick Murphy and Jeff Thompson; Colandus Mason, Information Technology Manager; Rick Jackson, Public Relations Manager; David Walker, Security Manager; Charles McGee and Jeff Wade, Electrical and Mechanical Shop; Derrick Maye, Senior Project Coordinator and Employee Association Representative; Rosalind Jones, Accounting Manager; Olivia Martin, Office of the Attorney General; Phillip Moultrie, Valent Group; Heather Gann, Al.com; Shekeydrah Robinson, Sherri Stewart and Bill Todd, O2 Ideas, Inc.; Rusty Agi, Itron; Patrick Grantham and Rob Vermillion, Volkert, Inc.; Theo Johnson, Jacobs Engineering; Sidney Maye, Sidney Maye, P.E., LLC; Barnett Wright, Birmingham Times; Cynthia Gould, 33/40; Vincent Parker and Jonathan Hardison, Fox6; K. G. Lewis, City of Birmingham; Angela Riley, Riders; Tammie Smith, Speaker - JACC; Reverend Gwen Webb, Speaker - Foot Soldiers International, Inc.; William R. Muhammad, Speaker - CSJC.

Vice-Chair, William “Butch” Burbage, Jr. called the meeting to order at 11:30 a.m. General Manager, Michael Johnson opened the meeting with prayer.

Following a roll call, all directors were present, so a quorum was in attendance. Director Burbage announced that following the Finance Committee meeting held earlier today, a “Special” Board of Directors’ meeting and Budget Workshop was scheduled for Wednesday, October 19th at 11:30 a.m., to discuss the budget. Director Blankenship asked if this was the only date option. Director Burbage responded that this was a firm date. Director Huffman asked if the “Special” meeting would be held in place of the October 26th Budget Workshop. Director Burbage responded that the Board would determine at the October 19th meeting if additional workshops were needed. Attorney Parnell confirmed that an Executive Session needed to be added to the agenda today. The October 12, 2022, Regular Board Meeting agenda was amended to add an Executive Session, which would be Item 9, following Speakers.

Next, 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. Tom Henderson and seconded by Ms. Tereshia Huffman, that the Board of Directors hereby amends the October 12, 2022, Regular Board of Directors’ meeting agenda to include an Executive Session, Item 9, following Speakers.

Resolution No. 9135 is hereby adopted by unanimous vote.”

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Following, under Minutes for Approval, there were none. Under Reports of Committee, meetings proposed for the remainder of the month were announced. Under Reports of Officers, Public Relations Manager, Rick Jackson provided an update at Director Huffman’s request regarding public relations firm, O2 Ideas, and their high level 12-month plan. Going forward the Birmingham Water Works’ (BWW) social media plan will be more aggressive in addressing customer concerns with immediate responses to every complaint. Community engagement will also be ramped up according to Mr. Jackson. Director NeSmith announced that a “Special” Engineering and Maintenance Committee meeting had been scheduled for Monday, October 17th at 11:30 a.m.

There was no Unfinished Business,

Next, under New Business, the Board was asked to approve directors’ actual travel expenses for the Congressional Black Caucus, held September 28 – October 2, 2022, in Washington, D.C., for Directors Blankenship and Huffman, as set forth in Items 1.1 and 1.2. On a motion duly made and seconded, and the following resolution was adopted in a roll call vote:

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

WHEREAS, pursuant to Resolution No. 9106 adopted by the Board of Directors on September 14, 2022, approval was given to attend the Congressional Black Caucus scheduled September 28 – October 2, 2022, in Washington, D.C.; 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. Ronald A. Mims and seconded by Dr. George Munchus, that the following board member(s) be reimbursed for his or her actual expenses pertaining to said conference as follows:

- Lucien Blankenship for total actual expenses including conference registration, transportation, lodging (room and tax only), and business meals in the amount of \$1,948.41 (as listed on the attached Itemized Travel and Business Expense Reimbursement).
- Tereshia Huffman for total actual expenses including conference registration, transportation, lodging (room and tax only), and business meals in the amount of \$3,056.52 (as listed on the attached Itemized Travel and Business Expense Reimbursement).

Resolution No. 9136 is hereby adopted by a roll call vote as follows: Blankenship, Abstain; Burbage, Yes; Henderson, Yes; Huffman, Abstain; Mims, Yes, Munchus, Yes; NeSmith, Yes; Ward, Yes.”

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Following, the Board was asked to approve payment of an invoice to Hilliard, Smith & Hunt, LLC, as set forth in agenda Item 2. 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 Dr. George Munchus and seconded by Mr. Ronald A. Mims, that the Board hereby approves payment of an invoice to Hilliard, Smith & Hunt, LLC, for professional services rendered September 2022, in the amount of \$13,000.00.

Resolution No. 9137 is hereby adopted. Director Huffman Abstained.”

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Next, the Board was asked to approve payments of invoices to Perkins Law, LLC, The Jones Group, LLC, Pat Lynch & Associates, O2 Ideas, Inc., and ARCADIS U.S., Inc., as set forth in agenda Items 3.1 – 3.5. 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 Ms. Tereshia Huffman and seconded by Mr. Dalton NeSmith, that the Board hereby authorizes staff to approve payments of invoices to the following:

- 3.1 Perkins Law, LLC, for professional services rendered September 2022, in the amount of \$6,592.25.
- 3.2 The Jones Group, LLC, for professional services rendered September 2022, in the amount of \$10,000.00.

- 3.3 Pat Lynch & Associates:
 - 3.3.1 For professional services rendered August 2022, in the amount of \$10,000.00.
 - 3.3.2 For professional services rendered September 2022, in the amount of \$10,000.00.
- 3.4 O2 Ideas, for professional services rendered September 2022, in the amount of \$12,500.00.
- 3.5 ARCADIS U.S., Inc., for professional services rendered July 2022, in the amount of \$278,138.45.

Resolution No. 9138 is hereby adopted. Director Blankenship voted No.”

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Following, the Board was asked to approve a right-of-way agreement with Armstrong Pump and Service Company, Inc., in conjunction with the 36” Carson Loop Project, in the amount of \$10,000.00, as set forth in agenda Item 4. Director Mims asked if this cost was in line with what BWB typically pays for rights-of-way. AGM Murphy responded that it was. 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. Tom Henderson and seconded by Dr. George Munchus, that the Board hereby approves a right-of-way agreement with Armstrong Pump and Service Company, Inc., in conjunction with the 36” Carson Loop Project, in the amount of \$10,000.00; and authorizes the General Manager and/or the Assistant General Manager to execute the agreement.

Resolution No. 9139 is hereby adopted by unanimous vote.”

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Next, the Board was asked to approve an agreement with Municipal Government Investors Corp., (mGIC), to bid the following: 1) A one-year certificate of deposit with Citizens Trust Bank, which matures on September 27, 2022, and had a balance of \$20,382,052.09 on July 31, 2022. 2) A one-year certificate of deposit with Alamerica Bank, which matured on July 16, 2022, and had a balance of \$382,892.74 on July 18, 2022, for a total amount of \$20,764,944.83; and authorizes the General Manager and/or the Assistant General Manager to execute the agreement and any and all documents necessary to complete the transaction, as recommended by the Finance Committee, and set forth in agenda Item 5. A motion was made and seconded. Director Huffman asked Director Ward to speak to this item. Director Ward stated this item, and the following item, were win wins for BWB, offering significant increases in earnings. GM Johnson stated in terms of

earnings, the interest increases from .011% to over 4.00% in earnings. Director Blankenship asked if these same transactions were offered locally with Citizens Trust and Alamerica Banks. GM Johnson responded that the smaller local banks cannot offer the rates that mGIC can offer. A smaller certificate, \$126,000.00, remains with Alamerica Bank GM Johnson stated and for cash flow purposes Staff has determined to leave it at this time. Director Blankenship stated he wanted to keep these funds in the local banks even though the rates are not as good because it is good for community allegiance. Director Ward stated the lower the rates are that we settle for, the more we have to raise water rates. Director Blankenship made a substitute motion, however there was already a motion and a second on the table. Director Ward stated he believed the Board had a responsibility to the ratepayers to do the best job with their money, not to just choose local banks to support. Director Mims asked for a roll call vote. 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. Dalton NeSmith, that the Board hereby approves an agreement with, Municipal Government Investors Corp., (mGIC), to bid the following: 1) A one-year certificate of deposit with Citizens Trust Bank, which matures on September 27, 2022, and had a balance of \$20,382,052.09 on July 31, 2022. 2) A one-year certificate of deposit with Alamerica Bank, which matured on July 16, 2022, and had a balance of \$382,892.74 on July 18, 2022, for a total amount of \$20,764,944.83; and authorizes the General Manager and/or the Assistant General Manager to execute the agreement and any and all documents necessary to complete the transaction, as recommended by the Finance Committee.

Resolution No. 9140 is hereby adopted by a roll call vote as follows: Blankenship, No; Burbage, Yes; Henderson, Yes; Mims, No; Munchus, No; NeSmith, Yes; Ward, Yes.”

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Following, the Board was asked to approve an agreement with Butler Snow, LLC, in an amount not-to-exceed \$7,500.00, to provide legal services related to the following bid: 1) A one-year certificate of deposit with Citizens Trust Bank, which matures on September 27, 2022, and had a balance of \$20,382,052.09 on July 31, 2022. 2) A one-year certificate of deposit with Alamerica Bank, which matured on July 16, 2022, and had a balance of \$382,892.74 on July 18, 2022, for a total amount of \$20,764,944.83; and authorizes the General Manager and/or the Assistant General Manager to execute the agreement, as recommended by the Finance Committee, and set forth in agenda Item 6. Director Mims asked for a roll call vote. 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 an agreement with Butler Snow, LLC, in an amount not-to-exceed \$7,500.00, to provide legal services related to the following bid: 1) A one-year certificate of deposit with Citizens Trust Bank, which matures on September 27, 2022, and had a balance of \$20,382,052.09

on July 31, 2022. 2) A one-year certificate of deposit with Alamerica Bank, which matured on July 16, 2022, and had a balance of \$382,892.74 on July 18, 2022, for a total amount of \$20,764,944.83; and authorizes the General Manager and/or the Assistant General Manager to execute the agreement, as recommended by the Finance Committee. On a motion duly made and seconded, the following resolution was adopted:

Resolution No. 9141 is hereby adopted by a roll call vote as follows:
Blankenship, No; Burbage, Yes; Henderson, Yes; Mims, No; Munchus, No; NeSmith, Yes; Ward, Yes.”

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Next, the Board was asked to approve a Scope of Services with WSP USA, Inc., for field and materials testing services during the construction phase of Carson Loop Phase 6D 36” Pipeline and Pipe Bridge Project along acquired various rights-of-way located in Jefferson County, at an estimated out-of-pocket cost of \$390,276.00, as set forth in agenda Item 7. 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 Ms. Tereshia Huffman, that the Board hereby approves a Scope of Services Agreement with WSP USA, Inc., for field and materials testing services during the construction phase of Carson Loop Phase 6D 36” Pipeline and Pipe Bridge Project along acquired various rights-of-way located in Jefferson County, at an estimated out-of-pocket cost of \$390,276.00; and authorizes the General Manager and/or the Assistant General Manager to execute the agreement.

Resolution No. 9142 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve a Scope of Services with Volkert, Inc., for engineering and monitoring services during the construction phase of Carson Loop Phase 6D 36” Pipeline and Pipe Bridge Project along acquired various rights-of-way located in Jefferson County, at an estimated out-of-pocket cost of \$402,800.00, as set forth in agenda Item 8. 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 Dr. George Munchus, that the Board hereby approves a Scope of Services Agreement with Volkert, Inc., for engineering and monitoring services during the construction phase of Carson Loop Phase 6D 36” Pipeline and Pipe Bridge Project along acquired various rights-of-way located in Jefferson County, at an estimated out-of-pocket cost of \$402,800.00; and authorizes the General Manager and/or the Assistant General Manager to execute the agreement.

Resolution No. 9143 is hereby adopted by unanimous vote.”

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Next, Speakers were recognized. Mr. William R. Muhammad spoke regarding Board integrity and questioned the termination of the contract the Board had with Agency 54 and how it came about. Tammie Smith stated it was rumored that garbage fees were going to be tied to Birmingham Water Works bills. Ms. Smith also asked why the water rates were increasing and stressed that more dollars were needed for pipe replacement. Director Burbage stated that he was not aware of it being said that Birmingham Water Works bills were going to be tied to garbage fees and that that was not the case. Director Munchus requested that Ms. Smith speak to the General Manager regarding the rate increase. Reverend Gwendolyn Webb spoke on behalf of “We the People” and “Foot Soldiers International” regarding the proposed water rate increase and its impact on senior citizens, who need some relief. Director Burbage asked management to speak with Ms. Webb regarding any concerns she had with her bill. Director Mims stated the press had put the proposed 8.3% rate increase out to the public. Director Mims added that no official rate increase had been set yet and that the Board is in its planning stage. Director Munchus asked Ms. Webb to give the Board an opportunity for discussion.

Following, Attorney Parnell certified an Executive Session to discuss legal matters under Alabama Code Section 36-25A-7A3. Attorney Parnell estimated the session to last approximately 30 minutes with no action to follow. 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 Ms. Tereshia Huffman, and seconded by Mr. Tom Henderson, that the Board hereby enters an Executive Session to discuss legal matters.

Resolution No. 9144 is hereby adopted by unanimous vote.”

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Next, as there was no further business before the Board, Director Blankenship made a motion to adjourn the meeting and Director Henderson seconded the motion. On a motion duly made and seconded, the meeting was adjourned at 12:45 p.m.

/S/
William “Butch” Burbage, Jr.
Vice Chairman

Attest:

_____/S/_____
Larry Ward
Secretary-Treasurer