

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
February 12, 2024**

A regular meeting of the directors of The Water Works Board of the City of Birmingham was held on Monday, February 12, 2024 at 11:30 a.m.

The following directors were present: Thomas Henderson, Larry Ward, Tereshia Huffman, George Munchus, William “Butch” Burbage, Jr., Mashonda Taylor, and Dalton NeSmith. Director Lucien Blankenship was not present.

Others present were: Michael Johnson, General Manager; Derrick Murphy, and Philip King, Assistant General Managers; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Rick Jackson, Jeff Wade, Charles McGee, Rosalind Jones, Cassandra Bell, Colandus Mason, Ahki King, Jeremy Ervin, and David Walker, BWB Employees; K. Mark Parnell, Parnell Thompson, LLC; Kelvin Howard, Kelvin W. Howard, LLC; Olivia Martin, State of Alabama Attorney General’s Office; Patrick Flannelly, ARCADIS; Bill Todd, O2 Ideas; Lindsey McAdory, CBG Strategies; and Kent Hartzog, Gresham Smith Partners.

Chairwoman Huffman declared a quorum in attendance.

Chairwoman Huffman called the meeting to order at 11:30 a.m. and Assistant General Manager Derrick Murphy opened the meeting with prayer.

Following, Chairwoman Huffman asked the Board to approve the agenda. 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 the agenda for the February 12, 2024 Regular Board of Directors’ Meeting. Resolution No. 9507 is hereby adopted by unanimous vote.”

Following, the Board moved to the first item on the agenda, Request Board to approve minutes from its Regular Board of Directors’ Meeting held December 18, 2023. On a motion duly made and seconded by, 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. Thomas Henderson, and seconded by Mr. George Munchus, that the Board hereby approves minutes from its Regular Board of Directors’ Meeting held December 18, 2023. Resolution No. 9508 is hereby adopted by unanimous vote.”

Following, Chairwoman Huffman asked to hear Reports of Committee. As there were no reports, the General Manager stated a Communications Committee Meeting was held February 9, 2024 at 12:30 p.m.; an Engineering & Maintenance Committee Meeting would be held directly following the Board meeting; a Regular

Board of Directors' Meeting will be held February 21, 2024, at 11:30 a.m., and a Human Resources Committee Meeting would be held directly following the Board meeting.

Following, Chairwoman Huffman asked to hear Reports of Officers. She questioned whether the schedule for committee meetings for 2024 have been finalized. Board Administrator Cynthia Williams stated an Executive Committee meeting needs to be finalized for March and once that is complete, she will distribute the dates. Chairwoman Huffman stated she spent most of her morning reading e-mails regarding follow-up actions from the General Manager, and as a result she sent the General Manager an e-mail regarding such. The General Manager stated he received the e-mail. Chairwoman Huffman stated she and the General Manager developed a rapport during her first year as Chair; however, she was hoping in this second year of her serving as Chair a standard would have been established for their communication. She indicated there is a pattern of her having to follow up with the General Manager regarding the status of items they have met and agreed on. She stated she and the General Manager met regarding the Request for Proposals (RFP) for Historically Underutilized Business (HUB) program. She indicated she received feedback from the General Manager, and they agreed on a deadline; however, she has had to follow up with the General Manager twice regarding that item. She stated the Board purchased software in August 2023 which would provide notification when contracts would be expiring, and the Board was supposed to start receiving notices in September 2023. She indicated two contracts are expected to be on the Board's agenda past their expiration date of October 2023. She stated she needs an update on the status of the software because it was purchased with the intent to help the utility with its processes. She indicated she recommended contracts have an end date of December every year and there be two terms for contracts that fall under a year and contracts that fall within the year. Chairwoman Huffman indicated she nor the Board has received an update on staffing despite the utility continuing to have staffing issues. She stated an update needs to be provided for that as well.

Subsequently, the General Manager stated the software for the contracts has been implemented. He stated there is a list of eight (8) contracts that will expire within the next six (6) months. He stated that information can be provided. Chairwoman Huffman questioned the General Manager about the plan regarding the Board receiving notification when a contract expires. She questioned who the notification will go to, how will the Board be notified, and what is the process for the item being added to a committee agenda. The General Manager stated once a contract nears expiration, the process begins to issue an RFP which includes adding the item to the committee agenda for review. He indicated a report has not been provided to the Board; however, it can be provided. He addressed staffing issues by stating the Board currently has three (3) recruiting agencies its working with and has hosted job fairs including an upcoming job fair in March. He indicated it has been difficult to fill positions. He stated interviews will be conducted next week to fill the vacant PMO position. He indicated there are three (3) applicants for the HUB RFP; Birmingham Construction Industry Authority (BCIA), 28 Consulting, and Reed River Development. He stated they will make presentations at an Executive Committee meeting in March/April. Chairwoman Huffman stated the General Manager said he would have staffing completed by March although deadlines were given for certain positions. She indicated her frustration comes from making time to meet with the General Manager and having to follow up on items agreed upon. Chairwoman Huffman requested the General Manager respect her time, respect her position as Chair, and respect the Board's time and its commitment for what they vote on and policies they implement. She indicated if the Board continues to vote on policies that will not be implemented, she will stop scheduling meetings. The General Manager expressed he respects Chairwoman Huffman's time. He stated Chairwoman Huffman sent an email regarding the status of the Executive Assistant to the General Manager position. He stated the position has been filled and that person is expected to begin work on February 26, 2024. He stated he can provide updates on smaller items if Chairwoman Huffman would like that. He indicated he is completing tasks assigned by Chairwoman Huffman. Following, Director Munchus expressed his appreciation for Chairwoman Huffman's comments. He stated the HUB program is extremely important to the community. He stated he is disappointed with the HUB program when it comes to supplier diversity. Director Ward left the meeting at 11:41 a.m.

Director Munchus stated he is aware of the challenges when it comes to supplier diversity and indicated guidance is needed in this area. Director Ward returned to the meeting at 11:42 a.m.

Following, Assistant General Manager Derrick Murphy presented the Engineering & Maintenance Division Report: Capital Improvement Program Updates. Assistant General Manager Murphy stated BWWB has a very large and complex system in five counties. He gave an overview of the FY 2023 initiatives and updates. He stated there was a cold snap that caused system-wide problems, making it difficult to locate some leaks. He stated the Putnam service area does not contain a lot of people; however, it has one of the longest stretches of pipe which has experienced a lot of leaks. He stated staff has covered 317 miles of pipe and has located 80 to 90 leaks. He indicated staff has been intentional about getting with municipalities regarding the Watershed Protection Plan. He stated within these kinds of partnerships BWWB has been able to review developments with developers which has been beneficial. Mr. Murphy then gave an overview of the Capital planning strategy and asphalt patches. He indicated BWWB has received clearance from the United States Department of Interior to advertise the Lake Purdy Dam project. He gave an overview of the pipeline replacement project and stated BWWB staff has replaced 20,000 feet and external crews have replaced 60,000 feet of pipe. Director Taylor questioned what determines whether a pipeline project is performed internally or externally. Mr. Murphy stated there is a certain expertise for projects which determines whether a project is completed by BWWB staff or externally. He stated it depends on the skill and equipment needed to complete the project. He indicated staff works with municipalities with their paving projects to avoid cutting a street after it's been paved. He stated this saves BWWB in asphalt costs because municipalities will allow BWWB to replace pipe prior to their paving. Director Ward questioned whether the pipe will be replaced by the end of the year. Mr. Murphy responded no, and stated the goal was to bring on a fourth crew; however, that could not be done. Director Ward questioned how long it will take to complete the pipeline replacement work. Mr. Murphy responded to reach the goal of completing 25 to 30 miles of pipe will take 20 years. He stated more people are needed to complete this work. Subsequently, Mr. Murphy then gave an overview of the FY 2023 Capital Program and the proposed 2024 Capital Program. He then gave an overview of the EnviroLab renovations. Director Munchus questioned when will the bids go out for the renovations. Mr. Murphy stated the goal is to go out in two weeks. He then gave an overview of the top five capital projects.

Following, the Board moved to Speakers. As there were no speakers, the Board moved to the second item on the agenda, Request Board to adopt resolutions authorizing monthly retirement benefits from the Board's Retirement Trust Fund for the following. Director Munchus questioned what the status of the succession plan is because a lot of quality staff members are leaving, and he questioned whether there has been any progress with internal promotions. The General Manager responded it is difficult to hire for these positions and the succession plan may have to be revised because there are a lot of positions where internal candidates may not have all the qualifications, but adjustments may have to be made. Director Ward stated with Ms. White retiring he would like to know what the plan is to have the position covered by March 1, 2024 because he doesn't think the position will be filled by that date. The General Manager stated it has been difficult to hire for this position. Chairwoman Huffman questioned how long the position has been posted. The General Manager responded the position was posted in November 2023. Chairwoman Huffman then questioned when Ms. White turned in her notice. The General Manager responded five (5) months prior to that. Chairwoman Huffman questioned why staff waited to post the position. The General Manager responded the position was posted not long after the notice was submitted. He indicated Ms. White did not notify him that she was retiring, and he received her notice a little while after she applied for retirement. Director Munchus questioned whether there is any prohibition to retirees returning for a short time as consultants until a position is filled. The General Manager stated that is not allowed under the current policy. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, Quincy Thomas, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective March 1, 2024, at an age of 67, and

WHEREAS, Quincy Thomas has 26 years and 9 months 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 \$3,638.71; 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. Dalton NeSmith and seconded by Ms. Tereshia Huffman, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$3,638.71 to Mr. Thomas from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made March 1, 2024.

Resolution No. 9509 is hereby adopted by unanimous vote.”

“WHEREAS, Quincy Thomas, an employee of The Water Works Board of the City of Birmingham, is retiring, effective March 1, 2024, after 26 years and 9 months of service with the Board; and

WHEREAS, management has informed the Board of Quincy Thomas’ 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, Quincy Thomas, 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, Quincy Thomas is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Quincy Thomas’ 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. Thomas.

Resolution No. 9510 is hereby adopted by unanimous vote.”

“WHEREAS, Carolyn White, an employee of The Water Works Board of the City of Birmingham (“the Board”), is retiring, effective March 1, 2024, at an age of 65, and

WHEREAS, Carolyn White has 20 years and 4 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 \$5,630.96; 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. Dalton NeSmith and seconded by Ms. Tereshia Huffman, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$5,630.96 to Ms. White from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made March 1, 2024.

Resolution No. 9511 is hereby adopted by unanimous vote.”

“WHEREAS, Carolyn White, an employee of The Water Works Board of the City of Birmingham, is retiring, effective March 1, 2024, after 20 years and 4 months of service with the Board; and

WHEREAS, management has informed the Board of Carolyn White’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, Carolyn White, 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, Carolyn White is hereby commended for her efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Carolyn White’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 Ms. White.

Resolution No. 9512 is hereby adopted by unanimous vote.”

Following, the Board moved to the third item on the agenda, Request Board to approve payment of invoices from Dominick Feld Hyde. 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. Mashonda Taylor, and seconded by Mr. George Munchus, that the Board hereby authorizes staff to execute payment to invoices from Dominick Feld Hyde, P.C. for the following:

- 3.1 For professional services rendered May 1, 2023 through December 31, 2023 related to the Pension Plan in the amount of \$2,238.00.
- 3.2 For professional services rendered April 1, 2023 through May 31, 2023 related to the Operating Budget in the amount of \$840.00.
- 3.3 For professional services rendered May 1, 2023 through December 31, 2023 related to the Other Post Employment Benefit (OPEB) Plan in the amount of \$6,444.00.

Resolution No. 9513 is hereby adopted by unanimous vote.”

Following, the Board moved to the fourth item on the agenda, Request Board to approve the allocation of \$7,500.00 from funds budgeted for its Community Educational Program in support of the 20th Annual Chili Cook-Off highlighting the importance of hydration hosted by The Exceptional Foundation, that will have a beneficial impact on the Water Works Board’s service area as it works to carry out its Corporate Purpose; and to authorize the General Manager to take such steps as is necessary to sponsor the Chili Cook-Off. Director

Ward stated he supports this item; however, going forward there needs to be better guidelines regarding who the Board can and cannot contribute to. He indicated these items need to be presented well in advance so they can be reviewed and there needs to be a budget for this. He indicated there will be some in the public that will say the Board is raising rates for an event in Homewood. He requested management provide better guidelines to have items presented at least 60 days prior for consideration. Chairwoman Huffman requested Public Relations Manager Rick Jackson to provide an update on the Community Educational Program's application process. She indicated this item was discussed in October 2023 to create an application to be made available to the public on the BWWB website which would provide standards and it would also show the Board's transparency. Mr. Jackson stated the application process is being streamlined by making it available on the BWWB website. He stated applicants would need to fill out the application online and provide the necessary documents to attach to their application. He stated the application would be vetted internally, along with legal, before presenting the application to the Finance Committee. He stated for the applicants to be eligible, their application must be submitted 45 to 60 days prior to their event. Mr. Jackson indicated the public is not accustomed to getting funds from BWWB and staff has been tasked to utilize this program as much as possible. He stated staff was also encouraged to open the program to participants outside of the city of Birmingham, but the program has to be carefully promoted. Chairwoman Huffman questioned when will the application go live on the website. Mr. Jackson stated it should be available by the first of next week. Director Ward requested Board Attorney Mark Parnell provide an overview of the program. Mr. Parnell stated there is a detailed policy the Board adopted, and it includes a budget. He indicated the funds in the budget must come from non-water revenue funds with the primary source being the fees Jefferson County pays BWWB to collect the sewer charges. He stated requests for use of these funds should go to a committee to be fully vetted prior to being presented to the Board for approval. He indicated one reason for that is due to the consent decree in St. Clair County which prohibits the Board from making charitable contributions that does not align with the Board's corporate purposes. He indicated the Board does not want to violate that decree. Mr. Parnell stated he has not seen the application process and recommends he review it prior to it being placed on the BWWB website to ensure it is in line with the Board's policy and it will supply all the information the Board needs. He indicated the Board needs to hear how this particular request will meet the Board's corporate purpose when it comes to this program. The General Manager stated attending these events allow the public to be educated on BWWB services. He stated this includes educating customers on water education and the value of hydration. He stated this event will reach several age groups. Mr. Jackson stated this event is expected to have 10,000 attendees. He indicated previously this event did not have water, so this will be the first year water is being made available. He stated this event will be a great opportunity for BWWB to educate the public. Director Ward questioned how much funds are in the program. The General Manager responded \$500,000.00 is budgeted for this program. Director Munchus stated he supports this event and The Exceptional Foundation. Director Taylor questioned how much money was spent last year for the education program. The General Manager responded he would get the number and provide that information to the Board. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, pursuant to Resolution No. 8908, The Water Works Board of the City of Birmingham has established its Community Educational Program (the “Program”); and,

WHEREAS, pursuant to the Program, the Water Works Board may participate in events and functions if the Water Works Board's participation: protects its water sources and its consuming public; obtains optimum utility management, improves water quality and system reliability; improves reliability of high-quality water; provides educational, scientific and technological information about the Water Works Board to its consuming public; ensures access to and the wise use of water resources and the protection of the environment; and, engages in such activities that are beneficial to the entire water system and that are otherwise necessary, appropriate and consistent with the Water Works Board's corporate powers (all of which is hereinafter referred to as “Corporate Purposes”); and,

WHEREAS, under the Program, the Water Works Board has identified non-ratepayer funding that may be used for funding the Program (the “Funds”); and,

WHEREAS, on March 2, 2024, the Exceptional Foundation will have its 20th Annual Chili Cook-Off that will have a beneficial impact on the Water Works Board’s service area; and,

WHEREAS the Exceptional Foundation’s 20th Annual Chili Cook- Off presents the Water Works Board with an opportunity to accomplish its Corporate Purposes; and,

WHEREAS, the Water Works Board desires, subject to the below, to sponsor the Exceptional Foundation’s 20th Annual Chili Cook-Off in a way that will accomplish the Water Works Board’s Corporate Purposes.

NOW THEREFORE, BE IT RESOLVED on a motion made by Ms. Mashonda Taylor and seconded by Mr. George Munchus as follows:

1. It is hereby found and declared that the Water Works Board’s participation in the Exceptional Foundation’s 20th Annual Chili Cook-Off that will accomplish its Corporate Purposes. Specifically, the Water Works Board’s participation in the Exceptional Foundation’s 20th Annual Chili Cook- Off will allow it to: provide educational information about the Water Works Board to its consuming public; help ensure access to and the wise use of water resources; have signage and distribute educational materials about the positive role that drinking water has on a person’s health; and, otherwise engage in activities that are beneficial to the entire water system and is appropriate and consistent with the Water Works Board’s corporate powers.
2. That the General Manager is authorized and instructed to take such steps as is necessary to sponsor the Exceptional Foundation’s 20th Annual Chili Cook- Off. Such sponsorship shall include the Water Works Board accomplishing the corporate purposes set forth above.
3. The sponsorship shall not exceed \$7,500.00 and shall be paid from the Funds. Furthermore, any and all expenses incurred by the Water Works Board such as employee time and educational materials shall also only be paid from the Funds.

Resolution No. 9514 is hereby adopted by unanimous vote.”

Following, the Board moved to the fifth item on the agenda, Request Board to enter Executive Session to discuss with legal counsel legal matters that are appropriate under Ala. Code Section 36-25A-7(a)(3). Mr. Parnell certified the Executive Session was proper purpose to discuss pending litigation and to provide an update to the Board regarding several cases involving the Shades Mountain Filter Plant. He stated the meeting would last 30 minutes and there would be no action taken afterwards. 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. George Munchus, that the Board hereby enters Executive Session to discuss with legal counsel legal matters that are appropriate under Ala. Code Section 36-25A-7(a)(3). Resolution No. 9515 is hereby adopted by unanimous vote.”

Following, the Board entered Executive Session at 12:21 p.m.

Next, Director Burbage made a motion to come out of Executive Session and Director Ward seconded the motion. The Board voted unanimously to come out Executive Session. The Board came out of Executive Session at 12:52 p.m.

Next, Director Ward then made a motion to adjourn the meeting and Director Henderson seconded the motion. On a motion duly made and seconded, the motion was approved, and the meeting was adjourned at 12:52 p.m.

/s/
Tereshia Q. Huffman
Chairwoman

Attest:

/s/
Raymond L. Ward
Secretary-Treasurer