

MINUTES OF A SPECIAL MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
January 4, 2017

The special meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, January 4, 2017, at 8:30 a.m., at 3600 First Avenue, North, Birmingham, Alabama.

The following Directors were present: Sherry W. Lewis, Tommie Joe Alexander, Deborah Clark, Brett A. King, William "Butch" Burbage, Jr., Ronald A. Mims, Kevin B. McKie, George Munchus, and William R. Muhammad.

The meeting was also attended by: Mac Underwood, General Manager; Michael Johnson, T. M. "Sonny" Jones, and Darryl Jones, Assistant General Manager; Grace E. Amison, Executive Assistant to the Board of Directors; Courtney French and Sam Ford, Fuston, Petway & French, LLP; K. Mark Parnell and Mary H. Thompson, Parnell Thompson, LLC; Matthew Arrington, Terminus Municipal Advisors, Jerry Jones and Brian T. Ruggs, ARCADIS US, Inc.; Dr. Jesse J. Lewis, Sr., Dorian Kendrick and Jamesha Lewis, The Lewis Group; David Merrida, Jr. and Richard Dickerson, Birmingham Construction Industry Authority, Inc.; Theo Johnson, Volkert, Inc.; Kent Hartzog, GSP; Frank Couch, The Birmingham Times; LLC; Deb Hicks, PBWA; Walter Lewis, Piper Jaffray; Eric Bailey, ABC 33/40; Frank Matthews, Melvin Williams, Johnny Burnson, Iva Williams, Frances Pope, Charles Hicks, Willie Hunt, Castell Miller, Bob Friedman, and Ervin P. Hill, visitors.

As there was a quorum, the meeting was called to order at 8:30 a.m., and Assistant General Manager Darryl Jones opened the meeting with prayer.

Before proceeding with the business of the Board, Chairman Mims requested that agenda items 1 and 2 be tabled. He indicated he had not received any materials relative to said items until this morning. Following, Chairman Mims agreed with Director Lewis' previous statement that certain things should be discussed in the appropriate committee meetings beforehand, pointing out this did not happen with the referenced items. Chairman Mims also said he believes it is unfair to discuss said items today, pointing out the newly appointed directors had not yet attended any orientation. After a motion was duly made and seconded, and a roll call vote was called. The motion failed by a vote of 5 to 4, with Directors Lewis, Alexander, Clark, King and Burbage voting against the motion. The following resolution was adopted.

"BE IT RESOLVED, By the Water Works Board of the City of Birmingham ("the Board"), that on a motion made by Mr. Ronald A. Mims and seconded by Mr. William R. Muhammad, to table agenda items 1 and 2, as set forth on the agenda for the January 4, 2017 Special Board of Directors' Meeting. Resolution No. 7384 is hereby adopted by Directors Mims, McKie, Munchus and Muhammad voting yes; Directors Lewis, Alexander, Clark, King and Burbage voted no."

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After the above motion failed, the General Manager confirmed all directors were present with a roll call, acknowledging today's Special Board of Directors' Meeting is the first meeting of 2017 with the appointed nine-member board.

Next, the General Manager indicated the first agenda item, as set forth on the agenda, is to elect officers for the calendar year. He then declared all positions vacant and asked for nominations for Chairman/President. Subsequently, Director Alexander made a motion to nominate Director Lewis as Chairman/President and Director Clark seconded the motion. The General Manager called for any other nominations and Director Muhammad made a motion to nominate Director Mims as Chairman/President and Director Munchus seconded the motion. The General Manager called for any other nominations. As there was no other nomination, the General Manager called a roll call vote to appoint Director Lewis as Chairman/President. After the roll call vote, the motion passed by a vote of 5 to 4, and Director Lewis was elected Chairman/President. The following resolution was adopted:

“BE IT RESOLVED, on a motion duly made by Mr. Tommy Joe Alexander and seconded by Ms. Deborah Clark, that Ms. Sherry W. Lewis is hereby elected Chairwoman/President of The Water Works Board of the City of Birmingham and to serve as an Officer of the Corporation at the pleasure of the Board or until the next election of Officers. Resolution No. 7385 is hereby adopted by Directors Lewis, Alexander, Clark, King and Burbage; Directors McKie, Mims, Munchus and Muhammad voted no.”

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Following, the General Manager recognized Chairwoman Sherry W. Lewis as Chairwoman/President of the Board for 2017. Chairwoman Lewis proceeded with the business of the Board and asked for nominations for First Vice-Chairman/First Vice President. Chairwoman Lewis made a motion to nominate Tommy Joe Alexander and Director Burbage seconded the motion. Chairwoman Lewis called for any other nominations three times, and Director Muhammad made a motion to nominate Director Mims as First Vice-Chairman/First Vice President and Director Munchus seconded the motion. Chairwoman Lewis called for any other nominations three times. As there were no other nominations, Chairwoman Lewis indicated the nomination would close on those two said names. Following, the General Manager called a roll call vote to appoint Director Alexander as First Vice-Chairman/First Vice President. After the roll call vote, the motion passed by a vote of 5 to 4, and Director Alexander was elected First Vice-Chairman/First Vice President. The following resolution was adopted:

“BE IT RESOLVED, on a motion duly made by Ms. Sherry W. Lewis and seconded by Mr. William “Butch” Burbage, Jr., that Mr. Tommy Joe Alexander is hereby elected First-Vice Chairman/First Vice President of The Water Works Board of the City of Birmingham and to serve as an Officer of the Corporation at the pleasure of the Board or until the next election of Officers. Resolution No. 7386 is hereby adopted by Directors Lewis, Alexander, Clark, King, and Burbage; Directors McKie, Mims, Munchus and Muhammad voted no.”

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Next, Chairwoman Lewis asked for nominations for Second Vice-Chairman/Second Vice President. Chairwoman Lewis made a motion to nominate Director Clark and Director Burbage seconded the motion. Chairwoman Lewis called for any other nominations three times. As there were no other nominations, Chairwoman Lewis indicated the nomination would close on said name. Prior to voting, Director McKie asked whether a slate of officers could be recommended and voted on jointly if no additional nominations would be offered. In response, Chairwoman Lewis indicated she would prefer to vote separately on each position so that each director would have an opportunity to nominate someone. Following, Director King agreed with Director McKie that the Board is being organized with very little information. He said, however, he knows the importance of the directors electing a chair wherein the Board has done this. Following, Director King made a motion to table filling the remaining positions at the January

12th Regular Board of Directors' Meeting and Director McKie seconded the motion. Subsequently, a discussion ensued by the directors relative to tabling the election of officers for the remaining positions to the next scheduled Board Meeting so that the directors could become familiar with the responsibilities of each officer's position; and the purpose of scheduling today special meeting relative to organizing the Board to take care of the business of the Board. Chairwoman Lewis pointed out that newly appointed directors are not familiar with a lot of information when appointed to a board, as she was not familiar with a lot of information when appointed to said Board. Chairwoman Lewis mentioned that a workshop would be scheduled later for the directors wherein more information would be provided to the directors. Subsequently, Director King indicated that he recognizes what Chairwoman Lewis has stated and commented it is a new day. Director King indicated that he would like a vote on the motion to table filling the remaining positions. Subsequently, Chairwoman Lewis indicated the nomination had closed on the position for Second Vice-Chairman/Second Vice President, because there were no other nominations. Following, the General Manager said occasionally there are documents the Secretary-Treasurer may need to sign, and he recommended the directors fill said position. Subsequently, Board Attorney Courtney French called to the directors' attention that according to Article III, Section 2 of the Board's by-laws, all officers are to be elected at the Board's first meeting of the calendar year, pointing out he realizes the new directors are not familiar with this. Subsequently, Chairwoman Lewis indicated the Board needs to continue voting on officers for the calendar year, according to the Board's Bylaws. As there were no other nominations, Chairwoman Lewis indicated the nomination for Second Vice-Chairman/Second Vice President is closed on said name. Following, the General Manager called a roll call vote to elect Director Clark as Second Vice-Chairman/Second Vice President. After the roll call vote, the motion passed by a vote of 7 to 1, with 1 abstention and Director Clark was elected Second Vice-Chairman/Second Vice President. The following resolution was adopted:

“BE IT RESOLVED, on a motion duly made by Ms. Sherry W. Lewis and seconded by Mr. William “Butch” Burbage, Jr., that Ms. Deborah Clark is hereby elected Second Vice-Chairwoman/Second Vice President of The Water Works Board of the City of Birmingham and to serve as an Officer of the Corporation at the pleasure of the Board or until the next election of Officers. Resolution No. 7387 is hereby adopted by Directors Lewis, Alexander, Clark, King, Burbage, Mims and Munchus; Director Muhammad voted no; and Director McKie abstained from voting.”

Next, Chairwoman Lewis stated the next office to fill was Secretary-Treasurer. Chairwoman Lewis made a motion to nominate Director King as Secretary-Treasurer and Director McKie seconded the motion. Chairwoman Lewis called for any other nominations three times. As there were no other nominations, Chairwoman Lewis indicated the nomination would close on said name. Following, the General Manager called a roll call vote to elect Director King as Secretary-Treasurer. After the roll call vote, the motion passed by a vote of 5 to 3, with 1 abstention and Director King was elected Secretary-Treasurer. The resolution was adopted:

“BE IT RESOLVED, on a motion duly made by Ms. Sherry W. Lewis and seconded by Mr. Kevin B. McKie, that Mr. Brett A. King is hereby elected Secretary-Treasurer of The Water Works Board of the City of Birmingham and to serve as an Officer of the Corporation at the pleasure of the Board or until the next election of Officers. Resolution No. 7388 is hereby adopted by Directors Lewis, Alexander, Clark, Burbage, and McKie; Directors Mims, Munchus and Muhammad voted no; and Director King abstained from voting.”

Following, Chairwoman Lewis asked for nominations to fill the Assistant Secretary-Treasurer position. Chairwoman Lewis made a motion to nominate Director Burbage as Assistant Secretary-Treasurer and Director McKie seconded the motion. Chairwoman Lewis called for any other nominations three times. As there were no other nominations, Chairwoman Lewis indicated the nomination would close on said name. Following, the General Manager called a roll call vote to elect Director Burbage as Assistant Secretary-Treasurer. After the roll call vote, the motion passed by a vote of 5 to 3, with 1 abstention, and Director Burbage was elected Assistant Secretary-Treasurer. The following resolution was adopted:

“BE IT RESOLVED, on a motion duly made by Ms. Sherry W. Lewis and seconded by Mr. Tommy Joe Alexander, that Mr. William “Butch” Burbage, Jr., is hereby elected Assistant Secretary-Treasurer of The Water Works Board of the City of Birmingham and to serve as an Officer of the Corporation at the pleasure of the Board or until the next election of Officers. Resolution No. 7389 is hereby adopted by Directors Lewis, Alexander, Clark, King, and McKie; Directors Mims, Munchus and Muhammad voted no; and Director Burbage abstained from voting.”

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Following, the General Manager commented that although the five (5) positions for officers were only listed on the agenda, he indicated the remaining four (4) Board members would be directors.

Next, Chairwoman Lewis asked the Board to consider and to take action on agenda item 2, as set forth on agenda. She said the directors should have received a proposal and a contract for consideration to hire the law firm of Parnell Thompson, LLC and pointed out she had been asked as to why the Board is considering hiring said firm. Chairwoman Lewis said as many of you know I have great concerns regarding the contract the Board signed with its current attorneys. She said Parnell Thompson, LLC would cost the Board less money wherein each attorney has over 23 years of experience in the water industry. Chairwoman Lewis indicated that is the recommendation as to why the Board should hire said firm. Following, Director Muhammad commented that it was stated earlier the Board’s By-Laws were used as the justification for, in his opinion, calling today’s illegal meeting. He pointed out that Article III, Section 8 of said By-Laws states all appropriate supporting documents shall be mailed or delivered to each Board member no less than 24 hours prior to the scheduled time of the meeting. Director Muhammad also said he had not seen anything concerning a proposal to hire new attorneys 24 hours before the meeting and he asked the General Manager when he received the referenced proposal. Following, the General Manager said he received the proposal on Tuesday, January 3, 2017, and indicated it was less than 24 hours before today’s meeting. Following, Director Muhammad asked the General Manager a series of questions relative to whether he received the documents 24 hours before today’s meeting, if he ever attended a public or private meeting with a board member or board members on hiring new attorneys. The General Manager responded to Director Muhammad’s questions, stating yes and that some other board members may have received said documentation. He added that he had not been in a public meeting with other board members and that he had attended a private meeting with a board member where they talked about hiring new attorneys. The General Manager said he had attended a private meeting with a board member, pointing out he talks to a lot of people about a lot of different issues. Director Mahammad reminded the General Manager that a couple of weeks ago he stated that the Board was over budget relative to its legal services when he asked if the Board’s current law firm (Fuston, Petway and French) charged more than the former’s law firm (Waldrep Stewart & Kendrick), and Director Muhammad stated the General Manager said legal fees had exceeded the budget and indicated the General Manager never responded if the Board’s current law firm was charging less. Following, the General Manager said the hourly rate for the Board’s current attorneys is \$275.00 per hour, effective December 1, 2016, wherein the hourly rate for the proposed attorneys is \$225.00

per hour. Director Muhammad said it was reported the previous law firm made \$60 million over a 30-year period. Following, the General Manager stated he could not address what the former law firm made over said time period, pointing out he has not worked 30 years for the Board. The General Manager said legal fees for 2016 are higher for all of the Board's attorneys as compared to said fees for the Board's previous attorneys. Following, Director Muhammad began a lengthy discussion which included questions regarding the rationale for requesting the new board members to vote on hiring new attorneys at the first board meeting prior to orientation. Director Muhammad and the General Manager exchanged some dialogue relative to his attempt to hire Parnell Thompson, LLC to work at BWWB and the director who initiated the meeting between the recommended attorneys (Parnell Thompson, LLC). The General Manager acknowledged that he did try to hire said attorneys to work at BWWB and he indicated that Chairwoman Lewis initiated the meeting with the recommended attorneys. The General Manager stated for the record he has met individually with nearly all five (5) board members along with some consultants who are at today's meeting relative to work at the Board. Chairwoman Lewis stated she met with the referenced attorneys as other Board members have met with the General Manager concerning different consultants. Chairwoman Lewis commented the Birmingham Water Works Board's General Manager is the person to discuss these types of items which concern said company. Chairwoman Lewis pointed out it was a professional meeting with the General Manager wherein it was conducted in the proper manner in comparison to how some processes have occurred in the past, and she indicated every board member should handle the business of the Board in the proper manner.

Next, Chairwoman Lewis called to the directors' attention that the Board needs to get back to doing what it does, providing the best water at the lowest price to its customers. Chairwoman Lewis said the directors may not all agree on everything but she hopes they would agree on the fact that they are just trying to do what is best for the ratepayers. Chairwoman Lewis pointed out that the ratepayers are concerned about their water bills wherein she is concerned about their water bills. Chairwoman Lewis pointed out one of the reasons for recommending Parnell Thompson, LLC law firm is because of the ratepayers. Chairwoman Lewis added that lately the Board has been focused on legal issues only. She said the Board has not dealt with matters it needs to handle, noting this as another reason said law firm is being recommended because they are already familiar with the Water Works' issues. Chairwoman Lewis said she is not trying to conceal the fact that the recommended attorneys worked at the Waldrep Stewart & Kendrick, LLC law firm, and she pointed out Attorneys Mark Parnell and Mary Thompson have left said firm and started their own company (Parnell Thompson Law, LLC). In addition, Chairwoman Lewis pointed out attorneys in said law firm have more experience wherein the Board would be paying them less money.

Subsequently, Chairwoman Lewis said Attorneys Mark Parnell and Mary Thompson are being considered as the lead attorneys because of their low cost and experience. Director Muhammad said he could not understand how Chairwoman Lewis could make said law firm the lead attorneys before removing the current attorneys. A discussion ensued between Chairwoman Lewis and Director Muhammad relative to Chairwoman Lewis's recommendation to hire said firm as the lead attorneys.

Subsequently, as a motion was made by Chairwoman Lewis to hire Parnell Thompson, LLC as legal counsel at the Board. Following, Director King asked Chairwoman Lewis if she specified the hourly rate for Parnell Thompson, LLC in the motion. Chairwoman Lewis stated said rate is \$225.00 per hour. Director McKie inquired as to the rationale for the Board to hire said firm. Chairwoman Lewis replied to handle legal matters for the Birmingham Water Works Board. Chairwoman Lewis called for a second to the motion and Director Alexander seconded the motion. Director McKie asked what particular legal matters and what specific cases the Board would be hiring said firm to handle and Director Muhammad asked whether the purpose should be included in the resolution. Chairwoman Lewis indicated that said law

firm would be hired to perform legal services for the Board upon the terms and conditions set forth in their contract. Chairwoman Lewis pointed out said law firm has the expertise relative to handling every Board legal case.

Subsequently, Director Muhammad mentioned it is the Board's policy to have a 30% HUB participation goal. He then asked if Parnell Thompson, LLC has any HUB of African-American partners in their firm. Chairwoman Lewis stated said business is a minority firm and the Board could look at adding other partners. Director Muhammad commented that Attorneys Parnell and Thompson formerly worked for Waldrep Stewart & Kendrick, LLC wherein Attorney Charlie Waldrep could be one of their partners. The General Manager pointed out that the proposed agreement was provided by Parnell Thompson, LLC wherein it has no connection to Attorney Waldrep and he indicated each attorney has over 23 years of experience relative to the type of work performed at the Birmingham Water Works Board. Following, Director Muhammad asked if staff reviewed said firm's incorporation or how this would affect the referenced HUB goal. Chairwoman Lewis said Parnell Thompson, LLC is a minority firm and indicated Attorney Thompson owns 51% of said firm.

Following, Attorney Parnell stated Attorney Charlie Waldrep is not affiliated with Parnell Thompson, LLC. He said they drafted the Board's HUB program when they previously represented the Board wherein it applies to WBEs, MBDs, DBEs and indicated Parnell Thompson, LLC, qualifies under said program. Following, Attorney Parnell said they are also committed to working with any other law firms the Board wants to hire. Attorney Parnell said with reference to experience, until one (1) year ago, he had represented the Board since 1988 and Attorney Thompson had represented the Board since 1993. Attorney Parnell stated they are completely competent and well equipped to handle all of the Board's pending cases. Subsequently, Attorney Parnell said he is not aware of what had taken place during the time they were not representing the Board. He said, however, with nearly 30 years of representing the Board, he believes they could get up to speed within a short time. Following, Director Muhammad asked Attorney Parnell in his professional opinion what would be the purpose of hiring two (2) sets of general counsels and whether it would subject the Board to some form of legal action and Attorney Parnell responded no.

Next, Director Muhammad said when Director McKie asked what Parnell Thompson, LLC is supposed to do, he indicated the answer he keep getting is said firm would do what the Board already has a law firm doing. Attorney Parnell said he believes Chairwoman Lewis has explained that it is to hire Parnell Thompson, LLC to be legal counsel to the Board. Director Muhammad commented that the Board has legal counsel and it would have duplication of services. Attorney Parnell replied this would be up to the Board to decide. Following, Attorney Parnell said Parnell Thompson, LLC could provide excellent service. He pointed out the rate they would charge the Board was lower than other firms because they have less overhead with reference to being able to practice law so they are able to pass these savings on to all of their clients. Subsequently, Attorney Parnell said the Birmingham Water Works is not the only public water utility Parnell Thompson, LLC represents wherein it is the same rate they charge their other utility clients. Following, Director Munchus inquired of other water systems Parnell Thompson, LLC currently represents and if any of said systems are in Jefferson, Shelby, Blount, Walker or Tuscaloosa Counties. Attorney Parnell said their firm represents the Prichard Water System in Mobile, Alabama, the Town of Brookside and West Jefferson, and indicated they had previously represented other systems. Following, Director Munchus then asked Attorney Parnell if he thought it would be an issue or a conflict of interest if there are attorneys on the Board that represent other water entities. Attorney Parnell responded no and pointed out he is certain Director King would recuse himself and he indicated there is no issue.

Following, Director Muhammad asked Attorney Parnell if he had talked with any of the directors prior to today’s meeting with reference to being hired as legal counsel for the Water Works Board and if so, whom did he talk with. Attorney Parnell said he had spoken with Directors McKie, King and Alexander and Chairwoman Lewis. Director Muhammad then asked Attorney Parnell why he did not talk with the other directors and Directors King and McKie indicated that they called Attorney Parnell. Chairwoman Lewis said a motion and a second have been made and she called for the vote. Director McKie asked if the directors would be going into an Executive Session wherein Chairwoman Lewis replied yes. Chairwoman Lewis called for the vote and the directors began voting. Following, Director King interjected and said the Board needs to be clear on the motion. Director King indicated he would vote to hire Parnell Thompson, LLC at \$225.00 per hour, and he pointed out he is not comfortable with entering into any contract that he has not yet reviewed. Director King indicated that he viewed the current and the former attorneys as interviewing for their jobs. Following, Director King stated the Board could fire said law firm at any time and indicated he would agree to hire said law firm. Following, Director Muhammad asked for a roll call vote and Chairwoman Lewis indicated that the voting process had already begun to take place. Following, the General Manager clarified for the record that hourly rates for Parnell Thompson, LLC would vary based on the number of years of experience, pointing out said firm’s rates start at \$125.00 per hour with a maximum of \$225.00 per hour based on the number of years of experience. The General Manager indicated it is a one-year contract with a 30-day termination clause. Following, Attorney Parnell said their proposed contract is the same document that has existed for a number of years. He said although their contract has a 30-day termination clause, it could be terminated with a simple majority of votes from the directors wherein if it is the Board’s desire, they would cease work immediately. Chairwoman Lewis noted that this is not the case with the Board’s current attorneys. Following, Attorney Courtney French pointed out that the request for a roll call vote was in order wherein the General Manager proceeded with a roll call vote. After the roll call vote, the motion passed by a vote of 5 to 4, with Directors Lewis, Alexander, Clark, King and Burbage voting for the motion. The following resolution was adopted:

“BE IT RESOLVED by The Water Works Board of the City of Birmingham (the “Board”), upon motion duly made by Ms. Sherry W. Lewis and seconded by Mr. Tommy Joe Alexander, as follows:

1. The Board hereby engages the law firm of Parnell Thompson, LLC to perform legal services for the Board at the following hourly rates:

Billable Hourly Rates for Attorneys

0 - 2 years of experience	\$125.00 per hour
2 - 5 years of experience	\$150.00 per hour
5 - 10 years of experience	\$175.00 per hour
10 - 15 years of experience	\$200.00 per hour
Over 15 years of experience	\$225.00 per hour

Resolution No. 7390 is hereby adopted by Directors Lewis, Alexander, Clark, King and Burbage; Directors McKie, Mims, Munchus and Muhammad voted no.”

Next, Chairwoman Lewis indicated the Board would enter into an Executive Session to discuss pending litigation. Chairwoman Lewis recognized Attorney Parnell to state the purpose of the Executive Session. A motion was made by Director King to get an update from the Board’s attorneys in Executive

Session and the motion was seconded by Director Alexander. Director Munchus indicated that no management should be included in the Executive Session and Chairwoman Lewis disagreed with Director Munchus. Attorney Parnell requested the Board to enter into Executive Session to discuss pending litigation and to get a general update from the attorneys. Attorney Parnell indicated he would anticipate that the Executive Session may last 30 minutes and indicated at this time they could not certify whether there will be any action taken after said session. The General Manager called a roll call vote and it was agreed that no staff would attend the Executive Session. The motion passed by a vote of 6 to 2, with 1 absention, and Directors Lewis, Alexander, Clark, King, Burbage, and McKie voting for 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. Brett King and seconded by Mr. Tommy Joe Alexander, that the Board hereby enters into Executive Session to discuss pending litigation and to get a general update on the same from all of the Board’s attorneys. Resolution No. 7391 is hereby adopted by Directors Lewis, Alexander, Clark, King, McKie and Burbage; Directors Munchus and Muhammad voted no; and Directors Mims abstained from voting.”

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Next, Mr. Frank Matthews stated he wanted the public to speak wherein Chairwoman Lewis indicated today’s meeting is a Special Board of Directors’ Meeting. Mr. Matthews asked if the ratepayers would be able to speak and Chairwoman Lewis said the ratepayers would always have the opportunity to speak.

At 9:21 a.m., the Board entered into an Executive Session with Board Attorneys Parnell, Thompson and French. At 10:25 a.m., on a motion duly made and seconded, the Board reopened the meeting. As there was no further business before the Board, Chairwoman Lewis entertained a motion to adjourn the meeting, and the motions were made. Prior to the vote, Director King asked if the new board members would be allowed three (3) minutes each to introduce themselves and they were granted. Subsequently, Chairwoman Lewis stated that the motion to adjourn died for lack of a vote.

Following, Chairwoman Lewis welcomed the new Board members and the meeting body applauded. Subsequently, Director King stated he enjoyed today’s spirited meeting and said he appreciates everyone’s participation in the process. He said he is excited about serving as a member of the Birmingham Water Works and about representing the ratepayers wherein he would work hard for all customers. Following, Director King said he appreciates the hard jobs that the employees perform for the Board. He also said he enjoyed meeting the Board members and pointed out he has read about some of them in the media. Director King said he is eager to serve with the directors wherein he believes they made a lot of progress this morning. Following, Director King also said he believes a part of the mandate that the Board has is to look for the low hanging fruit of waste, if any, at the Birmingham Water Works. Director King said he plans to spend his first six (6) months working hard to look for opportunities where the Board can do a better job so that rates could be kept low for the customers. Following, Director King stated he appreciates the job the media does relative to asking piercing questions to ensure the Board does its job, pointing out he welcomes the media’s attendance at any meeting that he is involved in about the Water Works. Director King said he heard a lot about black and white when he read about the Water Works and he indicated the color that concerns him the most is red, pointing out the Board has a billion dollars’ worth of debts and he wants to work hard with the directors during his four (4) years on the Board. Director Munchus said the Board has some great ideas on how to alleviate the referenced debt and grow the system,

noting he did not want to get into the investment side. Director Munchus said a lot of people think red and debt are bad, pointing out said color is not all bad if it is leveraged properly.

Next, Director Burbage introduced himself and stated he was appointed by the Shelby County Commission. Director Burbage said he lives in an unincorporated area in North Shelby County and has been a Birmingham Water Works customer for 23 years. Following, he said his sole purpose is to do what is best for the ratepayers. Director Burbage said the Board needs to make certain all of its customers have the best water at the best price. Following, Director Burbage said he is a Certified Public Accountant (CPA) and has been working for the Shelby County Commission for 21 years wherein he is the Chief Financial Officer. He pointed out he has a good background relative to understanding the management and the financial side due to said county having its own water system. Director Burbage said he hopes to bring this expertise to the Board.

Following, Director Deborah Clark stated she was appointed by the City of Birmingham's Mayor William Bell. Director Clark said her focus is to bring the best water for the lowest price, pointing out she is totally focused on the ratepayers because she is one. Following, Director Clark said she is also interested in the economic development aspect and the Board's debt.

Next, Director Tommy Joe Alexander stated he retired on November 7, 2016 as Mayor of the City of Irondale after having served for 12 years. He said he managed said city's water service, pointing out about 70% of Irondale's 13,000 residents receive water service from said city and 30% get water from the Birmingham Water Works Board, noting he gets his water from the latter city. Following, Director Alexander said in 1972 his daddy and two (2) others secured a grant to bring water out by the Zamora Temple on I-459. He said they carried the grant to the City of Irondale to get water in that area but said city refused. Director Alexander said the Birmingham Water Works Board honored the grant and installed piping and ran water to Irondale. Following, Director Alexander stated his daddy assisted in getting water to the City of Irondale. He also said the water tank sits on land that his brother sold to the Birmingham Water Works Board. Director Alexander said his family has been involved with the Birmingham Water Works for a long time. He also said last year's drought got his attention wherein the General Manager and he worked out a Water Purchase Contract with the City of Irondale to provide water if Birmingham needs it. Following, Director Alexander said the General Manager and he have had a good working relationship for 12 years wherein he has interest in water. Following, Director Alexander said he was appointed by the Jefferson County Mayor's Association because of his experience in water. Director Alexander expressed his appreciation for his appointment and said he looks forward to helping the ratepayers and the employees. He then invited the Water Works' employees to call the City of Irondale's employees and ask them if he took good care of them, pointing out he gave said employees raises during hard times when no one else was giving raises. He said he would be a friend of the Water Works' employees.

Next, Chairwoman Lewis recognized the following speakers:

Following, Speaker Frank Matthews from the Outcasts Voters League thanked the Board for allowing him to speak and stated he would direct his comments to the new Board members wherein he hopes they have a conscience. He said he is putting the expiration date on a few of said members because he thinks they saw enough mud spinning on windshields at today's meeting. Following, Mr. Matthews said he hopes the new Board members would not become involved in wrongdoings. He indicated the new directors had voted for the Parnell Thompson, LLC contract which they had not read. He asked them to never attend another meeting and vote for a contract prior to reading it when they say they are for the ratepayers. Subsequently, Chairwoman Lewis thanked Mr. Matthews for his remarks.

Following, Councilor Sheila Tyson was recognized and she congratulated Chairwoman Lewis on being elected Board chair. Councilor Tyson said she is aware of Director Clark's work with the Foot Soldiers and commented that she knows Director Clark would represent the people. Following, Councilor Tyson addressed the new Board members and stated she was a community activist before she was elected to the Birmingham City Council three (3) years ago wherein she is still a community activist and has been fighting for the ratepayers for years. Councilor Tyson said her neighbors and she have been concerned about their water and sewer since 1999 and indicated their current interest is water and sewer. She said they do not need anyone who is not going to represent the ratepayers. Following, Councilor Tyson said her interest is the ratepayers and having someone on the Board to ensure they are not just fined excessively because someone stole some money. She said the sewer rate is out of control and water rates are continuing to increase. Councilor Tyson also said the Board needs to make certain it keeps the ratepayers and people with low incomes that are not able to pay their bills on the forefront. Following, Councilor Tyson said she did not come to judge any of the Board members and she hopes their interest is to keep the rates down for the least of the ratepayers. She then asked Board members to think about ratepayers. Following, Councilor Tyson said five (5) years ago 1,500 people living in the City of Birmingham did not have water and when this was exposed they tried to evict them from their homes because living without water was said to be a health violation. Councilor Tyson stated she is only asking that the directors be sure they protect, represent and put all ratepayers first. Subsequently, she thanked the Board for allowing her to speak, and Chairwoman Lewis thanked Councilor Tyson for her remarks.

As there was no further business before the Board, a motion was duly made and seconded, and the meeting adjourned at 10:06 a.m.

_____/s/_____
Sherry W. Lewis
Chairwoman/President

Attest

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