

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
March 29, 2018**

The regular bi-monthly meeting of the directors of The Water Works Board of the City of Birmingham was held on Thursday, March 29, 2018, at 9:00 a.m., at 3600 First Avenue North, Birmingham, Alabama.

The following Directors were present: William “Butch” Burbage, Jr., Ronald A. Mims, Brenda J. Dickerson, William R. Muhammad, Tommy J. Alexander, Deborah Clark, George Munchus and Brett A. King. Director Sherry Lewis was absent.

The meeting was also attended by: Mac Underwood, General Manager; Michael Johnson, and Darryl Jones, Assistant General Managers; Grace E. Amison, Executive Assistant to the Board of Directors; Vanessa Washington, Executive Assistant to AGM Michael Johnson, Mark Parnell and Mary Thompson, Parnell Thompson, LLC; Kelvin Howard, KWH, LLC.; Dorian Kendrick, and BreAndrea Rudolph, Agency 54; Brian T. Ruggs, ARCADIS US, Inc.; David Merrida, BCIA; Olivia Martin, AGO; Theo Johnson and John Smith, Volkert; Derrick Murphy, Allworld PM; Kent Hartzog, GS&P; Wayne Miles, CDM Smith; Matthew Arrington, Terminus; Greg Burchell, Morgan Stanley; Pat Burchell, Hamilton Lane; Kevin Moore and Kevin Owens, City of Birmingham; Chandra Abesingha, CE Associates; Ben Sorrell, George Anderson, Michael Griffin, Steve Franks, Barry Williams, Rick Jackson, Scott Starkey and Terrell Jones, Board Employees; Isaac Ballard and Nelda Thompkins, Retirees.

Inasmuch as a majority of Board members were present, a quorum was in attendance. GM Underwood called the meeting to order at 9:01 a.m. Following, George Anderson, I.T. Manager opened the meeting with prayer.

Next, GM Underwood asked the Board to adopt resolutions commending the following employees, as set forth in agenda item 1.1 and 1.2, respectively, as Employees of the Month for March 2018 from the Operations and Technical Services Division: Purification Maintenance Worker Johnathan Bittles, Jr. and from the Finance and Administration Division: Organizational Specialist Sam Day, HR Training Specialist Derrick Gooden, Training Coordinator Meridith Hollins, Safety and Risk Management Supervisor Joyce Agee, Safety and Risk Management Specialist LaDedra Ruffin, Safety and Risk Management Coordinator Morgan Dill, and Training, Organizational Development and Safety Officer Rhonda Lewis. The General Manager indicated staff recommends approval of said items. 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. George Munchus and seconded by Mr. Ronald A. Mims, that the Board hereby recognizes and commends Johnathan Bittles, Jr., as the Operations and Technical

Services Division’s Employee of the Month for March 2018, on having achieved outstanding job performance, attendance, and work above expected levels;

BE IT FURTHER RESOLVED, that 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. Bittles. Resolution No. 7740 is hereby adopted by unanimous vote.”

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Dr. George Munchus and seconded by Mr. Ronald A. Mims, that the Board hereby recognizes and commends Rhonda Lewis, Sam Day, Derrick Gooden, Meridith Hollins, Joyce Agee, LaDedra Ruffin and Morgan Dill as the Finance and Administration Division’s Employees of the Month for March 2018, on having achieved outstanding job performance, attendance, and work above expected levels;

RESOLVED FURTHER, that the Board and the General Manager are hereby authorized to sign a formal resolution, the wording of which will carry out the intent herein, and a copy of which will be presented to the employees named above. Resolution No. 7741 is hereby adopted by unanimous vote.”

Next, Cherita King presented the March 2018 employees of the month. She stated that Purification Maintenance Worker Johnathan Bittles, Jr., was nominated for being a high achiever and a self-motivator that goes above and beyond. Then, Mr. Bittles was applauded for his efforts. Next, Cherita King acknowledged the BWWB Training Team for being awarded the Top 125 Training Team honor for the sixth time. She thanked them for their hard efforts, training programs implemented, and a job well done.

Next, GM Underwood asked the Board to approve minutes, as set forth in agenda item 2. GM Underwood indicated that staff has reviewed the referenced minutes and recommends them for approval. Director Clark and Dr. Dickerson had an issue with the time line minutes are received. They would like to receive the minutes quicker. GM Underwood stated he would work to ensure Directors receive the minutes within thirty days of the meetings. Then, Executive Assistant to the Board Grace Amison explained to the Board that the Corporate Minutes Policy states minutes should be completed within thirty to sixty days. Director Clark stated the minutes policy needed to be reviewed. Thus, the Board members were concerned, and Director King motioned to table agenda item 2. 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 Mr. Brett A. King and seconded by Ms. Deborah Clark, that the Board hereby table minutes of the following meeting:

- Regular Board of Directors’ Meeting held October 12, 2017

Resolution No. 7742 is hereby adopted by unanimous vote.”

Next, GM Underwood asked the Board to approve Director King's expense reimbursement relative to a scheduled meeting attending to business of the Board in February 2018 in the amount of \$78.66, as set forth in agenda item 3. A roll call vote is required. 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, in accordance with Act No. 2015-164, approval is requested for the following mileage expense reimbursement.

NOW, THEREFORE, BE IT RESOLVED, on a motion made by Ms. Deborah Clark and seconded by Dr. Brenda J. Dickerson, that the following board member(s) be reimbursed for his expense reimbursement as follows:

- Brett King for an expense reimbursement relative to a scheduled meeting attending to business of the Board in February 2018 in the amount of \$78.66 (as listed on the attached Travel and Business Expense Reimbursement).

Resolution No. 7743 is hereby adopted by a roll call vote: Director Alexander, Yes; Director Clark, Yes; Director Dickerson, Yes; Director Burbage, Yes; Director Mims, Yes; Director Munchus, Yes; Director Muhammad, Yes; and Director King, Abstain.”

Next, GM Underwood asked the Board to approve payments of invoices for professional services, as set forth in agenda items 4.1 through 4.5, respectively. GM Underwood indicated management had reviewed the invoices and recommended them for approval. 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. George Munchus and seconded by Dr. Brenda J. Dickerson, that the Board hereby authorizes staff to execute payments to the following:

- 4.1 Carl Dalton NeSmith, Jr., LLC.
For retainer fee for March 2018 \$500.00
- 4.2 Volkert, Inc.
For professional services rendered for January 2018 \$1,891.26
- 4.3 Raftelis Financial Consultants, Inc.
4.3.1 For professional services rendered for December 2017 \$8,997.50

4.3.2 For professional services rendered for January 2018	<u>\$14,739.42</u>
4.3.3 For professional services rendered for February 2018	<u>\$10,025.00</u>
4.4 <u>Agency 54</u>	
For professional services rendered for February 2018	<u>\$25,000.00</u>
4.5 <u>ARCADIS US, Inc.</u>	
For professional services rendered per January 2018 Progress Report (January 2018)	<u>\$173,249.58</u>

Resolution No. 7744 is hereby adopted by unanimous vote.”

Next, GM Underwood asked the Board for a motion and second to table agenda item five which was a request for the Board to approve agreements with Hamilton Lane; and to authorize Morgan Stanley to transfer up to \$15 million of BWWB’s Pension System Funds from various equity investments into the Hamilton Lane Private Markets Opportunity Fund LP, and to authorize Morgan Stanley to transfer up to \$3.1 million of BWWB’s OPEB Trust Funds from various equity investments into the Hamilton Lane Private Markets Opportunity Fund LP, as set forth in agenda items 5, 5.1, and 5.2, respectively. Dr. Munchus asked GM Underwood for an explanation of why he requested to table agenda item five. Dr. Munchus indicated several Retirees contacted him and wanted to speak on the item. GM Underwood indicated that the final agreements were still under review, and management and attorneys needed more time to review and finalize the agreements. 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 “Butch” Burbage and seconded by Mr. Brett A. King, that the Board hereby tables agenda item 5, 5.1, and 5.2, respectively. Resolution No. 7745 is hereby adopted by Directors Alexander, Yes; Director Clark, Yes; Director Dickerson, Yes; Director Burbage, Yes; Director Mims, Yes; Director Muhammad, Yes; and Director King, Yes. Director Munchus voted no.”

Next, GM Underwood asked the Board to approve and to authorize the General Manager and/or the Assistant General Manager to accept a Scope of Services Agreement from Gresham, Smith & Partners (GS&P) for the design and inspection of a water main replacement project, as set forth in agenda item 6. Per GM Underwood, staff recommends approval of the item. Dr. Munchus made the motion for said item to be put on the table for a vote. Director King made a motion to move the item forward and Director Clark seconded. Dr. Munchus commended the principles of Allworld and Gresham, Smith & Partners for the joint venture of black and white firm. Director Muhammad asked who is Allworld and expressed concerns on whether Allworld is a historically underutilized business (HUB). Derrick Murphy of Allworld explained who they are and what they do. He also explained that Allworld is certified through ALDOT and Birmingham Airport Authority. 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. Brett A. King and seconded by Ms. Deborah Clark, that

the Board hereby approves and authorizes the General Manager and/or the Assistant General Manager to accept a Scope of Services Agreement from Gresham, Smith & Partners (GS&P) for the design and inspection of a water main replacement project along Avenue J Ensley; Avenue K Ensley; Avenue L Ensley; Avenue M Ensley; Avenue R Ensley; 12th Place Ensley; 13th Street Ensley; 14th Street Ensley; 15th Street Ensley and 17th Street in the Ensley Community in the City of Birmingham. The water mains to be replaced in the City of Birmingham are 2-inch unlined cast iron pipe / galvanized steel pipe and 6-inch unlined cast iron pipe installed prior to 1927. The 2-inch water mains have an average leakage rate of 640 based upon the Rehabilitation & Replacement Model. The estimated out-of-pocket cost to the Board for the scope of services is \$281,615.00. HUB Participation is 45% based upon the services provided by Allworld Project Management (AWPM). Resolution No. 7746 is hereby adopted by unanimous vote.”

Next, GM Underwood asked the Board to approve a Statement of Work with Dell SecureWorks to perform network security penetration testing, as set forth in agenda item 7. 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. George Munchus and seconded by Mr. Ronald A. Mims, that the Board hereby approves a Statement of Work with Dell SecureWorks to perform network security penetration testing at an out-of-pocket cost to the Board of \$29,241.00, and authorizes the General Manager and/or Assistant General Manager to execute said Statement of Work; as recommended by the Engineering and Maintenance Committee. Resolution No. 7747 is hereby adopted by unanimous vote.”

Next, GM Underwood asked the Board to approve an increase in the rate of pay for Blount County Sheriff Deputies working security at the Board's Inland Lake dam and boat launch facilities. The current rate is \$20.00 per hour with the new rate increasing to \$30.00 per hour effective April 1, 2018, as recommended by the Engineering and Maintenance Committee. This increase will match the rate being paid to other law enforcement officers at Lake Purdy Dam, as set forth in agenda item 8. 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 A. Mims and seconded by Dr. George Munchus, that the Board hereby approves and authorizes an increase in the rate of pay for Blount County Sheriff Deputies working security at the Board's Inland Lake dam and boat launch facilities as recommended by the Engineering and Maintenance Committee. Resolution No. 7748 is hereby adopted by unanimous vote.”

Next, GM Underwood asked the Board to authorize the Engineering Department to take bids for the re-roofing of five buildings, as recommended by the Engineering and Maintenance Committee, and as set forth in agenda item 9. After the item had been motioned and seconded, Dr. Munchus asked GM Underwood if the costs were already in the Capital Budget which GM Underwood answered with a yes. Then, Dr. Dickerson requested a list of BWWB facilities. GM Underwood explained that the Board was being asked to authorize to take bids; therefore, the list of the properties would be provided before the request to award bid. 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. Brett A. King and seconded by Dr. George Munchus, that the Board hereby authorizes staff to take bids for the re-roofing of the buildings at the following locations, as recommended by the Engineering and Maintenance Committee:

Putnam Filter Plant at an estimated cost of \$332,000.

Shades Mountain Filter Plant at an estimated cost of \$226,000.

Cahaba Pumping Station at an estimated cost of \$300,000.

Carson Filter Plant at an estimated cost of \$135,000.

Carl Sims Pumping Station at an estimated cost of \$132,000.

The estimated total of all five projects is \$1,125,000. Resolution No. 7749 is hereby adopted by unanimous vote.”

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Next, GM Underwood asked the Board to approve and authorize the General Manager and/or Assistant General Manager to accept a Scope of Services Agreement from ARCADIS for 2018 Annual SAP System Support including program management, BASIS support, ongoing system support, and system enhancements at an estimated out-of-pocket cost to the Board of \$672,155.74, as recommended by the Engineering and Maintenance Committee, and as set forth in agenda item 10. 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. George Munchus and seconded by Dr. Brenda J. Dickerson, that the Board hereby approves and authorizes the General Manager and/or the Assistant General Manager to accept a Scope of Services Agreement from ARCADIS for 2018 Annual SAP System Support including program management, BASIS support, ongoing system support, and system enhancements at an estimated out-of-pocket cost to the Board of \$672,155.74, as recommended by the Engineering and Maintenance Committee. Resolution No. 7750 is hereby adopted by unanimous vote.”

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Next, GM Underwood asked the Board to grant an easement agreement with Alabama Power Company, for the lighting installation work at Sicard Hollow Road Landfill, as recommended by the Engineering and Maintenance Committee, as set forth in 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 Dr. Brenda J. Dickerson and seconded by Dr. George Munchus, that the Board hereby grants an easement agreement with Alabama Power Company for the lighting installation work at Sicard Hollow Road Landfill. The landfill site currently has no lighting, which poses a safety and security hazard for employees authorized to access the landfill. Lights will be installed along the roadway from the entrance gate on BWWB property to the turnaround location at the disposal area. Acquisition of an easement for the electrical power to serve the lighting location is standard protocol. The easement is of no cost to the Board; and to authorize the General Manager and/or the Assistant General Manager to execute said agreement as recommended by the Engineering and Maintenance Committee. Resolution No. 7751 is hereby adopted by unanimous vote.”

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Next, GM Underwood asked the Board to decline the right of first refusal related to structures on Lot 76 for sale at Inland Lake and to require Staff and/or Board attorneys to attend property closing and execute new recreational site agreement on said property as recommended by the Engineering and Maintenance Committee, as set forth in agenda item 12. 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. Brett A. King and seconded by Dr. Brenda J. Dickerson, that the Board hereby declines the right of first refusal related to structures on Lot 76 for sale at Inland Lake and to require Staff and/or Board attorneys to attend property closing and execute new recreational site agreement on said property as recommended by the Engineering and Maintenance Committee. Resolution No. 7752 is hereby adopted by unanimous vote.”

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Subsequently, under new business, Dr. Munchus and Attorney Mark Parnell exchanged dialogue relative to the author of the HUB program. After much discussion on the success and failure of the program, Dr. Munchus stated the HUB program needs to be reviewed, because it is not providing the results it should. Dr. Munchus offered his expertise to assist with said program; however, Director Alexander stated that Director Clark and he had already begun the review process of the program. Then, AGM Darryl Jones distributed and reviewed information on the draft *Consumer Confidence Report (CCR)*, (a copy of which is on file with the Board meeting book). Dr. Munchus asked if the CCR was required by EPA which AGM Darryl Jones indicated that it is an EPA requirement. Following, GM Underwood distributed a report entitled *Mac Underwood Approved Payments – 2013-2018* (a copy of which is on file with the Board meeting book) at the request of Dr. Dickerson. GM Underwood covered several items on said handout. The

directors were asked to review the document. Next, GM Underwood also distributed a handout with a list of *Approved Payments of Legal Settlements from 2013-2018* (a copy of which is on file with the Board meeting book). GM Underwood stated said handout is for the Board's information. GM Underwood referenced to Board members that they have a confidential *Litigation Summary Report* which was distributed by Attorney Mark Parnell also for their information. Afterwards, GM Underwood acknowledge that there were not any speakers. Therefore, Director King motioned to enter Executive Session. Attorney Mark Parnell stated certification had to be done prior to the motion. Then, he stated directors made a request at the last Board meeting for an update on pending litigation, which must be done in Executive Session. Attorney Mark Parnell asked for a motion to vote on it. Director King made the motion and it was seconded by Dr. Dickerson. Thus, the Executive Session began at 9:41 a.m. Afterwards, a motion was made at 11:20 a.m. to end the Executive Session and to resume the Board meeting. Resolution No. 7753*

As there was no further business to be brought before the Board, a motion to adjourn the meeting was duly made and seconded, and the meeting adjourned at 11:21 a.m.

_____/s/_____
Tommy J. Alexander
Chairman/President

Attest:

_____/s/_____
William "Butch" Burbage, Jr., CPA
Secretary-Treasurer

*Pursuant to Resolution No. 4985 (adopted February 22, 2007), Resolution No. 7753 was inadvertently omitted from minutes of March 29, 2018 at time these minutes were formally approved.