

**MINUTES OF THE REGULAR MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
January 27, 2021**

The regular meeting of the Directors of The Water Works Board of the City of Birmingham was held on Wednesday, January 27, 2021 at 11:30 a.m., at 3600 First Avenue North, Birmingham, Alabama.

The following Directors were present via a roll call vote: Lucien Blankenship, William “Butch” Burbage, Jr., Tom E. Henderson, Tereshia Q. Huffman, Ronald A. Mims, George Munchus. Dalton S. NeSmith, Jr., Chris Rice and Larry Ward.

The meeting was also attended by: Michael Johnson, General Manager; Derrick Murphy and Iris Fisher, Assistant General Managers; Cynthia Williams, Board Administrator; Tammy F. Wilson, Executive Assistant to Assistant General Managers Derrick Murphy and Jeff Thompson; K. Mark Parnell, Parnell Thompson Law, LLC; Emory Anthony, Attorney; Terrell Jones, Interim Security Manager; Colandus Mason, Information Technology Manager; Rick Jackson, Public Relations Manager; Charles McGee and Davis King, Industrial Control Master Electricians; Phillip Moultrie, The Valent Group.

Chairman Mims called the meeting to order at 11:31 a.m. and Information Technology Manager, Colandus Mason opened the meeting with prayer.

All directors were present, so a quorum was in attendance.

Following, Chairman Mims stated he would like to table Item 5.6, an invoice payment to Birmingham Business Resource Center for professional services provided December 2020, in the amount of \$20,000.00. Other Directors recommended tabling invoices to Agency 54, Item 5.7, Birmingham Construction Industry Authority, Item 5.8 and Parnell Thompson, LLC, Item 5.9. Some discussion occurred regarding new Board members voting on action items before the Board’s orientation is complete. The Board approved the agenda as follows. 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. Larry Ward and seconded by Mr. William “Butch” Burbage, Jr., that the Board of Directors hereby approves the agenda, tabling Item 5.6, an invoice payment to Birmingham Business Resource Center for professional services provided December 2020, in the amount of \$20,000.00.

Resolution No. 8629 is hereby adopted unanimously by a roll call vote.”

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Next, was a request for the Board to authorize surviving spouse monthly retirement benefits from the Board’s Retirement Trust Fund for Helen Martin, spouse of Argus Martin, as set forth in agenda Item 1. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, Argus Martin, a retiree of The Water Works Board of the City of Birmingham (“The Board”), passed away on December 31, 2020; and

WHEREAS, Argus Martin was receiving, up until the time of his death, monthly retirement benefits from the Board’s Retirement Trust Fund in the amount of \$4,265.82 and under the terms of the Board’s Retirement Plan, his spouse is now entitled to receive 47.50% of that monthly benefit until such time as she either remarries or passes away; and

WHEREAS, the surviving spouse, Helen Martin will begin receiving her surviving spouse monthly benefit of \$2,026.26, effective February 1, 2021.

NOW, THEREFORE, BE IT RESOLVED By the Board of Directors of The Water Works Board of the City of Birmingham, on motion duly made by Mr. Ronald A. Mims and seconded by Dr. George Munchus, that the Trustee be, and is hereby instructed to pay a pension of \$2,026.26 per month to Helen Martin from the Board’s Retirement Trust Fund, in accordance with the terms of the Trustee Pension Plan, with the payment to be effective February 1, 2021. Ms. Martin will receive a retroactive payment for January 1st since Mr. Martin passed away in December 2020.

Resolution No. 8630 is hereby adopted by unanimous vote.”

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Following, was a request for the Board to approve minutes of Board meetings from August 26, September 23, October 14, October 28, November 5, November 19 and December 2, 2020, as set forth in agenda Item 2. Some discussion surrounding obtaining signatures from a former Board member, the previous term’s Secretary-Treasurer occurred. Director Burbage, as the current Board Secretary-Treasurer, offered his substitute signature on the referenced minutes. Upon legal opinion, further Board action would occur pending the previous term’s Secretary-Treasurer refusal of signatures on the referenced minutes. 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. William “Butch” Burbage, Jr., that the Board hereby approves minutes of the Regular Board of Directors’ Meetings held on August 26, September 23, October 14, October 28, November 5, November 19 and December 2, 2020.

Resolution No. 8631 is hereby adopted. Director Blankenship voted no.”

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Next, was a request for the Board to reaffirm various established Board Committees with appointments to serve on the respective Committees for calendar year 2021, as set forth in agenda Item 3. Chairman Mims recommended tabling the referenced item asking for a two-week extension in order to finalize the 2021 Committee schedule. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, on May 8, 1997, The Water Works Board of the City of Birmingham (“The Water Works Board”) adopted certain committees for the purpose of working with staff in certain areas in helping the Board to establish overall policies.

WHEREAS, on January 27, 2021, on a motion duly made by Ronald A. Mims and seconded by Mr. William “Butch” Burbage, Jr, that The Water Works Board hereby tables the establishment of certain Board committees and membership on said committees.

Resolution No. 8632 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve reimbursements to the Operating Account for the period ended November 30, 2020, as set forth in agenda Item 4. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, ARCADIS US, Incorporated, in a Certificate dated January 12, 2021, certified that during the period ending November 30, 2020 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 \$3,343,906.38 and;

WHEREAS, transfers to the Operating Account can be made from any, or a combination, of the following: the 2019 Special Acquisition Fund, the 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. George Munchus and seconded by Mr. William “Butch” Burbage, Jr., that the Trustee be, and is hereby instructed to immediately transfer \$3,343,906.38 to the Operating Account from any, or a combination, of the following: The 2019 Special Acquisition Fund, the Construction Fund, the Improvement Fund, and/or the Revenue Account.

Resolution No. 8633 is hereby adopted by unanimous vote.”

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Next, the Board was asked to approve invoices, as set forth in agenda Items 5.1 through 5.9, except for Item 5.6, which was tabled when the agenda was approved. The invoices were voted on

separately. On a motion duly made and seconded, the following resolution was adopted, as set forth in agenda Item 5.1:

“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. William “Butch” Burbage, Jr., that the Board hereby authorizes staff to execute payment to the following:

5.1 Ellis, Head, Owens & Justice

For professional services provided October 5 - December 16, 2020 \$ 2,367.74

Resolution No. 8634 is hereby adopted unanimously by a roll call vote.”

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On a motion duly made and seconded, the following resolution was adopted, as set forth in agenda Item 5.2:

“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. William “Butch” Burbage, Jr., that the Board hereby authorizes staff to execute payment to the following:

5.2 T. Agee

For professional services provided December 2020 \$ 5,790.00

Resolution No. 8635 is hereby adopted unanimously by a roll call vote.”

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Discussion occurred regarding the invoice payment to Hilliard, Smith & Hunt, LLC inasmuch as December 31, 2020 marked the end of the contract. On a motion duly made and seconded, the following resolution was adopted, as set forth in agenda Item 5.3:

“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. Chris Rice, that the Board hereby authorizes staff to execute payment to the following:

5.3 Hilliard, Smith & Hunt, LLC

For professional services provided December 2020 \$ 7,500.00

Resolution No. 8636 is hereby adopted by a roll call vote. Director Huffman abstained.”

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Some discussion occurred regarding automatic renewals on contracts. Directors Henderson and NeSmith expressed some concern in voting not knowing about the terms of various contracts. General Manager, Michael Johnson indicated that information would be available on the terms of current contracts and automatic renewals when the division reports are given at the first Board meeting in February. Attorney Parnell added that there is a 30-day termination clause on most automatic renewals. On a motion duly made and seconded, the following resolution was adopted, as set forth in agenda Item 5.4:

“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. Chris Rice, that the Board hereby authorizes staff to execute payment to the following:

- 5.4 The Jones Group, LLC
For professional services provided December 2020 \$ 10,000.00

Resolution No. 8637 is hereby adopted unanimously by a roll call vote.”

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On a motion duly made and seconded, the following resolution was adopted, as set forth in agenda Item 5.5:

“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. Chris Rice, that the Board hereby authorizes staff to execute payment to the following:

- 5.5 Raftelis Financial Consultants, Inc.
For professional services provided December 2020 \$ 14,855.00

Resolution No. 8638 is hereby adopted unanimously by a roll call vote.”

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Director Ward stated he would like more information before voting to approve monthly invoices to Agency 54 for communications, in the amount of \$25,000.00. GM Johnson stated Agency 54 would present their information in a Communications Committee meeting. On a motion duly made and seconded, the following resolution was adopted, as set forth in agenda Item 5.7:

“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. Chris Rice, that the Board hereby authorizes staff to execute payment to the following:

- 5.7 Agency 54

For professional services provided December 2020

\$ 25,000.00

Resolution No. 8639 is hereby adopted by a roll call vote. Directors Henderson, Huffman, NeSmith and Ward abstained.”

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On a motion duly made and seconded, the following resolution was adopted, as set forth in agenda Item 5.8:

“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. Chris Rice, that the Board hereby authorizes staff to execute payment to the following:

5.8 Birmingham Construction Industry Authority

For professional services provided December 2020

\$ 25,000.00

Resolution No. 8640 is hereby adopted by a roll call vote. Directors Henderson, Huffman, NeSmith and Ward abstained.”

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Director Blankenship stated there is a \$20,000.00 cap on attorney fees, regarding the Parnell Thompson, LLC invoice, which is over that amount. Attorney Anthony responded that he and GM Johnson review and approve all legal work including any overages. On a motion duly made and seconded, the following resolution was adopted, as set forth in agenda Item 5.9:

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. Dalton S. NeSmith, Jr., that the Board hereby authorizes staff to execute payment to the following:

5.9 Parnell Thompson, LLC

For professional services provided December 2020

\$ 31,715.00

Resolution No. 8641 is hereby adopted by a roll call vote. Director Blankenship abstained.

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Following, under new business, Director Rice asked to review all professional service contracts. Director Rice also requested to have Pat Lynch come before the Board to present information on lobbying services he could provide. General Manager, Michael Johnson gave an update on Birmingham Water Works Board customers following the tornado that impacted the Fultondale Community earlier in the week, adding that no shutoffs had occurred. Chairman Mims

asked for an update on the contract with Jefferson County Sewer collections. GM Johnson stated a report would be presented at the next Board meeting. Some more discussion occurred regarding the Hilliard, Smith & Hunt, LLC contract expiring December 31, 2020. GM Johnson stated an extension of that contract was not included in the 2021 budget. Director Munchus asked about the Succession Planning status. GM Johnson stated management level positions had been identified for future needs and more information would be presented in a Human Resources Committee meeting. Director Henderson asked about fire hydrant fees. GM Johnson stated our 2021 budget did not require a rate increase for fire hydrant fees and an increase would be deferred until 2022. Director Munchus asked if Franchise Fees would be paid this year. Director Blankenship responded we did not have a choice, they had to be paid.

Next, Attorney Parnell certified an Executive Session to discuss pending litigation and a potential settlement. The Board, attorneys and Senior Staff entered an Executive Session at 12:26 p.m. 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. Dalton NeSmith, Jr., that the Board hereby approves an Executive Session to discuss pending litigation and a potential settlement.

Resolution No. 8642 is hereby adopted by unanimous vote.”

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Following the meeting reopened at 12:41 p.m. Attorney Parnell requested the Board adopt a resolution as presented in Executive 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. Dalton NeSmith, Jr., that the Board hereby approves a resolution as presented in Executive Session.

Resolution No. 8643 is hereby adopted by unanimous vote.”

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As there was no further business before the Board, a motion was made and seconded, and the meeting adjourned at 12:46 p.m.

_____/S/
Ronald A. Mims
Chairman/President

Attest:

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