

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS OF THE
WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
August 23, 2023**

The regular bi-monthly meeting of the Directors of The Water Works Board of the City of Birmingham was held on Wednesday, August 23, 2023, at 11:30 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 B. Blankenship, William “Butch” Burbage, Jr., Tom Henderson, Tereshia Huffman, George Munchus, Dalton NeSmith, Jr., Mashonda Taylor, and Larry Ward. Director Ronald A. Mims was absent.

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; Byron Perkins, Perkins-Law, LLC; Tiffanie Agee; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Tammy F. Wilson, Executive Assistant to Assistant General Manager Derrick Murphy; Matt Shiver, Purchasing Manager; Paul Lloyd, Human Resources Manager; Colandus Mason, Information Technology Manager; Rosalind Jones, MGRA – Accounting Manager; Jackie Hill, Accounting Manager; David Walker, Security Manager; Anthony Hazel, Security Superintendent; Akhi King, Security; Joyce Perry, Safety & Risk Management Supervisor; Drusilla Hudson, EnviroLab Manager; Charles McGee and Jeff Wade, Electrical and Mechanical Shop; Kessia Crenshaw, Office of the Attorney General; Kim Bivens, Birmingham Construction Industry Authority; Patrick Flannelly, ARCADIS U.S.; Kirk Mills, Kimley-Horn; Lindsey McAdory, CBG Strategies; Kamilah Lewis, City of Birmingham; Roy St. John, AL.com.

Chairwoman, Tereshia Huffman called the meeting to order at 11:30 a.m. General Manager, Michael Johnson opened the meeting with prayer.

Following a roll call, eight directors were present, so a quorum was in attendance. Director Mims was absent.

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Next, the Board was asked to approve the agenda for August 23, 2023. 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 Dr. George Munchus, that the

Board of Directors hereby approves the August 23, 2023, Regular Board of Directors’ meeting agenda as printed.

Resolution No. 9393 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve minutes from the Regular Board of Directors’ meeting held June 26, 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 Ms. Mashonda Taylor and seconded by Dr. George Munchus, that the Board hereby approves minutes of the June 26, 2023, Regular Board of Directors’ Meeting

Resolution No. 9394 is hereby adopted by unanimous vote.”

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Next, Under Reports of Committee, General Manager Johnson announced that following the Regular Board of Directors’ Meeting today, an Executive Committee Meeting would be held. Under Reports of Officers, Director Munchus provided a document (a copy of which is on file with the Board Meeting Book) from the United States Securities And Exchange Commission (SEC). Board Administrator, Cynthia Williams distributed the document. Director Munchus stated he was not a fan of the SEC, nor of chemical manufacturing, and he suggested that the Board consider petitioning for funds in the settlement of the \$10 - \$12 billion lawsuit against the 3M Company. Director Munchus apologized for not emailing this information to the Board earlier. Director Munchus stated he understood that the PFAS analysis under the former Assistant General Manager of Operations & Technical Services did not reveal any significant concerns. Director Munchus added that he hoped the Board would consider keeping the law firm that has national recognition should they decide to pursue this. There was no Unfinished Business and there were no Speakers.

Following, under New Business, the Board was asked to approve payments of invoices, as set forth in agenda Items 2.1 through 2.4. 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. Dalton NeSmith and seconded by Dr. George Munchus, that the Board hereby authorizes staff to approve payments of invoices to the following:

- 2.1 Terminus Municipal Advisors, LLC, for professional services rendered July 2023, in the amount of \$8,500.00.

- 2.2 Birmingham Construction Industry Authority, for professional services rendered July 2023, in the amount of \$25,000.00.
- 2.3 Kelvin W. Howard, LLC, for professional services rendered July 2023, in the amount of \$30,068.00.
- 2.4 Parnell Thompson, LLC, for professional services rendered July 2023, in the amount of \$54,225.00.

Resolution No.9395 is hereby adopted by Directors Burbage, Henderson, Huffman, Munchus, NeSmith, Taylor and Ward. Director Blankenship voted No.”

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Next, the Board was asked to award a pipeline replacement bid to Willoughby Contracting Company, Inc., as set forth in agenda Item 3.1 and recommended by the Engineering and Maintenance Committee. 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 Ms. Tereshia Huffman, that the Board hereby awards a bid as follows, and as recommended by the Engineering and Maintenance Committee.

- 3.1 Willoughby Contracting Company, Inc., the lowest responsible and responsive bidder, for the replacement of approximately 4,180’ of 2” galvanized steel pipe/2” unlined cast iron pipe with approximately 3,400’ of 6” DICL pipe; 1,400’ of 4” DICL pipe and related appurtenances; and 48 water services along Court “A”; Avenue “B”; Avenue “C”; Avenue E”; Court “E”; 3rd Way; 5th Place; 5th Way; and 6th Street located in the Pratt City Community at a bid amount of \$771,999.30; plus estimated cost of materials and Water Board labor in the amount of \$372,162.35; for an estimated out-of-pocket cost of \$1,144,161.65; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.

Resolution No. 9396 is hereby adopted by unanimous vote.”

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Following, the Board was asked to award a pipeline replacement bid to Tren-Tay, Inc., as set forth in agenda Item 3.2 and recommended by the Engineering and Maintenance Committee. 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 Dr. George Munchus, that the Board hereby awards a bid as follows, and as recommended by the Engineering and Maintenance Committee.

- 3.2 Tren-Tay, Inc., the lowest responsible and responsive bidder, for the replacement of approximately 6,250’ of 2” galvanized steel pipe/2” unlined cast iron pipe with approximately 3,200’ of 8” DICL pipe; 2,370’ of 6” DICL pipe and related appurtenances; and 121 water services along 3rd Avenue South; 4th Avenue South; 70th Street South; Kimberly Avenue South; and Oporto Avenue South located in the Eastlake Community of the City of Birmingham, Alabama at a bid amount of \$1,359,776.10; plus estimated cost of materials and Water Board labor in the amount of \$536,893.26; for an estimated out-of-pocket cost of \$1,896,669.36; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.

Resolution No. 9397 is hereby adopted by unanimous vote.”

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Next, the Board was asked to award a pipeline replacement bid to Willoughby Contracting Company, Inc., as set forth in agenda Item 3.3 and recommended by the Engineering and Maintenance Committee. Director Burbage stated he noticed the upgrades on the approved pipeline projects, and he hoped Staff was using this positive messaging to customers. 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 Dr. George Munchus, that the Board hereby awards a bid as follows, and as recommended by the Engineering and Maintenance Committee.

- 3.3 Willoughby Contracting Company, Inc., the lowest responsible and responsive bidder, for the replacement of approximately 3,890’ of 2” galvanized steel pipe/2” unlined cast iron pipe, 560’ of 4” unlined cast iron pipe and 820’ of 6” unlined cast iron pipe with approximately 2,400’ of 6” DICL pipe; 2,200’ of 4” DICL pipe and related appurtenances; and 83 water services along Avenue “V”; Avenue “U”; Court “T”; 4th Place; 6th Lane; 6th Place; and 7th Street located in the Pratt City Community at a bid amount of \$821,392.08; plus estimated cost of materials and Water Board labor in the amount of \$393,595.91; for an estimated out-of-pocket cost of \$1,214,987.99; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.

Resolution No. 9398 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve a three-year agreement with Carr, Riggs & Ingram, LLC, Certified Public Accountants, to conduct the 2023, 2024, and 2025 Financial Statement Audits, including interim audit procedures, at a cost not-to-exceed \$195,000.00 for 2023; \$202,500.00 for 2024, \$210,000.00 for 2025; and to authorize the General Manager and/or the Assistant General Manager to execute the agreement, as recommended by the Finance Committee, and 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 Mr. Larry Ward and seconded by Mr. William “Butch” Burbage, Jr., that the Board hereby approves a three-year agreement with Carr, Riggs & Ingram, LLC, Certified Public Accountants, to conduct the 2023, 2024, and 2025 Financial Statement Audits, including interim audit procedures, at a cost not-to-exceed \$195,000.00 for 2023; \$202,500.00 for 2024, \$210,000.00 for 2025; and authorizes the General Manager and/or the Assistant General Manager to execute the agreement, as recommended by the Finance Committee.

Resolution No. 9399 is hereby adopted by unanimous vote.”

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Next, the Board was asked to approve the utilization of the State of Alabama Contract #MA 999 - 180000000003 for Unleaded 89 (Mid-Grade) Gasoline and Low-Sulfur On-Road Diesel to Cougar Oil, for fuel shipments that are less than 7,500 gallons, at an estimated out-of- pocket cost of \$956,584.00 (estimated fuel costs, \$743,674.96; plus mark-up & fees, \$212,909.52) for Low-Sulfur On-Road Diesel and \$1,858,462.00 (estimated fuel costs, \$1,373,041.51; plus mark-up & fees, \$485,420.87) for Unleaded 89 (Mid-Grade) Gasoline, both for a period of up to three years or until the State of Alabama awards a new contract for gasoline and diesel fuels, as recommended by the Engineering and Maintenance Committee, and set forth in agenda Item 5. Director Munchus asked if the state plans to award a new contract. GM Johnson stated the existing contract expires August 31st and the state is in the process of re-bidding. 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 Ms. Mashonda Taylor, that the Board hereby approves to utilize the State of Alabama Contract #MA 999 - 180000000003 for Unleaded 89 (Mid-Grade) Gasoline and Low-Sulfur On-Road Diesel to Cougar Oil, for fuel shipments that are less than 7,500 gallons, at an estimated out-of- pocket cost of \$956,584.00

(estimated fuel costs, \$743,674.96; plus mark-up & fees, \$212,909.52) for Low-Sulfur On-Road Diesel and \$1,858,462.00 (estimated fuel costs, \$1,373,041.51; plus mark-up & fees, \$485,420.87) for Unleaded 89 (Mid-Grade) Gasoline, both for a period of up to three years or until the State of Alabama awards a new contract for gasoline and diesel fuels, as recommended by the Engineering and Maintenance Committee.

Resolution No. 9400 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve a property claim settlement in the amount of \$57,031.04; and to authorize the General Manager and/or Assistant General Manager to execute any necessary documents needed to settle the claim, as set forth in agenda Item 6. 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 a property claim settlement in the amount of \$57,031.04; and authorizes the General Manager and/or Assistant General Manager to execute any necessary documents needed to settle the claim.

Resolution No. 9401 is hereby adopted by unanimous vote.”

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Next, the Board was asked to discuss with legal counsel legal matters that are appropriate under Ala. Code Section 36-25A-7(a)(3), as set forth in agenda Item 7. Attorney Parnell certified an Executive Session to discuss two lawsuits, one, related to Item 8 on the agenda and an additional item. It was anticipated that the session would last approximately 30 minutes and that Board action would be taken following. Director Ward asked for an update on the mud at the Cahaba River first. AGM Murphy stated a “Cease and Desist” letter had been sent to the developer, so no further work is to be performed at this time. Attorney Parnell is involved. The Board entered Executive Session at 11:49 a.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 Mr. William “Butch” Burbage, Jr. and seconded by Ms. Mashonda Taylor, that the Board hereby enters Executive Session to discuss with legal counsel legal matters that are appropriate under Ala. Code Section 36-25A-7(a)(3).

Resolution No. 9402 is hereby adopted by unanimous vote.”

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Following, on a motion made by Director Ward and seconded by Director Henderson, the meeting re-opened at 12:18 p.m. and the Board was asked to take action regarding that certain lawsuit bearing Civil Action Number 01-CV-2021-900773.00 in the amount of \$90,000.00, as set forth in agenda Item 8. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, there is presently pending against The Water Works Board of the City of Birmingham, et. al., Jefferson County Civil Action Number 01-CV-2021-900773.00.

WHEREAS, a settlement of the above lawsuit has tentatively been reached, subject to approval of the Board of Directors for the Water Works Board; and,

WHEREAS, the settlement of the above lawsuit falls under our Self-Insured Retention limits.

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

The Water Works Board’s General Manager and Water Works Board legal counsel, Tiffanie Agee of Agee Law, LLC, are authorized to take such actions as needed to complete the settlement of the Lawsuit for the sum of \$90,000.00, in accordance with the terms and conditions of the Water Works Board’s insurance policies and procedures, and to cause the lawsuit to be dismissed with prejudice.

Resolution No. 9403 is hereby adopted by unanimous vote.”

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Next, as there was no further business before the Board, a motion was made by Director Ward and seconded by Director Henderson, and the meeting was adjourned unanimously at 12:19 p.m.

/S/
Tereshia Q. Huffman
Chairwoman

Attest:

_____/S/_____
Larry Ward
Secretary-Treasurer