

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS  
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM  
April 29, 2020**

A regular board meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, April 29, 2020 at 11:30 a.m., via electronically [via teleconference/telephone].

The following Board members were present via a roll call: Chairman Ronald A. Mims, Tommy J. Alexander, Brenda J. Dickerson, Brett King, Deborah Clark, William “Butch” Burbage, Jr., Lucien Blankenship, William Muhammad, and George Munchus.

Others were present via telephone: Michael Johnson, General Manager; Derrick Murphy, Jeffrey Thompson and Iris Fisher, Assistant General Managers; Grace Amison, Executive Assistant to the Board of Directors; Anitra Hendrix, Executive Assistant to the General Manager; Rick Jackson, Public Relations Manager; and K. Mark Parnell and Mary Thompson, Parnell Thompson Law, LLC; and Kelvin Howard, Kelvin Howard, LLC.

Chairman Mims declared a quorum in attendance.

Chairman Mims called the meeting to order at 11:33 a.m. and the General Manager opened with prayer.

Following, Director Blankenship stated he would like to add an item to the agenda regarding a presentation from the Board’s attorneys. Chairman Mims stated that item could not be put on the agenda and the Board would need to go into Executive Session to discuss the item. Director Blankenship then made a motion 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. Lucien Blankenship and seconded by Mr. George Munchus, that the Board hereby approves the agenda of the Regular Board of Directors' Meeting for April 29, 2020. Resolution No. 8342 is hereby adopted by a roll call vote: Director Blankenship, Aye; Director Alexander, Aye; Director Clark, Aye; Director Burbage, Aye; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; and Director King, Aye.”

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Following, the Board moved to the first item on the agenda, Request Board to approve minutes from the February 12, 2020 Regular Board of Directors' Meeting, necessary to perform essential minimum functions of the governmental body. 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 Dr. Brenda Dickerson, that the Board hereby approves minutes of Regular Board of Directors' Meeting held February 12, 2020. Resolution No. 8343 is hereby adopted by a roll call vote: Director Blankenship, Aye; Director

Alexander, Aye; Director Clark, Aye; Director Burbage, Aye; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; and Director King, Aye.”

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Following, the Board moved to the second item on the agenda, Request Board to approve payments of invoices, necessary to perform essential minimum functions of the governmental body. Director Burbage questioned why the invoice from Parnell Thompson, LLC was not included on the agenda. Director Blankenship stated he requested said invoice to not be included on the agenda because there is additional information the Board needs. Director Burbage stated he disagreed and stated the invoice from the attorneys should be considered in a timely manner. Director Clark questioned how many times has ARCADIS, U.S., Inc. gone over budget in the past ten years and how has the Board addressed that. The General Manager stated he would get that information. Chairman Mims stated he received calls from Directors regarding Parnell Thompson’s invoice and that invoice would be added to the agenda as item 2.4. A discussion then ensued. Director Alexander stated the invoice from Parnell Thompson was on the agenda and questioned why it was taken off. Director Blankenship stated the agenda for the meeting had been approved and he requested a vote be taken on the items before the Board. Chairman Mims stated the agenda is created by the Chairman and the General Manager. He indicated no item should be added or taken off the agenda unless it is done by those two parties. 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 Muhammad, and seconded by Dr. Brenda Dickerson, that the Board hereby authorizes staff to execute payment to the following:

2.1	<u>Dominick, Feld, Hyde, P. C.</u>	
2.1.1	Other Benefit Plans (Longevity, Education, Etc.) performed March 5, 2020 through March 20, 2020	\$ <u>806.40</u>
2.1.2	BWWB Pension Plan performed February 4, 2020 through March 6, 2020	\$ <u>872.00</u>
2.2	<u>Raftelis Financial Consultants, Inc.</u>	
	For professional services related to Public Outreach Support, Bill Frequency, Fire Protection Rate, and Miscellaneous Consulting during March 2020	\$ <u>19,304.13</u>
2.3	<u>ARCADIS, U.S., Inc.</u>	
2.3.1	For professional services rendered per January 2020’s Progress Report (January 2020)	\$ <u>268,036.80</u>
2.3.2	For professional services rendered per February 2020’s Progress Report (February 2020)	\$ <u>315,442.37</u>

Resolution No. 8344 is hereby adopted by a roll call vote: Director Blankenship, Aye; Director Alexander, No; Director Clark, Aye; Director Burbage, Aye; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; and Director King, Abstain.”

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Following, the Board moved to the third item on the agenda, Request Board to award bids on the following; necessary to perform essential minimum functions of the governmental body. The board voted separately on agenda items 3.1 and 3.2. Director Muhammad questioned the total amount of pipe that would be replaced. Assistant General Manager Murphy stated three thousand feet of pipe would be replaced. On a motion duly made and seconded, the following resolutions were adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. William Muhammad, and seconded by Mr. George Munchus, that the Board hereby authorizes staff to award bids on the following:

- 3.1 Willoughby Contracting Company, Inc., the lowest responsible and responsive bidder, for the replacement of approximately 3,360’ of 2” unlined cast iron pipe / 2” galvanized steel pipe with approximately 610’ of 4” DICL pipe; 2,140’ of 6” DICL pipe; 820’ of 8” DICL pipe and related appurtenances; and 117 water services along 19th Place SW; 19th Street SW and 18th Way SW located in the West End-Oakwood Community of the City of Birmingham, Alabama at a bid amount of \$871,873.05; plus estimated cost of materials and Water Board labor in the amount of \$438,807.01; for an estimated out-of-pocket cost to the Board of \$1,310,680.06.

Resolution No. 8345 is hereby adopted by a roll call vote: Director Blankenship, Abstain; Director Alexander, Aye; Director Clark, Aye; Director Burbage, Aye; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; and Director King, Aye.”

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“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. William Muhammad, and seconded by Dr. Brenda Dickerson, that the Board hereby authorizes staff to award bids on the following:

- 3.2 Willoughby Contracting Company, Inc., the lowest responsible and responsive bidder, for the replacement of approximately 4,050’ of 2” unlined cast iron pipe / 2” galvanized steel pipe with approximately 4,200’ of 6” DICL pipe; 680’ of 8” DICL pipe and related appurtenances; and 108 water services along 4th Court West; 4th Avenue West; 4th Street West; 5th Place West; 5th Street West and 3rd Street West located in the Smithfield Community of the City of Birmingham, Alabama at a bid amount of \$1,095,113.90; plus estimated cost of materials and Water Board labor in the amount of \$535,520.82; for an estimated out-of-pocket cost to the Board of \$1,630,634.72.

Resolution No. 8346 is hereby adopted by a roll call vote: Director Blankenship, Abstain; Director Alexander, Aye; Director Clark, Aye; Director Burbage, Aye; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; and Director King, Aye.”

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Following, the Board moved to the fourth item on the agenda, Request Board to adopt a resolution to repost the following two Board positions as named below with their respective grade levels; necessary to perform essential minimum functions of the governmental body, as recommended by the Human Resources Committee. Director Blankenship requested members of the Human Resources Committee vote to recommend the item to the Board for approval. Director Dickerson stated she is ready to move forward with hiring these positions because a year has been spent working on these positions. Director Blankenship stated he would like to add that the years of experience be left up to the Board’s discretion once they have reviewed the candidates. The Human Resources Committee then voted and unanimously recommended the item to the Board for approval. Next, Director Dickerson made a motion to approve the item and Director Clark seconded the motion. Director Muhammad stated the grade level of the Corporate Governance Specialist is too low and he would like the Board Administrator to have an assistant and not a secretary. On a motion duly made and seconded, the following resolutions were adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Dr. Brenda Dickerson and seconded by Ms. Deborah Clark, that the Board hereby adopts a resolution to repost the following two Board positions as named below with their respective grade levels; necessary to perform essential minimum functions of the governmental body, as recommended by the Human Resources Committee:

4.1 Board Administrator – Grade Level 45

4.2 Corporate Governance Specialist – Grade Level 15

4.3 To enter into agreement with POLIHIRE: 1) to repost the Board Administrator-Grade Level 45 and the Corporate Governance Specialist-Grade Level 15 positions on BWWB ([www.BWWB.org](http://www.BWWB.org)) and POLIHIRE websites ([www.polihire.com](http://www.polihire.com)); 2) to receive all applications/resumes to a unique email address; 3) to acknowledge all applicants; 4) to receive inquiries from applicants; for both positions, at a cost not to exceed \$6,000.00; and to authorize the General Manager to execute said agreement.

Resolution No. 8347 is hereby adopted by a roll call vote: Director Blankenship, Aye; Director Alexander, Aye; Director Clark, Aye; Director Burbage, No; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; and Director King, Aye.”

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Following, the Board moved to the fifth item on the agenda, Request Board to approve the election provisions of the Coronavirus Aide, Relief, and Economic Security (CARES) Act, as an amendment to the Nationwide 457 Deferred Compensation Contract, which allows employees special access to their account balances as a result of the impact of COVID-19, effective May 1, 2020; necessary to perform essential minimum functions of the governmental body, as recommended by the Human Resources Committee. Director Blankenship stated he would like for the Board to examine the authority it grants with certain types of contracts. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Dr. Brenda Dickerson and seconded by Mr. William Muhammad, that the Board hereby approves the election provisions of the Coronavirus Aide, Relief, and Economic Security (CARES) Act, as an amendment to the Nationwide 457 Deferred Compensation Contract, which allows employees special access to their account balances as a result of the impact of COVID-19, effective May 1, 2020; necessary to perform essential minimum functions of the governmental body, as recommended by the Human Resources Committee. Resolution No. 8348 is hereby adopted by a roll call vote: Director Blankenship, Aye; Director Alexander, Aye; Director Clark, Aye; Director Burbage, Aye; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; and Director King, Aye.

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Following, the Board moved to the sixth item on the agenda, Request Board to approve the election provisions of the Coronavirus Aide, Relief, and Economic Security (CARES) Act, as an amendment to the AXA Equitable 457 Deferred Compensation Contract, which allows employees special access to their account balances as a result of the impact of COVID-19, effective May 1, 2020; necessary to perform essential minimum functions of the governmental body, 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 Dr. Brenda Dickerson and seconded by Mr. George Munchus, that the Board hereby approves the election provisions of the Coronavirus Aide, Relief, and Economic Security (CARES) Act, as an amendment to the AXA Equitable 457 Deferred Compensation Contract, which allows employees special access to their account balances as a result of the impact of COVID-19, effective May 1, 2020; necessary to perform essential minimum functions of the governmental body, as recommended by the Human Resources Committee. Resolution No. 8349 is hereby adopted by a roll call vote: Director Blankenship, Aye; Director Alexander, Aye; Director Clark, Aye; Director Burbage, Aye; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; and Director King, Aye.

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Following, the Board moved to the seventh item on the agenda, Request Board to adopt a resolution stating no search firms be engaged without authorization of the Board; necessary to perform essential minimum functions of the governmental body, as recommended by the Human Resources Committee. The General Manager indicated this would not affect the three agreements that the Board currently has with POLIHIRE. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Dr. Brenda Dickerson and seconded by Dr. George Munchus, that the Board hereby adopts a resolution stating no search firms be engaged without authorization of the Board; necessary to perform essential minimum functions of the governmental body, as recommended by the Human Resources Committee. Resolution No. 8350 is hereby adopted by a roll call vote: Director Blankenship, Aye; Director Alexander, Aye; Director Clark, Abstain;

Director Burbage, Aye; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; and Director King, Aye.”

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Following, the Board moved to the eighth item on the agenda, Request Board to hear division reports. Assistant General Manager Iris Fisher presented the report for the Finance and Administration Division. Ms. Fisher stated the report is as of March 2020. She reported on the number of customers stating there was an increase of 358 customers. She gave an overview of the balance sheet indicating BWWB has \$1.2 billion in assets; the operating net revenue available for debt service and paygo is over budget by \$1.8 million; expenses were over budget \$524,000.00, indicating the numbers for March were impacted by COVID-19; and net revenue over expenses is over budget \$1.3 million. She stated year-to-date net operating revenue is \$143,000.00 under budget and net revenue is \$890,000.00 over budget. Ms. Fisher then gave an overview of the fees for Jefferson County for the first quarter of 2020. BWWB billed Jefferson County \$3.1 million for the first quarter of 2020. Director Dickerson questioned why is there a variance in the months. Ms. Fisher stated it is based on the actual amount billed each month. She stated she would research amounts billed historically. The General Manager stated there is less consumption in cooler months. Ms. Fisher then gave an overview of the numbers for Jefferson County Sewer indicating BWWB has collected more than it has billed. She then gave an overview of the Large O & M variances indicating employee health costs are \$500,000.00 under budget due to no large claims; Distribution mains are \$123,000.00 over budget due to line locating costs have increased on contractor charges; paving costs are \$425,000.00 under budget year-to-date; power costs are \$41,000.00 under budget and chemical costs are \$142,000.00 over budget; and labor costs are \$426,000.00 over budget. Costs will continue to be monitored. Director Dickerson requested a report on the number of employees who received overtime versus overtime premium labor by department.

The discussion included informing the board of the number of active customers; Jefferson County Sewer billing; operating net revenue; reserve funds; historically underutilized business participation; capital improvement program; distribution system; raw and finished water pumpage; cumulative rainfall; storage at BWWB’s lakes; power and chemical costs; BWWB’s key areas of focus; key projects for FY 2020; and strategic planning. Ms. Fisher stated she would provide the report by May 6, 2020. Ms. Fisher then gave an overview of the non-cash items, reserves and investments. She indicated there was \$126 million in the bank at the end of March 2020. She then gave an overview of the reserve fund. Director Blankenship questioned what will be spent in capital dollars for the next four months. Ms. Fisher responded old money previously required in reserve would be used to cover capital expenditures. The General Manager stated \$11 million was spent and this money is what is left of the release of the reserve funds. Ms. Fisher then gave an overview of the reserve fund summary indicating paygo was \$32.9 million. Director Muhammad questioned where the money from the capital reserve fund come from. Ms. Fisher responded that money is 25 percent of the capital plan and stated that money is reserved to meet financial goals and policies. Director Muhammad questioned whether that policy has always been in place. The General Manager stated the percentage has changed over the years based on the Rate Stabilization Equalization (RSE). Ms. Fisher gave an overview of the paygo and bond proceeds. She indicated at the end of December 2020, there will \$140 million on hand with a paygo projection of \$59 million. She indicated these funds may be used if it is determined that the budget won’t be met. She stated the goal is to have 70 percent of capital by 2025. Director Muhammad questioned if

the \$59 million is met, how much would the paygo percentage represent of capital. Ms. Fisher responded that it would exceed 70 percent. Mr. Muhammad stated that is aggressive and that is one place to look at to take care of deficits. Director Blankenship questioned as the reserves continue to grow whether this would put the Board in a position to reduce debt. The General Manager responded it is an extensive process to reduce debt. He stated use of paygo would be increased to fund capital and it would aid in increasing the bond rating. Director Muhammad stated the goal is to hold the O & M budget to 2 percent. Ms. Fisher then gave an overview of the Historically Underutilized Businesses (HUB) participation and stated year-to-date it's at 34.46 percent or \$506,000.00 for consultants. Director Blankenship asked for the amount of BWWB's HUB participation. Ms. Fisher stated \$2.2 million was spent with vendors or 18.84 percent year-to-date. Director Dickerson requested a list of HUB suppliers and vendors. Ms. Fisher stated she would provide a list to the Board. Director Muhammad stated the participation seems to be "stuck" at 20 percent and he believes the suppliers are skewing the numbers. Ms. Fisher then gave an overview of the workforce and stated there were 652 employees. Director Dickerson questioned whether there were any vacant positions. Ms. Fisher stated there could be close to 34 positions, but it does include part time positions. Director Muhammad questioned the amount of money the vacant positions represent to. Ms. Fisher stated approximately \$3.5 million which would include benefits. Director Munchus questioned what the percentage for benefits is. Ms. Fisher responded 45 percent. A discussion then ensued. Director Dickerson requested a list of salaries. The General Manager stated he would provide a list of wages to the Board for 2019.

Subsequently, Ms. Fisher gave an overview of HomeServe and stated BWWB received \$60,000.00 in commission for March 2020. Director Muhammad stated 25,000 customers purchased a policy from HomeServe and BWWB could do much better with the participation. He indicated BWWB has a contract that gives them control over three states; Alabama, Mississippi and Louisiana. Director Munchus stated employees have to help market HomeServe. Director Clark stated HomeServe indicated they would help market the program and staff should follow up with them. Director Blankenship questioned what other non-water revenue plans there are. The General Manager stated there are plans to work with consecutive systems as a consultant. Next, Ms. Fisher then gave an overview of HUB participation as of March 31, 2020. She gave an overview of HUBs by category. Director Dickerson questioned who unclassified vendors are. The General Manager responded unclassified vendors are subcontractors vendors use for System Development. Director Muhammad stated Birmingham Construction Industry Authority needs to step up and help with this. He stated they can't be held responsible for this because there needs to be a better contract with them. Director Clark stated it is for BCIA to present to the Board their capabilities, the Board does not need to approach them. Ms. Fisher then gave an overview of the classification of HUBs by ethnic group. A discussion then ensued. Director Clark stated she has met with Michael Bell, BCIA and expressed her concerns.

Subsequently, Ms. Fisher then presented the division report for 2019. She gave an overview of the number of active customers; balance sheet; and stated operating net revenue was over \$6.7 million; however, expenses were over \$3 million. She stated Jefferson County fees were \$14 million in 2019. Director Dickerson stated the Board needs to know how much was charged off and what was collected. The General Manager stated 1.3 percent less is collected of what is billed. Director Blankenship questioned whether BWWB gets paid prior to receiving money from Jefferson County. Ms. Fisher stated based on the agreement with Jefferson County, BWWB projected it would collect less than what was billed by about 2 percent. She indicated the fees to collect were increased to cover that gap. She stated this puts BWWB in a good position. The

General Manager indicated staff is watching this to make sure BWWB doesn't get upside down. Director Blankenship questioned when does the contract expire with Jefferson County. Director Muhammad stated there is already a resolution to renegotiate to pay Jefferson County what is collected. Board Attorney Mark Parnell stated the contract with Jefferson County is for five years. A discussion then ensued. Ms. Fisher then gave an overview of O & M variances. Director Dickerson requested a report on labor and overtime costs by department. Director Blankenship questioned what a false call out is. Assistant General Manager Derrick Murphy stated a false call out is when a customer contacts BWWB regarding a leak that isn't a leak, meaning there is no work to be done. He stated it could be ground water or another utility's responsibility. Director Blankenship questioned whether the costs for false call outs shift to a contractor. Mr. Murphy stated BWWB has to stay with its processes and limit exposure, therefore, they have to respond to these calls. Ms. Fisher then gave an overview of reserve and paygo investments, which were \$132.7 million; the reserve fund summary; paygo and bond proceeds; HUB participation summary; and HomeServe. She then gave a detailed report regarding HUB participation. She gave an overview of the classification of HUBs by groups and ethnicity. She stated the HUB percentage was 44.19 for consultants and 16.59 percent for suppliers. Next, the General Manager stated stress tests were done due to COVID-19 to have a projection of what BWWB's financial impact would be. He stated BWWB will apply for reimbursement of expenses related to COVID-19. He then gave an overview of stress test scenarios. He stated loss revenue could range from \$2 - \$11 million. He then gave a summary of debt service coverage scenarios. Director Dickerson questioned whether the total financial impact would be related to expenses being charged off. The General Manager responded no and stated it would become bad debt expense. He then gave an overview of the initial financial projections for 2020 versus the three stress test scenarios. He indicated \$34 million has been budgeted for paygo in 2020. He indicated BWWB is in good shape. Director Blankenship questioned whether there is an effort in place to contact the U. S. Congress to lobby for water systems. The General Manager stated a reasonable amount of expenses have been compiled. He stated the Association of Metropolitan Water Agencies (AMWA) provided a template letter that could be sent to help them local legislators to lobby to get reimbursed for COVID-19 related expenses. The General Manager gave an overview of the payroll tax credit. Director Munchus questioned whether BWWB has a federal lobbyist. The General Manager responded no and stated the American Water Works Association (AWWA) and AMWA lobby on behalf of BWWB, and they are paid to do that. Director Blankenship stated the Board can work on relationships in Washington, D.C. and stated he supports the General Manager's approach. He stated a lobbyist can be engaged but it would be a unique situation. The General Manager stated the letter would be sent to legislators that week.

Next, Assistant General Manager Derrick Murphy presented the Engineering & Maintenance Division report. Mr. Murphy gave an overview of the organization chart and he stated Matthew Pritchett replaced John Dansby as the Distribution Manager. Mr. Murphy then gave an overview of the pipeline work. He stated pipe that is 90 years old had to be replaced and it cannot keep getting repaired. He then gave an overview of the top eight expenditures: Shades Mountain Filter Plant improvements, replacement of distribution mains, maintenance and repairs to existing facilities, replacement of distributions services, meters and meter technologies, service line replacement, new distribution mains and hydrants, and repair/replace distribution hydrants and valves. Director Blankenship questioned what are the companies BWWB works with doing in the community. Mr. Murphy responded we don't know that completely, but we can ask them. Director Blankenship stated we can't make these companies do anything, but we can ask. Mr. Murphy gave an overview of the pipeline replacement program. He stated the projects must be completed on



time or they will affect the following budget year. He indicated the top three service areas for BWWB are Birmingham, Hoover and Vestavia. He then gave an overview of leak orders. He then gave an overview of upcoming presentations for the division. He then showed photos regarding pipe replacement projects.

Next, Assistant General Manager Jeffrey Thompson presented the Operations & Technical Services Division report. Mr. Thompson gave an overview of the finished and raw water pumpage. He stated the finished water for 2019 was 9 billion gallons and year-to-date is 9 billion gallons for 2020. He stated raw water for 2019 was 10 billion gallons and year-to-date is 10 billion gallons for 2020. He stated the rainfall is far above average and Inland and Purdy lakes are completely full. He gave an overview of raw water usage for industrial customers and stated production is currently down for the year, so the numbers are projected to be low for 2020. He indicated U. S. Steel is also experiencing low production. He gave an overview of power and chemical costs. He stated power costs are currently under budget and chemical costs are over budget. He gave an overview of water resources and stated 11 billion gallons have been delivered this quarter. He then gave an overview of Industrial and Commercial Accounts Departments' accomplishments for the first quarter of 2020. Director Clark questioned whether residents are charged for boat slips at Inland Lake. Mr. Thompson responded yes and stated BWWB collects \$2,500.00 every weekend from non-residents. Director Clark questioned whether residents pay monthly or annually for the slips. Mr. Thompson stated he would research it and provide an answer. Chairman Mims stated it is an annual contract and stated the residents pay rent on rented land. Mr. Parnell stated the residents don't rent the lots; they have a license agreement that predates BWWB owning Inland Lake. He stated there is a companion license that goes with the boat slips. He stated he believes the license is approximately \$2,000.00 per year now; however, when BWWB took over it was \$250.00 per year. He indicated there is an accelerator clause in the agreement. Director Clark requested Mr. Thompson to provide the information regarding the boat slips. Mr. Thompson stated he would provide the information. He then gave an overview of how the Division is addressing COVID-19 issues. He stated a raw water steam plant was implemented for the University of Alabama at Birmingham. Director Blankenship stated he would like a more detailed presentation on the Industrial and Commercial Accounts Department. Mr. Thompson then gave an overview of the Security, and EnviroLab, Departments.

Next, the General Manager presented his report. He gave an overview of key areas of focus for 2020. He stated BWWB has responded well to the COVID-19 crisis. He stated a schedule is currently being prepared to begin the strategic planning process. He indicated staff is monitoring operating costs, especially due to COVID-19, and stated the projected amount for paygo this year may not be collected. He stated the fire hydrant fees need to be reviewed as soon as possible because the rates would go into effect October 1, 2020. He indicated the municipalities would need to be given proper notice. The General Manager stated raw water rates need to be reviewed also. He stated staff is reviewing ways to improve the HUB program. He stated he and staff are meeting with municipalities to ensure open communication and to maintain relationships. He stated BWWB needs to continue and improve communication with its customers. He stated staff will continue to work on economic development. Director Muhammad request the General Manager to get information from Raftelis regarding a program "Plumbers for People". The General Manager stated he would get the information. Director Muhammad stated the EnviroLab needs to be renovated now and it does not need to be delayed any longer. The General Manager stated employee leadership development is a priority. He then gave an overview of other priorities management is looking at. Director Dickerson suggested adding employee satisfaction to the list

of priorities. The General Manager then gave an overview of items projected for the 2021 budget. Director Munchus questioned whether ARCADIS, U.S., Inc. is involved with BWB Security and the General Manager responded yes.

Following, the Board moved to the ninth item on the agenda, New Business. Director Blankenship requested a copy of the conservation agreement from Mr. Parnell. He stated the Human Resources Committee would compile a timeline regarding hiring positions and provide that information to the Board. He stated there is a meeting that he and Chairman Mims will have to participate in that he feels will require legal representation. He stated he would like to seek outside counsel, at a rate commensurate to what the Board's attorneys are currently being paid, to attend that meeting. He then made a motion requesting the Board to approve separate counsel to represent Chairman Mims and him at their meeting and Director Muhammad seconded the motion. Director Burbage questioned what the meeting is about. Director Blankenship stated they have been requested to attend a meeting that may involve legal issues. Mr. Parnell stated the State of Alabama Attorney General's Office has requested to meet with Chairman Mims and Director Blankenship. He indicated he was contacted by their office and he would attend the meeting as counsel to the Board. He stated he didn't think individual directors would need representation. Director Blankenship indicated he would like to have representation at the meeting. Director Muhammad stated he is upset because Olivia Martin deliberately interferes with the Board's operations. He stated she should meet with the entire Board and not individual directors. Mr. Parnell stated they try to have a good working relationship with the Attorney General's Office and we are honoring a request they've made. He stated the Board has been adversarial with the Attorney General's Office in the past. Director Blankenship stated he doesn't think the meeting is adversarial. Director Alexander stated the meeting could be made adversarial with directors attending with lawyers. Mr. Parnell indicated he did not say a director shouldn't have counsel present with them. He stated he would like to discuss the Board's history with the Attorney General's Office with Director Blankenship. Director Blankenship stated he would like to have that meeting. Mr. Parnell stated his firm along with Kelvin Howard are willing to meet with any of the directors to discuss any issue on which they are representing the Board. A discussion then ensued. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Lucien Blankenship and seconded by Mr. William R. Muhammad, that the Board hereby approves separate counsel to attend a meeting with Chairman Ronald A. Mims and Director Lucien Blankenship at the State of Alabama's Attorney General's Office. Resolution No. 8351 is hereby adopted by a roll call vote: Director Alexander, No; Director Clark, Aye; Director Burbage, No; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; Director King, Aye; and Director Blankenship, Aye; voting on April 29, 2020.”

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Next, Director Alexander made a motion to approve payment of an invoice from Parnell Thompson, LLC and Director Muhammad seconded the motion. Director Burbage questioned whether the General Manager reviewed the bill. The General Manager stated he approved the invoice. Director Blankenship questioned under what basis was the invoice approved. The General Manager responded under the basis that it was necessary to perform essential minimum functions of the governmental body and they have assisted in day-to-day operations. Director

Blankenship stated the Board decides what essential services are. Director Dickerson questioned the amount of the invoice. Mr. Parnell stated their invoice for March 2020 is \$85,635.00. Director Muhammad stated the Board has not seen the invoice; therefore, they can't vote on the invoice. He indicated he agrees with Chairman Mims regarding items being taken off the agenda. Director Burbage stated the Board depends on staff to review invoices and suggested the item be approved. A discussion then ensued. On a motion duly made and seconded, the item failed by a roll call vote of 4-4-1. Director King stated the Chairman sets the agenda and since he has been on the Board the custom has been that the other directors are not involved with setting the agenda. He believes that the Chairman position be respected. He stated if the directors follow the custom, he believes problems can be avoided. Director Blankenship stated he believes every director has a privilege when it comes to the agenda.

Next, Director Dickerson requested the General Manager to research employees not receiving their correct pay relative to the pension calculations for three pay periods. She stated she has been told employees are not being paid correctly. The General Manager stated staff had not had a chance to review the issue, but they would research it.

Next, Director Muhammad made a motion requesting the Board to engage attorney Emory Anthony, at the same rate of the Board's attorney's pay, and be used at the Board's discretion and Director Munchus seconded the motion. Director Clark questioned why Attorney Anthony would be engaged by the Board. Director Muhammad stated he is asking Chairman Mims and Director Blankenship to consider Mr. Anthony to attend the meeting with them. Director Blankenship stated he has separate counsel and he will consider Director Muhammad's request. Chairman Mims stated he would discuss this with Director Blankenship. A discussion then ensued. Director Blankenship stated a resolution had already passed giving him and Chairman Mims authorization to select their counsel. Director Alexander questioned whether Chairman Mims and Director Blankenship would each have their own attorney. Chairman Mims responded that he and Director Blankenship will use the same attorney. A discussion then ensued. Director Clark questioned Director Muhammad was he trying to hire another attorney for the Board and Director Muhammad responded yes. A discussion ensued. 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 R. Muhammad and seconded by Mr. George Munchus, that the Board hereby approves retaining Emory Anthony as an attorney for the Board of Directors, at the same rate of the Board's attorney's pay; and to be used at the Board's discretion. Resolution No. 8352 is hereby adopted by a roll call vote: Director Alexander, Aye; Director Clark, No; Director Burbage, No; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; and Director Blankenship, Aye; voting on April 29, 2020.”

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Next, Director Muhammad made a motion requesting the Board to consider engaging attorney Earl F. Hilliard, Jr. to be a lobbyist for the Board by representing the Board relative to the Coronavirus Aide, Relief, and Economic Security (CARES) Act in Washington, D.C. at a rate of \$7,5000.00 per month and Director Munchus seconded the motion. Director Clark questioned whether Director Muhammad is requesting Mr. Hilliard to work on behalf of the Board regarding

the money for CARES in addition to the work being done with AMWA. Director Muhammad responded yes and stated Mr. Hilliard can use his contacts to help the Board. Director Clark stated the Board would need to meet with Mr. Hilliard first. A discussion then ensued. Director Blankenship suggested engaging Mr. Hilliard for 30 days because he doesn't feel comfortable engaging someone long term without a strategy. Director Munchus questioned whether the engagement could be until the end of 2020. Director Muhammad stated a monthly retainer is the request. Director Clark questioned whether the engagement would be for 30 days or until the end of 2020, Director Muhammad stated it would be a monthly retainer and every agreement can be ended with a 30-day notice; however, he does not believe a time limit should be set. Director Dickerson questioned whether Mr. Hilliard is currently doing this work and how long has he been out of the U.S. Congress and does he still have his contacts. A discussion then ensued. Director Blankenship then offered a substitute motion to engage Earl Hilliard to assist the General Manager. A discussion then ensued. 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 R. Muhammad and seconded by Mr. George Munchus, that the Board hereby approves and authorizes the General Manager and/or the Assistant General Manager to enter into a agreement with Earl F. Hilliard, Sr. to provide federal lobbyist services in securing COVID-19 funds, including funding provided under the Families First Coronavirus Response Act, which is included in the Cares Act, effective May 1, 2020 to December 31, 2020, in the amount of \$7,500.00 per month. Resolution No. 8353 is hereby adopted by a roll call vote: Director Alexander, No; Director Clark, Abstain; Director Burbage, No; Director Mims, Aye; Director Munchus, Aye; Director Muhammad, Aye; Director Dickerson, Aye; Director King, No; and Director Blankenship, Abstain; voting on April 29, 2020.”

\* \* \* \* \*

Next, Director Muhammad made a motion for committee meetings to only be deliberated by members of that particular committee and Director Munchus seconded the motion. Director Munchus questioned whether deliberation would exclude other directors and the public. Director Muhammad responded he would make a substitution to include that language. A discussion then ensued. On a motion duly made and seconded, the item failed by a roll call vote of 4-3-1.

Following, Director Blankenship requested clarification regarding abstention voting. He stated he understands a “pass” vote to equal an abstention. He stated he believes that's basically a no vote. Board Attorney Mark Parnell responded by reading Section 13 of the Board's By-Laws. Director Muhammad then made a motion to adjourn the meeting.

Following, the General Manager stated there is a plan to reopen BWWB's office on Monday, May 4, 2020. He stated staff will follow guidelines set by the Alabama Governor Kay Ivey and Birmingham Mayor Randall Woodfin. Director Dickerson questioned whether this will end the overtime pay. The General Manager responded yes and stated employees will be paid their regular salary. Chairman Mims questioned whether all employees will be reporting to work on May 4, 2020. The General Manager responded yes and stated some employees will be teleworking. Director Clark questioned whether teleworkers would receive overtime pay. The General Manager responded no. Director Alexander stated the Board can use the Training Room

for meetings. The General Manager stated due to the Governor Ivey's ordinance there can't be more than 10 people in a space.

Next, Chairman Mims called for the vote to adjourn the meeting. The motion was approved unanimously by a roll call vote.

Chairman Mims adjourned the meeting at 4:35 p.m.

/s/  
\_\_\_\_\_  
Ronald A. Mims  
Chairman/President

Attest:

/s/  
\_\_\_\_\_  
William R. Muhammad  
Secretary-Treasurer