

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
July 13, 2017**

The regular bi-monthly meeting of the directors of The Water Works Board of the City of Birmingham was held on Thursday, July 13, 2017, at 9:00 a.m., at 3600 First Avenue North, Birmingham, Alabama.

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

The meeting was also attended by: Mac Underwood, General Manager; Michael Johnson, T. M. "Sonny" Jones, and Darryl Jones, Assistant General Managers; Grace E. Amison, Executive Assistant to the Board of Directors; Vanessa Washington, Executive Assistant to AGM Michael Johnson, K. Mark Parnell and Mary H. Thompson, Parnell Thompson, LLC; Kelvin Howard, KWH, LLC.; Dorian Kendrick, Agency 54; Jerry Jones and Brian T. Ruggs, ARCADIS US, Inc.; Dan Meadows, S. S. Nesbitt & Company, Inc.; Peiffer Brandt, Raftelis Financial Consultants, Inc.; David Merrida, BCIA; Derrick Murphy, GS&P; Russ Hobbie, Southland International Trucks; Teco Stephens, Kent Service; Chandra Abesingh, CE Associates; Brad Stevens and Ricky Jones, Jones Utility & Contracting; Derek Robinson, Ben Sorrell, Michael Griffin, Barry Williams, Cynthia Williams, Ike Square, Board Employees; Nelda B. Thompkins, Debra Taylor, Markeesha Nickerson, Billy & Betty Shikle, Philemon Hill, II (Shower at Love Project); Visitors.

As there was a quorum, the meeting was called to order at 9:01 a.m. by GM Underwood, and he indicated Directors Mims and King were absent. Following, Information Technology Manager George Anderson opened the meeting with prayer.

Following, GM Underwood asked the Board to approve retirements, as set forth in agenda items 1.1 through 1.4. On a motion duly made and seconded, the following resolutions were adopted:

"WHEREAS, Rodney Ellison, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective August 1, 2017, at an age of 62; and

WHEREAS, Rodney Ellison has 20 years and 7 months of continuous service with the Board at his retirement date, and, in accordance with the terms of the Trusteed Pension Plan, Mr. Ellison is entitled to receive a monthly Retirement payment from the Board's Retirement Trust Fund in the amount of \$2,298.04; 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. George Munchus and seconded by Mrs. Brenda J. Dickerson, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$2,298.04 to Mr. Ellison, beginning August 1, 2017, from the Board's Retirement Trust Fund, in accordance with the terms of the Pension Plan.

Resolution No. 7524 is hereby adopted by unanimous vote."

* * * * *

“WHEREAS, Rodney Ellison, an employee of The Water Works Board of the City of Birmingham, is retiring, effective August 1, 2017, after 20 years and 7 months of service with the Board; and

WHEREAS, management has informed the Board of Rodney Ellison’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, Rodney Ellison, 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, Rodney Ellison is hereby commended for his efficiency, reliability, and loyal service to the Board.

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

Resolution No. 7525 is hereby adopted by unanimous vote.”

“WHEREAS, Odell Allen, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective August 1, 2017, at an age of 66; and

WHEREAS, Odell Allen has 21 years of continuous service with the Board at his retirement date, and, in accordance with the terms of the Trusteed Pension Plan, Mr. Allen is entitled to receive a monthly Retirement payment from the Board’s Retirement Trust Fund in the amount of \$1,927.87; 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. George Munchus and seconded by Mrs. Brenda J. Dickerson, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$1,927.87 to Mr. Allen, beginning August 1, 2017, from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan.

Resolution No. 7526 is hereby adopted by unanimous vote.”

“WHEREAS, Odell Allen, an employee of The Water Works Board of the City of Birmingham, is retiring, effective August 1, 2017, after 21 years of service with the Board; and

WHEREAS, management has informed the Board of Odell Allen'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, Odell Allen, 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, Odell Allen is hereby commended for his efficiency, reliability, and loyal service to the Board.

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

Resolution No. 7527 is hereby adopted by unanimous vote."

"WHEREAS, William Carter, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective August 1, 2017, at an age of 51, and

WHEREAS, William Carter has 30 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 \$3,624.64; 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. George Munchus and seconded by Mrs. Brenda J. Dickerson, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$3,624.64 to Mr. Carter from the Board's Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made August 1, 2017.

Resolution No. 7528 is hereby adopted by unanimous vote."

"WHEREAS, William Carter, an employee of The Water Works Board of the City of Birmingham, is retiring, effective August 1, 2017, after 30 years of service with the Board; and

WHEREAS, management has informed the Board of William Carter'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, William Carter, 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, William Carter is hereby commended for his efficiency, reliability, and loyal service to the Board.

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

Resolution No. 7529 is hereby adopted by unanimous vote."

"WHEREAS, Arthur Goodwin, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective August 1, 2017, at an age of 57; and

WHEREAS, Arthur Goodwin has 30 years of continuous service with the Board at his retirement date, and, in accordance with the terms of the Trusteed Pension Plan, Mr. Goodwin is entitled to receive a monthly Retirement payment from the Board's Retirement Trust Fund in the amount of \$4,098.81; 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. George Munchus and seconded by Mrs. Brenda J. Dickerson, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$4,098.81 to Mr. Goodwin, beginning August 1, 2017, from the Board's Retirement Trust Fund, in accordance with the terms of the Pension Plan.

Resolution No. 7530 is hereby adopted by unanimous vote."

"WHEREAS, Arthur Goodwin, an employee of The Water Works Board of the City of Birmingham, is retiring, effective August 1, 2017, after 30 years of service with the Board; and

WHEREAS, management has informed the Board of Arthur Goodwin'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, Arthur Goodwin, 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, Arthur Goodwin is hereby commended for his efficiency, reliability, and loyal service to the Board.

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

Resolution No. 7531 is hereby adopted by unanimous vote.”

Next, GM Underwood asked the Board to recognize BWWB Competition Teams for their efforts at AWWA 2017 Annual Conference, as set forth in agenda items 2.1 through 2.5. It was noted that resolutions for said teams were adopted at the June 29, 2017 Regular Board of Directors’ Meeting. The first team recognized was the 2017 Top Ops Team - 2nd Place Finish. The team consisted of Stan Brock (Operator III- Water Treatment Department), Scott Gormley (Operator III – Water Treatment Department), William Shikle (Senior Plant Operator – Water Treatment Department), and Derrick Stephens (Operator III – Water Treatment Department). AGM Darryl Jones stated the team represented BWWB well in Philadelphia. He indicated that Bill (William) Shikle is the Top Ops coach. Mr. Shikle thanked the Board for an opportunity to represent them at the competition and the team will continue to work hard to become number one next year. Chairwoman Lewis asked Mr. Shikle to explain Top Ops to everyone. Mr. Shikle stated the Top Ops Team studies water operations, water distribution, and laboratory practices. He described it as taking an oral examination in a fast- paced manner similar to Jeopardy with approximately 15 seconds to come up with answers. Chairwoman Lewis stated that it was very important to recognize that they are 2nd place in the USA. She also indicated that BWWB has won 1st place in the past. According to Chairwoman Lewis, this shows that the Top Ops Team knows water and the answers to questions asked at the competition. She said BWWB is highly respected. Chairwoman Lewis also stated they were a great team and asked how long the team had been together. Mr. Shikle stated the team has been together for two years. Chairwoman Lewis reiterated that the team won 2nd place in only two years and she commended the Top Ops Team again. Director Dickerson also commended the team. Director Dickerson stated she is a fan of Jeopardy and she realizes how hard it is. She asked when will the team start studying for next year? Mr. Shikle replied, right now. He indicated that the team starts practicing three or four months out weekly to keep the information fresh. Mr. Shikle stated, they never really stop and he assigns reading as soon as they return from a competition. The General Manager stated that the team is 3 times national champions. The competition has been interesting to watch over the years. The format of the program has been changed four or five times. It seems they change the program because BWWB knows how to answer the questions. According to the General Manager, it is impressive to see the guys compete and they are well respected at the AWWA Conference. Director Alexander asked who won 1st place. Mr. Shikle stated that Florida won 1st place. They have won six times. According to Mr. Shikle, Florida has one advantage that BWWB does not. He stated BWWB is fortunate to treat good water here in Alabama, but Florida de-salinates and uses membrane. Therefore, when those type questions come up and if it is something the Top Ops team hasn’t looked at, Florida is going to know the answer. Mr. Shikle stated that’s why the team comes back and starts reading right away. You see where you are weak so you can come back and strengthen your knowledge for the

next time. AGM Darryl Jones, indicated that each team member has a shift and are responsible for the treatment of the water, so they practice what they study daily and has actual hands on experience. Per AGM Darryl Jones, this reinforces their knowledge. Director Muhammad asked if there are try-outs for the Top Ops Team and if someone could bump another person off the team if they would like to be on the team. Mr. Shikle stated the old team is by promotion or attrition. A notification is sent out for anyone qualified to come try out for the team. The examination and practice competition is very thorough. Chairwoman Lewis commented that, while we are still reading the question, the Top Ops Team has already answered. Director Alexander stated he likes the fact that the Top Ops Team does this on their own. It's not just an eight-hour job. He indicated that the Top Ops Team probably does a lot of preparation for the competition during the night at home. Mr. Shikle responded, it takes a lot of your own time if you want to be great at it. Director Alexander stated it takes a lot of dedication. Chairwoman Lewis stated the Top Ops competition is like Jeopardy. The Top Ops Team are answering questions (math questions) wherein it is very intense. Director Muhammad suggested to the Board to do a traveling show. Chairwoman Lewis stated that the Tapping Team has done demonstrations and indicated that the team needed to do more of them. Director Dickerson stated, it is fun to watch and she believes the community would enjoy it also. Following, GM Underwood recognized that Mr. Shikle's parents were present and he asked the Shikles to stand to be recognized. Mr. Shikle introduced his parents (Bill & Betty Shikle) to the group. Chairwoman Lewis pointed out the Shikles come every year, and indicated their son is a great team member and a great coach. Lastly, AGM Darryl Jones commented that the team represents the Alabama-Mississippi section for AWWA at the national level. Therefore, the team's competition is more of a Regional representation. AGM Darryl Jones thanked the Top Ops Team for their time and efforts.

Following, GM Underwood introduced the 2017 Tapping Team (Blue Team) - Third Place Finish. The Blue Tapping Team consists of Johnny Bittles (Senior Mechanic – E&M Department), Lakell Freeman (Field Service Technician – Customer Support Services Department), Todd Stewart (Construction Inspector – Distribution Department), Jerry Storey (Maintenance Mechanic II – E&M Department). Per AGM Darryl Jones, the Blue Tapping Team has been together the longest wherein National and World championships have also come from this team. However, tapping competition has gotten tougher, because the company trains a lot of people. Therefore, they video tape and mimic BWWB teams to perfect themselves. However, BWWB does not need to train anyone else because those are the people that are beating them. This Tapping Team has been around a long time and has the most historic record. Director Dickerson asked AGM Darryl Jones to explain Tapping. AGM Darryl Jones stated Tapping is not tap dancing. He explained, the six-inch ductile iron pipe is on a stand which has a hole drilled into it; a corporation is installed; copper pipes connect to it; then a meter setting is connected. This is similar to the process done in the field every day. The difference is the process is done at a much faster pace. Typically, the process is done within minutes and seconds. BWWB taps in the field every day and the Tapping Team represented BWWB well. Chairwoman Lewis talked about how proud she is of BWWB tapping team.

Then, GM Underwood introduced the 2017 Men's Tapping Team (Red Team). The Red Tapping Team consists of Paul Bethune (Utility Worker I – Customer Support Services Department); Johnathan Bittles (PMW – Water Treatment Department); Lorenzo Clay (Purification Special Projects – Water Treatment Department); and Brent Zeanah (Machinist – E&M Department). AGM Darryl Jones recognized Brent Zeanah in his absence. AGM Darryl Jones stated the Red Tapping Team is the future team that is

putting pressure on the Blue Tapping Team. The Red Tapping Team was created to bring more youth into the game. Chairwoman Lewis stated she is proud of the team because they are fighters and great competitors. Chairwoman Lewis stated that BWWB is looking for number one and number two in the competition (Red or Blue) Lorenzo Clay stated that Mark Kirkland, the coach of the team passed away earlier this year. Mr. Clay indicated that the team was wearing a shirt in commemoration of his service. Director Dickerson and GM Underwood both stated that Mark Kirkland was recognized at the Tapping Competition. According to GM Underwood, there were posters, signs, and pictures of Mr. Kirkland because he'd worked with the competition for years. Mr. Kirkland was highly respected. AGM Darryl Jones stated BWWB has always had someone work for the conference on a national level responsible for putting on the competition. Jeff Standridge did it for years until he retired. Then Mark Kirkland took over until his passing. AGM Darryl Jones continued to say BWWB has people on the competition side as well as people responsible for the organizational side of the whole national program. AGM Darryl Jones thanked the Red Tapping Team.

Afterward, GM Underwood introduced the 2017 Ladies Tapping Team. The Ladies Tapping Team consists of Jacqueline Ingram (PMW – Water Treatment Department); April Nabors (Engineer I – Engineering Department); Frerica Smith (Customer Service Specialist III – Customer Support Services Department); Timothy Harris (Maintenance Supervisor – Water Treatment Department). AGM Darryl Jones stated Tim Harris is the coach of the ladies tapping team. The ladies tapping team has been competing for about two to three years. The ladies' competition is tough and getting tougher every year. They are at the competition representing the BWWB. Chairwoman Lewis stated the ladies tapping team put their whole hearts and muscles into every pull, cut, everything. Chairwoman Lewis said the ladies tapping team is on their way up as well. This team is a great competitor. Chairwoman Lewis said she is with the Bama Belles. She then thanked the ladies team. Tim Harris stated that the ladies practice very hard. They do their regular job, in addition, they come in and practice on Wednesdays. Mr. Harris said there are ten lady's teams that they compete against. The Ladies Tapping Team has placed third in the competition for the past three years in a row and the team plans on breaking that record next year by placing number one in the competition.

Lastly, GM Underwood introduced the 2017 Meter Madness Team. The Meter Madness Team consists of Donald Templeton (Industrial Control Master Electrician – E&M Department) and Tina Webb (Superintendent – Meter Shop Department. AGM Darryl Jones said the Meter Madness Competition involves placing random meter parts in a bucket, then flipping the bucket over to put the parts back together in its proper form to win. It's a speed competition that requires good hand and eye coordination. Don Templeton has competed in this competition on a national level for many years and Tina Webb has been involved on the coaching aspect. This is Tina Webb's last year, because she is retiring. Chairwoman Lewis stated she likes this competition, because it consists of eye and hand coordination. Chairwoman Lewis spoke about the fast pace the meter is put together and that it's a lot pressure with everyone looking on. She is happy that BWWB competes in this category, because BWWB is the best.

Chairwoman Lewis stated that BWWB is working on getting a new competition started which will be a fire hydrant competition. AGM Sonny Jones stated BWWB is working to get a team put together as soon as possible. The fire hydrant is a new competition. Per AGM Sonny Jones, all the teams won the Alabama-Mississippi section competitions. AGM Sonny Jones found it interesting that all five teams have no competition, because no one from the Alabama-Mississippi area wants to waste their time competing against BWWB. AGM Darryl Jones also stated that BWWB has employees that do presentations and sit on national Committees of the AWWA. Director Muhammad indicated he was impressed with April Nabors as an Engineer and Frerica Smith of the Bama Belles (Ladies Tapping Team). He stated they were magnificent. GM Underwood replied that April Nabors is studying for her PhD. Director Munchus asked if anything was being doing about supplier diversity on a national level. AGM Darryl Jones responded that he was not aware of anything. Director Muhammad indicated that this needs to be added to the presentations. The issue of supplier diversity and DBE is a national issue. Director Dickerson stated she

and Director Muhammad were wondering if there were any minority vendors in the exhibit hall among the massive number of companies at AWWA. Chairwoman Lewis asked GM Underwood if he could get the information from AWWA and she also thinks there is a cost for being a vendor. GM Underwood said AWWA can be contacted to provide a list of minorities. He also stated that most of the companies there are national. Then, Director Munchus asked GM Underwood to inquire about supplier diversity from AWWA. AGM Darryl Jones indicated to Director Munchus that the national organization has a diversity committee. Per AGM Darryl Jones, BWWB's EnviroLab Manager, Drusilla Hudson, sits on the AWWA diversity committee. They are trying to get more diversity in the American Water Works and the water industry. AGM Darryl Jones said he is unsure about the supplier portion; however, AWWA has a national effort to increase diversity in the water industry.

Next, GM Underwood asked the Board to approve the minutes, as set forth in agenda items 3.1 through 3.3, and GM Underwood indicated that management has reviewed minutes and recommends approval. After the motions were made, Directors Dickerson and Muhammad indicated how they would be voting on minutes of January 4, 2017, Chairwoman Lewis stated the minutes would be voted on individually. Subsequently, GM Underwood called for a vote to approve agenda item 3.1. 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 Mrs. Brenda J. Dickerson, that the Board hereby approves minutes of the following meeting:

- Special Board of Directors’ Meeting held January 4, 2017

Resolution No.7532 is hereby adopted by Directors Lewis, Alexander, Clark, Burbage, Munchus; Directors Muhammad voted no and Director Dickerson abstained from voting.”

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Next, the GM called for a vote to approve agenda item 3.2. 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 by Mr. George Munchus and seconded by Mr. Brenda J. Dickerson, that the Board hereby approves minutes of the following meeting:

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

Resolution No.7533 is hereby adopted by unanimous vote.”

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Next, the GM called for a vote to approve agenda item 3. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. George Munchus and seconded by Mr. Brenda J. Dickerson, that the Board hereby approves minutes of the following meeting:

- Regular Board of Directors’ Meeting held January 26, 2017

Resolution No. 7534 is hereby adopted by unanimous vote.”

Next, GM Underwood asked the Board to approve Director King’s mileage expense reimbursement for June 2017 in the amount of \$66.34, as set forth in agenda item 4. He indicated 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 Mr. George Munchus and seconded by Mrs. Brenda J. Dickerson, that the following board member(s) be reimbursed for his mileage expense reimbursements as follows:

- Brett King for mileage expense reimbursement for June 2017 in the amount of \$66.34 (as shown on the attached Expense Report).

Resolution No. 7535 is hereby adopted by a roll call vote: Chairwoman Lewis, Yes; Director Alexander, Yes; Director Clark, Yes; Director Burbage, Yes; and Director Munchus, Yes; Director Muhammad, Yes; and Director Dickerson voted no.”

Following, GM Underwood asked the Board to authorize the General Manager and/or the Assistant General Manager to execute Estoppel Certificates regarding the transfer of leases from 280 Associates, LLC. to National Bank of Commerce, as set forth in agenda item 5. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By the Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. George Munchus and seconded by Mr. Brenda J. Dickerson, that the Board hereby authorizes the General Manager and/or the Assistant General Manager to execute Estoppel Certificates regarding the transfer of leases from 280 Associates, LLC. to National Bank of Commerce. Resolution No. 7536 is hereby adopted by unanimous vote.”

Then, GM Underwood asked the Board to hear presentations from Sheppard-Harris and Associates, as set forth in agenda items 6.1 through 6.3. GM Underwood stated that Sheppard-Harris is a locally owned minority firm. Following, Ms. Connie Harris was recognized and she gave a presentation on the Pension Plan. Director Dickerson asked Ms. Harris to explain net unrealized depreciation. Ms. Harris stated that the assets have not been sold so they are unrealized;

however, the assets have been invested. Unrealized is fair market value. Per GM Underwood, if investment value goes up there is an increase in appreciated value and if the value goes down there is a depreciation in assets. Director Muhammad inquired about the plan formula based on the years worked. GM Underwood stated the plan allows an employee to earn 2% of gross salary per year. GM Underwood gave the example that if an employee works 30 years, they are entitled to 60% of their final average salary. Therefore, if their final average salary is one hundred thousand dollars, they are entitled to 60% of that amount for the rest of their life. Director Muhammad replied \$60,000.00. Ms. Harris continued her presentation on the Pension. Director Muhammad asked if the Board could get information 48 hours in advance. Chairwoman Lewis stated she would work with GM Underwood to make it happen. Director Munchus asked about the loss that occurred with the pension litigation. Director Munchus stated that there were some retirees that had concerns. He wanted to make sure that the retirees pension is safe. Chairwoman Lewis suggested getting the names of the retirees that have concerns so that they can be referred to Management. Director Muhammad stated the company is responsible to pay retirees the money based on the formula if all the money is gone. GM Underwood explained that 2015 the plan was 74% funded, 2016 (after the loss) the plan was 72% funded. A one page document was sent to all the retirees and the Board to notify them that the company has one hundred thirty million dollars to pay all the benefits and that there is no major change in the asset value. GM Underwood also stated that Segal Advisors does the annual actuarial report and at the same time they did the letters that was sent out to retirees. Ms. Harris audits all that information to make sure everything is properly presented and represented. GM Underwood also stated that the pension plan is well funded. Next Connie Harris gave an OPEB presentation. Ms. Harris explained that OPEB is Other Post Employment Benefits. It provides the medical and dental insurance coverage to eligible retirees and their dependents.

GM Underwood asked the Board to approve payments as set forth in agenda items 7.1 through 7.4., and he indicated management recommends approval of said items. After the motions were made, Director Muhammad asked for the invoices to be voted on separately. On item 7.2 Director Dickerson thanked Agency 54 for providing an itemized invoice and indicated she now has a better understanding about their services provided. Also, on item 7.3, Director Muhammad thanked Parnell Thompson LLC for providing information on who is doing work as oppose to the general summary. He then inquired about the number of total hours in the billing. Following, the GM called for the vote to approve agenda item 7.1. On a motion duly made and seconded, the following resolutions 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 Mrs. Brenda J. Dickerson, that the Board hereby authorizes staff to execute payment to the following:

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 Mrs. Brenda J. Dickerson, that the Board hereby authorizes staff to execute payment to the following:

7.1 Terminus Municipal Advisors, LLC

For professional services rendered for June 2017

\$6,500.00

Resolution No. 7537 is hereby adopted by unanimous vote.”

all three vendors left quotes out and one vendor did not sign. Then, Director Munchus commended Rev Construction for exceeding the goal and David Merrida for his diligent efforts. 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 Mrs. Brenda J. Dickerson, that the Board hereby award bids to the lowest responsible and responsive bidders, and to authorize the General Manager and/or the Assistant General Manager to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system to the following:

- 8.1 REV Construction, the lowest responsible and responsive bidder, for the replacement of approximately 1,040’ of 2” galvanized steel pipe and 2” unlined cast iron pipe, 160’ of 6” unlined cast iron pipe and 1,200’ of 8” unlined cast iron pipe with approximately 180’ of 6” DICL pipe; 2,350’ of 8” DICL pipe and related appurtenances; and 10 water services along 24th Street North; 13th Avenue North; and 12th Avenue North located in the City of Birmingham at a bid amount of \$422,842.50; plus estimated cost of materials and Water Board labor in the amount of \$150,100.00; at an estimated out-of-pocket cost to the Board of \$572,942.50.

Resolution No. 7541 is hereby adopted by unanimous vote.”

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Next, GM Underwood asked the Board to award bid to Jones Utility & Contracting Company, the lowest responsible and responsive bidder, and indicated management recommends approval of said item. After the motions were made, GM Underwood stated that Jones Utility and a subcontractor were present in the audience. Director Munchus stated he was told that the 21% minority participation had increased to 30% minority participation. Director Munchus commended Jones Utility and David Merrida. Chairwoman Lewis stated the agenda item being voted on is for 21.1%. Then Director Munchus indicated that the number was updated. Chairwoman Lewis, stated that if there is an amendment or an addendum to the 21.1%, it must be before them. Chairwoman Lewis said the vote will be on 21.1%. David Merrida was then asked to present any information about this discussion. Mr. Merrida stated he emailed the increased minority participation information to GM Underwood the previous day. David Merrida stated he and Jones Utility came to an agreement that the minority participation will change to an increase of 30%. However, per David Merrida, Jones Utility stated there are contingencies on the project which may or may not incur change order(s). Chairwoman Lewis stated that those numbers would need to be before the Board. There was a roundtable discussion on whether to vote on the Historically Underutilized Business participation or table the item. Attorney Mark Parnell clarified to the Board that the Board is only voting on the lowest responsible bidder and the price. Director Muhammad inquired about Kentech and their function. David Merrida stated that Kentech is a certified minority subcontractor that works with Jones Utility. Chairwoman Lewis indicated that the Board does not normally hear from subcontractors. David Merrida stated he brought in Kentech to explain to the Board their duties and responsibilities. AGM Sonny Jones stated that in the Board’s documents there is a HUB form 5, filed by each bidder, which explains who the bidders are and what each bidder does. Then Director Muhammad explained the need to clarify whether Kentech supplied

and removed backfill. In addition, Director Muhammad wanted to know if Kentech was certified as a trucking company. It was confirmed Kentech is certified as trucking company. Director Muhammad stated that Kentech is also listed as Resource Management Services and to explain exactly what it is. It was explained that resource management services mean Kentech can manage certain parts of research work. AGM Sonny Jones answered, it is project management: scheduling, and making sure things are in order (proper amounts gets to the proper location on the proper day, etc.) Chairwoman Lewis stated that the Board is voting on Jones Utility Contractor not the sub-contractor. 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 Mrs. Brenda J. Dickerson, that the Board hereby award bids to the lowest responsible and responsive bidders, and to authorize the General Manager and/or the Assistant General Manager to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system to the following:

- 8.2 Jones Utility & Contracting Company, Inc., the lowest responsible and responsive bidder, for the replacement of approximately 3,975’ of 2” galvanized steel pipe and 1,215’ of 2” cast iron cement lined (CICL) pipe with approximately 1,770’ of 4” DICL pipe; 1,470’ of 6” DICL pipe; 1,810’ of 8” DICL pipe and related appurtenances; and 118 water services at a bid amount of \$856,956.00; plus estimated cost of materials and Water Board labor in the amount of \$304,200.00.

Resolution No. 7542 is hereby adopted by unanimous vote.”

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Next, the GM asked the Board to award bid to Wade, Sand and Gravel, the lowest responsible and responsive bidder. After the motions were made, Director Muhammad asked whether the 14.0% for Historically Underutilized Business factored out of the estimated cost of \$562,218.00 was for the Crushed Limestone-Backfill Materials. AGM Sonny Jones stated that the bid is an estimated quantity bid. Per AGM Sonny Jones, the cost was estimated based on historical value and historical numbers for projections for next year. The handouts for the Final 2016 Pension and OPEB Audit Report from Shepard-Harris was distributed. In addition, handouts on the 2017 Vehicle Fleet Presentation, Birmingham Water Works Fleet, and the Lowest Responsible and Responsive Bidder (47 replacement vehicle purchases) handouts were also distributed by Purchasing Manager Ed Travis. A copy of all handouts is on file with today’s meeting book. Director Munchus stated he wanted to commend Mr. Jones and the Purchasing Department for providing copies to comply with his request for the suppliers’ diversity programs for all the suppliers and manufactures. Per Director Munchus, the information provided answered the questions he had. The information showed that none of the suppliers nor manufactures have supplier diversity. There was more discussion about supplier diversity programs and equal opportunity programs. Director Muhammad commented that being a minority company does not mean the company is certified. 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 Mrs. Brenda J. Dickerson, that

the Board hereby award bids to the lowest responsible and responsive bidders, and to authorize the General Manager and/or the Assistant General Manager to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system to the following:

- 8.3 Wade, Sand & Gravel, the lowest responsible and responsive bidder, for estimated annual quantities of Crushed Limestone – Backfill Materials at an estimated out-of-pocket cost to the Board of \$562,218.00.

Resolution No. 7543 is hereby adopted by unanimous vote.”

Next, GM Underwood asked the Board to award bid to Advanced Asphalt (for delivery) and Dunn Construction (for pick-up), the lowest responsible and responsive bidder, for Asphalt Cold Mix. 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 Mrs. Brenda J. Dickerson, that the Board hereby award bids to the lowest responsible and responsive bidders, and to authorize the General Manager and/or the Assistant General Manager to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system to the following:

- 8.4 Advanced Asphalt (for Delivery) and Dunn Construction (for Pick- Up), the lowest responsible and responsive bidder(s), for Asphalt COLD Mix, at an estimated out-of-pocket cost to the Board of Advanced Asphalt (Delivered) - \$185,000.00; and Dunn Construction (Picked Up) - \$174,875.00.

Resolution No. 7544 is hereby adopted by unanimous vote.”

Next, GM Underwood asked the Board to award bid to MidSouth Paving, the lowest responsible and responsive bidder, and indicated management recommends approval of said item. Director Muhammad made a substitute motion to table said item on behalf of Director King’s absence, because Director King had additional questions. Director Alexander inquired about the questions from Director King. Director Muhammad responded that he was not told, and indicated he was complying to Director King’s request due to his absence. Subsequently, Director Muhammad made a substitute motion to table said item and Director Munchus seconded the motion. Following, a roll call vote was taken and the motion failed by a vote of 4 to 3 with Directors Muhammad, Munchus and Dickerson voting for the motion to table item 8.5 and Directors Lewis, Clark, Alexander and Burbage voting against the motion to table item 8.5, thus the motion failed.

Subsequently, a motion was duly made and seconded to approve item 8.5. Following, a roll call vote was taken and the motion passed by a vote of 5 to 2 with Directors Muhammad and Dickerson opposing the motion. 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. Tommy Joe Alexander and seconded by Ms. Deborah Clark, to award bid to the following:

- 8.5 MidSouth Paving, the lowest responsible and responsive bidder, for Asphalt HOT Mix, at an estimated out-of-pocket cost to the Board of \$884,500.00.

Resolution No. 7545 is hereby adopted by Directors Lewis, Alexander, Clark, Burbage and Munchus as said directors voted for the motion; Directors Muhammad and Dickerson voted against the motion.”

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Next, GM Underwood asked the Board to award bids, to the lowest responsible and responsive bidders, for the purchase of (47) replacement vehicles, as set forth in agenda items 8.6.1 through 8.6.3.; and to award bids to the lowest responsible and responsive bidders, for 14 replacement Truck Bodies, as set forth in agenda items 8.7.1 and 8.7.2. The GM distributed and reviewed a handout on the details of BWWB Vehicle Fleet. A copy is on file with the Board’s meeting book. GM Underwood stated that the fleet is replaced every seven years. The small vehicles are replaced every three to five years, and the larger vehicles are replaced every five to seven years. Per GM Underwood, vehicles are replaced in three categories. The first category is age, second category is mileage, and the third category is maintenance. After review, GM Underwood indicated management recommends approval of the referenced items. 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 Mrs. Brenda J. Dickerson and seconded by Ms. Deborah Clark, that the Board hereby award bids to the lowest responsible and responsive bidders, and to authorize the General Manager and/or the Assistant General Manager to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system to the following:

- 8.6 To award bids for the purchase of (47) replacement vehicles at an estimated out-of-pocket cost to the Board of \$1,675,142.32, as follows:
 - 8.6.1 Downtown Nashville Nissan, the lowest responsible and responsive bidder, (Bid#1 for 3 - vehicles), (Bid # 2 for 22 vehicles) at a total out-of-pocket cost to the Board of \$609,710.00.
 - 8.6.2 Long Lewis Ford, the lowest responsible and responsive bidder, (Bid #3 for 3 vehicles), (Bid #4 for 1 vehicle), (Bid #5 for 1 vehicle) (Bid #6, for 6 vehicles), (Bid #7, for 2 vehicles), (Bid #8, for 2 vehicles), (Bid #9, for 3 vehicles) and (Bid #11, for 2 vehicles) at a total out-of-pocket cost to the Board of \$613,736.00.

8.6.3 Southland International, the lowest responsible and responsive bidder, (Bid #10, for 4 vehicles), at a total out-of-pocket cost to the Board of \$451,696.32.

Resolution No. 7546 is hereby adopted by unanimous vote.”

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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 Mrs. Brenda J. Dickerson and seconded by Ms. Deborah Clark, that the Board hereby award bids to the lowest responsible and responsive bidders, and to authorize the General Manager and/or the Assistant General Manager to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system to the following:

8.7 To award bids for Fourteen (14) replacement Truck Bodies at an estimated out-of-pocket cost to the Board of \$179, 658.00 as follows:

8.7.1 Knapheide Truck Body, the lowest responsible and responsive bidder, (Bid #6 for 3 -Truck Bodies), (Bid #10 for 4 -Truck Bodies) at a total out-of-pocket cost to the Board of \$103,165.00.

8.7.2 Warren Truck Body, the lowest responsible and responsive bidder, (Bid #7, for 2 - Truck Bodies), (Bid # 8 for 2- Truck Bodies), (Bid #9 for 1- Truck Body), (Bid #11 for 2-Truck Bodies) at a total out-of-pocket cost to the Board of \$76,493.00.

Resolution No. 7547 is hereby adopted by unanimous vote.”

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For the final agenda item, under new business, Director Dickerson inquired about receiving a list of all current ongoing major capital projects. AGM Sonny Jones indicated that the Engineering Department submits a monthly report usually on the second Board meeting of the month. He stated he will make sure the capital report is in Diligent every month and that Director Dickerson will also receive a copy. Director Muhammad stated that as New Business, the Board discussed with Director Munchus about the Board doing something about landlords that don’t repair leaks on their property. This situation effects the rate payers. Director Muhammad gave the example of a customer living in an apartment complex. The customer has a tremendous water bill, and the apartment manager refuses to fix the leak. He stated that the gas company will refuse to turn your gas back on if there is a gas leak. Therefore, maybe BWWB can establish a policy to not turn water back on until the leak is repaired. Chairwoman Lewis stated that the issue can be investigated from a legal point of view. GM Underwood stated BWWB can set a policy to turn the water off; however, the health department will allow you to live somewhere without gas but not without water. Per GM Underwood, when apartment complexes water is turned off, the health department gives tenants a notice stating tenants must move if there is no water. Chairwoman Lewis reiterated that attorneys will investigate the matter and for GM Underwood to work with

them to help determine the pros and the cons and bring it back to the Board. Chairwoman Lewis welcomed an intern student. Chairwoman Lewis also announced there was one speaker, Philemon Hill II. Mr. Hill gave the Board an update on the Shower of Love Project for citizens that are homeless. Director Dickerson inquired as to Mr. Hill's specific request from BWWB. Per Mr. Hill, the Shower of Love Project budget was initially \$12, 000.00; therefore, the previous request was for monetary support. However, Mr. Hill indicated monetary support was unlikely according to the Board members. Thus, he is requesting in-kind services (such as water) and volunteer services from BWWB.

As there was no further business before the Board, a motion was duly made by Director Muhammad and seconded by Director Munchus to adjourn the meeting. The meeting adjourned at 10:45 a.m.

_____/s/_____
Sherry W. Lewis
Chairwoman/President

Attest:

_____/s/_____
Brett A. King, Esq.
Secretary-Treasurer