

**MINUTES OF EXECUTIVE COMMITTEE MEETING
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
FEBRUARY 9, 2023**

An Executive Committee meeting of the directors of The Water Works Board of the City of Birmingham was held on Thursday, February 9, 2023 at 11:30 a.m.

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

Others present were: Michael Johnson, General Manager; Derrick Murphy, Iris Fisher and Jeff Thompson, Assistant General Managers; Cynthia Williams, Board Administrator, Anitra Clark, Corporate Governance Specialist; Colandus Mason, Rick Jackson, Joi Dulaney, Jeff Wade, Charles McGee, and Rosalind Jones, Board Employees; K. Mark Parnell, Parnell Thompson Law, LLC; Byron Perkins, Perkins Law, LLC; Patrick Flannelly, ARCADIS, U.S., Inc.; Earl Hilliard, Reggie Smith, and Tiffanie Thompson, Hilliard, Smith & Hunt, LLC; Pat Lynch, Pat Lynch & Associates; Lindsey McAdory, and Brian Gunn, CBG Strategies; Terri Sharpley, and Jasmine Fells, Levitate Legal; Neal Morrison, and James Aaron Pierre, The Jones Group; Kessia Crenshaw, State of Alabama Attorney General’s Office; Roy Johnson, AL.com; and Daniel Burrell.

Committee Chairwoman Huffman declared a quorum in attendance.

Committee Chairwoman Huffman called the meeting to order at 11:31 a.m. and General Manager Michael Johnson opened with prayer.

Following, Committee Chairwoman Huffman asked the Committee to approve the agenda. Director Ward made a motion to approve the agenda and Director Burbage seconded the motion. On a motion duly made and seconded, the agenda was approved by unanimous vote.

Following, the Committee moved to the first item on the agenda, Request Committee to approve minutes from the July 20, 2022, and August 3, 2022 Executive Committee Meeting. Committee Chairwoman Huffman questioned whether these minutes would catch up all the outstanding minutes. The General Manager responded yes. Director Ward made a motion to approve the item and Director Burbage seconded the motion. On a motion duly made and seconded, the item was approved by unanimous vote.

Next, Committee Chairwoman Huffman asked to hear Report of Officers. She stated a Communications Committee meeting will be scheduled soon.

Following, the Committee moved to the second item on the agenda, Request Committee to hear a presentation and to recommend to the Board to enter a one-year agreement with CBG Strategies, LLC for public relations and strategic consulting services at a monthly out-of-pocket cost to the Board of \$15,000.00, upon review and approval from the Board’s Attorney. Director NeSmith made a motion to table agenda items 2 and 3, Request Committee to hear a presentation and to recommend to the Board to amend it 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, upon review and approval from the Board’s Attorney, due to O2 Ideas not being present for the meeting. Director Mims seconded the motion. Committee Chairwoman Huffman questioned O2 Ideas response when

the General Manager questioned their attendance for the meeting. The General Manager responded O2 Ideas stated they had a previous engagement and would not be able to attend the meeting. Committee Chairwoman Huffman questioned the General Manager when he was informed of that information. The General Manager responded he received that information on the night of February 8, 2023. Committee Chairwoman Huffman then questioned whether O2 Ideas first confirmed their attendance at the meeting and then change. The General Manager responded originally O2 Ideas agreed to make a presentation to the Committee. Committee Chairwoman Huffman then called for a vote on the motion. On a motion duly made and seconded, the items were tabled by unanimous vote.

Following, the Committee moved to the fourth item on the agenda, Request Committee to discuss the proposed Legislative Agenda for the upcoming legislative session; and to recommend to the Board for approval. Director Mims made a motion to bring the item before the Committee and Director Burbage seconded the motion. The General Manager then gave an overview of the legislative team. Terri Sharpley, Levitate Legal, was recognized to make a presentation. She indicated she would like to focus on the State of Alabama agenda. She stated the legislative session begins on March 7, 2023. She then gave an overview of the priorities to focus on in this legislative session. She stated this includes increasing the State of Alabama Bid Law thresholds. She stated the threshold for public works contracts is \$50,000.00 and competitive bid contracts is \$15,000.00. She stated the proposed changes would be to increase public works to \$100,000.00 and competitive bid contracts to \$30,000.00. She stated the bills had been previously introduced; however, the clock ran out. Director Burbage questioned the position of the Association of County Commissioners of Alabama (ACA). Ms. Sharpley stated she doesn't know their official position; however, she believes they would support. She stated the next priority would be to add a local preference to the bid law which would allow preference to local businesses. Ms. Sharpley stated the next priority would be to extend the \$100,000.00 liability cap to employees. She stated claims against local government entities do not extend to employees in their individual capacity. She gave the example of a BWWB employee driving a BWWB vehicle and having an accident, the cap is in place for BWWB, but the employee could be sued in their individual capacity. Director Munchus stated he does not feel there should be a cap. Ms. Sharpley stated the last priority is support for the Alabama Dam Safety Program. She indicated the State of Alabama is the only state without this program which is preventing them from receiving federal funding in upwards of seven figures per year. Director Ward questioned if anyone is opposed to this. Ms. Sharpley stated she isn't sure why this legislation hasn't been passed. A discussion then ensued. Subsequently, Ms. Sharpley gave an overview of other State priorities which include streamlining procurement processes and improving Alabama Department of Environmental Management (ADEM) wastewater regulations. Director Burbage then made motion to recommend this item to the Board for approval and Director Mims seconded the motion. On a motion duly made and seconded, the item was approved by unanimous vote.

Following, the Committee moved to the fifth item on the agenda, Request Committee to discuss a proposed resolution authorizing the General Manager to submit grant applications for amounts up to \$500,000.00 and at a cost share not-to-exceed \$100,000; and to recommend to the Board for approval. Director Ward made a motion to bring the item before the Committee and Director Burbage seconded the motion. The General Manager stated the Board has decided it should consider going after grants. He stated this would allow the General Manager to submit certain grant applications due to timing without having to come back to the Board which would speed up the process. Committee Chairwoman Huffman questioned the General Manager whether he would solely submit these grants or would he be working with the legislative team. He stated

he would not be submitting them solely. He then recognized Ms. Sharpley to discuss this item. Ms. Sharpley stated there are currently 80 federal grants available and they have been narrowed down to 7 that BWWB would be competitive for. She stated Levitate Legal wrote \$40 million in grant proposals last quarter. She stated it can take six to eight months to gather information for one grant. She indicated the resolution would give the General Manager the opportunity to go after the smaller philanthropic grants. She stated these grants have smaller turnaround of typically one month. Director Mims questioned whether BWWB has received any grants within the last two years. Assistant General Manager Jeff Thompson stated BWWB was awarded a grant of \$25,000.00 for fluoride from the Alabama Department of Public Health. Director NeSmith questioned the cost associated with submitting a grant for \$500,000.00. The General Manager stated the budget includes a retainer and grant writing fee, depending on the size of the grant. Assistant General Manager Iris Fisher stated she believes the budget amount is \$124,000.00. Ms. Sharpley stated smaller grants can be written by Levitate Legal, since it's included within their retainer. Director NeSmith stated his concern is the cost because the resolution is open ended and he indicated the Board needs to be informed of the cost. The General Manager responded the Board would be notified on the front end. Board Attorney Mark Parnell stated the Board would authorize the General Manager to submit grants up to \$500,000.00; however, if the grants are over \$500,000.00, they would still have to come back to the Board for approval. He indicated if the grant is awarded to BWWB, staff will still need to bring the item back to the Board for approval. He stated there is a need to identify the "strings" that are attached to the grants so the Board can decide if it is cost effective to still get the grant. Committee Chairwoman Huffman then called for a vote on the item. On a motion duly made and seconded, the item was approved by Directors Huffman, Burbage, Ward, and NeSmith; and Director Mims abstained from voting. Next, Director Ward stated Moody is facing questions regarding an issue in that area and he questioned since Moody is in BWWB's Watershed, is BWWB conducting tests or watching the issue. Mr. Thompson stated staff has been monitoring the issue. He indicated ADEM issued a statement saying they have done their own testing and seen no impact to the watershed. He indicated BWWB also has conducted tests and have not seen any impact. Director Ward indicated BWWB needs to be very certain to stay ahead of this issue. Committee Chairwoman Huffman requested Rick Jackson, Public Relations Manager, discuss this issue with the Communications team.

Following, the Committee moved to the sixth item on the agenda, Request Committee to hear an update on the Community Education Program. The General Manager stated the Board passed a resolution Spring 2022 to establish the program with non-rate payer revenue. He stated the projects that have been funded by the program were the World Games, Classic in Pink Affair sponsored by the Urban League, and Salute to Selma. He indicated staff wants to make sure the projects are structured in a way that meets the intent of the program. He stated some requests that have been received lack requirements for the program. Mr. Parnell stated the Community Education Program is a new policy for the Board. He stated as a public utility, BWWB is restricted to using funds for its corporate purpose and it must be related to water related activities. He stated in the past BWWB made contributions which resulted in a lawsuit from the State of Alabama Attorney General's Office. He stated a court order was issued and the current Community Education Program is in compliance with that court order. He stated the program is in its infancy stages and it needs to be tweaked. He indicated several requests have been received that have nothing to do with BWWB. He stated a better process is needed to handle requests which would include a timeline. Director Mims questioned Mr. Parnell if he has been reviewing the requests. Mr. Parnell responded yes, and he indicated he reviews the requests to ensure the Board is not violating the court order. Director Munchus questioned whether the funds could be used to jump

start a Customer Assistance Program. Mr. Parnell responded that question is complicated, and more research would need to be conducted. A discussion then ensued.

Next, Director NeSmith then made a motion to adjourn the meeting and Director Mims seconded the motion. The motion was approved by unanimous vote and the meeting was adjourned at 12:15 p.m.

/s/
Michael Johnson
General Manager

/s/
Tereshia Huffman
Executive Committee Chairwoman

/s/
Ronald A. Mims
Director

/s/
William R. Burbage
Director

/s/
Larry Ward
Director

/s/
Dalton NeSmith
Director