

MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
MARCH 16, 2017

The regular bi-monthly meeting of the directors of The Water Works Board of the City of Birmingham was held on Thursday, March 16, 2017, at 9:00 a.m., at 3600 First Avenue North, Birmingham, Alabama.

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

The meeting was also attended by: Mac Underwood, General Manager; Michael Johnson, T. M. "Sonny" Jones, and Darryl Jones, Assistant General Managers; Grace E. Amison, Executive Assistant to the Board of Directors; Rick Jackson, Barry Williams, George Anderson, Jr., Scott Starkey, Terrell Jones, Cynthia Williams, Shirley Russell, Geraldine Davis, Board Employees; K. Mark Parnell, and Mary Thompson, Parnell Thompson, LLC; Theo Johnson, Volkert, Inc.; Brian T. Ruggs and Jerry Jones, ARCADIS US, Inc.; Peiffer Brandt, Raftelis Financial Consultants, Inc.; David Merrida, Jr., Birmingham Construction Industry Authority, Inc.; Dr. Jesse J. Lewis, Sr., Dorian Kendrick, and Daniel Rumley, Agency 54; Dan Meadows, S. S. Nesbitt & Co., Inc.; John Archibald, AL.COM; E. Philemon Hill, II, Philemon Hill for Mayor; Jon Paepcke and Mel Stephens, WVTM -13; Frank Matthews and Carlos Chaverest, Outcast Voters League; Otis King, Save Jefferson County; Nelda Thompkins, Irvin P. Hill, Isaac Ballard, Iva Williams, III, Mia Duffy, Carletta McKinney, Dorothy McKinney, Debra Taylor, Luke Walker, Vanessa Gooden, Minister Tremon Muhammad, Chris X, Corey X, Dorothy Washington, and Helen Mitchell, Visitors.

As there was a quorum, the meeting was called to order at 9:00 a.m., and Assistant General Manager Darryl Jones opened the meeting with prayer.

Prior to proceeding with the agenda, the General Manager asked any persons wanting to speak to complete the Speaker Registration forms and turn them in.

Next, the General Manager asked the Board to approve minutes of the Board of Directors' Meetings, as set forth in agenda item 1. He indicated staff recommends approval of said item. 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 Ms. Deborah Clark, that the Board hereby approves minutes of the following meetings:

- Regular Board of Directors' Meeting held November 10, 2016
- Regular Board of Directors' Meeting held November 22, 2016

Resolution No. 7431 is hereby adopted by unanimous vote."

* * * * *

Following, the Board was asked to approve mileage expense reimbursement for Director Brett A. King, as set forth in agenda item 1. The General Manager noted that a roll call vote would be required. After a motion was duly made and seconded, a "roll call" vote of the directors was taken and the following resolution was adopted:

“WHEREAS, the Board of Directors has adopted a Travel Expense Reimbursement Policy, as amended; and

WHEREAS, in accordance with Act No. 2015-164, approval is requested for the following mileage expense reimbursement.

NOW, THEREFORE, BE IT RESOLVED, on a motion made by Mr. George Munchus and seconded by Mr. William “Butch” Burbage, that the following board member(s) be reimbursed for his mileage expense reimbursements as follows:

- Brett King for mileage expense reimbursement for January 2017 in the amount of 130.58 (to ratify) (as itemized on the attached Mileage Log and Expense Reimbursement form).
- Brett King for mileage expense reimbursement for February 2017 in the amount of \$141.78 (as itemized on the attached Mileage Log and Expense Reimbursement form).

Resolution No. 7432 is hereby adopted by a roll call vote: Chairwoman Lewis, yea; Director Alexander, yea; Director Clark, yea Director Burbage, yea; and Director Munchus, yea; Director Muhammad, yea; and Director Dickerson, yea; Directors King and Mims were absent.”

* * * * *

Following, the General Manager asked the Board to approve payments of invoices for professional services, as set forth in agenda items 3.1 through 3.6, and indicated staff recommends approval of said items. After the motion was made and seconded, Director Dickerson said she was not familiar with the “24 Month Rule” and the Water Works’ Cafeteria Plan listed on Dominick Feld Hyde, P.C.’s invoice and she asked that said items be explained to her. Following, Assistant General Manager Michael Johnson stated the “24 Month Rule is related to travel expenses for an employee who may have a temporary place of work. He said if an employee leaves home and goes to a temporary place different from where they have always worked, and if it is 24 months or less the employee can deduct travel expenses. Following, Assistant General Manager Michael Johnson said if it is more than 24 months it is not considered to be a temporary place of work. Assistant General Manager Michael Johnson’s response to the question about the 24-month rule regarding travel on which BWWB seek Dominick Feld Hyde’s advice on occasion. After reviewing, the minutes, Assistant General Manager Michael Johnson indicated his response should have addressed the 24-month requirement related to a non-employee spouse’s eligibility for Other Post Employment Health Insurance benefits upon the retirement of the non-employee’s spouse who is eligible for those benefits. Following, he said the Cafeteria Plan allows for employees’ health care benefits to be deducted from their gross wages instead of from their net wages, and the General Manager added said plan is pre-taxed. Following, Director Munchus asked if Dominick Feld Hyde handles Human Resource issues and the General Manager said yes. He pointed out certain things have to be reviewed annually wherein the referenced company keeps up with the tax laws and their changes. Following, the General Manager said minor updates that are made to many sections of said plan have to be updated wherein Dominick Feld Hyde makes sure the Board stays in compliance with all of the tax laws and guidelines.

Next, Director Dickerson asked what Raftelis Financial Consultants, Inc. does for the Water Works and Assistant General Manager Michael Johnson was recognized. He stated said company is the Board’s rate consultant, and assists senior executive management with rate projections and how water rates are trending across the country, rate structure, and specific requirements of the Board related to setting and monitoring rates, etc. Subsequently, the General Manager introduced Mr. Peiffer Brandt of said company. Following, Director Dickerson inquired about the miscellaneous consulting charge listed

on Raftelis' invoice wherein Assistant General Manager Michael Johnson stated senior executive management may ask said company to perform various things such as preparing a forecast on what the Board's rate structure should be for a certain period of time as it relates to debt service coverage, expense projections, etc. Subsequently, Assistant General Manager Michael Johnson added Raftelis' miscellaneous charges do not fall into any particular project. Following, Director Dickerson inquired about the Grigsby-Sullivan Analysis charge of \$12,571.25 and Assistant General Manager Michael Johnson replied staff was asked to perform a study of the Board's customer base relative to delinquent payments and the areas where the majority of turns and shut-offs are located. He indicated an extensive analysis of the Board's accounts was conducted for Grigsby-Sullivan. Following, Director Dickerson commented Raftelis' invoice also contains a reference to drought management assistance and Assistant General Manager Michael Johnson said the directors may recall that the Board's Drought Management Plan has certain stages that include when rates may be changed to increase the amount customers pay. He said senior executive management works with Raftelis on advice as to when surcharges may be implemented and what the rates may be.

Following, in response to Director Dickerson's inquiries about the \$10,000.00 for Creative Design that was referenced on The Lewis Group's previous and current invoice, Ms. Dorian Kendrick of said group stated the Creative Design speaks to all the original things they are developing which include developing handouts, brochures and educational materials that speak to customers relative to reporting leaks and managing high water bills. Ms. Kendrick said they are also developing materials that would go out to BWVB TV. In addition, Director Dickerson inquired whether said company's goals and expected accomplishments are outlined in their contract wherein Ms. Kendrick responded yes and indicated a copy of such would be sent to Director Dickerson. Following, Director Muhammad inquired if the referenced amount for Creative Design is always included in The Lewis Group's invoice, pointing out as he understands the \$25,000.00 monthly amount is a retainer wherein it pays for those specific services and Ms. Kendrick agreed. In addition, Director Muhammad inquired about the number of people working on the Board's account and Ms. Kendrick replied four wherein it was pointed out Dr. Lewis brings the total to five (5). Director Muhammad asked if people working on said account are paid according to experience and Ms. Kendrick said yes.

Next, Director Dickerson asked Board Attorney Mark Parnell if the cases listed on Parnell Thompson, LLC's invoice are all previous or if they are current. Attorney Parnell stated the cases are current. Following, Director Dickerson asked if said firm had taken on any new cases since coming on board with the Water Works and Attorney Parnell stated several lawsuits had been filed and indicated he would provide a summary of cases to the directors. Director Dickerson asked Attorney Parnell to explain the "General" category on his firm's invoice and he stated said term is used for staff's day-to-day questions when they are not relative to a specific case. In response to Director Munchus' inquiry of the number of lawsuits that have been filed since January 1, 2017, Attorney Parnell stated three (3). Director Muhammad then asked Attorney Parnell if he was asked to do research on FCC filings related to WATV and if so who asked him. Attorney Parnell responded yes and stated he was asked by the General Manager. After the discussion, Chairwoman Lewis called for the vote. 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 Ms. Deborah Clark, that the Board hereby authorizes staff to execute payments to the following:

3.1	<u>Carl Dalton NeSmith, Jr., LLC</u>	
	For retainer fee for March 2017	\$ <u>500.00</u>

3.2	<u>Dominick Feld Hyde, P.C.</u> For professional services rendered for February 2017	<u>\$ 2,818.80</u>
3.3	<u>Terminus Municipal Advisors, LLC</u> For professional services rendered for February 2017	<u>\$ 6,500.00</u>
3.4	<u>Raftelis Financial Consultants, Inc.</u> 3.4.1 For professional services rendered for December 2016 3.4.2 For professional services rendered for January 2017	<u>\$ 19,405.00</u> <u>\$ 3,768.75</u>
3.5	<u>The Lewis Group</u> For professional services rendered for January 2017	<u>\$ 25,000.00</u>
3.6	<u>Parnell Thompson, LLC</u> For professional services rendered for February 2017	<u>\$ 59,181.05</u>

Resolution No. 7433 is hereby adopted by unanimous vote.”

Following, the Board was asked to award bids to the lowest responsible and responsive bidders, as set forth in agenda items 4.1 through 4.3. After reviewing said items and their HUB participation percentage, the General Manager said staff recommends approval of the referenced items. Director Munchus indicated he wanted to make a motion to approve items 4.1 and 4.2 and to reject item 4.3 wherein Director Muhammad offered a counter motion to consider said items separately and Director Munchus withdrew his earlier motion. 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 R. Muhammad and seconded by Ms. Sherry W. Lewis, that the Board hereby agrees to separately consider items 4.1, 4.2 and 4.3. Resolution No. 7434 is hereby adopted by unanimous vote.”

Next, the Board was asked to award a bid to Alabama Janitorial Services, the lowest responsible and responsive bidder, as set forth in agenda item 4.1. After the motion was made and seconded, Director Muhammed commented that he noticed Alabama Janitorial Services’ Historically Underutilized Business (HUB) participation is listed as 100 percent. He said he questions this because of a conversation Mr. Michael Bell of the Birmingham Construction Industry Authority (BCIA) had with Mr. David Merrida of said company, Assistant General Manager Sonny Jones and him. Following, Director Muhammad said based on their conversation he believes a lot of the businesses staff classifies as HUB’s might not be accurate. Director Muhammad said according to Mr. Bell, being a black owned or female owned business does not mean it is an HUB, rather it is underutilized. Following, Director Muhammad said he mentioned this so that staff can consider having future HUB certifications done by BCIA. Following, Chairwoman Lewis reported she and Director Clark met with Mr. Bell on the HUB Program. She then asked the directors to make their requests known relative to said program and indicated they would be taken back to the Engineering and Maintenance Committee for discussion. Following, Chairwoman Lewis said the conversation with Mr. Bell was very good. She said Messrs. Bell and Merrida are looking at revising some documentation as it relates to HUB certification, which would be given to all Board members for their review before the Engineering and Maintenance Committee meeting. Subsequently, Chairwoman Lewis said the Board would wait for revisions to documents relative to HUB, DBE and MBE

certifications and pointed out changes to the process had already started. Following, Director Dickerson asked when Director Mims would return to Board meetings and Executive Assistant Grace Amison said Mr. Mims indicated he would perhaps return in April. Following, Chairwoman Lewis asked Board members to bring their questions forward if they want to add something. She also said if they want to participate in committee meetings via a telephone call this could be done because involvement is needed from all directors. Subsequently, Chairwoman Lewis informed the directors that recommendations that are made in committee meetings would be brought back to the full Board for consideration. Following, Assistant General Manager Sonny Jones called to the directors' attention that the Alabama Department of Transportation (ALDOT)'s requirement relative to a HUB company's net worth cannot be greater than \$750,000.00.

Following, Director Muhammad said BCIA had requested an increase from the former five-member Board and pointed out most of said members were in favor. Following, Chairwoman Lewis indicated she had not had such a discussion wherein Director Muhammad said hopefully the Board would consider said company's request and noted he has asked Mr. Bell to submit a proposal to the Board. Director Muhammad said BCIA's monthly invoice of \$2,000.00 for professional services is not comparable for the services it renders, pointing out he thinks said amount is a donation. Director Muhammad explained that said amount began when the Board donated to the Birmingham Plan wherein said company was one (1) of the signatories. Chairwoman Lewis stated that said item should be discussed in the appropriate committee. After discussion, Chairwoman Lewis called for the vote, and 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 Ms. Deborah Clark, that the Board hereby authorizes staff to 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:

- 4.1 Alabama Janitorial Services, the lowest responsible and responsive bidder, to provide janitorial services at several locations for BWWB at an estimated out-of-pocket cost to the Board of \$122,580.00; and to authorize the General Manager and/or the Assistant General Manager to execute a contract per Bid Specifications and Conditions. [NOTE: Alabama Janitorial Services is a minority-owned business; therefore, HUB participation is 100 percent.]

Resolution No. 7435 is hereby adopted by unanimous vote."

Following, the General Manager asked the Board to award a bid to CJ Pressure Washing, Inc., the lowest responsible and responsive bidder, as set forth in agenda item 4.2. 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 Ms. Brenda J. Dickerson, that the Board hereby authorizes staff to 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:

- 4.2 CJ Pressure Washing, Inc., the lowest responsible and responsive bidder, for estimated quantities of pressure washing and hosing throughout the Distribution Department at an estimated annual out-of-pocket cost to the Board of \$312,000.00; and to authorize the General Manager and/or the Assistant General Manager to execute a contract per Bid Specifications and Conditions. [NOTE: C. J. Pressure Washing, Inc. was the only bidder to respond, and their Historically Underutilized Business (HUB)'s status is DBE.]

Resolution No. 7436 is hereby adopted by unanimous vote.”

* * * * *

Prior to moving to item 4.3, Chairwoman Lewis asked what happened with 6E and 8E of the Carson Loop Project and asked if they had been completed. Assistant General Manager Sonny Jones pointed out staff has completed 6A through 6D wherein he believes 6E was added later. The General Manager stated there is an 8E that crosses Lake Purdy and continues to Highway 119. Chairwoman Lewis asked if said section had been completed, pointing out she thought it had to be completed before staff could move on to another area. Following, Assistant General Manager Sonny Jones replied that 8E has not been completed and that 6C and 6D need to be finalized before moving on. He said they are currently working to cross the lake and indicated they would be submitting two (2) additional phases to the Board for approval. The General Manager added that 8E was to cross the lake, which needed to be done quickly while the lake was down. Following, Assistant General Manager Darryl Jones said 8B and 8D that cross the lake have been completed wherein 8A is from the lake to Highway 119 and 8C is from Sicard Hollow Road down to the lake. Assistant General Manager Darryl Jones stated said lake was divided into two portions after it had been numbered A, B and C wherein the numbers had to be modified. He said all the work underwater has been completed and indicated staff is in the process of preparing for the next phase to reach Sicard Hollow Road on the north side of the lake. Subsequently, Assistant General Manager Darryl Jones said staff needs to do a piece south of the lake to get to Highway 119, pointing out all of this is one (1) component of 8. In addition, he pointed out what is referred in item 4.3 is related to 6C north of I-20 and Highway 78. Assistant General Manager Sonny Jones reviewed on a map the portion that is under design and the piece that needs to be completed which is referenced in “pink” on the map. Chairwoman Lewis indicated that she would discuss this matter further with staff.

Following, after a motion was made and seconded to reject the bid from Russo Corporation, as set forth in agenda item 4.3. 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 Mr. George Munchus and seconded by Mr. William R. Muhammad, that the Board hereby rejects the below bid:

- 4.3 Russo Corporation, the lowest responsible and responsive bidder, for installation of approximately 2,735 feet of 36-inch DICL pipe, fittings and related appurtenances for the Carson Loop Phase 6C pipeline project at an acquired United States Steel Corporation’s right-of-way located in Jefferson County, Alabama, at a bid amount of \$891,791.50, plus estimated cost of materials and Water Board labor in the amount of \$496,160.00 at an out-of-pocket cost to the Board of \$1,387,951.50, as recommended by the Engineering and Maintenance Committee. [NOTE: The Historically Underutilized Business (HUB)’s subcontractor participation is 5.7%.]

Resolution No. 7437 is hereby adopted by Directors Clark (silent) Munchus, Muhammad, Dickerson; Directors Lewis, Alexander and Burbage voted no.”

After the vote, Chairwoman Lewis indicated said item failed and the General Manager said the vote was a tie. As the motion was stated in the negative, the General Manager proceeded with a roll call vote and Director Munchus indicated that his vote is still “yes” to reject the bid. Director Clark asked Director Munchus what he based his rejection of said bid on, Director Munchus stated, in his opinion, Russo Corporation was not responsive wherein Chairwoman Lewis asked him to elaborate. Director Muhammad asked whether the HUB goal of 30% was included in the Board’s bid specifications and the General Manager responded yes. Following, Director Munchus stated Russo Corporation’s HUB subcontractor participation percentage is unacceptable. Following, Chairwoman Lewis asked if this had been discussed and Director Munchus said it had been discussed many times. The General Manager pointed out said item was discussed and said item was recommended by the Engineering and Maintenance Committee Meeting. Subsequently, Chairwoman Lewis asked if staff had asked Russo Corporation to increase its subcontractor participation and Assistant General Manager Sonny Jones said yes. Mr. David Merrida was recognized and he stated when he asked Russo Corporation to review the contract to see if they could increase said participation he was told 5.7% is the best they could do. Mr. Merrida indicated he asked Russo to send him a letter stating such. Director Munchus indicated that the referenced motion failed.

Following, Director Alexander made a motion to approve agenda item 4.3. Director Clark asked Director Alexander what was his motion to approve based on. Director Alexander pointed out the Board needs to get the project completed because there could be another drought next year. The General Manager said item 4.3 is slightly different than the other main replacement projects because it would involve going through a lot of dirt. He indicated minority participation normally comes in on items such as paving, curbing, guttering and hauling. Following, the General Manager said the referenced project is located behind Bass Pro Shop through dirt and would require clearing, grubbing and some hauling, pointing out hauling is the main portion that involves minority participation. Subsequently, the General Manager said no paving, curbing, guttering or concrete would be done and that the contractor would self-perform the majority of the work through the dirt. Following, Director Muhammad began a discussion on Russo’s HUB subcontractor participation being non-responsive in comparison to the other bidders’ HUB subcontractor participation. The General Manager reminded the Board he stated earlier Russo Corporation would be self-performing all the work. Following, Chairwoman Lewis pointed out that the Engineering and Maintenance Committee is working on some criteria for said program and the Board is waiting on BCIA to submit a document that would have more forceful language in the Board’s HUB Program, and she called attention that the referenced item was bided in adherence to the Alabama Bid Law. Following, Director Clark added that BCIA indicated the Board’s existing HUB policy does not allow staff to go back and see exactly what the minority contractors were paid and the percentage they were paid outside of the materials. Following, the General Manager reminded the directors that staff put a process in place in October or November 2016 wherein a HUB form is sent to subcontractors at the end of projects to certify they received actual payments submitted by the contractors on their bids. The General Manager said although the Board’s policy does not contain this, he indicated staff began sending said form to all vendors who were paid as subcontractors to certify they were paid correctly. Subsequently, he pointed out Assistant General Manager Sonny Jones and the Engineering and System Development departments put this process in place wherein subcontractors are completing and returning said form. The General Manager said he believes there are other changes BCIA wants to include in the policy and he indicated until revisions are made to the current policy, staff has to administer the existing policy. The General Manager asked the Board to focus on changing the existing policy to what it wants it to be. A discussion ensued relative to making the system more reliable in delivering water from the northern part to the southern part of the system. After discussion, Chairwoman Lewis called for a vote, and a vote was taken and it was unclear as to whether the item passed or failed. Subsequently, Director Muhammad called for a roll call vote, and the General Manager called a roll call. After the roll call vote, the motion

passed by a vote of 4 to 3, with Directors Munchus, Muhammad and Dickerson voting against the motion. 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 Mr. William “Butch” Burbage, that the Board hereby authorizes staff to 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:

- 4.3 Russo Corporation, the lowest responsible and responsive bidder, for installation of approximately 2,735 feet of 36-inch DICL pipe, fittings and related appurtenances for the Carson Loop Phase 6C pipeline project at an acquired United States Steel Corporation’s right-of-way located in Jefferson County, Alabama, at a bid amount of \$891,791.50, plus estimated cost of materials and Water Board labor in the amount of \$496,160.00 at an out-of-pocket cost to the Board of \$1,387,951.50, as recommended by the Engineering and Maintenance Committee. [NOTE: The Historically Underutilized Business (HUB)’s subcontractor participation is 5.7%.]

Resolution No. 7438 is hereby adopted by Directors Lewis, Alexander, Clark, and Burbage; Directors Munchus, Muhammad and Dickerson voted no.”

Next, the General Manager asked the Board to enter into a Contract with Alabama Power Company to increase the electrical capacity and electrical service at the BWWB’s Palmerdale Pump Station, as set forth in agenda item 5, and he indicated staff recommends approval of the referenced item. 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 approves a Contract for Electric Service with Alabama Power Company to increase the electrical capacity and electrical service at the BWWB’s Palmerdale Pump Station from 240 volt (three phase power) to 480 volt (three phase power); and to authorize the General Manager and/or the Assistant General Manager to execute said contract. There will be an increase in the power bill of \$18.45 per month to cover the cost of the voltage increase necessary for the pump station. Resolution No. 7439 is hereby adopted by unanimous vote.”

Following, Chairwoman Lewis asked Board members if they had any new business. Director Dickerson said she thought the Board was told the SAP billing issue would be resolved by March 1st. She then asked if there are any remaining problems with SAP, particularly double billing. Following, Business Systems Transformation Manager Barry Williams said programmatic issues with said billing have almost been resolved and they are satisfied that the system is working as it should be. He also said about 90% of the double billing issue has been solved and he indicated bills for some customers were held because of outstanding service orders, pointing out this is not SAP related. Following, Mr. Williams said if a customer has a leak on their property, the bill would be held until the leak is repaired. He said the customer is not double billed and indicated the previous month’s and current bills would be sent after the leak service order has been completed. He pointed out this is a continuing operational issue. Following, Director Dickerson expressed concerns for the nearly 2,000 customers who are receiving two (2) bills

around the 13th and 26th of the month and asked Mr. Williams if this is true or false; if he is sure this issue is not SAP related; if said customers received two (2) bills because of something defective; what corrective action has been taken and if staff sent the customers a letter explaining why they were receiving two (2) bills. Mr. Williams stated some customers previously received two (2) bills and indicated it has nothing to do with the billing system and the calculation. He indicated it had to do with the operating process. Mr. Williams discussed other operation areas that affected the billing system, pointing out there were many different instances that were responsible for the duplicate bills. Mr. Williams indicated that staff sent emails and letters informing some customers that they would be receiving duplicate bills. Following, Mr. Williams added that Public Relations Specialist Rick Jackson and the communications team are being proactive in communicating to customers so they will know what is forthcoming. Mr. Williams pointed out that staff has not disconnected any customers since November 2016, as a courtesy to make certain billing issues are resolved. Following, Mr. Williams said customers are encouraged to continue paying their normal amount, noting there are some who are not doing this wherein it appears their bills are doubled. Mr. Williams indicated they are working on communicating this to the customers to let them know that staff would work with them. Director Dickerson asked Mr. Williams if staff has basically resolved all the problems in SAP and how the SAP team interfaces with The Lewis Group. Mr. Williams said staff has addressed those SAP issues that it is aware of and indicated the SAP team is available to address any problems. Following, Director Dickerson asked if Mr. Jackson interfaces with said group and the General Manager replied that Mr. Jackson attends several communications committee meetings wherein one (1) meeting is centered around SAP and billing which Ms. Dorian Kendrick attends said meeting. He indicated Mr. Jackson attends another communications committee meeting based on water works issues. The General Manager pointed out said individuals meet twice a week to review the above issues. Director Dickerson then asked if the directors who are on the Communications Committee get any input or meet with the two (2) groups and Chairwoman Lewis said the committee would decide if it wants to interface.

Next, Director Muhammad asked if staff has instituted a policy where customers who have complained about problems with their bill can just pay their regular amount. Following, a discussion ensued about a customer's water bill relative to the usage of ccf's and adjustment to accounts which reflect a leak.

Next, Director Dickerson reported that she attended the March 6, 2017 Employee Association Meeting and she addressed an issue where a manager spoke to members of said association in disrespect and in a demeaning manner. After some discussion, Director Dickerson indicated that she would speak with the individual and send an email to all directors regarding the matter. She said employees should not be disrespected and demeaned when they bring issues of concern to the senior executive management team.

Following, Chairwoman Lewis asked if the directors had other comments concerning the above-mentioned meeting and Director Muhammad said he had two (2) issues that could be new business or they could be discussed in an Executive Session. Following, Board Attorney Parnell inquired of the two topics Director Muhammad wanted to discuss. Director Muhammad indicated his concerns deal with research on the FCC license and ownership of WATV and an issue at the March 6, 2017 Employee Association Meeting. Following, Attorney Parnell said Director Muhammad's first concern would be certified as needing to be discussed in said session under threatening litigation wherein Director Muhammad said his second issue involved his good name and character during said meeting. Subsequently, Attorney Parnell certified that the purpose of the Executive Session would be to discuss threatening litigation and the good name and character, based on Director Muhammad's statement of the latter.

Next, Director Munchus asked to go on record as it relates to Russo Corporation and said he would share information with all Board members relative to the quality of work done by said company for the Water Works in 2014. Chairwoman Lewis said Director Munchus should have mentioned this during his earlier discussion on said company.

Following, Chairwoman Lewis recognized speakers who signed up to speak and she informed speakers they would each have three (3) minutes to make their comments. Following, Speaker Ervin P. Hill was recognized and he said he came to address his high-water bill but would instead talk about the manner in which he was insulted when he arrived at today's meeting. Mr. Hill said the numerous police are an insult to him as a citizen of Birmingham because he does not know what the Board's anticipation is about the public, noting it can't be good. Following, Mr. Hill said when he arrived to attend the public Board meeting he was told as people leave others would be allowed to enter the assembly. Mr. Hill said it is the Board's responsibility to provide room and a seat at meetings for everybody from the public who attends, pointing out if this cannot be done a notice should be sent out in advance so the public's time would not be wasted. Mr. Hill said he is having a time understanding what staff is doing about the bill and he stated if the Water Works has a problem in how it is billing customers, it should be brave enough to admit it and let them know they are trying to straighten it out.

Next, Speaker Carletta McKinney was recognized and she indicated that she was out of town with her mother in November and December 2016 and when she returned home in January 2017, she had a water bill for \$1,547.00. Following, Ms. McKinney stated according to a plumber she did not have a leak and when she talked with a Customer Service Representative she was told the leak must be outside of her home. Ms. McKinney said she had the plumber to return and instead of having him check for a leak in the line she had the line replaced. Following, Ms. McKinney said she still received a high-water bill and a "final notice." Ms. Kinney stated that she had her March 2017 bill. Subsequently, Chairwoman Lewis informed Ms. McKinney that a representative from the Customer Service Department was present to discuss her bill, and asked Ms. McKinney to speak with said representative in the rear of the room. Chairwoman Lewis apologized on behalf of the Water Works for anything it had done that was in error and thanked Ms. McKinney for coming.

Following, Speaker Luke Walker was recognized and spoke on behalf of New Salem Baptist Church. Mr. Walker stated said church had an extremely large water bill that increased from slightly over \$40.00 to over \$500.00 within a two-month period. He said after someone from the Water Works did an inspection they were told they had no leaks, drips or runs. Following, Mr. Walker said it appears someone had some errors and he believes it is the Birmingham Water Works. Mr. Walker said they would like for staff to look at said church's account, pointing out their bill had been given to council representative Chris Moseley, wherein the General Manager said Mr. Moseley had contacted them. Following, the General Manager said a crew was sent to the church but he had not seen all the final paperwork. When Director Muhammad asked if Mr. Walker could also meet with the Customer Service Representative, Chairwoman Lewis said she was trying to get the answer to what happened so they would know what to do to help New Salem Baptist Church. She thanked Mr. Walker for coming and informed him said representative would assist him. Following, Director Munchus asked Mr. Walker if he is asking that the bill for his church be rolled back to the amount they previously paid and Mr. Walker said their bill was about \$50.00. Chairwoman Lewis said if a crew had gone out they need to be given an opportunity to bring the information back, assess the situation and let staff take the proper steps. She then thanked Mr. Walker for coming on behalf of his church and informed him that Call Center Superintendent Geraldine Davis would assist him. Chairwoman Lewis said if the church is due a credit, an adjustment would be made to their account. Following, Director Munchus said some customers prefer getting a refund by check and he asked the General Manager if there is a policy that prohibits this from being done when the customer has a credit. The General Manager said there have been some customers with large overpayments wherein they were issued a refund by check. He said if the overpayment amount is small, it would be credited to the

customer's bill. Director Muhammad said for the record, Mr. Moseley indicated he was very displeased with the lack of response from senior executive management when he talked with them. Following, Chairwoman Lewis pointed out a Customer Service Representative was assisting Ms. McKinney and Mr. Walker on today. In addition, Chairwoman Lewis pointed out staff is working to resolve issues as quickly as possible and commented BWB has great employees.

Following, Speaker Iva Williams commented that the Board's Public Speaker Policy states speakers may not speak on the same topic more than once every two (2) months, not that speakers cannot speak. Chairwoman Lewis indicated Mr. Williams' Speaker Registration form was incomplete because he did not include what he wanted to speak about. Following, Mr. Williams stated he listed Class Action Lawsuit as the topic on his form wherein Chairwoman Lewis apologized and thanked him for the correction. Mr. Williams said a group had filed a Class Action Lawsuit against the Birmingham Water Works on behalf of the ratepayers. Mr. Williams said at least 20 people were downstairs who did not get a chance to come upstairs and sign said form to speak. Following, Director Dickerson asked if the number of people referenced would be allowed to speak and Chairwoman Lewis replied yes. Director Alexander stated if said group has filed a Class Action Lawsuit against the Board, the directors could not discuss such matters with the group and indicated the group could speak. He then asked Attorney Parnell if his statement was correct and Attorney Parnell replied this would be his recommendation. Following, Chairwoman Lewis asked the security representation to accompany the entire group to the meeting room. Subsequently, Chairwoman Lewis stated the security representative indicated there are three (3) people downstairs.

Following, a discussion ensued relative to having limited space in the boardroom for meetings in comparison to the Training Room downstairs. After the discussion, Chairwoman Lewis stated that she would ensure adequate seating is available for the public at all board meetings. Director Munchus asked if there is a possibility meetings could resume downstairs in the Training Room. Chairwoman Lewis said it is still on the table for discussion wherein Director Muhammad asked if this could be voted on today and Chairwoman Lewis responded not at today's meeting.

Following, Chairwoman Lewis recognized Minister Tremon Muhammad and he stated as a ratepayer, citizen and taxpayer it is very offensive to come to what should be a public meeting and be told you cannot come in. He said only a few people went into the meeting together while others waited downstairs to waste time when they could be making money to pay their water bills, only to be allowed in the meeting later to a small and cramped room. Following, Minister Muhammad said to him this indicates there is stress and fear when it comes to letting the public come up and speak. He said the reason the public comes is because of inordinate greed and lust for power. Following, Minister Muhammad said his main reason for coming to today's meeting is to express his dislike for the manner in which one (1) of the Board members is being handled. Mr. Muhammad said he was on Facebook a couple of weeks ago and did not like the manner in which Director Muhammad was handled by an attorney. He said the Board may know Director Muhammad as William Muhammad, the city activist; William Muhammad, the educator; William Muhammad, the Birmingham Water Works Board Member. Following, Minister Muhammad stated he wanted to make it clear that William Muhammad belongs to them and the Nation of Islam. He said William Muhammad has been working in the city on behalf of their people for over 30 years and they would not allow him to be abused verbally or any other way. Minister Muhammad said if anyone thinks they have seen trauma in the city before, they have not seen it as they would see it if any harm comes to William Muhammad and if he continues to be handled in the manner he observed. Following, Minister Muhammad said they would not tolerate it because William Muhammad is standing up for the human rights of the people for their water. He said the essence of life is water and without water there is no life. Minister Muhammad said if the Board is disregarding their right to water it is disregarding their lives.

Subsequently, Minister Muhammad said he came to put everyone on notice to leave William Muhammad alone, because he is protecting their human rights and they would stand to protect him. Chairwoman Lewis apologized to Minister Muhammad for having waited downstairs wherein Minister Muhammad respectfully stated he did not see how she was not aware they were waiting, noting this is a regular meeting. He said it is one thing for a mistake but another for an error and pointed out a mistake is an unintentional deviation of what is right and proper and an error is an intentional deviation. Chairwoman Lewis stated to Minister Muhammad she was not aware they were waiting.

Following, Speaker Carlos Chaverest was recognized and he stated he received a telephone call from a 93-year-old lady who said she normally pays \$54 per month for her water bill and he indicated she received a \$600.00 bill in January 2017 and a \$1,400.00 bill in February 2017. Mr. Chaverest said plumbers and others did not find any leaks wherein she was told to come to the Customer Service Department and someone would adjust her bill. Following, Mr. Chaverest said when the customer went to said department she was told she would still have to pay the high bill. Mr. Chaverest said it was brought to his attention that the General Manager sent an email out recently as it relates to Attorney Courtney French owning WATV Radio Station. Chairwoman Lewis reminded Mr. Chaverest his topic was related to ratepayers wherein he would have to speak on this. When Mr. Chaverest continued with his outburst, Chairwoman Lewis informed him that he would be removed from the meeting if he did not speak on his topic. Following, Mr. Chaverest said the General Manager's email stated Attorney French owned said radio station and Director Muhammad was responsible for some charges. Following, Mr. Chaverest said Director Muhammad's and Attorney French's names were assassinated. He said they would not stand for this, pointing out ratepayers pay the Board's salary and the Board works for them.

Next, Chairwoman Lewis requested a motion to go into Executive Session and a motion was duly made and seconded. After the motion was made and seconded, some outbursts followed as to reason of the Executive Session and Chairwoman Lewis commented it had already been stated. Chairwoman Lewis asked security to remove Mr. Carlos Chaverest from the meeting, pointing out she had warned him three (3) times. Subsequently, she called for the vote. 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 Mr. Deborah Clark, that the Board hereby enters into Executive Session to discuss threatening litigation and the good name and character. Resolution No. 7440 is hereby adopted by unanimous vote.

* * * * *

At 10:42 a.m. the directors, senior executive management and Board attorneys entered into an Executive Session. At 11:35 a.m. a motion was made and seconded to adjourn the Executive Session and the regular meeting reopened. As there was no further business before the Board, a motion was duly made and seconded, and the meeting was adjourned.

/s/
Sherry W. Lewis
Chairwoman/President

Attest

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