

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS OF THE
WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
April 12, 2023**

The regular bi-monthly meeting of the Directors of The Water Works Board of the City of Birmingham was held on Wednesday, April 12, 2023, at 9:00 a.m., at 3600 First Avenue North, Birmingham, Alabama, Training Room. The Public has the option to listen by phone by calling (888) 398-2342 Code: 5608731.

The following Directors were present via roll call: Lucien Blankenship, William “Butch” Burbage, Jr., Tom Henderson, Tereshia Huffman, Ronald A. Mims, George Munchus, Dalton NeSmith, Jr., Mashonda Taylor, and Larry Ward.

Others present were: Michael Johnson, General Manager; Iris Fisher and Derrick Murphy, Assistant General Managers; K. Mark Parnell, Parnell Thompson Law, LLC; Kelvin Howard, Kelvin Howard, LLC; Tiffanie Agee, Agee Law, LLC (late arrival 9:26 a.m.); Cynthia Williams, Board Administrator; Tammy F. Wilson, Executive Assistant to Assistant General Managers Derrick Murphy and Jeff Thompson; Colandus Mason, Information Technology Manager; Rosalind Jones, MGRA – Accounting Manager; Shirley Russell, Call Center Manager; Geraldine Davis, Customer Support Services Manager; Paul Lloyd, Human Resources Manager; Rick Jackson, Public Relations Manager; LaWanda Bonner, Interim Security Superintendent; Charles McGee and Jeff Wade, Electrical and Mechanical Shop; Olivia Martin, Office of the Attorney General; Michael Bell, Birmingham Construction Industry Authority; Mike Tucker, WBRC; Chandra Abesingha, CE Associates; Lindsey McAdory, CBG Strategies; Phillip Moultrie, Valent Group; Patrick Flannelly, ARCADIS U.S.; Daymeon Fishback and Greg Burchell, Morgan Stanley; Rusty Agi, Itron; Rhoynnda Claybender, Speaker.

Chairwoman, Tereshia Q. Huffman called the meeting to order at 9:01 a.m. Assistant General Manager, Iris Fisher opened the meeting with prayer.

Following a roll call, nine directors were present, so a quorum was in attendance.

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Next, the Board was asked to approve the agenda for April 12, 2023. Chairwoman Huffman asked that the agenda be approved in accordance with the By Laws and proper notice being given. Director Munchus asked if this meeting met the Open Meeting Law requirement. Attorney Parnell responded that proper notice was given, a 24-hour notice with a majority of the Directors consenting to the change. Attorney Parnell stated a majority of Directors were also present today. 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 Ms. Mashonda Taylor, that the Board of Directors hereby approves the April 12, 2023, Regular Board of Directors’ meeting agenda as revised and printed.

Resolution No. 9286 is hereby adopted. Director Munchus voted No.”

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Following, the Board was asked to approve minutes of the Regular Board of Directors’ meetings held February 8, 2023, and February 22, 2023, 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. Larry Ward and seconded by Mr. William “Butch” Burbage, Jr., that the Board hereby approves minutes of the February 8, 2023, and February 22, 2023, Regular Board of Directors’ Meetings.

Resolution No. 9287 is hereby adopted by unanimous vote.”

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Next, under Reports of Committee General Manager Michael Johnson read into the record scheduled committee meetings for the remainder of the month. Chairwoman Huffman asked if there was any word on the next Finance Committee meeting. General Manager Johnson responded that the meeting is scheduled for April 26th at 11:00 a.m., adding that there would only be one item on the agenda. Director Blankenship stated he had legal issue information relating to an item on the Board’s agenda today. Chairwoman Huffman asked Director Blankenship to hold his information until the referenced item is brought before the Board. Under Reports of Officers, the Board was asked to hear presentations from Morgan Stanley regarding the investment performance of the Birmingham Water Works Board (BWVB) Pension and OPEB Plans as of February 28, 2023. Daymeon Fishback and Greg Burchell, of Morgan Stanley presented the information. Mr. Fishback stated that January and February were hotter than expected, which allowed the U. S. Treasury markets to reprice the fed’s hiking path. Consumer Price Index (CPI) numbers came out this morning at 5.6% and many are questioning a recession. Rates will continue to be higher for longer they believe, Mr. Fishback stated. There may be a credit crunch due to the Silicon Valley bank failure, but the forecast is optimistic. Mr. Burchell elaborated on the Silicon Valley bank failure and stated that there were few clients, with big assets and a lot of risk. There was no Chief Risk Officer in place at the time Mr. Burchell stated and there was limited regulatory oversight. The bank did not have the liquidity, long term investments were sold, they realized a loss, and they got out of the market, which caused a run on the bank. The larger global banks are in good shape, and we believe this is more of an isolated event. We are watching inflation. The dollar is weakening. We are still in the midst of a long-term bull market, which is supported by

demographics. Under performance, through February 2023, we are up about 4.5% on the pension. Allocations and performances were briefly discussed. Mr. Burchell stated they would like to look at adding more bonds instead of being equity biased. The OPEB Trust is at \$33.3 million currently. Last year about \$2.3 million was taken out to meet obligations. We are in compliance on both funds, Mr. Burchell stated. Director Ward asked where the bulk of international equities are. Mr. Burchell responded they are mostly in Europe, Japan, and other developed nations. The team also likes Emerging markets Mr. Burchell stated. Director Mims asked if we were better or worse off than other company's plans. Mr. Burchell stated BWWB's performance would be in the top, as opposed to even average. Director Munchus asked if this information has been shared with retirees. GM Johnson stated there are two retiree representatives that are kept current on things, and they are very happy with everything. Also, the actuary study is in process, and we will bring that to the Board when it is final. There was no Unfinished Business.

Following, there was one Speaker, and Chairwoman Huffman read the Board policy on Speakers. Ms. Rhoynnda Claybender spoke about a billing problem she was having with her deceased mother's home. Various complaints from no one returning calls, to bills being discontinued and water service being shut off at the address were mentioned by the Speaker. Chairwoman Huffman asked the BWWB Customer Service team to assist Ms. Claybender and to provide a response to the Board within 24 hours. GM Johnson instructed the employees to do so.

Next, under New Business, the Board was asked to adopt resolutions authorizing monthly retirement benefits from the Board's Retirement Trust Fund for Rhonda Brooks, Reta Cotton, and Shannon Harris, as set forth in agenda Items 2.1 through 2.3. On motions duly made and seconded, the following resolutions were adopted:

“WHEREAS, Rhonda Brooks, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective May 1, 2023, at an age of 59, and

WHEREAS Rhonda Brooks has 35 years 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 \$9,553.13; 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 Dr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$9,553.13 to Ms. Brooks from the Board's Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made May 1, 2023.

Resolution No. 9288 is hereby adopted by unanimous vote.”

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“WHEREAS, Rhonda Brooks, an employee of The Water Works Board of the City of Birmingham, is retiring, effective May 1, 2023, after 35 years of service with the Board; and

WHEREAS management has informed the Board of Rhonda Brooks’ 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 Rhonda Brooks 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, Rhonda Brooks is hereby commended for her efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Rhonda Brooks’ 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 Ms. Brooks.

Resolution No. 9289 is hereby adopted by unanimous vote.”

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“WHEREAS, Reta Cotton, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective May 1, 2023, at an age of 53, and

WHEREAS, Reta Cotton has 30 years 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 \$4,240.91; 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 Dr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$ 4,240.91 to Ms. Cotton from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made May 1, 2023.

Resolution No. 9290 is hereby adopted by unanimous vote.”

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“WHEREAS, Reta Cotton, an employee of The Water Works Board of the City of Birmingham, is retiring, effective May 1, 2023, after 30 years of service with the Board; and

WHEREAS, management has informed the Board of Reta Cotton’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, Reta Cotton, 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, Reta Cotton is hereby commended for her efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Reta Cotton’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 Ms. Cotton.

Resolution No. 9291 is hereby adopted by unanimous vote.”

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“WHEREAS, Shannon Harris, an employee of The Water Works Board of the City of Birmingham (“the Board”), is retiring, effective May 1, 2023, at an age of 52, and

WHEREAS Shannon Harris has 30 years of continuous service with the Board at his retirement date, and in accordance with the terms of the Trusteed Pension Plan, is entitled to receive a monthly Retirement payment from the Board’s Retirement Trust Fund in the amount of \$3,535.09; 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 Dr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$3,535.09 to Mr. Harris from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made May 1, 2023.

Resolution No. 9292 is hereby adopted by unanimous vote.”

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“WHEREAS, Shannon Harris, an employee of The Water Works Board of the City of Birmingham, is retiring, effective May 1, 2023, after 30 years of service with the Board; and

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

BE IT FURTHER RESOLVED, that in recognition of Shannon Harris’ 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. Harris.

Resolution No. 9293 is hereby adopted by unanimous vote.

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Following, the Board was asked to adopt resolutions authorizing monthly disability retirement benefits from the Board’s Retirement Trust Fund for Bradley Griggs, as set forth in agenda Item 3. On motions duly made and seconded, the following resolutions were adopted:

“WHEREAS, Bradley J. Griggs, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring due to a disability, effective December 1, 2022, at an age of 42, and

WHEREAS, Bradley J. Griggs has 14 years and 3 months of continuous service with the Board at his retirement date, and in accordance with the terms of the Trusteed Pension Plan, is entitled to receive a monthly Retirement payment from the Board’s Retirement Trust Fund in the amount of \$976.52; 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. Larry Ward and seconded by Mr. Tom Henderson, that the Trustee be, and is hereby instructed to pay monthly benefit payments of

\$976.52 to Mr. Griggs from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made May 1, 2023. Mr. Griggs was declared disabled as of May 23, 2022, and his retirement disability becomes effective May 1, 2023 (retroactive payment for December 2022, January 2023, February 2023, March 2023, and April 2023). The Board’s Trust Fund retirement disability is reduced by the Social Security disability amount paid to the participant.

Resolution No. 9294 is hereby adopted by unanimous vote.”

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“WHEREAS, Bradley J. Griggs, an employee of The Water Works Board of the City of Birmingham, is retiring, effective May 1, 2023, under the Board’s Disability provision of its Retirement plan; and

WHEREAS, management has informed the Board of Bradley J. Griggs’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 Bradley J. Griggs; and

BE IT FURTHER RESOLVED, that in recognition of Bradley J. Griggs’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 Mr. Griggs.

Resolution No. 9295 is hereby adopted by unanimous vote.”

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Next, the Board was asked to approve payment of an invoice to Hilliard, Smith & Hunt, LLC, as 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 Dr. George Munchus and seconded by Mr. Tom Henderson, that the Board hereby approves payment of an invoice to Hilliard, Smith & Hunt, LLC, for professional services rendered March 2023, in the amount of \$13,000.00.

Resolution No. 9296 is hereby adopted. Directors Huffman and Mims Abstained.”

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Following, the Board was asked to approve payments of invoices to various consultants, as set forth in agenda Items 5.1 and 5.5. GM Johnson read the invoice payments into the record. Director Mims asked when the adjustment was made on O2 Ideas. GM Johnson stated February 2023. Director Munchus commended CBG Strategies, LLC for their detailed invoice. 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. Dalton NeSmith and seconded by Mr. Larry Ward, that the Board hereby approves payments of invoices to the following:

- 5.1 Terminus Municipal Advisors, LLC, for professional services rendered March 2023, in the amount of \$8,500.00.
- 5.2 CBG Strategies, LLC, for professional services rendered March 2023, in the amount of \$15,000.00.
- 5.3 O2 Ideas, Inc., for professional services rendered February 2023, in the amount of \$25,000.00; and March 2023, in the amount of \$10,000.00.
- 5.4 Raftelis Financial Consultants, Inc., for professional services, related to the WIFIA Loan, rendered February 2023, in the amount of \$24,712.50.
- 5.5 ARCADIS U.S., Inc. for professional services rendered January 2023 in the amount of \$365,137.77.

Resolution No. 9297 is hereby adopted by unanimous vote.”

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Next, the Board was asked to amend travel policy related items, as recommended by the Human Resources Committee, and as set forth in agenda Items 6.1 through 6.3. 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 Ms. Tereshia Huffman and seconded by Mr. Tom Henderson, that the Board hereby amends the following, as recommended by the Human Resources Committee:

- 6.1 Travel Expense Reimbursement Policy for Board of Directors
- 6.2 Section 9.2 (Travel Expenses and Reimbursement) in the Employee Handbook
- 6.3 Section 9020 (Travel Expenses and Reimbursement) in the Human Resource Management Guide

Resolution No. 9298 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve JOBS Subsidized Employment Agreements, with the Alabama Department of Human Resources JOBS Program, as recommended by the Human Resources Committee, and 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 Ms. Tereshia Huffman and seconded by Dr. George Munchus, that the Board hereby approves JOBS Subsidized Employment Agreements with the Alabama Department of Human Resources JOBS Program; and authorizes the General Manager and/or Assistant General Manager to execute the agreements as recommended by the Human Resources Committee.

Resolution No. 9299 is hereby adopted by unanimous vote.”

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Next, the Board was asked to ratify the purchase of bottled water from the Coca Cola Bottling Company, as set forth in agenda Item 8. Director Mims asked if anything more has been done regarding Birmingham Water Works bottling its own water. GM Johnson stated there were some challenges ranging from establishing distribution channels to our large customers, who buy our water to sell it. Director Munchus asked about a possible partnership. GM Johnson stated delivering quality water is BWW’s primary focus. 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 ratifies the purchase of bottled water from the Coca Cola Bottling Company, to assist the citizens of LaFayette, Alabama with their drinking water needs, due to a massive storm that caused a major pipe failure, at an out-of-pocket cost of \$9,720.00.

Resolution No. 9300 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve the purchase of property located at 100 Lucerne Lane to be used as the Birmingham Water Works laboratory, as set forth in agenda Item 9. Attorney Parnell stated the purchase price is \$6,555,000.00 and is subject to the Board’s 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. Larry Ward and seconded by Mr. Dalton NeSmith, that the Board hereby approves the purchase of property located at 100 Lucerne Lane to be used as Birmingham Water Works laboratory, as recommended by the Executive Committee.

Resolution No. 9301 is hereby adopted. Director Munchus Abstained.”

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Next, the Board was asked to approve the Joint Billing and Collection Agreement between Jefferson County and the Water Works Board of the City of Birmingham, as set forth in agenda Item 10. Director Munchus addressed concerns about 2024 projected rate increases and asked management to convert that into a dollar amount instead of using percentages (a financial impact document spreadsheet of the joint agreement between Jefferson County and BWW was distributed and is on file with the Board meeting book). Chairwoman Huffman thanked Director Ward for leading the effort on this item. Director Munchus asked if the County Commission had to approve this agreement, and GM Johnson stated they do have to approve, adding he had not had any discussions with them regarding this agreement. 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. Dalton NeSmith, that the Board hereby approves the Joint Billing and Collection Agreement between Jefferson County and The Water Works Board of the City of Birmingham which is a five (5) year agreement, effective January 1, 2024, through December 31, 2029; and authorizes the Chairwoman and/or the Vice-Chairman to execute the agreement, as recommended by the Executive Committee.

Resolution No. 9302 is hereby adopted in a roll call vote as follows: Director Blankenship, Yes; Director Burbage, Yes; Director Henderson, Yes; Director Huffman, Yes; Director Mims, Abstain; Director Munchus, Abstain; Director NeSmith, Yes; Director Taylor, Yes; Director Ward, Yes.”

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Following, the Board was asked to adopt the Self Governance Policy and Pledge for the Water Works Board of the City of Birmingham, as discussed, and considered by the Executive Committee on Monday, April 10, 2023, and set forth in agenda Item 11. Attorney Parnell explained the policy, which he was asked to draft. It will require Directors to adhere to the provisions in the policy, which includes training in ethics and procedures within 60 days of approving. It would also include two hours of Continuing Education, and an additional minimum three hours education on water relevant topics, between January 1 and April 30. The enforcement mechanism negates the meeting expense allowance if the policy requirements are not met by a Board member. The pledge would be signed by each Board member and posted on the company

website. Director Blankenship outlined why he believed this resolution is an illegal one. Director Blankenship stated that while he did not necessarily disagree with the spirit of the resolution, he stated that there clearly was no legal authority to pass this policy. The BWWB lacks authority to require individual Board Members to execute a pledge other than the Oath of Office required for Public Officials. Members of utility boards are "public officers". However, they are not required to take the oath of office prescribed for municipal officers. See AGO to Mr. Jack Blalock, August 17, 1977. Because the BWWB lacks authority to require Board members to take the proposed pledge, it has no authority to take any action for refusal to take such pledge. The BWWB has no authority to penalize Board members for violations of the Ethics Laws or to post proof of compliance on the BWWB website, as authority over compliance with the Ethics Laws has been given exclusively to the Alabama Ethics Commission. The BWWB has no authority to require that a Board member receive formal training on Parliamentary Procedure or to require that proof of such training be posted on the BWWB website. The BWWB may however mandate that such training be made available to the Board members if they choose to attend, and the BWWB may pay the costs of such training. The BWWB has no authority to require that a Board member receive formal training on Alabama Public Laws or to require that proof of such training be posted on the BWWB website. The BWWB may however mandate that such training be made available to the Board members if they choose to attend, and the BWWB may pay the costs of such training. The BWWB has no authority to require that a Board member receive formal training on Alabama Public Laws or to require that proof of such training be posted on the BWWB website. The BWWB has no authority to require that a Board member meet minimum continuing education requirements or to require that proof of such training be posted on the BWWB website. The BWWB has no authority to withhold payment of authorized expenses for failure to complete arbitrary training requirements. Section 11-50-234.1, Code of Alabama grants the BWWB the power to authorize the payment by such board of a reasonable meeting expense allowance, not exceeding the daily pay of the highest paid employee of the Board, to each member of the Board of Directors for expenses in attendance at meetings of the Board of Directors and attending to and supervising the business of such board. However the law does not authorize the BWWB to condition the payment of expenses on anything other than attendance at meetings of the Board of Directors and attending to and supervising the business of the Board. Section 11-50-303, Code of Alabama limits the total compensation of Board members (including reimbursement for expenses) and addresses requirements for Board members to comply with Ethics Laws and the Open Meetings Act.

Alabama State Law, Section 11-50-234.1 authorizes reasonable meeting expenses, Section 11-50-303 authorizes compensation not to exceed \$1,000.00, there is no authority to withhold pay from a Board member in the law (if you have some law to that effect it needs to be cited), pay is a property interest, the state legislature set the compensation of BWB Board Directors, the legislature is the only body that can disqualify compensation. Resolution 8830 adopted state law so that Directors could be compensated, and its only requirement is for Directors to attend meetings. Director Blankenship asked to be shown where a Board has the authority to amend or expand Board members pay. Chairwoman Huffman asked Director Blankenship if his complaint

is with training or with transparency. Chairwoman Huffman stated she wanted transparency on this Board, and she wanted it to operate that way because as Board members, we are required to vote on millions of dollars of contracts. Chairwoman Huffman stated that currently Board members go against policies that we adopt on a monthly basis and that is what brings us here. Chairwoman Huffman asked Director Blankenship to support this pledge. Director Blankenship stated he was fine with transparency, but he was concerned about the legal authority associated with this resolution. Attorney Parnell stated this is a policy for the Board to govern yourselves. The Board has the clear authority under the enabling statute to pass policies in order to better perform your jobs. Attorney Parnell stated the resolution does not do anything to usurp state laws. Attorney Parnell referred to Section 11-50-234.1 and stated it is the authority under which this Board receives compensation. Attorney Parnell was asked to and did read Section 11-50-234.1 into the record. Chairwoman Huffman attempted to proceed with moving this item forward for consideration by the Board. Director Blankenship claimed that the Board was being misled and disagreed with Attorney Parnell's opinion. Chairwoman Huffman asked Director Blankenship why this information was not shared earlier, adding that he frequently comes to meetings saying that he has not read material and therefore is not prepared to vote on things. Director Blankenship stated that he agreed with the spirit of the resolution and added that he would participate in the required training. Attorney Parnell stated he respectfully disagreed with Director Blankenship's opinion, and he added that this would not have been brought before the Board if there was not legal support for it. A motion to approve this item was made by Director NeSmith and seconded by Director Ward. Director Munchus stated he believed that there had been some discussion that he had been abusing the media policy. Director Munchus stated he wanted to make it clear that he would continue to deal with the media and possibly hold press conferences and begin a podcast. Director Munchus stated he believed the pledge was an attack on first amendment rights. Director Munchus stated he hoped he was not the topic of discussion in the upcoming Executive Session today, adding he would vote no on this item. Chairwoman Huffman reiterated that there are obligations of BWW Board members. Chairwoman Huffman paralleled having a job and a responsibility to that company to being a serving member of a Board. Director Taylor stated she thought the pledge was done with good intentions; however she stated the manner in which it has been presented seems to be the issue adding that everyone is not on the same page. A retreat would be a place to start, Director Taylor stated. The pledge is not new to this Board, and it has been discussed before at a retreat chairwoman Huffman explained. Unfortunately, we did not move forward with it. Director Mims raised questions about receiving compensation. Director Ward reiterated what Chairwoman Huffman stated, adding that Director Taylor was at a slight disadvantage being new to the Board, that this had been brought forward and discussed at a Board retreat. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, as more fully set forth herein, The Water Works Board of the City of Birmingham desires to establish a Self-Governance Policy for its board of directors addressing the directors' responsibilities, conduct and training.

NOW THEREFORE, BE IT RESOLVED By The Water Works Board of the City of Birmingham, on a motion duly made by Mr. Dalton NeSmith and seconded by Mr. Larry Ward, as follows:

1. PLEDGE:

To address the responsibilities and conduct of its board of directors, the Water Works Board hereby adopts and establishes the Board of Director Pledge for The Water Works Board of the City of Birmingham (the “Pledge”) attached hereto as Exhibit “A” and incorporated as if fully set for herein.

(a) Due to the importance for the proper governance of the Water Works Board, as well as each director’s legal and fiduciary responsibilities, each director is expected to acknowledge their consent, acknowledgement and agreement to the Pledge within thirty (30) days of the date of the adoption of this Self-Governance Policy and thereafter, within thirty (30) days of a director being appointed to the Water Works Board.

(b) Upon each director’s acknowledgement and acceptance of the Pledge, the Pledge will be posted on the Water Works Board’s website.

2. MANDATORY INITIAL TRAINING:

(a) Ethics Training. Within sixty (60) days of the adoption of this Self-Governance Policy, the board of directors shall receive in person training from the Ethics Commission regarding Alabama’s Ethic Act. Thereafter, whenever all of, or a majority of, the board of directors are appointed to serve as directors for the Water Works Board, within sixty (60) days of their appointment, the board of directors shall receive in person training from the Ethics Commission regarding Alabama’s Ethics Act. Otherwise, when a single director is appointed to serve on the Water Works Board, within sixty (60) days thereafter that director shall complete the online training provided by the Ethics Commission pursuant to Ala. Code § 36-25-4.2(a)(4) (1075). In all cases, proof of each director’s completion of this training shall be posted on the Water Works Board’s website.

(b) Parliamentary Training. Within sixty (60) days of the adoption of this Self-Governance Policy, and thereafter, within sixty (60) days of a director being appointed to serve on the Water Works Board, directors shall receive training on parliamentary procedures. Such training will include the Water Works Board’s Bylaws, as well as Robert’s Rules of Order. Said training to be provided by either an outside consultant or legal counsel to the Water Works Board. Proof of each director’s completion of this training shall be posted on the Water Works Board’s website.

(c) Alabama Public Laws. Within sixty (60) days of the adoption of this Self-Governance Policy, and thereafter, within sixty (60) days of a director being appointed to serve the Water Works Board, directors shall receive training on Alabama’s Open Meetings Act, Public Records

Act, Competitive Bidding Act, and Public Works Act. Said training to be provided by legal counsel to the Water Works Board. Proof of each director’s completion of this training shall be posted on the Water Works Board’s website.

3. MANDATORY ONGOING TRAINING.

(a) Annually, between January 1 and April 30 of each year, the board of directors will receive a minimum of two (2) hours of additional combined training on Alabama’s Ethics Laws, Open Meetings Act, Public Records Act, Competitive Bidding Act, and Public Works Act. Said training to be provided by legal counsel to the Water Works Board. Proof of each director’s completion of this training shall be posted on the Water Works Board’s website.

(b) Each director shall obtain a minimum of three (3) hours of training on topics relevant to the water industry. Such topics to include, but not be limited to, corporate governance, business operations, public finance, utility rate setting, employment/personnel topics, and engineering related matters. Said training to be provided by any of the following: legal counsel to the Water Works Board, an expert in rate setting, the Water Works Board’s Independent Engineer, through attendance at any required continuing professional education or through attending any relevant water utility conferences. Proof of each director’s completion of this training shall be posted on the Water Works Board’s website.

4. ENFORCEMENT PROVISION.

Resolution No. 8330 establishes the amount that a director may receive as an expense allowance under Ala. Code § 11-50-234.1 (1975), as limited by Ala. Code § 11-50-303(a) (1975) (“Expense Allowance”). Effective immediately, Resolution No. 8330 is amended and supplemented to provide that the failure or refusal of a director to comply with this Self-Governance Policy shall disqualify that director from receiving an Expense Allowance during the period of time that such director is noncompliant.

Resolution No. 9303 is hereby adopted by a roll call vote, as follows: Director Blankenship, No; Director Burbage, Yes; Director Henderson, Yes; Director Huffman, Yes; Director Mims, No; Director Munchus, No; Director NeSmith, Yes; Director Taylor, Yes; Director Ward, Yes.”

* * * * *

Next, Speaker Rhoynnda Claybender addressed the meeting body stating her issue had been resolved.

Following, Director NeSmith requested the Executive Session be tabled. 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. Dalton NeSmith and seconded by Mr. Larry Ward, that the Board hereby tables entering an Executive Session to discuss legal counsel matters that are appropriate under Ala. Code Section 36-25A-7(a)(3).

Resolution No. 9304 is hereby adopted by unanimous vote.”

* * * * *

Next, as there was no further business before the Board, a motion was made and seconded and the meeting was adjourned at 10:24 a.m.

/S/
Tereshia Q. Huffman
Chairwoman

Attest:

/S/
Larry Ward
Secretary-Treasurer