

**MINUTES OF THE REGULAR MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM**
April 10, 2019

The regular meeting of the Directors of The Water Works Board of the City of Birmingham was held on Wednesday, April 10, 2019 at 11:30 a.m., at 3600 First Avenue North, Birmingham, Alabama.

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

Inasmuch as all Directors were present, a quorum was in attendance.

The meeting was also attended by: Michael Johnson, General Manager; Sonny Jones, Assistant General Manager of Engineering and Maintenance; Tammy Wilson, Executive Assistant to Assistant General Manager, Sonny Jones; Grace Amison, Executive Assistant to the Board of Directors; George Anderson, John Dansby, Barry Williams, Rick Jackson, Michael Rogers, Cherita King, Steve Franks, Ben Sorrell, Terrell Jones, Anthony Gates, Board Employees; Mark Parnell, Parnell Thompson, LLC; Kelvin Howard, Kelvin Howard Attorney; Martha Bozeman and Andy Mitchell, Agency 54; Patrick Flannelly and Brian Ruggs, ARCADIS; Matthew Arrington, Terminus Municipal Advisors; Chandra Abesingha, CE & Associates, Inc.; Theo Johnson, Volkert & Associates; Olivia Martin, Attorney General Office; Ken King, City of Birmingham; City of Birmingham Police Officer; Ken King, City of Birmingham.

Chairman of the Board, William "Butch" Burbage, Jr. called the meeting to order at 11:31 a.m. Information Technology Manager, George Anderson opened the meeting with prayer. Director Dickerson entered the meeting at 11:32 a.m.

Next, General Manager, Michael Johnson asked the Board to approve Director King's mileage expense reimbursement for March 2019 in the amount of \$107.88, as set forth in agenda item 1. 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. Ronald A. Mims and seconded by Dr. George Munchus, that the following board member(s) be reimbursed for his mileage expense reimbursements as follows:

- Brett King for mileage expense reimbursement for March 2019 in the amount of \$107.88 (as shown on the attached "Itemized Travel and Business Expense Reimbursements").

Resolution No. 8061 is hereby adopted by a roll call vote: Director Alexander, Yes; Director Clark, Yes; Director Dickerson, Yes; Director Burbage, Yes; Director Mims, Yes; Director Lewis, Abstain; Director Munchus, Yes; and Director Muhammad, Yes; and Director King, Yes.”

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Following, the Board was asked to approve payment of invoices, as set forth in agenda items 2.1 through 2.3. 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 Dr. George Munchus and seconded by Mr. Ronald A. Mims that the Board hereby authorizes staff to execute payments to the following:

2.1	<u>NeSmith, Lowe & NeSmith, LLC</u> For retainer fee for March 2019	\$ <u>500.00</u>
2.2	<u>Terminus Municipal Advisors, LLC</u> For professional services rendered for March 2019	\$ <u>6,500.00</u>
2.3	<u>The Jones Group, LLC</u> For professional services rendered for March 2019	\$ <u>7,500.00</u>

Resolution No. 8062 is hereby adopted by unanimous vote.”

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Next, the Board was asked to rescind the resolution hiring POLIHIRE to perform an executive search for the General Manager’s position. Director Alexander stated he believed Director Clark wanted to retain this company adding he knew the Board has three Assistant General Manager positions to fill. Chairman Burbage explained what happened in the last Board Meeting stating he asked Grace Amison to place this item on the Board agenda today to clear up conflicting the resolutions. Director Munchus stated he would not support hiring POLIHIRE because he believes the in-house managers are fully capable of filling these positions. Attorney Parnell confirmed there is confusion with the conflicting resolutions however, the two resolutions could stand. More discussion occurred regarding the vacant positions. Director Alexander stated he was going to try and talk AGM Sonny Jones into staying longer because he does a very good job. Director Mims stated he did not believe the Board should employ outside help in filling the Assistant General Manager positions because we have competent managers and supervisors to fill those positions. Director Mims stated he also supports GM Johnson in his role, adding the concerns he has GM Johnson knows about. Director King asked GM Johnson if he felt we needed to use a search firm. GM Johnson stated he was in favor of using a search firm, so we can have a good pool to choose from. Director Clark stated the Board needs to use a search firm for all positions, adding she never has heard what GM Johnson’s vision is for the company and that he was not truly vetted. Director Clark stated the move to name Michael Johnson General Manager was rushed even considering his historical value with the company. Director Clark stated she

never heard from Michael Johnson that he even wanted the job, only that he would if it was the will of the Board. Director Lewis concurred stating she did not even have a job description for the new General Manager position and it might include some changes. Director Lewis stated GM Johnson is astute and does his job, but she added there is competition out there. Director Lewis stated to not even consider anyone else is a disservice to the company, the employees and the ratepayers. Director Muhammad stated the Board already had a vote to hire Michael Johnson as General Manager and the conversation should be about rescinding the POLIHIRE resolution. Director Dickerson stated there seemed to be two different actions. Director Clark read from Robert's Rules. Attorney Parnell stated to reconsider a vote, someone that voted affirmatively would need to bring it up in that same meeting. Additionally, you can rescind action if documents have not been executed yet, according to Attorney Parnell. Director Lewis questioned Chairman Burbage on why he did not execute the document to hire POLIHIRE to fill the General Manager position. Chairman Burbage stated it was his opinion that there was a conflict that needed to be resolved by the Board as a whole, and that he would like to clear this up in today's meeting. Attorney Parnell clarified that if there is a good faith disagreement as to what the action taken was, the Chairman has the discretion to ask for clarity. Some more discussion occurred regarding there being an inherent conflict with the two votes taken at the previous Board Meeting. Chairman Burbage stated there was confusion in the previous meeting. Director Muhammad stated it is common sense that a 5 to 4 vote should stand. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, at the Regular Board of Directors’ Meeting held on March 27, 2019, the Board passed a resolution to retain POLIHIRE to perform an executive candidate search to assist the Board in hiring a General Manager; and

WHEREAS, at that same Board of Directors’ Meeting and subsequent to adopting the resolution to retain POLIHIRE, the Board of Directors passed a resolution hiring a General Manager.

NOW, THEREFORE, on a motion made by Dr. George Munchus and seconded by Mr. William R. Muhammad, the resolution to retain POLIHIRE is hereby rescinded in its entirety. Resolution No. 8063 is hereby adopted by a roll call vote.

Director Alexander, No; Director Clark, No; Director Dickerson, Yes; Director Burbage, Yes; Director Mims, Yes; Director Lewis, No; Director Munchus, Yes; and Director Muhammad, Yes; and Director King, Yes.”

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Following, the Board was asked to discuss and consider action regarding proposed bills to amend the Bid Law and the Public Works Law. GM Johnson stated Staff had been working to help with our HUB participation and the administration of our bids. Attorney Parnell stated there are two laws involved and the proposed amendments would increase the amount requiring a bid to be bid from \$15,000.00 to \$25,000.00. Another amendment is under the Public Works Law that would increase the amount to be bid for Public Works Project from \$50,000.00 to \$100,000.00, which would give the Board more flexibility on Capital Projects, according to Attorney Parnell.

Director Alexander questioned if we are asking our lobbyists to take these amendments to the state legislature. GM Johnson responded, yes. Another amendment is regarding the Bid Law local preference zone which would be changed to the City of Birmingham and add that new language to the Public Works Law as well, Attorney Parnell stated. Director Munchus stated there is support for the small business community among the House and Senate. Director Lewis asked what state legislators are in favor of this. Director Munchus responded Bobby Singleton from Greene County and Hank Sanders' daughter. Director Lewis stated she takes issue with some of the wording and preferential treatment being given to certain entities. Director Lewis told Director Munchus that the amendments do not necessarily address the African American community. Director Clark asked where this item was generated. GM Johnson stated Staff has been brainstorming. Some discussion occurred regarding there not being enough time to do anything in the current legislative session. Director Muhammad stated under the HUB program that White Women are getting most of the business and he believed our program had failed. Director Lewis stated that is not what is on the table right now. Chairman Burbage stated the amendments could be introduced in the current session. 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 authorizes staff to forward the proposed bills to the Board’s lobbyist for submission to the legislation to amend the Bid Law and the Public Works Law.

Resolution No. 8064 is hereby adopted by Directors Burbage, Muhammad, King, Dickerson, Munchus and Mims; Directors Alexander, Clark and Lewis voted No.”

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Next, under New Business, Director Alexander stated he knew GM Jonson would like some help in getting the three AGM positions filled. GM Johnson stated we have some internal applicants who have already submitted applications for the Operations and Technical Services Division position, adding he anticipated 30 to 60 days to fill the positions. The fee structure with POLIHIRE was confirmed at 15% for each of the three positions. GM Johnson confirmed the positions would have to go through our Human Resources Department. Director Munchus stated he does not like search firms. Attorney Parnell stated POLIHIRE would identify the people, but they would have to be approved by the General Manager and the Board. 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. Sherry W. Lewis, that the Board hereby approves to hire POLIHIRE to identify qualified candidates for three Assistant General Manager positions at the Water Works Board at a fee of 15% for each candidate. Resolution No. 8065 is hereby adopted on April 10, 2019, by a roll call vote:

Director Burbage, Yes; Director Alexander, Yes; Director Muhammad, No; Director King, Yes; Director Dickerson, Yes; Director Munchus, No; Director Mims, No; Director Clark, Yes; Director Lewis, Yes.”

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Following, Director Muhammad requested to move forward to place information on the Cost Overrun Policy on the agenda for the next Executive Committee Meeting. 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. Ronald A. Mims, that the Board hereby forwards to the Executive Committee discussion of a “Cost Overrun Policy.”

Resolution No. 8066 is hereby adopted by unanimous vote.

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Next, Patrick Flannelly handed out a fact sheet (a copy is on file with the Board meeting book) that he emailed the Board of Directors on Community Water System Risk and Resilience regarding America’s Water Infrastructure Act of 2018. Mr. Flannelly pointed out what is changing; which are risk and resilience assessments, emergency response plans and funding. The deadlines for utilities to complete their risk and resilience assessments were pointed out.

Following, Director Lewis stated Director Munchus sent an email regarding a Public Hearing at Bevill State dealing with Mays Mine No. 5. The hearing is at 6:00 p.m. on Wednesday, April 17th. Director Lewis asked how Staff was notifying the public about this meeting. GM Johnson stated Staff would be present and speaking at the meeting and a Press Release was also sent. Director Mims stated the announcement could be placed on the company website. Director Munchus asked if anyone knew who the owner of the mine is, disclosing that he has been working with some coal miners in making their mining actions safer. Attorney Parnell stated he has the Articles of Incorporation for the current owner, but he believed it to be Rodney May and it does not appear to be anyone associated with the Drummond company. Director Lewis stated the Board has that information. There is a meeting also at City Hall with the Governmental Affairs and Public Information Committee GM Johnson stated, Monday April 22nd, at 2:00 p.m. where Staff will be present to make a presentation on BWWB’s position on mining in our watershed.

As there was no further business before the Board, a motion was made and seconded, and the meeting was adjourned at 12:33 p.m.

/s/

William “Butch” Burbage, Jr.
Chairman/President

Attest:

Ronald A. Mims
Secretary-Treasurer