

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
May 10, 2023**

A regular meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, May 10, 2023 at 11:30 a.m.

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

Others present were: Michael Johnson, General Manager; Iris Fisher, and Derrick Murphy, Assistant General Managers; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Rick Jackson, Jeff Wade, Charles McGee, Rosalind Jones, Colandus Mason, Jackie Hill, Jeremy Ervin, Doug Stockham, Janice Acoff, Joi Dulaney, Jessica Fadlevich, Roseline Ngumba, Michael Tartt, Brad Steffens, Matt Shiver, Jarrod Shotts, Paul Lloyd, 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; Olivia Martin, State of Alabama Attorney General’s Office; Lindsey McAdory, CBG Strategies; Roy Johnson, and Heather Gann, AL.com; Chandra Abesingha, CE Associates; Dianna Gray, Brittney McClure, Mia Poole, Paris Hinkle, Antonia Henderson, Daniel Burrell, and Madison Willis, The Birmingham Promise; William Muhammad, Citizens to Save Jefferson County; and Kamilah Lewis, and R. Jackson, City of Birmingham.

Chairwoman Huffman declared a quorum in attendance.

Chairwoman Huffman called the meeting to order at 11:33 a.m. and Assistant General Manager Iris Fisher opened with prayer. Director Blankenship entered the meeting at 11:35 a.m.

Following, Chairwoman Huffman asked the Board to approve the agenda. The General Manager requested agenda item 2.6, Request Board to approve payment to Raftelis Financial Consultants, Inc., be tabled until the next Board meeting. 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. Thomas Henderson, that the Board hereby approves the agenda for the May 10, 2023 Regular Board of Directors Meeting, and tables agenda item 2.6 for Raftelis Financial Consultants, Inc. Resolution No. 9320 is hereby adopted by unanimous vote.”

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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 immediately following the Board meeting, and the Human Resources Committee meeting would be held May 24, 2023 immediately following the Board meeting.

Following, Chairwoman Huffman asked to hear Reports of Officers. Jeremy Ervin, Workforce Development Administrator, was recognized to make a presentation regarding The Birmingham Promise Student Interns. Mr. Ervin stated he represented BWWB at a Workforce Development Conference in New Orleans, LA recently. He stated a constant theme at the conference was regarding reengaging, reigniting, and reintroducing the new generation to the workforce. He stated one way BWWB is reengaging with high school

students is through its engagement with The Birmingham Promise. Director Blankenship left the meeting at 11:39 a.m. Mr. Ervin then recognized Paris Hinkle (Ramsay High School), Antonia Henderson (Ramsay High School), Daniel Burrell (Huffman High School), and Madison Willis (Carver High School) to make presentations regarding their 14-week internship with BWWB. Director Blankenship returned to the meeting at 11:41 a.m. Mr. Ervin then presented the interns with certificates. Director Blankenship questioned whether the interns would make presentations at their schools regarding their experience at BWWB. Mr. Ervin responded due to the interns' schedules related to senior week activities, they will not be able to make presentations at their schools. Director Blankenship recommended the next The Birmingham Promise interns be able to make presentations at their schools. Director Mims questioned whether the interns will be able to participate in the BWWB's summer internship program. The General Manager responded the interns could apply to participate in the BWWB's AIT summer program. Next, Rick Jackson, Public Relations Manager, stated the school awards day program will be held on May 12, 2023 at the McWane Center and requested all directors to attend the program.

Following, the Board moved to Speakers. As there were no speakers, the Board moved to New Business.

Following, the Board moved to the first item on the agenda, Request Board to adopt resolutions authorizing monthly disability retirement benefits from the Board's Retirement Trust Fund for Antonio D. McWillie, Meter Setter II – Meter Shop 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:

“WHEREAS, Antonio D. McWillie, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring due to a disability, effective June 1, 2023, at an age of 45, and

WHEREAS, Antonio D. McWillie has 17 years and 7 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 \$958.92; 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. Ronald Mims and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$958.92 to Mr. McWillie from the Board's Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made June 1, 2023. Mr. McWillie was declared disabled as of November 4, 2022, and his retirement disability becomes effective June 1, 2023. The Board's Trust Fund retirement disability is reduced by the Social Security disability amount paid to the participant.

Resolution No. 9321 is hereby adopted by unanimous vote on May 10, 2023.”

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“WHEREAS, Antonio D. McWillie, an employee of The Water Works Board of the City of Birmingham, is retiring, effective June 1, 2023, under the Board's Disability provision of its Retirement plan; and

WHEREAS, management has informed the Board of Antonio D. McWillie's efficiency, reliability, and loyal service which contributed to the effective operation and growth of The Water Works Board of the City of Birmingham; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors expresses its best wishes to Antonio D. McWillie; and

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

Resolution No. 9322 is hereby adopted by unanimous vote.”

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Following, the Board moved to the second item on the agenda, Request Board to approve payment of the following invoices. The General Manager stated CBG Strategies invoice is higher this month due to needed communications on behalf of BWWB to elected officials and other stakeholders, and regarding the *Build Better* campaign. Director Munchus questioned what agenda item 2.1 is related to. Board Attorney Mark Parnell responded Starnes Davis Florie was engaged to handle the dismissal of the lawsuit related to PFAS. He indicated it is a final bill. Director Munchus questioned the outcome of the litigation. Mr. Parnell responded the case was dismissed without prejudice. Director Munchus questioned whether CBG Strategies’ invoice will continue to increase because the original contract is for \$15,000.00 per month, and he questioned whether there needs to be an amendment to the contract. The General Manager responded the contract may need to be revisited. He indicated there are some gaps that need to be covered regarding communications. Subsequently, Chairwoman Huffman stated in the past she has abstained from voting on matters regarding Hilliard Smith & Hunt. She indicated Mr. Hilliard is her third cousin and she requested an opinion from the Alabama Ethics Commission regarding this. She stated the State of Alabama Ethics Act does not consider Mr. Hilliard to be her family member; therefore, she is able to vote on matters regarding Hilliard Smith & Hunt. Next, Director Taylor questioned whether a consultant contacts BWWB when they are about to go over their allotted hours for the month and who gives the final approval to say the consultant can continue to work. The General Manager responded he was not notified by the consultant prior to them going over their hours. He indicated he was aware work was being performed but he was not aware the work would go over the budget. He stated he has spoken with the consultant and informed them he has to be notified prior to situations like this. He stated he along with staff participated in the work with the consultant, adding it was work that needed to be done. Director Munchus stated the Public Relations Department has five (5) employees and he questioned whether these employees could have performed the work. The General Manager responded No. 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. Thomas Henderson, that the Board hereby authorizes staff to execute payments to the following:

- 2.1 Starnes Davis Florie LLP for professional services rendered March 2023 in the amount of \$3,611.00.
- 2.2 Terminus Municipal Advisors for professional services rendered April 2023 in the amount of \$8,500.00.
- 2.3 The Jones Group, LLC for professional services rendered March 2023 in the amount of \$10,000.00.
- 2.4 O2 Ideas for professional services rendered April 2023 in the amount of \$10,000.00.

- 2.5 Hilliard Smith & Hunt, LLC for professional services rendered April 2023 in the amount of \$13,000.00.
- 2.7 CBG Strategies for professional services rendered April 2023 in the amount of \$25,295.00.
- 2.8 Perkins Law, LLC for the following:
 - 2.8.1 For professional services rendered March 2023 in the amount of \$25,422.00.
 - 2.8.2 For professional services rendered April 2023 in the amount of \$43,980.00.

Resolution No. 9323 is hereby adopted by unanimous vote.”

Following, the Board moved to the third item on the agenda, Request Board to approve an agreement with Walker360, for Printing and Mailing of the 2023 Consumer Confidence Report (CCR) at an out-of-pocket cost to the Board of \$95,895.05 (Printing - \$81,688.95, Mailing Services - \$14,206.10). Director Munchus questioned whether this firm was the only one that could perform this type of work on the State’s bid list. Matt Shiver, Purchasing Department Manager, responded there are three (3) firms that can perform this work. Director Munchus questioned what the criteria was in selecting this firm over the other two. Mr. Shiver responded the bid was sent to all three firms and only two firms responded. He stated between the two firms, one firm was \$30,000.00 more than the other. Director Munchus questioned whether price was a deciding factor. Mr. Shiver responded the cost was a factor; however, when using the State contract list there is not a requirement to get quotes. Director Munchus questioned whether this firm has done previous work with the Board and Mr. Shiver responded not to his knowledge. 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 approves an agreement with Walker360, for Printing and Mailing of the 2023 Consumer Confidence Report (CCR) at an out-of-pocket cost to the Board of \$95,895.05 (Printing - \$81,688.95, Mailing Services - \$14,206.10); and authorizes the General Manager and/or the Assistant General Manager to execute said agreement, as discussed and considered by the Communications Committee on Monday, May 8, 2023. Resolution No. 9324 is hereby adopted by unanimous vote.”

Following, the Board moved to the fourth item on the agenda, Request Board to approve agreements with Human Capital Services, LLC; InSight Global, LLC; ITAC Solutions, LLC; and Innova Solutions, Inc. to provide recruiting and/or contract staffing services to assist with staffing positions, as needed. 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. Ronald Mims, that the Board hereby approves agreements with Human Capital Services, LLC; InSight Global, LLC; ITAC Solutions, LLC; and Innova Solutions, Inc. to provide recruiting and/or contract staffing services to assist with staffing positions, as needed; and authorizes the General Manager and/or Assistant General Manager to execute the agreements, as recommended by the Human Resources Committee. Resolution No. 9325 is hereby adopted by unanimous vote.”

Following, the Board moved to the fifth item on the agenda, Request Board to approve an agreement with Beville State Community College to provide Commercial Driver's License (CDL) training for BWB employees at an estimated out-of-pocket cost to the Board of \$37,000.00. 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. George Munchus, and seconded by Mr. Ronald Mims, that the Board hereby approves an agreement with Beville State Community College to provide Commercial Driver's License (CDL) training for BWB employees at an estimated out-of-pocket cost to the Board of \$37,000.00; and authorizes the General Manager and/or Assistant General Manager to execute the agreement, as recommended by the Human Resources Committee. Resolution No. 9326 is hereby adopted by unanimous vote.”

Following, the Board moved to the sixth item on the agenda, Request Board to approve an agreement with Municipal Government Investors Corp. (mGIC), effective April 27, 2023 through December 31, 2023, to serve as BWB's Cash and Investments Advisor, at a total out-of-pocket cost to the Board of \$50,000.00. Director Mims questioned what the cost was in the past. The General Manager responded the cost is the same as last year and there is a vacancy for this position; therefore, the funding is coming from the vacancy. Director Mims questioned whether an outside source performed this work in the past and has the Board had an agreement like this with anyone else. The General Manager responded this is the second time the Board has had this agreement with this consultant; however, the Board has not had an agreement like this with anyone else. He indicated there is a position in the budget that has not been filled; however, the services need to be performed. Director Ward stated the fee is high, but the work must be done by an outside person. Director Blankenship questioned how many consultants the Board has in the investment space. The General Manager responded Terminus Municipal Advisors, Raftelis Financial Consultants, and Municipal Government Investors Corp. He stated Raftelis does not perform financial work. Director Blankenship stated going forward the scope of services should be evaluated prior to engaging consultants to make sure needs are met. He stated it appears the Board is having to add more and more consultants quite often to fill gaps. He requested staff do a better study to address needs. Director Munchus questioned whether it is cost effective to hire internally to perform this function or to keep outsourcing. The General Manager stated it is difficult to fill the position for Treasury Management and Investment Analysis. 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 Ms. Mashonda Taylor, that the Board hereby approves an agreement with Municipal Government Investors Corp. (mGIC), effective April 27, 2023 through December 31, 2023, to serve as BWB's Cash and Investments Advisor, at a total out-of-pocket cost to the Board of \$50,000.00; and authorizes the General Manager and/or Assistant General Manager to execute the agreement, as recommended by the Finance Committee. Resolution No. 9327 is hereby adopted by unanimous vote.”

Following, the Board moved to the seventh item on the agenda, Request Board to approve an agreement with CBG Strategies to perform work related to Research and Assessment as part of the comprehensive communications strategy and to design and distribute a direct mailing and digital advertisements for the Bill Better Campaign at a total out-of-pocket cost to the Board of \$96,060.00. The General Manager stated this item was recommended by the Communications Committee. He stated there are three components included in the agreement: \$78,500.00 is for digital ads and social media ads; \$70,000.00 is for postage, print, and mail prep; and \$17,560.00 is for a survey for BWB customers that will be used in determining which strategies work

best for the BWWB customer base. Director Blankenship questioned why the agenda item appears to look as if the Board will be paying CBG Strategies \$96,060.00 when the cost appears to be expenses. The General Manager responded if these expenses were identified earlier, they would have been budgeted for; however, if the budget had to be amended, we would lose time on getting this campaign going. He indicated there are other communications items that will be added to next year's budget. Director Blankenship indicated this will create a tax consequence for CBG Strategies. Director Mims clarified the Communications Committee's recommendation was to send this item to the full Board for consideration, they did not approve this item. The General Manager stated his understanding was the Communications Committee approved of the item. Director Mims responded the recommendation was to send the item to the full Board for consideration. Director NeSmith questioned where the funding is coming from for this item. The General Manager referred to a handout, FY 2023 Budget Additions. A copy is on file in Diligent. He stated the Communications Committee questioned the additions to the budget for FY 2023 and requested this information. Assistant General Manager Iris Fisher gave an overview of the additions and stated \$526,850.00, pending approval of this agenda item, has been added to the budget. She stated mGIC has found investments with a higher rate of returns which has resulted in \$3 million in additional income. Director NeSmith stated there have been issues in the past with communicating with customers and questioned how customers will read the information related to this campaign. The General Manager responded CBG Strategies is specific about knowing the strategy to reach customers. Director Blankenship stated the budget additions sounds like manipulative "fuzzy" math to make the numbers work. He stated as he recalls \$1 million equals to a 1 percent rate increase for BWWB customers. He stated he sees almost \$1 million in additions to the budget that could affect BWWB customers, and he would like to figure out a way to keep rates down. The General Manager stated staff does not do "fuzzy" math instead they try to manage the budget based on what is needed to operate. He stated there needs to be better communications with BWWB customers and this strategy will assist with that. He stated the budget for FY 2023 reduced the amount associated with open positions in January 2023 because staff was looking for ways to control rate increases. Chairwoman Huffman stated when speakers address the Board, they are required to have respect and not attack the Board nor members of management, she then requested Director Blankenship have the same respect for leadership and management. She indicated if Director Blankenship has questions regarding items on the agenda, he should reach out prior to the meeting and ask questions. She then called for the 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 Ms. Mashonda Taylor, that the Board hereby approves an agreement with CBG Strategies to perform work related to Research and Assessment as part of the comprehensive communications strategy and to design and distribute a direct mailing and digital advertisements for the Bill Better Campaign at a total out-of-pocket cost to the Board of \$96,060.00; as discussed and considered by the Communications Committee on Monday, May 8, 2023. Resolution No. 9328 is hereby adopted by Directors Huffman, Mims, Burbage, Henderson, Taylor, NeSmith, Blankenship, and Ward; and Director Munchus voted no."

Following, the Board moved to the eighth item on the agenda, Request Board to approve the American Rescue Plan Act (ARPA) Sub Recipient Agreement with Jefferson County in the amount of \$2,000,000.00. 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 Ms. Mashonda Taylor, and seconded by Mr. Larry Ward, that the Board hereby approves the American Rescue Plan Act (ARPA) Sub Recipient Agreement with Jefferson County in the amount of \$2,000,000.00; and authorizes the General Manager and/or the Assistant General Manager to execute the

agreement, as recommended by the Finance Committee. Resolution No. 9329 is hereby adopted by unanimous vote.”

Following, the Board moved to the ninth item on the agenda, Request Board to approve the allocation of \$10,000.00 from funds budgeted for its Community Educational Program to, in conjunction with the Cornerstone Revitalization Foundation, Inc., provide education and support for workforce development, repairing residential homes and GED and vocational training for construction and other skills that impacts the Water Work’s Board’s service area, as it works to carry out its Corporate Purpose. Director NeSmith questioned whether this item has been reviewed by the Board’s attorney. Mr. Parnell responded Yes. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, pursuant to Resolution No. 8907, 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, the Water Works Board has identified an educational and a workforce development opportunity for over 500 Students, parents, community leaders, and elected officials from the Water Works Board’s service area; and,

WHEREAS, said opportunity would be in conjunction with a program to be held on June 16, 2023 (the “Event”); and,

WHEREAS, the Event, in part, is being held to promote clean water awareness and focusing on educating students and the community on the importance of preserving water sources; and,

WHEREAS, participation in the Event will allow the Water Works Board to expand its World Without Water School Program, allow the Water Works Board’s Workforce Development Team to introduce students to career paths at the Water Works Board, and allow management of the Water Works Board to present the public with information about the impact the water industry has on everyday life; and,

WHEREAS, the Water Works Board desires to enter into a Memorandum of Understanding (“MOU”) with the Cornerstone Revitalization Foundation, Inc., an Alabama non-profit corporation, that will set forth how the Water Works Board will accomplish its Corporate Purposes and will set forth the amount of Funds the Water Works Board will expend in doing so.

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

1. For the reasons set forth above, it is hereby found and declared that the Water Works Board’s participation in the Event will accomplish its Corporate Purposes.
2. The General Manager is authorized and instructed to enter into a MOU, in substantially the form as attached hereto as Exhibit “A”, with the Cornerstone Revitalization Foundation, Inc., to accomplish the purposes set forth above.
3. As consideration for the MOU and for participating in the Event, the Water Works Board will contribute non-ratepayer Funds in the sum of \$10,000.00.

Resolution No. 9330 is hereby adopted by unanimous vote.”

Next, Director Ward then made a motion to adjourn the meeting and Director Taylor seconded the motion. On a motion duly made and seconded, the motion was approved, and the meeting was adjourned at 12:27 p.m.

/s/
Tereshia Q. Huffman
Chairwoman

Attest:

/s/
Raymond L. Ward
Secretary-Treasurer