

**MINUTES OF THE REGULAR MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
October 30, 2019**

The regular meeting of the Directors of The Water Works Board of the City of Birmingham was held on Wednesday, October 30, 2019 at 11:00 a.m., at 3600 First Avenue North, Birmingham, Alabama in the Distribution Building.

The following Directors were present: William “Butch” Burbage, Jr., Tommy Joe Alexander, Brenda J. Dickerson, Ronald A. Mims and Deborah Clark. Directors arriving late were: William R. Muhammad, who arrived at 11:20 a.m. and George Munchus, who arrived at 11:34 a.m. Director not in attendance: Brett A King.

Inasmuch as five Directors were present when the meeting was called to order, a quorum was in attendance.

The meeting was also attended by: Michael Johnson, General Manager and Assistant General Manager of Finance and Administration; T. M. “Sonny” Jones, Interim Assistant General Manager of Operations and Technical Services; Derrick Murphy, Assistant General Manager of Engineering and Maintenance; Tammy Wilson, Executive Assistant to Assistant General Managers, Sonny Jones and Derrick Murphy; Grace Amison, Executive Assistant to the Board of Directors; George Anderson, Barry Williams, Rick Jackson, Ben Sorrell, Doug Stockham, Joyce Dupree, Cherita King, Rosalind Jones, Tim Garrett, Brent Nation, Roger Hicks and Jonathan Harris, Board Employees; Mark Parnell and Mary Thompson, Parnell Thompson, LLC; Martha Bozeman and Andy Mitchell and Tommy Palladino, Agency 54; Patrick Flannelly, ARCADIS; Chandra Abesingha, CE & Associates, Inc.; Theo Johnson, Volkert & Associates; Olivia Martin, Attorney General Office; Jeff Drew, Alexander Insurance Agency; Linda Fetherolf and Phillip Moultrie, Valent Group; Angela Hoskins, Studio 2H Design, LLC, Yvonne Green Davis, Yvonne Green Davis, P.C.; Kim Bivens, Birmingham Construction Industry Authority; Maurika McKenzie, Nehemiah Engineering, LLC; Andrew Phillips, Schoel Engineering; Bradley Cherry, Maynard Cooper Gale; Jamey Bryan and John Paepcke, WVTM 13; City of Birmingham police officer.

Board Chairman Butch Burbage called the meeting to order at 11:00 a.m. Information Technology Manager, George Anderson opened the meeting with prayer.

Following, the Board was asked to approve minutes of the Regular Board of Directors’ Meeting held August 28, 2019, as set forth in agenda item 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. Ronald A. Mims and seconded by Dr. Brenda J. Dickerson, that the Board hereby approves minutes of the Regular Board of Directors’ Meeting held on August 28, 2019.

Resolution No. 8182 is hereby adopted by unanimous vote.”

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Next, the Board was asked to approve payments of invoices, as set forth in agenda items 2.1 through 2.5. 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 Mr. Tommy Joe Alexander and seconded by Dr. Brenda J. Dickerson, that the Board hereby authorizes staff to execute payments to the following:

- 2.1 Dominick Feld Hyde, P. C.
For BWWB Other Benefits Plans performed September 3, 2019
and September 11, 2019 \$ 327.60
- 2.2 The Jones Group
For professional services rendered September 2019 \$ 7,500.00
- 2.3 Agency 54
For professional services rendered September 2019 \$ 22,500.00
- 2.4 Raftelis Financial Consultants, Inc.
For professional services rendered August 2019 \$ 24,252.96
For professional services rendered September 2019 \$ 24,317.91
- 2.5 Parnell Thompson, LLC
For professional services rendered September 2019 \$ 90,139.15

Resolution No. 8183 is hereby adopted by unanimous vote.”

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Following, the Board was asked to accept a Scope of Services with Nehemiah Engineering, LLC for the design and inspection of a water main replacement project along 2nd Avenue South; 3rd Avenue South; 3rd Court South; 64th Place South; 33rd Place North; Pearl Avenue North; and 16th Place SW located in the City of Birmingham for an out-of-pocket cost of \$164,357.00; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract, as recommended by the Engineering and Maintenance Committee and set forth in agenda item 3. Director Mims asked if this was galvanized pipe. AGM Derrick Murphy responded yes. 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. Brenda J. Dickerson, that the Board hereby accepts a Scope of Services agreement with Nehemiah Engineering, LLC, for the design and inspection of a water main replacement project along 2nd Avenue South; 3rd Avenue South; 3rd Court South; 64th Place South; 33rd Place North; Pearl Avenue North; and 16th Place SW located in the City of Birmingham for an out-of-pocket cost of \$164,357.00; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract, as recommended by the Engineering and Maintenance Committee.

Resolution No. 8184 is hereby adopted by unanimous vote.”

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Next, the Board was asked to approve an agreement an agreement to fund a 1,360-foot pipeline for the Grand River Technology Park, located at the entrance of Barber Motorsports Park to provide water to tenants at an estimated out-of-pocket cost of \$285,608.72; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract, as recommended by the Engineering and Maintenance Committee, and set forth in agenda item 4. 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. Tommy Joe Alexander and seconded by Mr. Ronald A. Mims, that the Board hereby approves an agreement to fund a 1,360-foot pipeline for the Grand River Technology Park, located at the entrance of Barber Motorsports Park to provide water to tenants at an estimated out-of-pocket cost of \$285,608.72; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract, as recommended by the Engineering and Maintenance Committee.

Resolution No. 8185 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve the Board's Property and Liability Insurance Plan (the Plan) for November 1, 2019 to October 31, 2020 in the amount not to exceed \$1,444,993.00 and payment of an Agency fee to Valent Group, LLC. in the amount of \$150,000.00 for broker of record services related to the Plan, for a total cost not to exceed \$1,594,993.00; and to authorize the General Manager and/or Assistant General Manager to execute any necessary documents, as recommended by the Finance Committee and 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. Ronald A. Mims and seconded by Dr. Brenda J. Dickerson, that the Board hereby approves the Board's Property and Liability Insurance Plan (the Plan) for November 1, 2019 to October 31, 2020 in the amount not to exceed \$1,444,993.00 and payment of an agency fee to Valent Group, LLC. in the amount of \$150,000.00 for broker of record services related to the Plan, for a total cost not to exceed \$1,594,993.00; and to authorize the General Manager and/or Assistant General Manager to execute any necessary documents, as recommended by the Finance Committee.

Resolution No. 8186 is hereby adopted by unanimous vote.”

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Next, the Board was asked to approve a resolution authorizing the issuance of Senior Taxable Water Revenue Refunding Bonds, Series 2019 including (i) issuance of the Series 2019 Senior Taxable Water Revenue Refunding Bonds, (ii) the execution and delivery of the Financing Documents by the Board, and (iii) the consummation of all other transactions described in the recitals of the attached resolution and contemplated by the Financing Documents (the “Plan of Financing”); and to authorize the Board Chairman and Secretary/Treasurer to execute any necessary bond documents approving the bond issue, as recommended by the Finance Committee, and set forth in agenda item 6. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, The Water Works Board of the City of Birmingham, a public corporation organized under the laws of the State of Alabama (the “Board”), owns and operates an integrated water supply and distribution system (the “System”) within certain areas of Jefferson County, Alabama and surrounding counties;

WHEREAS, the Board has heretofore issued various series of its water revenue bonds pursuant to that certain Trust Indenture dated as of December 1, 1998 (the “Original Senior Indenture”), between the Board (as successor to the City of Birmingham) and Branch Banking and Trust Company (as successor trustee) (the “Trustee”), as supplemented and amended by a First Supplemental Indenture dated as of July 1, 2002, by a Second Supplemental Indenture dated as of September 1, 2002, by a Third Supplemental Indenture dated as of April 1, 2004, by a Fourth Supplemental Indenture dated as of April 1, 2006, by a Fifth Supplemental Indenture dated as of February 28, 2007, by a Sixth Supplemental Indenture dated as of December 1, 2008, by a Seventh Supplemental Indenture dated as of May 1, 2009, by an Eighth Supplemental Indenture dated as of November 1, 2010 (the “Eighth Supplemental Indenture”), by a Ninth Supplemental Indenture dated as of June 1, 2011 (the “Ninth Supplemental Indenture”), by a Tenth Supplemental Indenture dated as of March 1, 2012 (the “Tenth Supplemental Indenture”), by an Eleventh Supplemental Indenture dated as of April 1, 2013 (the “Eleventh Supplemental Indenture”), by a Twelfth Supplemental Indenture dated as of April 1, 2015 (the “Twelfth Supplemental Indenture”), by a Thirteenth Supplemental Indenture dated as of October 1, 2016 (the “Thirteenth Supplemental Indenture”), and by a Fourteenth Supplemental Indenture dated as of November 1, 2018 (the “Fourteenth Supplemental Indenture”), each between the Board and the Trustee (collectively, the “Existing Supplemental Indentures”);

WHEREAS, pursuant to the Original Senior Indenture, as amended and supplemented by, among others, the Eighth Supplemental Indenture, the Board has heretofore issued its Water Revenue Refunding Bonds, Series 2010-A (the “Series 2010-A Bonds”), which are outstanding in the aggregate principal amount of \$86,975,000;

WHEREAS, pursuant to the Original Senior Indenture, as amended and supplemented by, among others, the Tenth Supplemental Indenture, the Board has heretofore issued its Water Revenue Refunding Bonds, Series 2012-A (the “Series 2012-A Bonds”), which are outstanding in the aggregate principal amount of \$46,075,000;

WHEREAS, pursuant to the Original Senior Indenture, as amended and supplemented by, among others, the Eleventh Supplemental Indenture, the Board has heretofore issued its Water Revenue Bonds, Series 2013-B (the “Series 2013-B Bonds”), which are outstanding in the aggregate principal amount of \$70,785,000;

WHEREAS, pursuant to the Original Senior Indenture, as amended and supplemented by, among others, the Twelfth Supplemental Indenture, the Board has heretofore issued its Water Revenue Refunding Bonds, Series 2015-A (the “Series 2015-A Bonds”), which are outstanding in the aggregate principal amount of \$98,315,000;

WHEREAS, pursuant to the Original Senior Indenture, as amended and supplemented by, among others, the Twelfth Supplemental Indenture, the Board has heretofore issued its Water Revenue Bonds, Series 2015-B (the “Series 2015-B Bonds”), which are outstanding in the aggregate principal amount of \$73,830,000;

WHEREAS, the Board has determined that it would produce significant savings to advance refund, on a taxable basis, (i) all or a portion of the outstanding Series 2010-A Bonds (the “Refunded 2010-A Bonds”); (ii) all or a portion of the outstanding Series 2012-A Bonds (the “Refunded 2012-A Bonds”); (iii) all or a portion of the outstanding Series 2013-B Bonds (the “Refunded 2013-B Bonds”); (iv) all or a portion of the outstanding Series 2015-A Bonds (the “Refunded 2015-A Bonds”); and (v) all or a portion of the outstanding Series 2015-B Bonds (the “Refunded 2015-B Bonds”, together with the Refunded 2010-A Bonds, the Refunded 2012-A Bonds, the Refunded 2013-B Bonds, and the Refunded 2015-A Bonds, the “Refunded Bonds”), and, for such purpose, the Board proposes to issue its Senior Taxable Water Revenue Refunding Bonds, Series 2019 (the “Series 2019 Bonds”) up to an aggregate principal amount specified herein;

WHEREAS, a portion of the proceeds of the Series 2019 Bonds will be deposited in an escrow fund established pursuant to that certain Escrow Trust Agreement to be dated as of November 1, 2019 (the “Escrow Agreement”) which, together with investment earnings thereon, will be sufficient to pay principal and interest requirements on the Refunded Bonds until and including their respective redemption dates and the redemption prices thereof on their respective redemption dates;

WHEREAS, the particular maturities and principal amounts of the Refunded Bonds to be refunded shall be determined based on market conditions at pricing of the Series 2019 Bonds and shall be specified in the Escrow Agreement;

WHEREAS, the Series 2019 Bonds shall be issued as Additional Parity Securities pursuant to the Original Senior Indenture, as heretofore amended and supplemented by the Existing Supplemental Indentures, and further supplemented by that certain Fifteenth Supplemental Indenture to be dated as of November 1, 2019 (the “Fifteenth Supplemental Indenture”; the Original Senior Indenture as so amended and supplemented being hereinafter referred to as the “Senior Indenture”) (any capitalized term used but not defined herein shall have the meaning assigned to such term in the Senior Indenture);

WHEREAS, following the issuance of the Series 2019 Bonds and the refunding to be effected thereby, the only Parity Securities outstanding under the Senior Indenture will be the Series 2019 Bonds and the following: (i) an unrefunded portion (if any) of the Series 2010-A Bonds (issued pursuant to the Eighth Supplemental Indenture), (ii) Water Revenue Bonds, Series 2011 (issued pursuant to the Ninth Supplemental Indenture), (iii) an unrefunded portion (if any) of the Series 2012-A Bonds (issued pursuant to the Tenth Supplemental Indenture), (iv) Water Revenue Refunding Bonds, Series 2013-A (issued pursuant to the Eleventh Supplemental Indenture), (v) an unrefunded portion (if any) of the Series 2013-B Bonds (issued pursuant to the Eleventh Supplemental Indenture), (vi) an unrefunded portion (if any) of the Series 2015-A Bonds (issued pursuant to the Twelfth Supplemental Indenture), (vii) an unrefunded portion (if any) of the Series 2015-B Bonds (issued pursuant to the Twelfth Supplemental Indenture), (viii) Senior Water Revenue Refunding Bonds, Series 2016-A (issued pursuant to the Thirteenth Supplemental Indenture), and (ix) Senior Water Revenue Bonds, Series 2018 (issued pursuant to the Fourteenth Supplemental Indenture); the foregoing being herein referred to as the “Outstanding Parity Securities”);

WHEREAS, the Series 2019 Bonds shall be limited obligations of the Board payable from, and secured by a pledge of, the revenues from the System remaining after payment of the reasonable and necessary expenses of maintaining and operating the System (the “Pledged Revenues”), on an equal and proportionate basis and parity of lien with the Outstanding Parity Securities and any Additional Parity Securities hereafter issued;

WHEREAS, no Event of Default under the Senior Indenture has occurred and is continuing, nor has any event occurred under the Senior Indenture which, with the giving of notice or the passage of time or both, would constitute an Event of Default;

WHEREAS, the Board has determined that the Series 2019 Bonds will not be secured by the debt service reserve fund established in the Senior Indenture;

WHEREAS, in connection with the refunding of the Refunded Bonds, the Board has determined that the funds in the debt service reserve fund established in the Senior Indenture and allocable to the Refunded Bonds shall be released from said debt service reserve fund and shall be applied by the Board to finance the costs of capital improvements to the System, as specified in the Fifteenth Supplemental Indenture;

WHEREAS, the Series 2019 Bonds will be sold to Piper Jaffray & Co., as Senior Manager of an underwriting syndicate that includes Citigroup Global Markets Inc., Raymond James & Associates, Inc., J.P. Morgan Securities LLC, The Frazer Lanier Company Incorporated, and Securities Capital Corporation (collectively, the “Original Purchasers”), pursuant to a bond purchase agreement (the “Bond Purchase Agreement”), subject to the terms and conditions set forth below;

WHEREAS, the Board has caused a Preliminary Official Statement dated October 28, 2019 (the “Preliminary Official Statement”) to be prepared for distribution to prospective purchasers in connection with the issuance and sale of the Series 2019 Bonds, which references an appropriate continuing disclosure agreement to be entered into by the Board in connection with the Series 2019 Bonds (the “Continuing Disclosure Agreement”); and

WHEREAS, a copy of the proposed Fifteenth Supplemental Indenture, the Escrow Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement (collectively, the “Financing Documents”) and the Preliminary Official Statement have been presented to, considered and approved by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD, as follows:

1. The Board does hereby approve, authorize, ratify and confirm (i) the issuance of the Series 2019 Bonds, (ii) the execution and delivery of the Financing Documents by the Board, and (iii) the consummation of all other transactions described in the recitals of this resolution and contemplated by the Financing Documents (the “Plan of Financing”). The Chairman/President and First Vice-Chairman of the Board, or either of them, are hereby authorized and directed to execute and deliver the Financing Documents in substantially the form presented to the Board at this meeting, with such changes or additions thereto or deletions therefrom as the officer executing the same shall approve, which approval shall be conclusively evidenced by his execution of such instruments. The Secretary or any Assistant Secretary of the Board is hereby authorized and directed to affix the corporate seal of the Board to such instruments and to attest the same.

2. The Board does hereby approve the Preliminary Official Statement in substantially the form presented to the Board at this meeting and authorizes the Board’s financing team to make such revisions to such form (prior to its distribution) as may be deemed necessary or appropriate. The Board does hereby approve, authorize, ratify and confirm the distribution by the Original Purchasers of the Preliminary Official Statement to prospective purchasers of the Series 2019 Bonds. After sale of the Series 2019 Bonds in accordance with the parameters set forth herein, the Chairman/President and First Vice Chairman of the Board, or either of them, are hereby authorized and directed to complete the Preliminary Official Statement (such Preliminary Official Statement as completed being herein referred to as the “Official Statement”) with (a) information relating to the terms of sale of and interest rates on the Series 2019 Bonds, (b) such information regarding reoffering prices or yields on the Series 2019 Bonds as shall be provided by the Original

Purchasers of the Series 2019 Bonds and (c) such changes or additions thereto or deletions therefrom as the executing officers shall approve and shall be acceptable to the Original Purchasers of the Series 2019 Bonds. The Chairman/President and First Vice Chairman of the Board, or either of them, are hereby authorized and directed to date the Official Statement as of an appropriate date and to execute and deliver the Official Statement in the name and on behalf of the Board.

3. The Series 2019 Bonds shall be issued under and secured by the Senior Indenture as therein provided. The Series 2019 Bonds shall be in the form and shall contain the terms and provisions provided in the Senior Indenture. To the extent that the Senior Indenture provides alternative methods for execution of the Series 2019 Bonds, the officers of the Board executing the Series 2019 Bonds are hereby authorized to select the method of execution. The Chairman/President and First Vice-Chairman of the Board, or either of them, are hereby authorized and directed to execute the Series 2019 Bonds on behalf of the Board, and the Secretary or any Assistant Secretary of the Board is hereby authorized and directed to affix the official corporate seal of the Board to the Series 2019 Bonds and to attest the same. The officers executing the Series 2019 Bonds are hereby authorized and directed to deliver the Series 2019 Bonds so executed to the Trustee for authentication and delivery to the Original Purchasers, and the Trustee is hereby requested and directed to follow any instructions provided by such officers with respect to such authentication and delivery.

4. The Series 2019 Bonds shall be sold to the Original Purchasers pursuant to, and on the terms and conditions specified in, the Bond Purchase Agreement, provided the following pricing parameters are met: (1) the principal par amount of the Series 2019 Bonds shall not exceed \$370,000,000, (2) the final maturity date for the Series 2019 Bonds shall not be later than January 1, 2045, (3) the weighted average maturity of the Series 2019 Bonds shall not exceed 20 years, (4) the all-in total interest cost for the Series 2019 Bonds (that is taking into account accrued interest, any original issue discount or original issue premium, the underwriter's discount, any premiums or fees for credit enhancement paid from proceeds of the Series 2019 Bonds, and any other costs of issuance paid from proceeds of the Series 2019 Bonds) shall not exceed 4.00%, (5) the aggregate purchase price of the Series 2019 Bonds is not less than 97% or more than 105% of the par amount thereof, (6) the principal and interest to be paid on the Series 2019 Bonds in any fiscal year of the Board is less than the aggregate principal and interest that would have been payable on the Refunded Bonds, (7) the aggregate percentage savings on the Refunded Bonds exceeds 3%, and (8) the underwriter's discount reflected in the Bond Purchase Agreement shall not exceed \$4.25 per thousand dollars of the principal amount of the Series 2019 Bonds.

5. The Bond Purchase Agreement shall be in such form as is approved by the Chairman/President and First Vice-Chairman of the Board, or either of them, provided the foregoing pricing parameters are met, which approval (a) shall be conclusively evidenced by their execution of such instrument and (b) shall constitute the Board's approval of the final pricing terms of the Series 2019 Bonds and their compliance with the pricing parameters specified herein.

6. The Board hereby calls (a) the Refunded 2010-A Bonds for redemption and payment on January 1, 2021 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, (b) the Refunded 2012-A Bonds for redemption and payment on January 1, 2022 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, (c) the Refunded 2013-B Bonds for redemption and payment on January 1, 2023 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, (d) the Refunded 2015-A Bonds for redemption and payment on January 1, 2025 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, and (e) the Refunded 2015-B Bonds for redemption and payment on January 1, 2025 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption. The Chairman/President and First Vice-Chairman of the Board, or either of them, are hereby authorized and directed to take or cause to be taken, in the name and on behalf of the Board, all of the actions required by the provisions of the Senior Indenture to be taken in order to effect the redemption of the Refunded Bonds including, without limitation, the execution and delivery of the Escrow Agreement. Final approval of the Escrow Agreement, including, without, limitation, specification therein of the particular maturities and principal amounts of the Refunded Bonds, by the Chairman/President and First Vice- Chairman of the Board, or either of them, shall be evidenced by their execution of the same. The Board hereby certifies that no default exists under the Senior Indenture and no such default is imminent.

7. The officers of the Board and any person or persons designated and authorized by any officer of the Board to act in the name and on behalf of the Board, or any one or more of them, are authorized to do and perform or cause to be done and performed in the name and on behalf of the Board such other acts, to pay or cause to be paid on behalf of the Board such related costs and expenses, and to execute and deliver or cause to be executed and delivered in the name and on behalf of the Board such other notices, requests, demands, directions, consents, approvals, orders, applications, certificates, agreements, further assurances, or other instruments or communications, under the corporate seal of the Board, or otherwise, as they or any of them may deem necessary, advisable, or appropriate in order to (i) carry into effect and complete the Plan of Financing, (ii) carry into effect the intent of the provisions of this resolution, and the Fifteenth Supplemental Indenture, (iii) demonstrate the validity of the Series 2019 Bonds and the absence of any pending or threatened litigation with respect to the Series 2019 Bonds and the Fifteenth Supplemental Indenture, and (iv) establish the exemption of interest on the Series 2019 Bonds from State of Alabama income taxation.

8. Each act of any officer or officers of the Board or any person or persons designated and authorized to act by any officer of the Board, which act would have been authorized by the foregoing provisions of this resolution except that such action was taken prior to the adoption of this resolution, is hereby ratified, confirmed, approved and adopted.

Resolution No. 8187 is hereby adopted by unanimous vote.”

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Following, the Board was asked to Request Board to take bids for 13-inch x 24-inch Meter Boxes and Lids to replenish inventory in the warehouse at an estimated out-of-pocket cost of \$184,500.00; and for replacement of approximately 4,570’ of 2” unlined cast iron pipe / 2” galvanized steel pipe with approximately 550’ of 4” DICL pipe; 2,030’ of 8” DICL pipe; 2,210’ of 12” DICL pipe and related appurtenances; and 106 water services along 5th Avenue South; 6th Avenue South; 77th Street South; 78th Street South and 79th Street South located in the City of Birmingham at an estimated out-of-pocket cost of \$1,149,600.00, as recommended by the Engineering and Maintenance Committee and set forth in agenda item 7.1 and 7.2. 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 Dr. Brenda J. Dickerson and seconded by Mr. Tommy Joe Alexander, that the Board hereby approves Staff to take bids on the following:

7.1 13-inch x 24-inch Meter Boxes and Lids to replenish inventory in the warehouse at an estimated out-of-pocket cost of \$184,500.00.

7.2 Replacement of approximately 4,570’ of 2” unlined cast iron pipe / 2” galvanized steel pipe with approximately 550’ of 4” DICL pipe; 2,030’ of 8” DICL pipe; 2,210’ of 12” DICL pipe and related appurtenances; and 106 water services along 5th Avenue South; 6th Avenue South; 77th Street South; 78th Street South and 79th Street South located in the City of Birmingham at an estimated out-of-pocket cost of \$1,149,600.00.

Resolution No. 8188 is hereby adopted by unanimous vote.”

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Next, the Board was asked to award bids to Southern Pipe & Supply, the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract for estimated annual quantities of Meter Adapters, at an estimated out-of-pocket cost of \$70,367.80; G&C Supply, Co., Inc., the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract for estimated annual quantities of Full Circle Repair Clamps, at an estimated out-of-pocket cost of \$78,340.48; Consolidated Pipe, the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract for estimated annual quantities of Corporation Stops, at an estimated out-of-pocket cost of \$131,412.00; Global Construction & Engineering, Inc. the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract to replace Basin 3 & 4 Tube Settlers at Western Filter Plant, at an estimated out-of-pocket cost of \$147,500.00; Willoughby Contracting Company, Inc., the

lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract for the replacement of approximately 2,720' of 2" galvanized steel pipe / 2" unlined cast iron pipe with approximately 160' of 4" DICL pipe; 860' of 6" DICL pipe; 1920' of 8" DICL pipe and related appurtenances; and 39 water services along Dawson Avenue SW; Dowell Avenue SW; and 28th Street SW located in the City of Birmingham at a bid amount of \$539,002.60; plus estimated cost of materials and Water Board labor in the amount of \$288,598.67; for a total estimated out-of-pocket cost of \$827,601.27; and Willoughby Contracting Company, Inc., the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract for the replacement of approximately 3,180' of 2" galvanized steel pipe / 2" unlined cast iron pipe, 435' of 2" cast iron cement lined (CICL) pipe and 420' of 4" unlined cast iron pipe with approximately 200' of 4" DICL pipe; 460' of 6" DICL pipe; 3,900' of 8" DICL pipe and related appurtenances; and 56 water services along 5th Place; 5th Street; Avenue D and Avenue E located in the Pratt City Community in the City of Birmingham at a bid amount of \$634,198.50; plus estimated cost of materials and BWWB labor in the amount of \$363,837.54; for a total estimated out-of-pocket cost of \$998,036.04, as recommended by the Engineering and Maintenance Committee and set forth in agenda items 8.1 through 8.6. Director Dickerson asked about the subcontractor portion of 1.4% for item 8.4. Assistant General Manager Derrick Murphy responded that the subcontractor would be supplying materials. 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. Brenda J. Dickerson, that the Board hereby authorizes staff to award bids on the following:

- 8.1 Southern Pipe & Supply, the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract for estimated annual quantities of Meter Adapters, at an estimated out-of-pocket cost of \$70,367.80.
NUMBER OF BIDS: 4 MINORITY BID: NO NEW VENDOR: NO
- 8.2 G&C Supply, Co., Inc., the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract for estimated annual quantities of Full Circle Repair Clamps, at an estimated out-of-pocket cost of \$78,340.48.
NUMBER OF BIDS: 4 MINORITY BID: NO NEW VENDOR: NO
- 8.3 Consolidated Pipe, the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract for estimated annual quantities of Corporation Stops, at an estimated out-of-pocket cost of \$131,412.00.
NUMBER OF BIDS: 5 MINORITY BID: NO NEW VENDOR: NO

8.4 Global Construction & Engineering, Inc. the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract to replace Basin 3 & 4 Tube Settlers at Western Filter Plant, at an estimated out-of-pocket cost of \$147,500.00. (HUB subcontractor participation 1.4%)

NUMBER OF BIDS: 2 MINORITY BID: YES NEW VENDOR: NO

8.5 Willoughby Contracting Company, Inc., the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract for the replacement of approximately 2,720' of 2" galvanized steel pipe / 2" unlined cast iron pipe with approximately 160' of 4" DICL pipe; 860' of 6" DICL pipe; 1920' of 8" DICL pipe and related appurtenances; and 39 water services along Dawson Avenue SW; Dowell Avenue SW; and 28th Street SW located in the City of Birmingham at a bid amount of \$539,002.60; plus estimated cost of materials and Water Board labor in the amount of \$288,598.67; for an estimated out-of-pocket cost of \$827,601.27. (HUB participation 32.4%)

NUMBER OF BIDS: 6 MINORITY BID: NO NEW VENDOR: NO

8.6 Willoughby Contracting Company, Inc., the lowest responsible and responsive bidder; and to authorize the General Manager and/or the Assistant General Manager to execute a signed contract for the replacement of approximately 3,180' of 2" galvanized steel pipe / 2" unlined cast iron pipe, 435' of 2" cast iron cement lined (CICL) pipe and 420' of 4" unlined cast iron pipe with approximately 200' of 4" DICL pipe; 460' of 6" DICL pipe; 3,900' of 8" DICL pipe and related appurtenances; and 56 water services along 5th Place; 5th Street; Avenue D and Avenue E located in the Pratt City Community in the City of Birmingham at a bid amount of \$634,198.50; plus estimated cost of materials and BWWB labor in the amount of \$363,837.54; for an estimated out-of-pocket cost of \$998,036.04. (HUB participation 30.6%)

NO. OF BIDS: 6 MINORITY BID: NO NEW VENDOR: NO

Resolution No. 8189 is hereby adopted by unanimous vote."

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Following, the Board was asked to reimburse the Operating Account for capital expenditures made for the period ended September 30, 2019, from Schedule IV (Cash Basis) in the amount of \$2,519,063.18, as set forth in agenda item 9. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, ARCADIS US, Incorporated, in a Certificate dated October 23, 2019, certified that during the period ending September 30, 2019 that there were expenditures for the cost of system improvements, which were paid out of the Operating Account and reimbursement of that account is now due in the preliminary amount of \$2,519,063.18 and;

WHEREAS, transfers to the Operating Account can be made from any, or a combination, of the following: the 2002 Construction Fund, the Improvement Fund, and/or the Revenue Account.

NOW, THEREFORE, BE IT RESOLVED By The Water Works Board of the City of Birmingham, on a motion duly made by Dr. Brenda J. Dickerson and seconded by Mr. Ronald A. Mims, that the Trustee be, and is hereby instructed to immediately transfer \$2,519,063.18 to the Operating Account from any, or a combination, of the following: The 2002 Construction Fund, the Improvement Fund, and/or the Revenue Account.

Resolution No. 8190 is hereby adopted by unanimous vote.”

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Next, under new business, Director Alexander asked why the independent engineer, ARCADIS, added 3.15% to their invoice. GM Johnson responded that the 3.15% is an administrative fee. Patrick Flannelly stated direct salaries are broken out on the invoice and overhead is factored in as well, which is typical in the industry. Also typical is a rate sheet by grade Mr. Flannelly stated. Director Alexander asked how much it cost the Board annually for the administrative fee. Mr. Flannelly stated ARCADIS would calculate that amount and get it to Director Alexander. Director Muhammad entered the meeting at 11:20 a.m. GM Johnson directed the Board’s attention to an award on the table received by The Birmingham Water Works Board (BWWB) from the Association of Metropolitan Water Agencies (AMWA) for Sustainable Water Utility Management. GM Johnson stated the award was given at the annual conference and it covers management of the utility which speaks well to Moody’s and Standard & Poor’s rating agencies. Of the fifteen recipients receiving the award this year, only six received the award for a second time and BWWB was one of those.

Following, the Open Forum began with employees from the Water Treatment and Water Resources Departments. Director Munchus entered the meeting at 11:34 a.m. Each manager introduced plant employees and gave a brief description of their departments’ job duties. Topics of discussion among employees, Board and Senior Staff included staffing issues, certifications, position upgrades, Salary Survey, COLA and donation of sick time.

Next, Director Munchus stated he noticed on items 8.1 to 8.4 that there was no HUB participation, adding he was a strong ally for equal opportunity. Director Alexander stated he

received a resignation letter from Grace Amison announcing her retirement effective February 1st, and that he would miss her.

As there was no further business before the Board, a motion was duly made and seconded, and the meeting was adjourned at 12:35 p.m.

/s/
William "Butch" Burbage, Jr.
Chairman/President

Attest:

/s/
Ronald A. Mims
Secretary-Treasurer