

MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS  
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM  
MAY 25, 2016

The regular bi-monthly meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, May 25, 2016, at 9:00 a.m., at 3600 First Avenue North, Birmingham, Alabama.

The following Directors were present: Ronald A. Mims, George Munchus, and Sherry W. Lewis. **Director Kevin B. McKie was absent.**

Inasmuch as three of the Directors were present, Chairman Mims declared a quorum in attendance.

The meeting was also attended by: Mac Underwood, General Manager; Michael Johnson, Sonny Jones and Darryl Jones, Assistant General Managers; Grace E. Amison, Executive Assistant to the Board of Directors; Ben Sorrell and Scott Starkey, Board employees; G. Courtney French, Michael D. Petway, Sam Ford and C. Paige Goldman, Fuston, Petway & French, LLP; K. Mark Parnell, Parnell Thompson, LLC; Kirk Mills, Theo Johnson and Norman Hill, Volkert, Inc.; Dorian Kendrick, Chris Ruffin, Jr. and Rickey White, Lewis & Company; Brian Ruggs, ARCADIS U.S., Inc.; Barnett Wright, The Birmingham Times; Juanita Jones, Securities Capital; Rodney Givens, Jackson and Tull; Bryce Holcomb, Citigroup, and Representative John Rogers and the Committee to Save Jefferson County.

As there was a quorum, the meeting was called to order at 9:06 a.m., and Assistant General Manager Michael Johnson opened the meeting with prayer.

Next, the General Manager proceeded with the agenda and he asked the Board to adopt a resolution commending the following employees: Field Supervisor John Jackson; Utility Worker John Roper, Sr.; Utility Worker II Charles Foster; Utility Workers I Eric Garrick and LaVannual Henderson; and Distribution Maintenance Workers Price Lanier, Terrance Peck and Reginald Perry as Employees of the Month for May 2016 from the Engineering and Maintenance Division, as set forth in agenda item 1.1. On a motion duly made and seconded the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. George Munchus and seconded by Ms. Sherry W. Lewis, that the Board hereby recognizes and commends John Jackson, John Roper, Sr., Charles Foster, Erick Garrick, LaVannual Henderson, Price Lanier, Terrance Peck and Reginald Perry as the Engineering and Maintenance Division’s Employees of the Month for May 2016, on having achieved outstanding job performance, attendance, and work above expected levels.

RESOLVED FURTHER, that the Board and the General Manager are hereby authorized to sign a formal resolution, the wording of which will carry out the intent herein, and a copy of which will be presented to the employees named above. Resolution No. 7186 is hereby adopted by unanimous vote.”

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Following, Human Resources Manager Paul Lloyd recognized the referenced employees and noted they were nominated by their Construction Superintendent Keith Witt in response to a letter received from Mr. Maury D. Gaston, Manager of Marketing Services at American Ductile Iron Pipe

(ACIPCO). After the referenced employees introduced themselves, Mr. Lloyd read the letter of commendation from Mr. Gaston, applauding said employees for their skill and professionalism in replacing a 2-inch leaking galvanized line with an 8-inch diameter AMERICAN zinc coated Fastite cement lined ductile iron pipe next to said company's plant and headquarters along 30<sup>th</sup> Avenue North. Subsequently, the meeting body applauded the group for a job well done. On behalf of the Board and senior executive management, Chairman Mims expressed appreciation to the group and presented each employee with a commendation resolution along with a \$250.00 check.

Following, Assistant General Manager Sonny Jones commented that the abovementioned employees report to Construction Superintendent Keith Witt and Field Supervisor John Jackson. He pointed out that Mr. Jackson is a remarkable leader and supervisor. He noted that the Board has approximately four (4) construction crews and indicated the group was being recognized at today's meeting relative to replacing water lines daily so that the Board does not have to bid or use an on-call contractor. Assistant General Manager Sonny Jones added what said employees are being recognized and commended for are standard efforts that they give to all customers on a daily basis. He also commented said employees do great work and indicated they are the future leaders of the Distribution Department and the Water Works Board. In addition, Assistant General Manager Sonny Jones pointed out that the referenced employees work hard from dawn to dusk and he thanked them for their hard work. Subsequently, Assistant General Manager Sonny Jones stated that Messrs. Jackson and Roper are valuable employees and great leaders at the Water Works Board.

Next, Distribution Manager Reginald Nall pointed out that the Distribution Department is the training base for the Board's entire infrastructure that is replaced in the Board's distribution system. He addressed various functions that maintenance workers are hired to perform throughout said system and he stated the referenced employees do an excellent job.

**At 9:18 a.m., Director Florie entered the meeting.**

Following, the General Manager asked the Board to turn its attention to agenda item 5, and the Board was asked to adopt resolutions authorizing monthly retirement benefits for Michael Skinner (Residual Plant Operator I, Shades Mountain Filter Plant) from the Board's Retirement Trust Fund, as set forth in said agenda item, as stated on the respective retirement calculation, effective June 1, 2016, and commending Mr. Skinner for his years of service at the Water Works Board. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, Michael Skinner has 42 years and 5 months of continuous service with the Board at his retirement date, and, in accordance with the terms of the Trusteed Pension Plan, Mr. Skinner is entitled to receive a monthly Retirement payment from the Board's Retirement Trust Fund in the amount of \$4,725.57; and

NOW, THEREFORE, BE IT RESOLVED By the Board of Directors of The Water Works Board of the City of Birmingham, on motion duly made by Ms. Sherry W. Lewis and seconded by Mrs. Ann D. Florie, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$4,725.57 to Mr. Skinner, beginning June 1, 2016, from the Board's Retirement Trust Fund, in accordance with the terms of the Pension Plan. Resolution No. 7187 is hereby adopted by unanimous vote.”

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“WHEREAS, Michael Skinner, an employee of The Water Works Board of the City of Birmingham, is retiring, effective June 1, 2016, after 42 years and 5 months of service with the Board; and

”WHEREAS, management has informed the Board of Michael Skinner’s efficiency, reliability, and loyal service which contributed to the effective operation and growth of The Water Works Board of the City of Birmingham; and

WHEREAS, Michael Skinner, leaves behind a record which deserves a sincere word of gratitude for a job well done; and the Board does hereby express its best wishes for many happy years ahead.

NOW, THEREFORE, BE IT RESOLVED, By the Board of Directors of the Water Works Board of the City of Birmingham, on motion duly made by Ms. Sherry W. Lewis and seconded by Mrs. Ann D. Florie, that Michael Skinner is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Michael Skinner’s services to the Board, a copy of this resolution be spread upon the minutes of The Water Works Board of the City of Birmingham and an official resolution presented to Mr. Skinner. Resolution No. 7188 is hereby adopted by unanimous vote.”

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Next, Human Resources Manager Paul Lloyd recognized Mr. Skinner, commenting that 42 years is a long time and a lot of dedication to the Water Works Board and he thanked him for his service.

Following, Assistant General Manager Darryl Jones pointed out that Mr. Skinner’s seniority is currently number one at the Water Works Board, indicating this is his last full week of service. Assistant General Manager Darryl Jones commented that Mr. Skinner works as hard today at the Water Works Board as he did when he was first hired and that employees at the Shades Mountain Filter Plant’s Sludge Facility have stated that Mr. Skinner outworks them. Assistant General Manager Darryl Jones acknowledged that Mr. Skinner has been a dedicated employee and he has demanded excellence and 100 percent efforts from everybody that worked on his team. He recognized Mr. Skinner for his successful efforts in making the equipment at the Shades Mountain Filter Plant last 15 to 20 years beyond its life expectancy. Assistant General Manager Darryl Jones pointed out that he had the privilege of working for him when he was first hired at the Board. Subsequently, Assistant General Manager Darryl Jones expressed his appreciation to Mr. Skinner for his many years of dedicated services at the Water Works Board.

Following, Manager of Purification Water Floyd Stephens added he also worked for Mr. Skinner and indicated everyone that worked for him had to work very hard. He said Mr. Skinner has been in charge of the Board’s dewatering facility at said plant since 1988, commenting the old plate and frame would not have exceeded its life expectancy if Mr. Skinner had not made a lot of modifications. He said Mr. Skinner worked hard every day and has done a great job and he congratulated him on a job well done.

Following, Mr. Skinner commented he has enjoyed working at the Water Works Board for 42 years and stated that he does not feel any different today than the first day he started. He said he will be 70 years old on December 31<sup>st</sup> and indicated he praises God for every day He has given him. Mr. Skinner said for the last three years the Lord has led him and his wife to the Rock of Ages Prison Ministry and indicated he would be working in said ministry for as long as the Lord would have him. Subsequently,

Chairman Mims commented that he met Mr. Skinner 42 years ago when he first started at the Water Works Board and he extended his congratulations and appreciation to him for his 42 years and 5 months of loyal and dedicated service at the Board. The meeting body applauded Mr. Skinner for his years of service at the Water Works Board.

As there was no old business for discussion in agenda item 2, the General Manager asked the Board to approve minutes of Board of Directors' Meetings held on April 13, 2016, as set forth in agenda item 3. He indicated that staff has reviewed the referenced minutes and recommends them for approval. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. George Munchus and seconded by Mrs. Ann D. Florie, that the Board hereby approves minutes of the Regular Board of Directors' Meeting held April 13, 2016. Resolution No. 7189 is hereby adopted by unanimous vote.”

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Following, the General Manager asked the Board to authorize reimbursement of the operating account for capital expenditures for the period ended April 30, 2016, as set forth in agenda item 4. He indicated staff recommends approval of the referenced item. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, ARCADIS US, Incorporated, in a Certificate dated May 17, 2016, certified that during the period ended April 30, 2016 that there were expenditures for the cost of system improvements, which were paid out of the Operating Account and reimbursement of that account is now due in the preliminary amount of \$2,221,041.39 and;

WHEREAS, transfers to the Operating Account can be made from any, or a combination, of the following: the 2002 Construction Fund, the Improvement Fund, and/or the Revenue Account.

NOW, THEREFORE, BE IT RESOLVED By The Water Works Board of the City of Birmingham, on a motion duly made by Mr. George Munchus and seconded by Mrs. Ann D. Florie, that the Trustee be, and is hereby instructed to immediately transfer \$2,221,041.39 to the Operating Account from any, or a combination, of the following: The 2002 Construction Fund, the Improvement Fund, and/or the Revenue Account. Resolution No. 7190 is hereby adopted by unanimous vote.”

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Next, the General Manager asked the Board to approve payments of invoices for professional services, as set forth in agenda items 6.1 through 6.5, and he indicated staff has reviewed the referenced invoices and recommends them for approval. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. George Munchus and seconded by Ms. Sherry W. Lewis, that the Board hereby authorizes staff to execute payments to the following:

6.1 Carl Dalton NeSmith Jr., LLC  
For retainer for May 2016

\$ 500.00

6.2	<u>Volkert, Inc.</u> For professional services rendered through April 2016	\$ <u>1,590.00</u>
6.3	<u>Dominick Feld Hyde, P.C.</u>	
6.3.1	For professional services related to BWWB Pension Plan for April 2016	\$ <u>1,113.60</u>
6.3.2	For professional services related to BWWB Audit Letter for March and May 2016	\$ <u>1,252.80</u>
6.4	<u>The Jones Group, LLC</u> For professional services rendered for May 2015	\$ <u>5,000.00</u>
6.5	<u>Fuston, Petway &amp; French, LLP</u> For professional services rendered through April 2016	\$ <u>74,873.51</u>

Resolution No. 7191 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve the General Manager to travel to and from Washington, D.C., on May 31, 2016 and return on June 2, 2016, as set forth in agenda item 7, to meet with the Environmental Protection Agency (EPA) regarding the lead and copper rule. The General Manager commented that in addition to discussing changes to said rule, the EPA would be discussing unregulated contaminants and advancing the Safe Drinking Water Act. Director Munchus asked if said meeting is the result of litigation from the water issue in Flint, Michigan, where it appears a number of lawsuits might result in some criminal indictments. Mr. Underwood responded that it has more to do with said city moving forward and new guidelines being put in place by the EPA. He pointed out the EPA made it clear that it would not be making changes based solely on input from water professionals at said meeting and indicated the EPA would be considering their advice relative to modifying the lead and copper rule. In response to Director Munchus’ inquiry as to whether the modified lead and copper rule would create some new opportunities for the Board’s EnviroLab and others involved in testing at water systems, Assistant General Manager Darryl Jones replied that staff does not view this as an opportunity but as a challenge. He noted whenever the EPA changes the lead and copper rule, he indicated it may require additional technology in order to comply with the new rules, adding that staff might be requesting several million dollars from the Board as a result of the new lead and copper rule. The General Manager explained that he believes Assistant General Manager Darryl Jones is referring to the fact that the EnviroLab is at its maximum performing the Water Works Board’s tests and that it does not have the capacity to do tests for others. In some additional comments, Director Lewis pointed out when she and staff met with EPA at the Water Policy Conference this past March, she stated it was mentioned another meeting would be scheduled on the lead and copper rule. Director Lewis commented that the Birmingham Water Works Board is already ahead of the curve, that the water system is a leader in the water industry, and indicated that is why the Board’s General Manager was invited to attend the meeting. Subsequently, Director Lewis commented that the Board is aware that changes are forthcoming to the lead and copper rule, expressing her concerns about said rule and indicated that is why she attended said conference in March. After discussion, the General Manager indicated staff recommends said item for approval. On a motion duly made and seconded, the following resolution was adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. George Munchus and seconded by Ms. Sherry W. Lewis, that the Board hereby

approves the General Manager to travel to and from Washington, D.C., on May 31, 2016 and return on June 2, 2016, to meet with the Environmental Protection Agency (EPA) regarding the lead and copper rule; 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. 7192 is hereby adopted by unanimous vote.”

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Next, the General Manager asked the Board to take bids for a vehicle tracking system for BWWB vehicles, as set forth in agenda item 8. He commented that the Board currently has such a system in place and indicated occasionally said system has to be updated. 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. Sherry W. Lewis, that the Board hereby authorizes staff to take bids on the vehicle tracking system used for company vehicles. Resolution No. 7193 is hereby adopted by unanimous vote.”

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Following, the General Manager asked the Board to award bids to the respective lowest responsible and responsive bidders, as set forth in agenda items 9.1 through 9.4. After reviewing item 9.1 to award bid to Sprouse Construction for estimated quantities of standard concrete replacement, Assistant General Manager Sonny Jones responded to various questions from Director Munchus relative to the Historically Underutilized Business (HUB) participation, the location of said company, and the reliability of said company. Assistant General Manager Sonny Jones stated it is impossible for said company to commit an exact percentage of HUB participation because of the endless number of \$50.00 and \$100.00 jobs for said project and he indicated said company is located in Pelham. Assistant General Manager Sonny Jones pointed out that the agreement with Sprouse Construction requires that monthly invoices include specifics on what the contractors utilized, and he indicated the bid was very aggressive. He pointed out said company is a new company for the Water Works Board, and he indicated that staff would be monitoring said company very closely.

Following, the General Manager reviewed item 9.2 to award bid to Empire Pipe for estimated quantities of Fire Hydrants for a six-month period to replenish inventory in the Warehouse. He pointed out that staff replaces a certain number of fire hydrants monthly when they have been damaged. Director Lewis asked about the status of reviewing the newest and best fire hydrants with the fire departments. Assistant General Manager Sonny Jones replied after talking with representatives at 35 different fire departments, he discovered they do not like change but they are considering the new hydrants. He added that staff would review the hydrants again when they attend the AWWA Annual Conference in June 2016 in Chicago, Illinois. Assistant General Manager Sonny Jones pointed out that the Birmingham Water Works Board has 15,000 fire hydrants from 6 separate manufacturers in its system. Assistant General Manager Sonny Jones said the Warehouse keeps a lot of parts for each of the manufactured fire hydrant and maintains a new fire hydrant when one is damaged. Director Munchus asked if Empire Pipe manufacturers fire hydrants and if they are local. Assistant General Manager Sonny Jones responded that said company is a local representative and sells M & H fire hydrants to the Board. Following, Director Lewis expressed her concern, pointing out she realizes the Board has to maintain the fire hydrants it has in the system and indicated it could start slowly putting the new fire hydrants in the system. Director Lewis commented that with change the current fire hydrants would eventually disappear and indicated she wants to ensure staff continually looks at the new fire hydrants and addresses them with the fire chiefs.

Subsequently, Director Lewis inquired as to whether staff is considering possibly placing another fire hydrant on the main campus so that the fire chiefs could see the changes in the fire hydrant. Director Lewis indicated that she does not want the Board to continue buying fire hydrants and not be prepared if it suddenly has to use the new fire hydrant. In response to Director Munchus' inquiry as to the shelf life of a fire hydrant, Assistant General Manager Sonny Jones indicated fire hydrants usually last about 75 years. Some additional discussion ensued relative to the fire departments' twice a year opening and closing of fire hydrants for testing purposes, the one -day timeline repair of any damaged fire hydrants, the requirement of fire departments to test fire hydrants twice a year to determine their flow rates, the amount of water available wherein hydrants are painted a color based on how much water is on hand, and the annual fee paid by fire districts when hydrants are flushed, which includes water usage for testing and fire protection for each hydrant.

Next, the General Manager reviewed item 9.3 to award bid to Ferguson Waterworks for estimated quantities of Meter Boxes and Lids to replenish inventory in the Warehouse and pointed out said item is also stocked to replace meter boxes during the year.

Subsequently, the General Manager reviewed item 9.4 to award bid to Jones Utility & Contracting Company, Inc. is for replacement of various pipes and other services in the Dolomite Community. The General Manager indicated staff recommends the referenced items for approval. Following, Assistant General Manager Sonny Jones responded to Director Munchus' inquiries relative to whether Jones Utility & Contracting Company, Inc. is a minority company or a Black owned company, stating it is not a minority or a Black-owned company and indicated it should read HUB. In response to Director Munchus' inquiries as to the HUB percentage participation and whether staff is monitoring such, Assistant General Manager Sonny Jones stated said participation is 34% and he indicated staff is monitoring the HUB percentage. Assistant General Manager Sonny Jones stated that in addition to monitoring the HUB percentage, he reported that Systems Development Manager Douglass Stockham had indicated the bid specifications would be changed to require all contractors that declare HUB participation would be required to provide staff with a copy of their report. After discussion, the General Manager indicated that staff recommends approval of the referenced items. 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. Sherry W. Lewis, that the Board hereby awards bids on the following:

- 9.1 Sprouse Construction, the lowest responsible and responsive bidder, for estimated quantities of standard concrete replacement in accordance with the Bid Specifications and Conditions at an estimated out-of-pocket cost to the Board of \$92,500.00.
- 9.2 Empire Pipe, the lowest responsible and responsive bidder, for estimated quantities of Fire Hydrants for a six-month period to replenish inventory in the Warehouse at an estimated out-of-pocket cost to the Board of \$137,792.25.
- 9.3 Ferguson Waterworks, the lowest responsible and responsive bidder, for estimated quantities of Meter Boxes and Lids to replenish inventory in the Warehouse at an estimated out-of-pocket cost to the Board of 153,270.50.
- 9.4 Jones Utility & Contracting Company, Inc., the lowest responsible and responsive bidder, for replacement of approximately 580 feet of 1-inch galvanized steel pipe, 3,500 feet of 2-inch unlined cast iron pipe and 2-inch galvanized steel pipe and 640 feet of 6-inch

unlined cast iron pipe with 5,100 feet of 6-inch DICL pipe; 460-feet of 4-inch DICL pipe and related appurtenances; and 65 water services at 1<sup>st</sup> Street; 2<sup>nd</sup> Street; 3<sup>rd</sup> Street, 2<sup>nd</sup> Avenue; Hollywood Lane; North Street; Simmons Street; Hill Street/Morrow Alley and Charles Street located in the Dolomite Community of the city of Birmingham, Alabama, at a bid amount of \$527,478.20; plus estimated cost of materials and Water Board labor in the amount of \$366,491.69 at a total out-of-pocket cost to the Board of \$893,969.89.

Resolution No. 7194 is hereby adopted by unanimous vote.”

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Next, the General Manager asked the Board to exercise its bid option, as set forth in agenda items 10.1 and 10.2, to extend 12-month contracts with Dunn Construction and Advanced Asphalt, per bids awarded April 30, 2015, for Asphalt Cold Mix, and to authorize the General Manager and/or the Assistant General Manager to execute said contracts. After reviewing the respective items, the General Manager commented that the Board has the option to extend the contracts for an additional year at the same price when said items are bided. Subsequently, the General Manager indicated that staff recommends approval of said items. After discussion of the number of bidders that responded to said items, a motion was duly made and seconded 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 Mr. Ronald A. Mims, that the Board hereby exercises its bid option to extend 12-month contracts and to authorize the General Manager and/or the Assistant General Manager to execute contracts with the following:

- 10.1 Dunn Construction, the lowest responsible and responsive bidder, for Asphalt Cold Mix (pick-up), per bid awarded April 30, 2015, at an estimated annual out-of-pocket cost to the Board of \$104,925.00.
- 10.2 Advanced Asphalt, the lowest responsible and responsive bidder, for Asphalt Cold Mix (delivery), per bid awarded April 30, 2015, at an estimated annual out-of-pocket cost to the Board of \$115,500.00.

Resolution No. 7195 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve and authorize the General Manager and/or the Assistant General Manager to enter into a one-year renewal contract with Security Engineers, Inc., as set forth in agenda item 11, for security guard services effective May 28, 2016 to May 28, 2017, at sites referenced in the contract. After some discussions as to whether staff sent out a Request for Proposals (RFP), the prices from three (3) major companies that provide security services, the use of security guards at those Board’s facilities that are not secured, and the longevity of guard services at those specific locations. As Sungard was not referenced as one of three major companies, Director Munchus asked staff to reach out to Sungard and indicated he does not believe said company is aware of the bid. Following, Assistant General Manager Darryl Jones called to the directors’ attention page two (2) of the Guard Services Comparison handout that had been distributed for their review. A copy of said document is on file in today’s Board Meeting book. He reviewed the bid price comparison from the bidders, pointing out

the bids from the other two bidders were higher than the bid received from Security Engineers, Inc., commenting the Board has used Security Engineers, Inc. for several years. Assistant General Manager Darryl Jones also pointed out security guard services have been trending downward since the Board had additional security work done at certain facilities and indicated Security Engineers, Inc. has the expertise that the Board needs. Subsequently, the General Manager indicated staff recommends approval of the referenced items. 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. Sherry W. Lewis, that the Board hereby approves and authorizes the General Manager and/or the Assistant General Manager to enter into a one-year renewal contract with Security Engineers, Inc., for security guard services, effective May 28, 2016 to May 28, 2017, at sites referenced in the contract at a total estimated annual cost for the third year of guard services with an optional two additional years at an estimated out-of-pocket cost to the Board of \$397,683.40. Resolution No. 7196 is hereby adopted by unanimous vote.”

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Next, the Board was asked to exercise its bid option to extend a one-year contract to Pinnacle Data Systems, the lowest responsible and responsive bidder and only bidder to respond, as set forth in agenda item 13, for printing and mailing water bills, per bid awarded June 14, 2013; and to authorize the General Manager and/or the Assistant General Manager to execute said contract. The General Manager pointed out that Pinnacle Data Systems was the only bidder for said item in 2013 and indicated staff would like to extend the contract one additional year and rebid the referenced item after the proposed one-year extension. After some discussions relative to the only bidder, the number of companies the bid was sent to and why the other companies did not bid on the referenced item, the General Manager pointed out said contract was bided in 2013 with the option to extend the contract. In addition, the General Manager pointed out the referenced item was not rebided and indicated the option to extend said contract included a one, two or three year period. In response to Director Munchus’ inquiry as to why staff is proposing to extend said contract and whether said company’s price has remained the same for the past three years, the General Manager stated staff is proposing to extend said contract because Pinnacle Data Systems has a good price and indicated the price has remained constant, adding that staff has a good working relationship with them. Responding to Director Munchus’ question as to why no other companies sent in bids, Assistant General Manager Michael Johnson explained that Pinnacle Data Systems is one of the premiere companies that provides this type of service and pointed out they have had the best price. The General Manager responded to Director Munchus that there is no HUB participation relative to said item, and he indicated said company prints approximately 10,000 water bills per day and commented he did not know how HUB could be separated relative to the bid. 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. Sherry W. Lewis, that the Board hereby exercises its bid option to extend a one-year contract to Pinnacle Data Systems, the lowest responsible and responsive bidder, for printing and mailing water bills, per bid awarded June 14, 2013, at an out-of-pocket cost to the Board of \$161,568.00; and to authorize the General Manager and/or the Assistant General Manager to execute said contract. Resolution No. 7197 is hereby adopted by unanimous vote.”

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Following, the General Manager indicated that agenda item 12, as set forth on the agenda, would be discussed in the Executive Session.

Next, the Board was informed that Representative John Rogers had requested to speak under the Board's Public Speaker's Policy on behalf of the Committee to Save Jefferson County. Following, Representative Rogers said he was present as a ratepayer and a legislator. A handout was distributed to the directors for their review wherein a copy is on file in today's Board Meeting Book. He asked the Board to file a lawsuit against ACT No. 2015-164 sponsored by Senator Jabo Waggoner. Representative Rogers stated said bill is unconstitutional from the federal government and the state, noting a law cannot be passed in Montgomery, Alabama, to violate a contract. Following, Representative Rogers asked the Board to file a lawsuit against said bill because it is in violation of the contract between the City of Birmingham and the Water Works Board. Director Munchus asked if the Birmingham Water Works Board was singled out and Representative Rogers said yes. He said it was stated 24 times that said bill only affects the City of Birmingham wherein it was amended five (5) times so that it would only affect Birmingham. Following, Representative Rogers said it is stated on record and he indicated it should have been a local bill, commenting it should not have been a general bill wherein this act was violated. Subsequently, Director Munchus expressed his support in filing the lawsuit. He stated he would like for the Board's attorneys to review said act and advise the directors relative to what they need to do expeditiously. He said he does not want any delay on the referenced matter and that the Board needs to move quickly for a lot of different reasons, pointing out he was prepared to make the motion in favor of filing the lawsuit and indicated he would wait for advice from the Board's legal counsel. Following, the General Manager recommended to the Board to adhere to the Speaker's Policy and to take said request under advisement. Director Munchus commented that his mind was already made up and indicated he would listen to the Board's legal counsel. Subsequently, Representative Rogers asked the Board to file a lawsuit on behalf of him and other rate payers against ACT No. 2015-164, and he expressed his appreciation for the opportunity to address the Board. Director Munchus asked Board Attorney French if he took notice of this wherein Attorney French responded in the affirmative.

As there was no further business before the Board, Board Attorney French indicated the purpose of the Executive Session is to discuss pending litigation and a personnel matter involving the good name and character of an employee. Board Attorney French indicated the Executive Session would last approximately 30 minutes, and the Board, the Board's attorneys and senior executive management were recognized to remain in the meeting. 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 Mrs. Ann D. Florie, that the Board hereby approves an Executive Session to discuss pending litigation and a personnel matter relative to the good name and character of an employee. Resolution No. 7198 is hereby adopted by unanimous vote."

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At 9:52 a.m. the meeting adjourned to an Executive Session and at 11:20 a.m. on a motion duly made and seconded, the meeting reopened to its regular meeting.

Following, the General Manager asked the Board to approve an agreement with Attorney Clay Ragsdale, as set forth in agenda item 12, to provide legal services related to a Securities and Exchange Commission (SEC) issue and to authorize the General Manager and/or the Assistant General Manager to execute said agreement, as recommended by the Finance Committee. Subsequently, the General Manager

indicated that 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. George Munchus and seconded by Mrs. Ann D. Florie, that the Board hereby approves an agreement with Attorney Clay Ragsdale for six months, effective May 25, 2016, at \$250.00 per hour, to provide legal services related to a Securities and Exchange Commission (SEC) Issue and to authorize the General Manager and/or the Assistant General Manager to execute the agreement, as recommended by the Finance Committee. Resolution No. 7199 is hereby adopted by unanimous vote.”

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After adoption of the above resolution, the General Manager mentioned that monthly updates of said item would be provided to the Board.

As there was no further business before the Board, a motion was duly made and seconded, and the meeting adjourned at 11:21 a.m.

\_\_\_\_\_/s/\_\_\_\_\_  
Ronald A. Mims  
Chairman/President

Attest

\_\_\_\_\_/s/\_\_\_\_\_  
George Munchus  
Secretary-Treasurer