

## **SUMMARY OF A COMMITTEE MEETING**

### **Budget Workshop 3**

HELD Wednesday, November 4, 2020

At 11:30 a.m. – (Electronically [via Teleconference/telephone])

[THESE ARE NOT THE OFFICIAL MINUTES]

The Governor’s Open Meeting Act (“OMA”) Proclamation allows members of governmental bodies to hold said meeting electronically (via telephone etc.) for purposes of establishing a quorum, deliberating and taking action; and via electronic equipment allows members of the public to listen to the meeting.

An Executive Committee meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, November 4, 2020 at 11:30 a.m., via electronically [via teleconference/telephone].

The following Committee members were present: Ronald A. Mims, Brenda J. Dickerson, Deborah Clark, William R. Muhammad, William “Butch” Burbage Jr., Tommy J. Alexander, Lucien Blankenship, Brett A. King and George Munchus.

The meeting was also attended by: Michael Johnson, General Manager; Derrick Murphy, Jeffrey Thompson and Iris Fisher, Assistant General Managers; Cynthia Williams, Board Administrator; Vanessa Washington, Executive Assistant; Colandus Mason, Marsha Hammonds, Rosalind Jones, Rick Jackson, BWWB Employees; K. Mark Parnell, Parnell Thompson Law, LLC; Peiffer Brandt, Raftelis; and Emory Anthony, Jr.

Inasmuch all the Committee members were present, a quorum was in attendance.

Chairman Mims called the meeting to order at 11:31 a.m. He indicated the purpose of the meeting was to have additional discussion on rate increases. Chairman Mims stated that Mr. Brandt and Director Muhammad had done research on the topic, and he would like to hear from them and comments from the board.

Following, the meeting was turned over to GM Johnson. He commented on the impact of a no rate increase and the justification. A director asked a question regarding the impact on PAYGO and a rate increase with collection on customers’ accounts and payment plans. Several directors asked about certain rate increase scenarios, revenue generated, and debt reduction. There was discussion on how rate increases are determined, which management explained that the RSE Model is used to determine rates. GM Johnson confirmed to directors that management’s recommendation is a zero-rate increase for FY2021. Some directors indicated their support of a zero-rate increase while others expressed their concerns. Attorney Parnell advised the board that the PAYGO policy would have to be amended in order to change the rate increase. Thus, Director Muhammad made a motion to amend the PAYGO Policy to reach a 65% PAYGO goal by 2025. There was no seconded; therefore, the motion failed.

Subsequently, there was no new business, as set forth in agenda item two.

As there was no further business before the Committee, Director Burbage made a motion to adjourn the meeting, and Director Dickerson seconded. Thus, Director Mims adjourned the meeting at 12:46 p.m. by a roll call vote.