

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
March 8, 2023**

A regular meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, March 8, 2023 at 11:30 a.m.

The following directors were present: Tom Henderson, Lucien Blankenship, Larry Ward, Tereshia Huffman, George Munchus, William “Butch” Huffman, Jr., Ronald A. Mims, Mashonda Taylor, and Dalton NeSmith.

Others present were: Michael Johnson, General Manager; Iris Fisher, Jeff Thompson, and Derrick Murphy, Assistant General Managers; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Michelle Cox Executive Assistant to the General Manager; Rick Jackson, Jeff Wade, Charles McGee, Rosalind Jones, Colandus Mason, Paul Lloyd, Marilyn Vertison, Geraldine Davis, Shirley Russell, and David Walker, BWWB Employees; K. Mark Parnell, Parnell Thompson, LLC; Byron Perkins, Perkins Law, LLC; Kelvin Howard, Kelvin W. Howard, LLC; Tiffanie Agee, Agee Law, LLC; Michael Bell, Birmingham Construction Industry Authority; Matthew Arrington, Terminus Municipal Advisors; Olivia Martin, State of Alabama Attorney General’s Office; Trisha Brown, ARCADIS; Theo Johnson, Jacobs; Sherry Steward, Bill Todd, and Angela Riley, O2 Ideas; Lindsey McAdory, and Brian Gunn, CBG Strategies; Andrea Lewis, Human Capital Services; Christine Kozlosky, Ascent Group; Roy Johnson, and Heather Gann, AL.com; Jonathan Hardison, and Mike Tucker, WBRC Fox 6; and William Muhammad, Citizens to Save Jefferson County.

Chairwoman Huffman declared a quorum in attendance.

Chairwoman Huffman called the meeting to order at 11:30 a.m. and General Manager Michael Johnson opened with prayer. Director Mims entered the meeting at 11:32 a.m.

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. Larry Ward and seconded by Mr. William Burbage, that the Board hereby approves the agenda for the March 8, 2023 Regular Board of Directors’ Meeting. Resolution No. 9254 is hereby adopted by unanimous vote.”

* * * * *

Following, the General Manager indicated he would like to read the following statement:

“Directors:

It is important that our customers know that the quality of our water is safe and our water is not contaminated.

We are fully in compliance with current existing water quality regulations. Our customers need to know we utilize a variety of water treatment technologies that are fully effective in achieving existing water quality regulations issued by the U. S. EPA and the Alabama Department of Environmental Management.

To ensure the safety of our water and to ensure compliance with all existing water quality regulations, our certified laboratory performs over 173,000 advanced analyses per year on the quality of the water we treat, as well on the safety and quality of the water we distribute to our customers. In addition to the testing that occurs at our certified laboratory, our licensed water treatment operators perform an additional 91,200 tests on raw water and over 135,000 tests on finished water every year in wet labs located at each of our four water filtration plants. In total, BWWB performs over 399,200 tests on over 300 different chemicals or contaminants each year. Finally, we have never been cited by ADEM or EPA for violating any water quality standard.

As part of extensive testing regime, we test for a variety of unregulated chemicals and compounds including PFOS and PFOA. The chemicals generally referred to as PFAS are found everywhere in our everyday environment. The testing that we have performed on these chemicals have detected no PFAS chemicals in any of our various sources of water supply or our four water treatment plants' finished water above any EPA or ADEM regulatory limit.

We remain committed to delivering the highest quality water to our customers.

We will continue to monitor EPA's evolving guidance on PFAS chemicals and all other contaminants of concern and are prepared to take whatever steps are necessary to continue to remain in full compliance with all ADEM and EPA standards.”

Next, Director Ward requested the statement be wrote fully in the minutes.

Following, Chairwoman Huffman asked to hear Reports of Committee. As there were no reports, the General Manager stated the upcoming Engineering & Maintenance Committee would be held directly following the Board meeting, and the Finance Committee meeting would be held March 22, 2023 directly following the board meeting.

Following, Chairwoman Huffman asked to hear Reports of Officers. Chairwoman Huffman stated the Board has a media policy in place for a reason and requested all Board members to respect the policy. She indicated there is a protocol for responding to media requests. She requested all directors to review the policy. She indicated she doesn't want to read any comments in the media from directors. Director Munchus stated he voted no on the media policy due to the First Amendment and he indicated he would not be “muzzled”. He indicated he will be respectful. Chairwoman Huffman stated regardless of who voted for or against the media policy, it was approved and should be followed. Subsequently, Director Blankenship questioned that status of the opinion regarding directors being able to meet virtually. Board Attorney Mark Parnell stated an opinion from the Attorney General stated one statue applies to the Board and the Board will be compliant. He stated he will work with staff regarding the meeting notices stating Board members can participate electronically, including voting. Director Blankenship stated he would like for the Board to get a copy of the statue.

Next, the Board heard Division Reports. Assistant General Manager Fisher presented the report for the Finance and Administration Division. Ms. Fisher stated the report is from the last quarter of 2022. She reported the number of active customers was 202,893. She gave an overview of the balance sheet and stated the assets are \$1.25 billion; the operating net revenue are over budget by \$4.7 million; and paygo is being used to fund capital projects and year-to-date it is \$23,000.00 over budget. She stated bad debt increased \$2.3 million over

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budget; power costs are \$1.9 million over budget, which is due to an increase in charges from Alabama Power; and chemical costs have increased due to vendors increasing their rates. Director Munchus questioned whether the chemical suppliers ignored the contracts in 2022 and imposed the rates. Assistant General Manager Fisher responded yes. Director Munchus questioned Mr. Parnell whether he has given an opinion on this matter. Mr. Parnell responded this concern was addressed in 2022 and he would discuss this concern with Director Munchus later. Assistant General Manager Fisher stated labor costs are over budget by \$571,000.00 year-to-date due to \$1.8 million in overtime because of open positions and working through the billing challenges; contractor charges are over budget \$449,000.00; fuel costs are over budget; Large O&M variances; she indicated the salary survey was not implemented in 2022; and employee health costs are under budget \$645,000.00. Assistant General Manager Fisher then gave an overview of the fees for Jefferson County for the last quarter of 2022. She stated the fees for Jefferson County was \$15.8 million. She stated BWVB billed \$200 million and collected \$187 million, or 92 percent. Director Munchus questioned how the \$16 million shortage is recorded from an accounting standpoint. Assistant General Manager Fisher stated BWVB pays Jefferson County based on what was billed. She stated the amount that is uncollectable is written off. Director Munchus questioned how long it takes for an amount to be written off. Assistant General Manager Fisher stated anything over 90 days, another 90 days to collect, and another 30 days to send to a collection agency. She then gave an overview of investments stating there is a CD with Citizens Trust Bank and three (3) mGICs. She stated Paygo is \$55 million which funds the Capital program. Assistant General Manager Fisher then gave an overview of HUB participation as of December 2022. She indicated \$3 million was spent on HUB consultants and \$7.4 million was spent with consultants; therefore, 41.28 percent was spent on HUB consultants. She stated \$15.9 million was spent with HUB vendors, or 27.3 percent. Assistant General Manager Fisher gave an overview of BWVB Employees and stated there are currently 109 open positions. She then gave an overview of HomeServe and stated BWVB earned \$855,000.00 in commissions. Next, she gave an overview of collections. She gave an overview of communications regarding collections. She stated shutoffs resumed on February 15, 2023. She stated there was an increase in call volume to the Call Center and gave an overview of the call volume. Director Munchus questioned whether there are plans to invest in the phone infrastructure for the Call Center. Assistant General Manager Fisher responded yes, there are plans to upgrade the system. She then gave an overview of the installment plan activity. She indicated year-to-date there were 1,157 disconnects and 279 reconnects. Director Mims questioned whether lockouts are still used during disconnections and Assistant General Manager Fisher responded yes. She then gave an overview of the collection activity and indicated there is no need to continue extended hours in the Call Center; therefore, extended hours will discontinue on March 13, 2023. Director Blankenship questioned whether customers were notified prior to disconnections. Assistant General Manager Fisher responded customers were notified by door hangers, social media, print, radio, and television ads.

Next, Assistant General Manager Derrick Murphy presented the Engineering & Maintenance Division report. Assistant General Manager Murphy gave an overview of capital program projects; the pipeline replacement program; and the distribution system performance. He stated the Division performed well in the last quarter. He then gave an overview of challenges and solutions the division is facing. He stated there were material issues in 2022. Director Mims questioned whether plastic pipe is still required to be poly wrapped. Assistant General Manager Murphy responded yes, in certain sections. He stated the plastic pipe is wrapped in wire so leaks can be traced. He then gave an overview of a visit from the Environmental Protection Agency (EPA). He gave an overview of overtime for the division, and the pipeline replacement program. He indicated the goal each year is to replace 100,000 feet of pipe and as of December 2022 there was 71,000 feet of pipe replaced. Director Munchus questioned the percentage that was not completed for pipe replacement in 2022. Assistant General Manager Murphy responded 30 percent. He then gave an overview of the Division's weaknesses and solutions. He stated there is a limit the General Manager can approve regarding the pipeline replacement program. He indicated pipeline costs have increased 40 to 70 percent and vendors are not holding quotes past 14 days. Director Blankenship questioned whether staff is requesting the Board to consider increasing the General Manager's approval limit for the pipeline replacement program to meet deadlines. Assistant General Manager Murphy responded yes. A discussion then ensued. Director Mims questioned the

final completion date for the Carson Loop project. Assistant General Manager Murphy responded 13 to 15 months.

Next, Assistant General Manager Jeffrey Thompson presented the Operations & Technical Services Division report for 2022. He then gave an overview of the finished and raw water pumpage. He stated finished water is down .3 percent for the year and he didn't feel it would be a long-term trend. He stated 12.36 billion gallons of raw water was pumped in the 4th Quarter of 2022. He stated rainfall for the year was fairly wet and he indicated Inland Lake and Lake Purdy are at full capacity. Assistant General Manager Thompson stated raw water pumpage for industrial customers is currently up 2.8 percent and that total raw water pumpage for 2022 was 47.795 billion gallons, but that not all of that ultimately made its way to end customers. Director Mims asked how much was billed in 2022 and Assistant General Manager Thompson responded that a total of 23.361 billion gallons of raw and treated water were sold in 2023. Director Munchus questioned the percentage of water being lost. Assistant General Manager Thompson responded that there are many different ways to calculate non-revenue water; Director Munchus asked what it would be overall and AGM Thompson responded "over 50 percent". Director Mims clarified that the loss includes leaks, stealing, etc. Assistant General Manager Thompson responded, "yes, that number includes everything". He then gave an overview of power and chemical costs. He indicated Alabama Power did not previously notify BWWB that they would be expanding their peak times for charging. He indicated chemical costs are significantly high due to supply chain issues. Assistant General Manager Thompson gave an overview of the EnviroLab. He then gave an overview of the Industrial and Commercial Accounts, and the Security Department. Director Mims questioned what happens to the weapons that are confiscated by the Security Department. David Walker, Security Manager, responded individuals are asked to leave weapons in their car. Director Munchus questioned whether the Water Treatment Manager retired and has that position been filled. Assistant General Manager Thompson stated the Water Treatment Manager retired and the position was filled internally.

Next, the General Manager presented the General Manager's report. He introduced his new Executive Assistant, Michelle Cox. He then gave an overview of the Board's strategic plan. He indicated the Board will have a retreat on April 21, 2023 to refresh the strategic plan. He then gave an overview of milestones. Director Blankenship left the meeting at 12:47 p.m. The General Manager gave an overview of the organizational assessment. He stated the Board had an Effective Utility Management assessment which resulted in goals being set. He stated all of this information will be reviewed at the Board Retreat. He then gave an overview of his attendance to the Association of Metropolitan Water Agencies (AMWA) Conference in Washington, D.C. Director Blankenship returned to the meeting at 12:42 p.m. The General Manager gave an overview of the areas that staff is working on. He stated staff wants to deliver quality customer service and respond to customers in a timely manner. He stated the Board is notch below an AAA bond rating. He mentioned Jeremy Ervin, BWWB Employee, is working hard regarding Workforce Development. He stated Mr. Ervin is working hard to partner with other organizations to fill vacancies for BWWB. The General Manager stated there are significant amount of BWWB customers that are either at or below the poverty level and due to this BWWB can't just generate revenue for raising rates. Director Blankenship questioned whether BWWB has had any success with local governments providing resources and the General Manager responded No. The General Manager stated BWWB received \$674,000.00 from Jefferson County, which was part of their CARES Act appropriation. Director Blankenship questioned what BWWB has on the ground in Washington, D.C. to create a money source. The General Manager responded BWWB does not have anything. Director Taylor stated the organizational assessment is a necessary tool for the growth of BWWB. She stated BWWB will see a correlation between contract employees and bringing employees in house. The General Manager indicated going through the process of the organizational assessment, BWWB employees' jobs are not at risk.

Following, the Board moved to Speakers. Mr. William Muhammad, Committee to Save Jefferson County, spoke regarding agenda item 11. Director Ward left the meeting at 1:01 p.m. and returned at 1:04 p.m.

Following, the Board moved to the first item on the agenda, Request Board to adopted resolution authorizing monthly retirement benefits from the Board’s Retirement Trust Fund for Bridget Etheridge, Remittance Processing Representative II – Accounting Department. Director NeSmith made a motion to combine agenda items 1 through 3 and Director Mims 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. Ronald Mims, that the Board hereby votes on agenda items 1 through 3 together at the March 8, 2023 Regular Board of Directors’ Meeting. Resolution No. 9255 is hereby adopted by unanimous vote.”

On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, Bridget Etheridge, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective April 1, 2023, at an age of 60, and

WHEREAS, Bridget Etheridge has 36 years and 6 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 \$4,069.57; 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. Mashonda Taylor and seconded by Mr. Tom Henderson, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$4,069.57 to Ms. Etheridge from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made April 1, 2023. Resolution No. 9256 is hereby adopted by unanimous vote.”

“WHEREAS, Bridget Etheridge, an employee of The Water Works Board of the City of Birmingham, is retiring, effective April 1, 2023, after 36 years and 6 months of service with the Board; and

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

BE IT FURTHER RESOLVED, that in recognition of Bridget Etheridge’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. Etheridge.

Resolution No. 9257 is hereby adopted by unanimous vote.”

“WHEREAS, John A. Hairston, Jr., an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective April 1, 2023, at an age of 55, and

WHEREAS, John A. Hairston, Jr. has 34 years and 1 month 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 \$5,169.06; 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. Mashonda Taylor and seconded by Mr. Tom Henderson, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$5,169.06 to Mr. Hairston from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made April 1, 2023.

Resolution No. 9258 is hereby adopted by unanimous vote.”

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“WHEREAS, John A. Hairston, Jr., an employee of The Water Works Board of the City of Birmingham, is retiring, effective April 1, 2023, after 34 years and 1 month of service with the Board; and

WHEREAS, management has informed the Board of John A. Hairston, Jr.’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, John A. Hairston, Jr., 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, John A. Hairston, Jr. is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of John A. Hairston, Jr.’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. Hairston.

Resolution No. 9259 is hereby adopted by unanimous vote.”

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“WHEREAS, Frank Hamilton Phillips, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective April 1, 2023, at an age of 59, and

WHEREAS, Frank Hamilton Phillips has 31 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 \$5,375.88; 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. Mashonda Taylor and seconded by Mr. Tom Henderson, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$5,375.88 to Mr. Phillips from

the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made April 1, 2023.

Resolution No. 9260 is hereby adopted by unanimous vote.”

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“WHEREAS, Frank Hamilton Phillips, an employee of The Water Works Board of the City of Birmingham, is retiring, effective April 1, 2023, after 31 years of service with the Board; and

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

BE IT FURTHER RESOLVED, that in recognition of Frank Hamilton Phillips’ 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. Phillips.

Resolution No. 9261 is hereby adopted by unanimous vote.”

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Following, the Board moved to the fourth item on the agenda, Request Board to approve the following directors' actual travel expenses for the 2023 Training Conference and Expo / GALA held February 12 - 15, 2023, in Orlando, FL. 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 11, 2023, approval was given to attend the 2023 Training Conference & Exposition, scheduled February 13-15, 2023, in Orlando, FL;

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 By The Water Works Board of the City of Birmingham, on a motion duly made by Mr. Lucien Blankenship and seconded by Mr. Tom Henderson, that the following board members be reimbursed for their actual expenses pertaining to said conference as follows:

- 4.1 Tereshia Q. Huffman for total actual expenses incurred including conference registration, air travel, lodging, business meals and other expenses in the amount of \$1,542.59. (as listed on the attached Itemized Travel and Business Expense Reimbursement).

- 4.2 William Burbage for total actual expenses including conference registration, mileage, lodging, business meals and other expenses in the amount of \$1,911.66. (as listed on the attached Itemized Travel and Business Expense Reimbursement).

Resolution No. 9262 is hereby adopted by a roll call vote: Director Taylor, Yes; Director Henderson, Yes; Director Blankenship, Yes; Director Munchus, No; Director Mims, Yes; Director NeSmith, Yes; Director Ward, Yes; Director Burbage, Abstain; and Director Huffman, Abstain.

Following, the Board moved to the fifth item on the agenda, Request Board to approve payment of the following invoices. 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. George Munchus, that the Board hereby authorizes staff to execute payment to the following:

- 5.1 Perkins Law, LLC for professional services rendered February 2023 in the amount of \$15,369.00.
- 5.2 Birmingham Construction Industry Authority for professional services rendered January 2023 in the amount of \$25,000.00.

Resolution No. 9263 is hereby adopted by unanimous vote.”

Following, the Board moved to the sixth item on the agenda, Request Board to approve payment to Hilliard, Smith & Hunt, LLC for professional services rendered February 2023 in the amount of \$13,000.00. 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 authorizes staff to execute payment to Hilliard, Smith & Hunt, LLC for professional services rendered February 2023 in the amount of \$13,000.00. Resolution No. 9264 is hereby adopted by Directors Burbage, Mims, Henderson, NeSmith, Taylor, Blankenship, Munchus, Ward; and Director Huffman abstained from voting.”

Following, the Board moved to the seventh item on the agenda, Request Board to approve an agreement with Human Capital Services, LLC., to perform Organizational Assessment services at an amount not-to-exceed \$280,680.00; and to authorize the General Manager and/or Assistant General Manager to execute the agreement, as recommended by the Human Resources Committee. Director Munchus stated there was a report issued several years ago by Mike Mason. He recommended reviewing that report. He stated employees feel they are being dumped on with organizational assessments. He indicated BWWB has a good employment base, and he doesn’t understand the need to go through this process again. 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 approves an agreement with Human Capital Services, LLC., to perform Organizational Assessment services at an amount not-to-exceed \$280,680.00; and authorizes the General Manager and/or Assistant General Manager to execute the agreement, as recommended by the Human Resources Committee. Resolution No. 9265 is hereby adopted by Directors Huffman, Burbage, Mims, NeSmith, Taylor, Blankenship, Henderson, and Ward; and Director Munchus voted no.”

Following, the Board moved to the eighth item on the agenda, Request Board to approve a statement of work with The Ascent Group, Inc., to perform Business Process Improvement services at an amount not-to-exceed \$166,110.00; and to authorize the General Manager and/or Assistant General Manager to execute the agreement, as recommended by the Human Resources 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. Larry Ward, and seconded by Mr. William Burbage that the Board hereby approves a statement of work with The Ascent Group, Inc., to perform Business Process Improvement services at an amount not-to-exceed \$166,110.00; and authorizes the General Manager and/or Assistant General Manager to execute the agreement, as recommended by the Human Resources Committee. Resolution No. 9266 is hereby adopted by Directors Huffman, Burbage, Mims, NeSmith, Ward, Taylor, Blankenship, and Henderson; and Director Munchus voted No.”

Following, the Board moved to the ninth item on the agenda, Request Board to amend a one-year agreement with O2 Ideas for public relations consulting services at a monthly out-of-pocket cost to the Board of \$10,000.00, as recommended by the Communications Committee. Director Taylor questioned the difference between internal and external public relations, specifically what is happening within the Public Relations Department and how will the two firms be managed. She indicated she is trying to determine the gap between the internal team and the need for two external public relations firms. Rick Jackson, Public Relations Manager, stated the external team will handle the consulting part. He stated staff is responsible for the overall scope. He stated the external team will fill gaps regarding communications with employees. He stated the current staff doesn’t have resources to accomplish this now. Director Taylor questioned whether there is a plan to build the Public Relations Department and what is the timeline. Mr. Jackson responded yes and stated there are currently two openings for Public Information Officers (PIO) and interviews are being conducted. He stated hopefully those positions will be filled within the next several weeks. He stated those positions would be primarily responsible for a good portion of what the external team is handling regarding community engagement. Director Blankenship stated he did not feel Director Taylor’s question was answered regarding management of these two public relations firms. He then questioned Mr. Jackson how the firms would be managed. Mr. Jackson responded the firms would be managed by himself. Director Blankenship stated the question was regarding how the two firms would be managed to carry out plans. 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 Mr. William Burbage, that the Board amends a one-year agreement with O2 Ideas for public relations consulting services at a monthly out-of-pocket cost to the Board of \$10,000.00, as recommended by the Communications Committee. Resolution No. 9267 is hereby adopted by a roll call vote: Director Taylor, Yes; Director Henderson, Yes; Director Blankenship, Yes; Director

Munchus, No; Director Mims, Yes; Director NeSmith, Yes; Director Ward, Yes; Director Burbage, Yes; and Director Huffman, Yes.”

Following, the Board moved to the tenth item on the agenda, Request Board to enter a one-year agreement with CBG Strategies for strategic public relations consulting services at a monthly out-of-pocket cost to the Board of \$15,000.00, as recommended by the Communications 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. Tom Henderson, and seconded by Mr. William Burbage, that the Board enters a one-year agreement with CBG Strategies for strategic public relations consulting services at a monthly out-of-pocket cost to the Board of \$15,000.00, as recommended by the Communications Committee. Resolution No. 9268 is hereby adopted by roll call vote: Director Taylor, Yes; Director Henderson, Yes; Director Blankenship, Yes; Director Munchus, No; Director Mims, Yes; Director NeSmith, Yes; Director Ward, Yes; Director Burbage, Yes; and Director Huffman, Yes.”

Following, the Board moved to the eleventh item on the agenda, Request Board to take action regarding that certain lawsuit bearing Civil Action No. 2:22-cv-4298-RMG; Master Docket No. 2:18-mn-2873-RMG; and MDL No. 2873. Mr. Parnell requested this item be held until after the Executive Session. He indicated the purpose of the Executive Session was to discuss agenda item 11. Chairwoman Huffman stated the item would be held until after Executive Session.

Following, the Board moved to the twelfth item on the agenda, Request Board to enter Executive Session to discuss with legal counsel legal matters that are appropriate under Ala. Code Section 33-25A-7(a)(3). Mr. Parnell certified the Executive Session was proper purpose to discuss agenda item 11. He stated the meeting would last approximately 15 minutes and he did expect the Board to take action after the Executive Session. Director Blankenship requested the time for the Executive Session be extended. Mr. Parnell then stated he estimated the meeting would last 30 minutes. Director Munchus questioned the purpose of the Executive Session and stated he thought it was a waste of time and he did not feel he needed to be present. Mr. Parnell responded the purpose of the Executive Session is to discuss agenda item 11. 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. Mashonda Taylor, that the Board hereby enters into Executive Session to discuss with legal counsel legal matters that are appropriate under Ala. Code Section 36-25A-7(a)(3). Resolution No. 9269 is hereby adopted by Directors Huffman, Burbage, Mims, NeSmith, Ward, Blankenship, Henderson, Taylor; and Director Munchus voted No.”

Following, the Board entered Executive Session at 1:17 p.m.

Next, Director Burbage made a motion to come out of Executive Session and Director Munchus seconded the motion. The Board voted unanimously to come out Executive Session. The Board came out of Executive Session at 1:55 p.m.

Following, the Board moved to the eleventh item on the agenda, Request Board to take action regarding that certain lawsuit bearing Civil Action No. 2:22-cv-4298-RMG; Master Docket No. 2:18-mn-2873-RMG; and MDL No. 2873. Director NeSmith made a motion for the Board to adopt a resolution to terminate its agreement with Environmental Litigation Group dated February 5, 2021 and for general counsel to get the lawsuit Environmental Litigation Group has filed dismissed without prejudice, and to also allow for the assistance of outside counsel, if needed. Director Burbage seconded the motion. Director Blankenship questioned whether there could be an amount stated for outside counsel. Chairwoman Huffman requested Mr. Parnell come back to the Board with an amount for approval to gain assistance from outside counsel. Mr. Parnell stated if outside counsel is needed it would be for the limited purpose of getting the lawsuit dismissed. He stated he wouldn't expect fees to be more than \$10,000.00 and he would like to engage them before the next Board meeting; however, if costs exceed that he would bring the amount back to the Board. Director NeSmith then amended his motion to limit outside counsel fees to \$10,000.00 and Director Burbage seconded the motion. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, The Water Works Board of the City of Birmingham (the “Water Works Board”) retained Environmental Law Group, P.C. (“ELG”), to investigate a potential lawsuit against manufacturers and others regarding the presences of a certain group of chemicals commonly referred to as PFAS; and,

WHEREAS, the Water Works Board is fully in compliance with the currently existing water quality regulations; and,

WHEREAS, the Water Works Board utilizes a variety of water treatment technologies that are fully effective in achieving existing water quality regulations issued by the U. S. EPA and the Alabama Department of Environmental Management; and,

WHEREAS, the Water Works Board has detected no PFAS chemicals in any of our four water treatment plants' finished water above any U.S. EPA or ADEM regulatory limit; and,

WHEREAS, the Water Works Board's potable water is safe and not contaminated; and,

WHEREAS, the Water Works Board has determined that it is not proper at this time for it to pursue litigation concerning the presences of the group of chemicals known as PFAS.

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 Mr. William Burbage as follows:

1. The Water Works Board hereby exercises its right under its agreement with Environmental Litigation Group, P.C. signed February 5, 2021, to terminate said agreement.
2. The Water Works Board's General Counsel is hereby instructed to take immediate steps to dismiss, without prejudice, that certain lawsuit styled Birmingham Water Works Board v. 3M Company, et. al., bearing Civil Action No. 2:22-cv-4298-RMG, Master Docket No. 2:18-mn-2873-RMG and MDL No. 2873 pending in the U.S. District Court, District of South Carolina, Charleston Division. If necessary, the Water Works Board's General Counsel is authorized to associate legal counsel to assist in causing said lawsuit to be dismissed. Unless otherwise approved by the board of directors any costs for such associated counsel will not exceed \$10,000.00.

Resolution No. 9270 is hereby adopted by Directors Huffman, Burbage, NeSmith, Taylor, Henderson, Blankenship, and Ward; and Directors Mims and Munchus voted No.”

Next, Director Mims then made a motion to adjourn the meeting and Director NeSmith seconded the motion. On a motion duly made and seconded, the motion was approved, and the meeting was adjourned at 1:58 p.m.

/s/
Tereshia Q. Huffman
Chairwoman

Attest:

/s/
Raymond L. Ward
Secretary-Treasurer