

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
May 22, 2019**

The regular bi-monthly meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, May 22, 2019 at 11:30 a.m., in the principal office of the Board, 3600 First Avenue North, Birmingham, Alabama.

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

The meeting was also attended by: Michael Johnson, General Manager; Sonny Jones, Assistant General Manager; Grace Amison, Executive Assistant to the Board of Directors; Anitra Hendrix, Executive Assistant to the General Manager; George Anderson, Rick Jackson, Terrell Jones, Ben Sorrell, John Dansby, Barry Williams, Paul Lloyd, Jeff Cochran, Jonathan Harris, Geoff Goodwin, Steve Franks, Shirley Russell, Casey Rogers, Casey Johnson, Justes Underwood, Stephen Gooden, Board Employees; K. Mark Parnell and Mary Thompson, Parnell Thompson, LLC; Kelvin Howard, Kelvin Howard, LLC; Martha Bozeman and Andy Mitchell, Agency 54; Patrick Flannelly and Brian Ruggs, ARCADIS; Matthew Arrington, Terminus Municipal Advisors; Theo Johnson and Kirk Mills, Volkert, Inc.; Ken King and Cory Pettway, City of Birmingham; Marquita Jackson, J. P. Morgan; Sarah Stokes and Akira Watson, Southern Environmental Law Center; and Officer Meadows.

Inasmuch as nine of the directors were present; Chairman Burbage declared a quorum in attendance.

Chairman Burbage called the meeting to order at 11:31 a.m. Mr. George Anderson opened the meeting with prayer.

Following, the General Manager asked the Board to adopt a resolution commending the Employees of the Month for May 2019, as set forth in agenda item 1. Paul Lloyd, Board Employee, stated these employees were nominated for the great work they did cleaning out the settling basin at Putnam Filter Plant. He stated this process typically takes a week to complete; however, they were able to complete this work in three days without disruption to the plant's operations. On a motion duly made and seconded, the following resolutions were adopted:

“BE IT RESOLVED By the Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. George Munchus and seconded by Mr. Ronald A. Mims, that the Board hereby recognizes and commends Casey Johnson, William Vining, Justes Underwood and Stephen Gooden, as the Operations & Technical Services Divisions Employees of the Month for May 2019, on having achieved outstanding job performance, attendance, and work above expected levels;

BE IT FURTHER RESOLVED, that a copy of this resolution be spread upon the minutes of the Water Works Board of the City of Birmingham and a copy presented to each employee.

Resolution No.8075_(a)* is hereby adopted by unanimous vote.”

Following, the General Manager asked the board to adopt resolutions authorizing monthly retirement benefits from the Board’s Retirement Trust Fund, as set forth in agenda items 2.1 through 2.3. Director Mims questioned whether they are people in place to fill the positions that will become vacant. The General Manager responded yes and stated he would distribute a draft succession plan to the directors. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, Jeffrey Jenkins, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective June 1, 2019, at an age of 53; and

WHEREAS, Jeffrey Jenkins has 32 years of continuous service with the Board at his retirement date, and, in accordance with the terms of the Trusteed Pension Plan, Mr. Jenkins is entitled to receive a monthly retirement payment from the Board’s Retirement Trust Fund in the amount of \$5,546.81; 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. Ronald A. Mims and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$5,546.81 to Mr. Jenkins, beginning June 1, 2019, from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan.

Resolution No.8076(a)* is hereby adopted by unanimous vote.”

“WHEREAS, Jeffrey Jenkins, an employee of The Water Works Board of the City of Birmingham, is retiring, effective June 1, 2019, after 32 years of service with the Board; and

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

BE IT FURTHER RESOLVED, that in recognition of Jeffrey Jenkins’ 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. Jenkins.

Resolution No. 8077(a)* is hereby adopted by unanimous vote.”

“WHEREAS, Ronald Mallette, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective June 1, 2019, at an age of 55; and

WHEREAS, Ronald Mallette has 32 years of continuous service with the Board at his retirement date, and, in accordance with the terms of the Trusteed Pension Plan, Mr. Mallette is entitled to receive a monthly retirement payment from the Board’s Retirement Trust Fund in the amount of \$4,187.94; 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. Ronald A. Mims and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$4,187.94 to Mr. Mallette, beginning June 1, 2019, from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan.

Resolution No.8078(a)* is hereby adopted by unanimous vote.”

“WHEREAS, Ronald Mallette, an employee of The Water Works Board of the City of Birmingham, is retiring, effective June 1, 2019, after 32 years of service with the Board; and

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

BE IT FURTHER RESOLVED, that in recognition of Ronald Mallette’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. Mallette.

Resolution No. 8079(a)* is hereby adopted by unanimous vote.”

WHEREAS, Ray Lassiter, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective June 1, 2019, at an age of 62; and

WHEREAS, Ray Lassiter has 27 years and 11 months of continuous service with the Board at his retirement date, and, in accordance with the terms of the Trusteed Pension Plan, Mr. Lassiter is entitled to receive a monthly retirement payment from the Board’s Retirement Trust Fund in the amount of \$3,127.27; 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. Ronald A. Mims and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$3,127.27 to Mr. Lassiter, beginning June 1, 2019, from the Board's Retirement Trust Fund, in accordance with the terms of the Pension Plan.

Resolution No.8080_(a)* is hereby adopted by unanimous vote.”

“WHEREAS, Ray Lassiter, an employee of The Water Works Board of the City of Birmingham, is retiring, effective June 1, 2019, after 27 years and 11 months of service with the Board; and

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

BE IT FURTHER RESOLVED, that in recognition of Ray Lassiter'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. Lassiter.

Resolution No. 8081_(a)* is hereby adopted by unanimous vote.”

Following, the General Manager asked the board to adopt resolutions authorizing monthly retirement disability benefits from the Board's Retirement Trust Fund for Patricia Barron, as set forth in agenda item 3. The General Manager stated a retroactive payment would be given to Ms. Barron based on the approval date by the Social Security Administration. Director Clark stated the board may need to go into executive session regarding this item because she had questions. Director Alexander questioned what happened to the employee. Board Attorney Mark Parnell stated the directors could not discuss an employee's medical issues. Director Clark stated her question is related to the timing of the disability as it relates to pending litigation. Mr. Parnell then suggested he and Director Clark speak to determine whether an executive session was needed. The meeting then paused for Director Clark and Board Attorney Mark Parnell to step out of the room at 9:40 a.m. Director Clark and Board Attorney Mark Parnell returned to the room and the meeting resumed at 9:41 a.m. Mr. Parnell stated he had an understanding of Director Clark's questions and recommended the board go into executive session. Director Clark

suggested tabling the item until the end of the meeting and proceeding with the agenda. Chairman Burbage stated the item would be tabled and discussed at the end of the meeting.

Following, the General Manager asked the board to approve payments of invoices for professional services, as set forth in agenda items 4.1 through 4.6. The General Manager indicated staff had reviewed the invoices and recommended them for approval. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. George Munchus, and seconded by Mr. Ronald A. Mims, that the Board hereby authorizes staff to execute payment to the following:

| | | |
|-----|---|----------------------|
| 4.1 | <u>Nesmith, Lowe & NeSmith, LLC</u> For retainer fee for April 2019 | \$ <u>500.00</u> |
| 4.2 | <u>Dominick Feld Hyde, P.C.</u> BWVB Section 457 performed April 11 through April 16, 2019 | \$ <u>1,068.00</u> |
| 4.3 | <u>Raftelis Financial Consultants, Inc.</u> For professional services rendered April 2019 | \$ <u>16,601.31</u> |
| 4.4 | <u>Agency, 54</u> For professional services rendered for April 2019 | \$ <u>22,500.00</u> |
| 4.5 | <u>Parnell Thompson, LLC</u> For professional services rendered for April 2019 | \$ <u>107,865.25</u> |
| 4.6 | <u>ARCADIS, U.S.</u> For professional services rendered for March 2019 | \$ <u>276,070.84</u> |

Resolution No. 8082(a)* is hereby adopted by unanimous vote.”

Following, the General Manager asked the board to take bids on Positive Displacement Meters to be used for replacement of meters, 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. Ronald A. Mims, that the Board hereby authorizes staff to take bids on Positive Displacement Meters to be used for replacement of meters, sizes 5/8" x 1/2"; 5/8" x 3/4"; and 1", throughout the limits of the Birmingham Water Works System as needed at an estimated out-of-pocket cost to the Board of \$514,750.00, as recommended by the Engineering and Maintenance Committee. Resolution No. 8083(a)* is hereby adopted by unanimous vote.”

Following, the General Manager asked the board to award bids to the following, as set forth in agenda items 6.1 through 6.2. On a motion duly made and seconded, the following resolutions were adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Brett King, and seconded by Dr. Brenda Dickerson, that the Board hereby authorizes staff to award bids on the following, as recommended by the Engineering and Maintenance Committee, as follows:

6.1 To three (3) contractors to perform installation of sampling stations at fifteen (15) fire stations located in the City of Birmingham and surrounding municipalities

■ The Jones Group, LLC (MBE), the lowest responsible and responsive bidder, to install ten (10) sampling stations at a total out-of-pocket cost to the Board of \$52,200.00.

■ Willoughby Contracting Co., Inc., the lowest responsible and responsive bidder, to install four (4) sampling stations at a total out-of-pocket cost to the Board of \$25,500.00.

■ Safford Building Co., LLC, the lowest responsible and responsive bidder, to install one (1) sampling station at a total out-of-pocket cost to the Board of \$7,500.00.

Resolution No. 8084_(a)* is hereby adopted by unanimous vote.”

“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 Dr. Brenda Dickerson, that the Board hereby authorizes staff to award bids on the following, as recommended by the Engineering and Maintenance Committee:

6.2 Municipal Emergency Services, the lowest responsible and responsive bidder, for purchase of four (4) self-contained breathing apparatus (SCBA) and applicable accessories for use at Shades Mountain Filter Plant; Carson Filter Plant; Putnam Filter Plant; and Western Filter Plant, at a total out-of-pocket cost to the Board of \$153,492.48.

Resolution No. 8085 is hereby adopted by unanimous vote.”

Following, the General Manager asked the board to approve expenditures with WEG Electric Corporation/Electric Machinery Company, Inc., as set forth in agenda item 7. On a motion duly made and seconded, the following resolution was adopted:

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

Board hereby approves expenditures with WEG Electric Corporation/Electric Machinery Company, Inc. a sole source provider, to repair one (1) 1500HP at 900 RPM Synchronous Electric Motor located at Cahaba Pump Station, motor #15, at an out-of-pocket cost to the Board of \$118,154.00, as recommended by the Engineering and Maintenance Committee. Resolution No. 8086 is hereby adopted by unanimous vote.”

* * * * *

Following, Chairman Burbage recognized speakers. Marquita Jackson, J. P. Morgan, introduced herself stating she has worked in public finance for 15 years and stated J. P. Morgan will be expanding its retail branch presence in Alabama and would be opening branches soon in Birmingham and Auburn. She indicated she has a good relationship with the Board’s financial advisor and she would like to discuss J. P. Morgan potentially working with the board. Director Munchus commended J. P. Morgan for stepping back into the community.

Following, Chairman Burbage asked the board to discuss New Business, as set forth in agenda item 8. Director Muhammad requested legal settlements be approved by the board regardless of their amount. Director Munchus stated if Director Muhammad was making a motion, he would second it. Chairman Burbage stated the General Manager is set up to approve legal settlements. Mr. Parnell stated he thought this item would be discussed at an Executive Committee meeting. Mr. Parnell stated it is the board’s prerogative to change the process; however, he would recommend they receive more information regarding the current process. Chairman Burbage stated he would recommend discussing it at an Executive Committee meeting. Director Lewis questioned whether there are ever small dollar amount settlements. Board Attorney Kelvin Howard responded yes. Director Lewis then questioned Director Muhammad whether he could settle on stating a certain amount for the board to approve. She also questioned whether the settlements would need to come before the board for approval. Director Muhammad responded yes. Director Lewis recommended setting a certain amount so as not to hold up the process. Director Alexander stated the board trusted Michael Johnson to be the General Manager and he would like the small amount settlements to be approved at his discretion. Director Muhammad stated the settlement should be approved before the settlement is reached. Director Clark stated a settlement has to be reached prior to the board approving a settlement. She indicated this item should be discussed at an Executive Committee meeting. Chairman Burbage then asked the board to vote on the motion and the motion failed by a vote of 5 to 4.

Next, Director Mims stated he would like the Board’s Engineers to sit closer to the board instead of in the audience. He questioned why was ARCADIS asked to sit somewhere else during the meeting. The General Manager stated he was approached after the last board meeting and was asked why were the ARCADIS consultants not sitting with the other consultants in the audience. He stated for consistency purposes, and indicated he was not instructed by a director. He asked the consultants to move to the audience. Director Clark stated there should be consistency when it comes to the seating. She stated regardless of where consultants sit, the board could receive the professional opinion it needs. Director Mims then questioned whether the Board’s attorneys should sit in the audience as well. Grace Amison, Executive Assistant to the Board of Directors, stated the Board’s attorneys have always been seated close to the directors to address questions that arise. A discussion then ensued. Director Mims stated he is not questioning the General Manager’s authority and indicated he fully supports him. He stated he questions why one group is being singled out and not all groups. He indicated he thinks the board is being unfair to ARCADIS. Chairman Burbage stated ARCADIS does have a fiduciary responsibility to the debt holders as

oppose to other vendors. Director Clark questioned whether that would also apply to the Board's financial advisor who also has a fiduciary responsibility. Chairman Burbage responded yes. Director Lewis stated she couldn't believe the board was discussing this item and urged some of the directors to "let this go". Director Muhammad stated one board member went to the General Manager and it is apparent this one board member is being a bully. He indicated that needs to be addressed. Director Munchus then made a motion to have ARCADIS to sit where they were previously sitting, and Director Muhammad seconded the motion. A discussion then ensued. Chairman Burbage then called for a vote on the motion and the motion passed by a vote of 4 yes; 1 opposed; and 3 abstained. Director King stated that he would defer to the General Manager.

"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. Ronald A. Mims, to move the Board's engineers back to their regular location at Board and/or Committee Meetings. Resolution No. 8087 is hereby adopted by a roll call vote: Director Alexander, Abstained; Director Muhammad, Yes; Director Dickerson, Yes; Director Munchus, Yes; Director Mims, Yes; Director Clark, Opposed; Director Lewis, Abstained; Director Burbage, Abstained; and Director King, Deferred to the General Manager."

* * * * *

Following, Chairman Burbage stated he met with Ms. Amison regarding her position. He then asked the directors to review information he handed out and stated this item would be discussed at the next Executive Committee meeting. Director Munchus questioned whether the process was explained in the handout. Chairman Burbage responded that Ms. Amison prepared information regarding her current duties and responsibilities.

Next, the General Manager presented the board with handouts regarding proposed dates for employee engagement meetings; a summary of proposed legislation to reorganize the Board; and a summary of the succession plan. Director Munchus questioned whether this is the first time the succession planning program has been put in place. The General Manager responded there was never a complete succession plan.

Subsequently, the General Manager reported on the following stating there will be a meeting with BWWB retirees on June 21, 2019 or June 28, 2019; Polihire is moving forward with identifying candidates for the open Assistant General Manager positions and is on schedule within its 90-day plan; and the Board's Lobbyist, Greg Jones, The Jones Group, LLC, would be attending a Senate committee meeting on May 22, 2019 regarding legislation and he was supplied with talking points. He indicated Mr. Jones stated the board may have to approve resources in the future at the recommendation of The Jones Group to assist with this matter. Director Dickerson requested the General Manager to provide a summary of the talking points that would be presented to the Senate committee. The General Manager stated the talking points cover the financial position, bond rating, controlling debt, cost of service, allocation of customers, manage board pay, and public hearings. Director Muhammad stated there have been attempts by the suburbs of Birmingham since the 1970's to expand the board.

Following, Board Attorney Mark Parnell asked the Board to enter into Executive Session and stated under the open meeting's act the purpose of the meeting had to be certified to discuss pending litigation and stated such certification. He indicated there could be action taken after

coming out of 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 Mr. Brett King and seconded by Dr. Brenda Dickerson, that the Board hereby approves an Executive Session to discuss a pending litigation. Resolution No. 8088 is hereby adopted by unanimous vote.”

At 12:22 p.m. the Board, Senior Management and the Board’s Attorneys entered into an Executive Session.

At 12:34 p.m. a motion was duly made and seconded to adjourn the Executive Session and the meeting reopened.

Following, Chairman Burbage asked the board to adopt resolutions authorizing monthly retirement disability benefits from the Board’s Retirement Trust Fund for Patricia Barron, as set forth in agenda item 3. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, Patricia Barron, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring due to a disability, effective January 1, 2018, at an age of 58, and

WHEREAS, Patricia Barron has 15 years and 4 months of continuous service with the Board at her 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 \$3,652.31; and

NOW, THEREFORE, BE IT RESOLVED By the Board of Directors of The Water Works Board of the City of Birmingham, on motion duly made by Mr. Brett King and seconded by Mr. Ronald A. Mims, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$3,652.31 to Ms. Barron from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made June 1, 2019, including a retroactive payment of \$40,520.39 (December 2018 – May 2019, \$21,913.86 and the amount she was receiving from SSA; our payment which is reduced by the \$18,606.53 she receives from SSA, July 2018 – November 2018, \$18,606.53).

Resolution No. 8089 is hereby adopted by unanimous vote.”

“WHEREAS, Patricia Barron, an employee of The Water Works Board of the City of Birmingham, is retiring, effective January 1, 2018 under the Board’s Disability provision of its Retirement plan; and

WHEREAS, management has informed the Board of Patricia Barron’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

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors expresses its best wishes to Patricia Barron for satisfactory recovery and a return to work with the Board; and

BE IT FURTHER RESOLVED, that in recognition of Patricia Barron'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 a copy presented to Ms. Barron.

Resolution No. 8090 is hereby adopted by unanimous vote.”

As there was no further business before the Board, Chairman Burbage entertained a motion to adjourn the meeting. A motion was duly made and seconded, and the meeting adjourned at 12:34 p.m.

/s/
William Burbage, Jr.
Chairman/President

Attest:

/s/
Ronald A. Mims
Secretary-Treasurer

*Pursuant to Resolution No. 4985 (adopted February 22, 2007), Resolution Numbers 8075 through 8084 were duplicate resolution numbers from the meeting held on May 8, 2019. This scrivener's error has been corrected by reassigning each resolution number (8075 through 8084) with a subpart "(a) in minutes of May 22, 2019.