

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
October 24, 2018**

The regular bi-monthly meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, October 24, 2018 at 11:30 a.m., in the principal office of the Board, 3600 First Avenue North, Birmingham, Alabama.

The following Directors were present: Tommy Joe Alexander, Deborah Clark, William Butch Burbage, Ronald A. Mims, Sherry Lewis, George Munchus, and Brett King. Directors William Muhammad and Brenda Dickerson were not present.

The meeting was also attended by: Mac Underwood, General Manager; Darryl Jones, Michael Johnson and Sonny Jones, Assistant General Managers; Grace Amison, Executive Assistant to the Board of Directors; Anitra Hendrix, Executive Assistant to the General Manager; George Anderson, Rick Jackson, Cherita King, Drusilla Hudson, Ben Sorrell, Stephen Franks, Rosalind Jones, Terrell Jones, Michael Parker, Ben Matthews, Keith Witt, and Michael Griffin, Board Employees; K. Mark Parnell, Parnell Thompson, LLC; Kelvin Howard, Kelvin Howard, LLC; Dorian Kendrick and Martha Bozeman, Agency 54; Brian Ruggs, ARCADIS; Theo Johnson, Volkert, Inc.; Matthew Arrington, Terminus Municipal Advisors; Walter Lewis, Piper Jaffray; Chandra Abesingha, CE Associates; D. Nail, State of Alabama Attorney General; Earl Hilliard, Jr. and Don Mosley, City of Birmingham; Ty Wallace, On Call Contractors; Kim Baylor Bivins, Birmingham Construction Industry Authority; Kimberly Cook, City of Vestavia Hills; Issac Ballard; and Nelda Thompkins.

Inasmuch as seven of the directors were present; Chairman Alexander declared a quorum in attendance.

Chairman Alexander called the meeting to order at 11:33 a.m. Mr. George Anderson opened the meeting with prayer.

Next, the General Manager recognized Matthew Arrington, Terminus Municipal Advisors, to provide an update regarding the 2018 Bond Issue. Mr. Arrington stated the bonds were marketed earlier that morning. He indicated it was a really good transaction with the final rate being 3.72 percent, which resulted in the Board receiving 4.8 times more money than it needed. Director Munchus questioned whether the rate could have been 3.7 percent. Mr. Arrington responded the investors wanted the whole deal. He stated there will be \$650,000.00 left over which will be underwritten. He stated performance details will be provided once the deal closes on November 7, 2018. Walter Lewis, Piper Jaffray, stated the market was good this week to sell bonds. Director Burbage expressed his gratitude for the excellent work done by management and the Board's consultants.

Following, the General Manager asked the Board to adopt a resolution commending the Employee of the Month for October 2018, as set forth in agenda item 1. Cherita King, Board Employee, stated Ben Matthews has been employed with BWWB for 17 years. She indicated Mr. Matthews was nominated for providing exceptional customer service. She stated Mr. Matthews is a team player to his fellow employees and willingly helps to provide great service to BWWB customers. 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. Ronald A. Mims and seconded by Dr. George Munchus , that the Board hereby recognizes and commends Ben Matthews, as the Finance and Administration Division’s Employee of the Month for October 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 Ben Matthews. Resolution No. 7910 is hereby adopted by unanimous vote.”

Following, Director Clark stated she attended the AWWA Alabama/Mississippi Section Conference in Birmingham on last week. She expressed her gratitude for the way the conference was ran by Conference Chairwoman Drusilla Hudson. She indicated the conference presented BWWB and the City of Birmingham in a very good light. Ms. Hudson expressed her gratitude to the Board for their support of the conference. She indicated there were 500 attendees to the conference and has the hope Birmingham will be able to host the conference again soon.

Following, the General Manager asked the Board to adopt resolutions authorizing monthly retirement benefits from the Board’s Retirement Trust Fund for Richard W. Newton for 31 years of service, effective November 1, 2018, as set forth in agenda item 2. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, Richard Newton, an employee of The Water Works Board of the City of Birmingham (“the Board”), is retiring, effective November 1, 2018, at an age of 52, and

WHEREAS, Richard Newton has 31 years of continuous service with the Board at his retirement date, and in accordance with the terms of the Trusteed Pension Plan, is entitled to receive a monthly Retirement payment from the Board’s Retirement Trust Fund in the amount of \$5,376.47; 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. Brett King and seconded by Ms. Deborah Clark, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$5,376.47 to Mr. Newton from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made November 1, 2018.

Resolution No. 7911 is hereby adopted by unanimous vote.”

“WHEREAS, Richard Newton, an employee of The Water Works Board of the City of Birmingham, is retiring, effective November 1, 2018, after 31 years of service with the Board; and

WHEREAS, management has informed the Board of Richard Newton’s efficiency, reliability, and loyal service which contributed to the effective operation and growth of The Water Works Board of the City of Birmingham; and

WHEREAS, Richard Newton, leaves behind a record which deserves a sincere word of gratitude for a job well done; and the Board does hereby express its best wishes for many happy years ahead.

NOW, THEREFORE, BE IT RESOLVED, By the Board of Directors of the Water Works Board of the City of Birmingham, Richard Newton is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Richard Newton's service to the Board, a copy of this resolution be spread upon the minutes of The Water Works Board of the City of Birmingham and an official resolution presented to Mr. Newton.

Resolution No. 7912 is hereby adopted by unanimous vote.”

Following, the General Manager asked the Board to adopt a resolution authorizing surviving spouse monthly retirement benefits from the Board's Retirement Trust Fund in accordance with the terms of the pension plan and as stated on the attached memo, effective November 1, 2018, for Ms. Bobbie Murdoch, the surviving spouse of Billy Murdoch, as set forth in agenda item 3. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, Billy Murdoch, a retiree of The Water Works Board of the City of Birmingham (“The Board”), passed away on October 3, 2018; and

WHEREAS, Billy Murdoch was receiving, up until the time of his death, monthly retirement benefits from the Board's Retirement Trust Fund in the amount of \$2,162.73, and under the terms of the Board's Retirement Plan, his spouse is now entitled to receive 50% of that monthly benefit until such time as she either remarries or passes away; and

WHEREAS, the surviving spouse, Bobbie Murdoch will begin receiving her surviving spouse monthly benefit of \$1,081.37, effective November 1, 2018.

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 A. Mims and seconded by Dr. George Munchus, that the Trustee be, and is hereby instructed to pay a pension of \$1,081.37 per month to Bobbie Murdoch from the Board's Retirement Trust Fund, in accordance with the terms of the Trustee Pension Plan, with the payment to be effective November 1, 2018.

Resolution No. 7913 is hereby adopted by unanimous vote.”

Following, the General Manager asked the board to approve Directors' actual travel expenses for the 2018 Rating Agencies meetings held October 1-3, 2018, in New York City, NY, as set forth in agenda items 4.1 through 4.5. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, the Board of Directors has adopted a Travel Expense Reimbursement Policy, as amended; and

WHEREAS, pursuant to Resolution No. 7683 adopted by the Board of Directors on January 11, 2018, approval was given to attend the 2018 Rating Agencies Meetings scheduled October 1 - 3, 2018, in New York City, New York; and

WHEREAS, in accordance with Act No. 2015-164, approval is requested for the following actual expenses relative to the above-referenced conference.

NOW, THEREFORE, BE IT RESOLVED, on a motion duly made by Mr. Ronald A. Mims and seconded by Dr. George Munchus, that the following board member(s) be reimbursed for his or her actual expenses pertaining to said conference as follows:

- Tommy Joe Alexander for total actual expenses including airline fare (room and tax only), and business meals in the amount of \$1,825.54 (as listed on the attached Itemized Travel and Business Expense Reimbursement).
- Deborah Clark for total actual expenses including AmTrak fare, lodging (room and tax only), and business meals in the amount of \$2,002.34 (as listed on the attached Itemized Travel and Business Expense Reimbursement).
- Brenda J. Dickerson for total actual expenses including airline fare, lodging (room and tax only), business meals and other in the amount of \$2,077.34 (as listed on the attached Itemized Travel and Business Expense Reimbursement).
- William “Butch” Burbage, Jr., for total actual expenses including airline fare, lodging (room and tax only), business meals and other in the amount of \$2,007.13 (as listed on the attached Itemized Travel and Business Expense Reimbursement).
- Brett A. King for total actual expenses including airline fare, lodging (room and tax only), business meals and other in the amount of \$1,833.54 (as listed on the attached Itemized Travel and Business Expense Reimbursement).

Resolution No. 7914 is hereby adopted by a roll call vote: Chairman Alexander, Yes; Director Clark, Yes; Director Burbage, Yes; Director Munchus, Yes; Director Mims, Yes; Director Lewis, Yes; and Director King, Yes.”

* * * * *

Following, the General Manager asked the board to approve payments of invoices for professional services, as set forth in agenda items 5.1 through 5.4. The General Manager indicated staff 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 Mr. Brett King, that the Board hereby authorizes staff to execute payment to the following:

5.1	<u>Carl Dalton NeSmith, Jr. LLC</u> For retainer fee for October 2018	<u>\$ 500.00</u>
5.2	<u>Dominick Feld Hyde, P.C.</u>	
5.2.1	BWOB OPEB Plan performed September 7, 2018 through September 18, 2018	<u>\$ 762.40</u>
5.2.2	BWOB Pension Plan performed September 7, 2018 through September 12, 2018	<u>\$ 1,514.40</u>
5.3	<u>Agency 54</u> For professional services rendered for August 2018	<u>\$ 25,000.00</u>
5.4	<u>Parnell Thompson, LLC</u> For professional services rendered for September 2018	<u>\$ 87,707.32</u>

Resolution No. 7915 is hereby adopted by unanimous vote.”

Following, the General Manager asked the Board to authorize the General Manager and/or Assistant General Manager to enter into a contract with SHI International Corporation in the amount of \$887,565.00, for a Microsoft Enterprise Licensing Agreement utilizing the state of Alabama contract for Microsoft software licensing, as recommended by the Engineering and Maintenance Committee, as set forth in agenda item 6. 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 Ms. Deborah Clark, that the Board hereby authorizes General Manager and/or the Assistant General Manager to enter into a contract with SHI International Corporation in the amount of \$887,565.00, for a Microsoft Enterprise Licensing Agreement utilizing the State of Alabama contract for Microsoft software licensing. Resolution No. 7916 is hereby adopted by unanimous vote.”

Following, the General Manager asked the Board to decline its right of first refusal on Lot 15-A at Inland Lake, as recommended by the Engineering and Maintenance Committee, 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 Mr. Brett King and seconded by Ms. Deborah Clark, that the Board hereby declines its right of first refusal on Lot 15-A at Inland Lake. Resolution No. 7917 is hereby adopted by unanimous vote.”

Following, Director Munchus questioned the update of the status of whether individual board members can purchase cabins at Inland Lake. Board Attorney Mark Parnell stated there is a request pending before the Ethics Commission and it should be on their next agenda.

Next, Director Mims recognized Earl Hillard, Jr., City of Birmingham, regarding the meeting the City hosted about the responsibilities of board members. He indicated the meeting was really nice. Mr. Hillard stated the Mayor's Office hosts orientation for board governance every three to four months. He stated five BWWB directors attended the training. He indicated one BWWB director requested a training session be held for the board and he stated he would forward information to assist the board in planning their training. Mr. Hillard stated the City of Birmingham supports the board and wants to make sure everyone understands their roles.

Next, Director Lewis questioned the status of the meeting with the Birmingham Business Alliance. The General Manager stated he asked Brian Hilson, Birmingham Business Alliance, to come make a presentation to the board; however, his presentation was delayed due to a long board agenda. Chairman Alexander requested the General Manager ask Mr. Hilson to attend the next board meeting.

Next, the General Manager stated there was one (1) speaker to speak before the Board. Ty Wallace, On-Call Heating & Air, stated they were in the midst of performing work and were told to cease working. He stated they have not received an explanation in writing as to why they were told to stop working. The General Manager stated to perform work totaling more than \$50,000.00 on an annual basis, a vendor must have a general contractor's license. He indicated that information was confirmed by the Alabama Licensing Board. He stated currently, On-Call has been paid \$46,900 and the Board can't do more work with On-Call in a year than \$50,000.00 without on-call having the general contractor's license through the licensing board. A discussion then ensued. Mr. Parnell then questioned Mr. Wallace whether On-Call Heating & Air has a general contractor's license. Mr. Wallace responded by asking who had given BWWB a response from the licensing board. A discussion then ensued. Director Lewis recommended Chairman Alexander and the General Manager have a meeting with On-Call to have a clear understanding and avoid any legal action. The General Manager stated a meeting would be set up with On-Call. Chairman Alexander questioned whether On-Call has plans to get a general contractor's license. Mr. Wallace responded they have no problem with getting a license. Director Munchus questioned whether a general contractor's license is required for HVAC work. The General Manager responded any public works project must have a general contractor's license to perform work for more than \$50,000.00. Director Mims questioned whether the contract was good until the end of the calendar year. The General Manager responded yes.

As there was no further business before the Board, Chairman Alexander entertained a motion to adjourn the meeting. A motion was duly made and seconded, and the meeting adjourned at 12:06 p.m.

/s/
Tommy Joe Alexander
Chairman/President

Attest:

/s/
William Burbage, Jr.
Secretary-Treasurer