

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
April 13, 2017**

The regular bi-monthly meeting of the directors of The Water Works Board of the City of Birmingham was held on Thursday, April 13, 2017 at 9:00 a.m., in the principal office of the Board, 3600 First Avenue North, Birmingham, Alabama.

The following Directors were present: Sherry Lewis, Tommy Joe Alexander, Deborah Clark, Butch Burbage, Ronald A. Mims, William Muhammad and Brenda Dickerson. The following Directors were not present: George Munchus and Brett King.

The meeting was also attended by: Mac Underwood, General Manager; Michael Johnson, Sonny Jones and Darryl Jones, Assistant General Managers; Grace Amison, Executive Assistant to the Board of Directors; Anitra Hendrix, Executive Assistant to the General Manager; George Anderson, Rick Jackson and Scott Starkey, Board Employees; Mary Thompson, K. Mark Parnell and Kelvin Howard, Parnell Thompson, LLC; Dorian Kendrick, The Lewis Group; Jerry Jones, ARCADIS; Theo Johnson, Volkert, Inc.; Nelda Thompkins, Isaac Ballard, David Russell, Iva Williams and Carlos Chaverst.

Inasmuch as much as seven of the directors were present; Chairwoman Lewis declared a quorum in attendance.

Chairwoman Lewis called the meeting to order at 9:00 a.m. and Assistant General Manager Michael Johnson opened with prayer.

Following, Chairwoman Lewis recognized Director Mims for returning to the board after a brief absence. The General Manager then requested the agenda be amended and recommended agenda item 5, Request Board to approve the release of water from Inland Lake for testing purposes, be tabled and to add under agenda item 6, Request the Board to approve and authorize the General Manager and/or Assistant General Manager to transact financial and banking business, including wire transfers, and to open or close any financial or brokerage accounts with BB&T Capital Markets. 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. Butch Burbage and seconded by Ms. Deborah Clark, that the Board hereby amends the agenda and adds the following item to agenda item 6:

Request Board to approve and authorize the General Manager and/or Assistant General Manager to transact financial and banking business, including wire transfers, and to open or close any financial or brokerage accounts with BB&T Capital Markets

Resolution No. 7451 is hereby adopted by Directors Alexander, Burbage, Clark, Dickerson, Lewis, and Mims; Director Muhammad voted no.”

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Following, the General Manager asked the board to approve payments of invoices for professional services, as set forth in agenda items 1.1 through 1.7. The General Manager indicated staff had reviewed the invoices and recommended them for approval. Director Dickerson questioned what the general fees charge for agenda item 1.7 is. Board Attorney Mary Thompson stated the general file include items such as day-to-day questions from staff, projects, drafting resolutions, review of contracts and review of minutes. Director Dickerson then requested that more information be provided going forward regarding the general file fees. She also indicated she would like more information provided regarding employment matters. Ms. Thompson stated those fees are related to personnel issues and employees' names would not be disclosed due to privacy reasons. Director Muhammad questioned how many billable hours are included on the attorneys' invoice and does it coincide with the rate. The General Manager stated the attorneys are charging based on the rates in the contract. He stated the billable hours can be summarized. Director Muhammad questioned whether employment matters are cases that have been filed against BWWB. Ms. Thompson stated most of the cases are related to Equal Employment Opportunity Commission (EEOC). Director Muhammad questioned whether the EEOC cases are increasing. Paul Lloyd, Human Resources Manager, stated the cases varies throughout the years and indicated he receives about 1-3 cases per year. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Tommy Joe Alexander and seconded by Ms. Deborah Clark, that the Board hereby authorizes staff to execute payments to the following:

1.1	<u>Carl Dalton NeSmith, Jr., LLC</u> For retainer fee for April 2017	<u>\$ 500.00</u>
1.2	<u>Dominick Feld Hyde, LLC</u>	
1.2.1	For professional services related to BWWB – Cafeteria Plan – March 20, 2017 through March 22, 2017	<u>\$ 504.00</u>
1.2.2	For professional services relative to BWWB - OPEB – March 23, 2017 through March 24, 2017	<u>\$ 2,644.80</u>
1.3	<u>Birmingham Construction Industry Authority, Inc.</u>	
1.3.1	For professional services rendered for March 2017	<u>\$ 2,000.00</u>
1.3.2	For professional services rendered for April 2017	<u>\$ 2,000.00</u>
1.4	<u>Terminus Municipal Advisors, LLC</u> For professional services rendered for March 2017	<u>\$ 6,500.00</u>
1.5	<u>Ragsdale, LLC</u> For professional services rendered through April 5, 2017	<u>\$ 8,668.00</u>
1.6	<u>The Lewis Group</u> For professional services rendered for February 2017	<u>\$ 25,000.00</u>
1.7	<u>Parnell Thompson, LLC</u> For professional services rendered for April 2017	<u>\$ 80,584.00</u>

Resolution No. 7452 is hereby adopted by unanimous vote.”

Following, the General Manager asked the board to adopt a resolution approving the General Manager to travel to and from Washington, D.C. to attend the Environmental Protection Agency’s (EPA) Water Infrastructure Sustainability Program Spring 2017 Peer-to-Peer Water System meeting on May 15-17, 2017 and to pay any advances necessary and to reimburse all appropriate expenses incurred by the General Manager in connection with said meeting, as required by the Employees’ Travel Expense Reimbursement Policy, as set forth in agenda item 2. The General Manager stated this is a new meeting that Environmental Protection Agency (EPA) has requested participation from BWWB. Chairwoman Lewis requested more details regarding the meeting. The General Manager stated the EPA has invited 30 utilities from across the country to participate in the meeting. He stated he would be attending on behalf of BWWB and the Association of Metropolitan Water Agencies (AMWA). 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 Mrs. Brenda Dickerson and seconded by Ms. Deborah Clark, that the Board hereby approves the General Manager to travel to and from Washington, D.C. to attend the Environmental Protection Agency's (EPA) Water Infrastructure Sustainability Program Spring 2017 Peer-to-Peer Water System meeting on May 15-17, 2017 and to pay any advances necessary and to reimburse all appropriate expenses incurred by the General Manager in connection with said meeting, as required by the Employees’ Travel Expense Reimbursement Policy. Resolution No. 7453 is hereby adopted by unanimous vote.”

Following, the General Manager asked the board to award bids, as set forth in agenda items 3.1 through 3.3. Director Muhammad made a motion to vote on this item separately. 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 Muhammad and seconded by Ms. Deborah Clark, that the Board hereby approves to vote on agenda items 3.1 through 3.3 separately. Resolution No. 7454 is hereby adopted by unanimous vote.”

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. Butch Burbage and seconded by Mrs. Brenda Dickerson, that the Board hereby award bids to the lowest responsible and responsive bidders, and to authorize the General Manager and/or the Assistant General Manager to execute purchase orders and/or

contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system to the following:

- 3.1 Petroleum Traders, the lowest responsible & responsive bidder, at an annual estimated 300,000 gallons of Mid-Grade 89 octane gasoline to replenish stock in the Warehouse at an estimated annual out-of-pocket cost to the Board of \$558,300.00 per year for three years.

RKA Petroleum, the lowest responsible & responsive bidder, at an annual estimated 200,000 gallons of Low-Sulfur On-Road diesel to replenish stock in the Warehouse at an estimated annual out-of-pocket cost to the Board of \$377,540.00 per year for three years.

Resolution No. 7455 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 Ms. Sherry W. Lewis and seconded by Mr. Tommy Joe Alexander, that the Board hereby award bids to the lowest responsible and responsive bidders, and to authorize the General Manager and/or the Assistant General Manager to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system to the following:

- 3.2 Landscape Unlimited of AL, the lowest responsible and responsive bidder, for estimated quantities of Landscaping for the Distribution Department, at an estimated annual out-of-pocket cost to the Board of \$135,934.00.

Resolution No. 7456 is hereby adopted by Directors Alexander, Burbage, Clark, Dickerson, Lewis, and Mims; Director Muhammad voted no.”

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Butch Burbage and seconded by Mr. Tommy Joe Alexander, that the Board hereby award bids to the lowest responsible and responsive bidders, and to authorize the General Manager and/or the Assistant General Manager to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation,

- 3.3 Jordan Excavating, Inc., the lowest responsible and responsive bidder, for the relocation of Water Board facilities in conflict with an Alabama Department of Transportation (ALDOT) Project [ALDOT Project No. NH-0005(512)] for Widening and Resurfacing SR-5 (U.S. Highway 78) Phase One from I-59 to Finley Boulevard located in the City of Birmingham, Alabama, at a bid amount of \$1,580,865.00; plus estimated cost of materials and Water Board labor in the amount of \$425,250.00; less estimated ALDOT reimbursement totaling \$1,970,615.00 at an estimated out-of-pocket cost to the Board of \$35,500.00; and

authorizes the General Manager and/or the Assistant General Manager to execute an agreement, as recommended by the Engineering and Maintenance Committee.

Resolution No. 7457 is hereby adopted by unanimous vote on.”

Following, the General Manager asked the board to approve and authorize the General Manager and/or Assistant General Manager to execute a one-year contract with Leeds Water Works to purchase non-potable raw water from the Leeds Water Works during extreme drought conditions, effective April 13, 2017, as set forth in agenda item 4. The General Manager stated this agreement allows BWWB and Leeds Water Works to purchase water from each other in emergency situations. 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. Deborah Clark and seconded by Mr. Tommy Joe Alexander, that the Board hereby approves and authorizes the General Manager and/or Assistant General Manager to execute a one-year contract with Leeds Water Works to purchase non-potable raw water from the Leeds Water Works during extreme drought conditions, effective April 13, 2017, as recommended by the Engineering and Maintenance Committee. Resolution No. 7458 is hereby adopted by unanimous vote.”

Following, the General Manager asked the board to table item 5 regarding the release of water from Inland Lake for testing purposes, on April 22, 2017, for four (4) hours, as 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. Butch Burbage and seconded by Ms. Deborah Clark, that the Board hereby tables the release of water from Inland Lake for testing purposes, on April 22, 2017, for four (4) hours, as recommended by the Engineering and Maintenance Committee. Resolution No. 7459 is hereby adopted by unanimous vote.”

Following, the General Manager read a resolution regarding approving and authorizing the General Manager and/or Assistant General Manager to transact financial and banking business, including wire transfers, and to open or close any financial or brokerage accounts with BB&T Capital Markets. He stated the board transitioned from Renasant Bank to BB&T Corporate Trust and a resolution needs to be in place giving them authorization to transfer funds between accounts. Chairwoman Lewis indicated BB&T is the board’s trustee for the pension plan. Director Muhammad questioned the board’s attorney whether the item being considered be affected by the by-laws’ 24-hour notice prior to meetings. Board Attorney Mark Parnell stated the board voted to amend the agenda; therefore, this item would not be affected by the by-laws. He stated the by-laws states materials need to be provided 24 hours in advance; however, in the case the board is being

asked to approve a resolution. He stated a contract would be affected by the 24-hour notice. 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. Butch Burbage and seconded by Ms. Deborah Clark, that the Board hereby approves and authorizes the General Manager and/or Assistant General Manager to transact financial and banking business including wire transfers, and to open or close any financial or brokerage accounts with BB&T Capital Markets. Resolution No. 7460 is hereby adopted by unanimous vote.”

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Following, Director Dickerson stated she has a billing concern regarding customer Cherita Spicer. She stated Ms. Spicer has presented documentation to receive an adjustment; however, she has not received one. The General Manager stated staff would check on the status of the adjustment. Director Dickerson then stated she received a notice regarding prayer sessions and questioned why there is solicitation for prayers for executive staff and who initiated these prayer sessions. She questioned whether there is a company policy regarding religious service and states she would also like to see a petition that has been circulated. She indicated she would email her questions/concerns to the General Manager.

Following, Director Muhammad stated he received a copy of the employee handbook and the management handbook. He stated he has questions regarding progressive discipline. He stated there is a four-step process and it appears there are employees being terminated without going through the process. He stated he would like the Human Resources Committee to consider a disciplinary committee that would include employees. Chairwoman Lewis stated the Human Resources Committee can meet and discuss that issue.

Following, Director Dickerson stated Director Clark submitted a letter regarding changing her vote on the Russo bid and questioned what the resolution was. The General Manager stated the board approved awarding the contract to Russo at the March 6, 2017 Regular Board of Directors’ Meeting. He indicated there was a motion and second to reject awarding the contract to Russo. There appeared to be a 3 to 3 vote on this item; however, Director Clark indicated that she voted no. He stated Director Clark complied with Section 13 of the by-laws by submitting a registered letter to the Secretary/Treasurer immediately following the meeting to register her dissent to the motion to reject the awarded bid to Russo. Therefore, the motion to reject the bid was denied (not approved).

Director Dickerson asked if there was specific definition to what immediately means. The General Manager stated the by-laws indicate you can make your dissent during the meeting or by registered letter after the meeting. He stated a registered letter mailed the same day as the meeting is considered to be immediately. Director Muhammad questioned whether Director Clark was contacted by staff regarding her vote. The General Manager stated Director Clark discussed the vote on this item with Director Munchus and Director Muhammad after the meeting. He stated he spoke with Director Clark after the meeting and stated how her vote was recorded if she wanted to clarify it, he informed her of what she needed to do. Director Dickerson stated she was not contacted regarding her vote concerning the Fuston, Petway & French contract. She stated no one

called her regarding her intentions to keep that firm on staff. The General Manager stated the only reason he knew of Director Clark's intentions was because there was discussion after the meeting regarding the vote. He indicated had there not been any discussion after the meeting, he would not have been aware of her intentions.

Following, Director Muhammad stated he was presented with lead pipe from a customer. He asked Assistant General Manager Darryl Jones to explain lead pipes in our service area. Mr. Darryl Jones stated there is lead pipe in the service area and anytime it is located it is replaced. He indicated there are property owners who could have lead pipe on their property. He stated lead has not been used since the 1940's. He indicated it is standard practice across the U.S. that when lead is located it is replaced. Director Muhammad stated the public needed to be educated on this matter and that is why he asked Mr. Darryl Jones to explain the board's policy.

Following, the General Manager provided an update regarding the customer's bill Director Dickerson mentioned earlier in the meeting. He stated that the customer's bill had received a water adjustment on April 3, 2017 and her account was forwarded to Jefferson County for an adjustment.

Following, Chairwoman Lewis then recognized the following speakers from the public: David Russell spoke regarding his water bill; Iva Williams spoke regarding minority contracts, Carlos Chaverest spoke regarding the number of corrected bills; and Reginald Miller spoke regarding his support for BWWB management.

As there was no further business before the Board, Chairwoman Lewis entertained a motion to adjourn the meeting and a motion was duly made and seconded, and the meeting adjourned at 10:13 a.m.

_____/s/
Sherry W. Lewis
Chairwoman/President

Attest:

_____/s/
Brett A. King, Esq.
Secretary-Treasurer