

**MINUTES OF THE REGULAR MEETING OF DIRECTORS  
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM  
July 14, 2021**

The regular meeting of the Directors of The Water Works Board of the City of Birmingham was held on Wednesday, July 14, 2021 at 11:30 a.m., at 3600 First Avenue North, Birmingham, Alabama – In Person, Training Room.

The following Directors were present via roll call: Lucien Blankenship, William “Butch” Burbage, Jr., Tom Henderson, Tereshia Huffman, Ronald A. Mims, George Munchus (via telephone), Dalton NeSmith, Jr., Chris Rice and Larry Ward.

Others present were: Michael Johnson, General Manager; Iris Fisher, Derrick Murphy and Jeffrey Thompson, Assistant General Managers; K. Mark Parnell, Parnell Thompson Law, LLC; Emory Anthony, Attorney; Cynthia Williams, Board Administrator; Tammy F. Wilson, Executive Assistant to Assistant General Managers Derrick Murphy and Jeff Thompson; Anitra Clark, Corporate Governance Specialist; Tim Garrett, Technical Support Analyst I; Colandus Mason, Information Technology Manager; Jeff Wade and Charles McGee, Electrical and Mechanical Shop; Rick Jackson, Public Relations Manager; Terrell Jones, Interim Security Manager; Brian Ruggs, ARCADIS; Elise Massey, Office of the Attorney General; Byron Perkins, Perkins-Law, LLC; Michael Bell, Birmingham Construction Industry Authority (BCIA); Martha Bozeman, Agency 54; Kirk Mills, Kimley – Horn; Matthew Arrington, Terminus Municipal Advisors; Matt Adams and Brad Green, Raymond James; Yvonne Green-Davis, YGD, PC; E. M. Ray, Butler Snow; William R. Muhammad, guest speaker.

Chairman Mims called the meeting to order at 11:33 a.m. Assistant General Manager, Iris Fisher opened the meeting with prayer.

All directors were present, so a quorum was in attendance.

Following, the agenda was amended, adding additional language to Item 6, to include Senior Taxable Water Revenue Refunding Bonds. 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. Larry Ward and seconded by Dr. George Munchus that the Board of Directors hereby approves the July 14, 2021 Regular Board of Directors’ meeting agenda, adding additional language to Item 6, which includes Senior Taxable Water Revenue Refunding Bonds.

Resolution No. 8782 is hereby adopted by unanimous vote.”

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Next, the Board was asked to adopt resolutions authorizing monthly benefits from the Board’s Retirement Trust Fund for Steven Aaron, as set forth in agenda Item 1. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, Steven Aaron, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective August 1, 2021, at an age of 66, and

WHEREAS, Steven Aaron has 30 years and 8 months of continuous service with the Board at his retirement date, and in accordance with the terms of the Trusteed Pension Plan, is entitled to receive a monthly Retirement payment from the Board’s Retirement Trust Fund in the amount of \$4,496.82; 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 Mr. Ronald A. Mims and seconded by Dr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$4,496.82 to Mr. Aaron from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made August 1, 2021.

Resolution No. 8783 is hereby adopted by unanimous vote.”

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“WHEREAS, Steven Aaron, an employee of The Water Works Board of the City of Birmingham, is retiring, effective August 1, 2021, after 30 years and 8 months of service with the Board; and

WHEREAS, management has informed the Board of Steven Aaron’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, Steven Aaron, 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, Steven Aaron is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Steven Aaron’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. Aaron.

Resolution No. 8784 is hereby adopted by unanimous vote.”

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Following, the Board was asked to adopt resolutions authorizing monthly benefits from the Board’s Retirement Trust Fund for Michael Arrington, as set forth in agenda Item 2. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, Michael Arrington, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective August 1, 2021, at an age of 61, and

WHEREAS, Michael Arrington has 28 years and 11 months of continuous service with the Board at his retirement date, and in accordance with the terms of the Trusteed Pension Plan, is entitled to receive a monthly Retirement payment from the Board’s Retirement Trust Fund in the amount of \$5,085.31; 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 Mr. Ronald A. Mims and seconded by Dr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$5,085.31 to Mr. Arrington from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made August 1, 2021.

Resolution No. 8785 is hereby adopted by unanimous vote.”

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“WHEREAS, Michael Arrington, an employee of The Water Works Board of the City of Birmingham, is retiring, effective August 1, 2021, after 28 years and 11 months of service with the Board; and

WHEREAS, management has informed the Board of Michael Arrington’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 Arrington, 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, Michael Arrington is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Michael Arrington’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. Arrington.

Resolution No. 8786 is hereby adopted by unanimous vote.”

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Next, the Board was asked to adopt resolutions authorizing monthly benefits from the Board’s Retirement Trust Fund for Herman Jones, as set forth in agenda Item 3. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, Herman Jones, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective August 1, 2021, at an age of 62, and

WHEREAS, Herman Jones has 23 years of continuous service with the Board at his retirement date, and in accordance with the terms of the Trusteed Pension Plan, is entitled to receive a monthly Retirement payment from the Board’s Retirement Trust Fund in the amount of \$3,151.81; 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 Mr. Ronald A. Mims and seconded by Dr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$3,151.81 to Mr. Jones from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made August 1, 2021.

Resolution No. 8787 is hereby adopted by unanimous vote.”

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“WHEREAS, Herman Jones, an employee of The Water Works Board of the City of Birmingham, is retiring, effective August 1, 2021, after 23 years of service with the Board; and

WHEREAS, management has informed the Board of Herman Jones’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, Herman Jones, 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, Herman Jones is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Herman Jones’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. Jones.

Resolution No. 8788 is hereby adopted by unanimous vote.”

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Following, the Board was asked to adopt resolutions authorizing monthly benefits from the Board’s Retirement Trust Fund for Terry Thomas, as set forth in agenda Item 4. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, Terry Thomas, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective August 1, 2021, at an age of 61, and

WHEREAS, Terry Thomas has 30 years and 1 month of continuous service with the Board at his retirement date, and in accordance with the terms of the Trusteed Pension Plan, is entitled to receive a monthly Retirement payment from the Board’s Retirement Trust Fund in the amount of \$3,302.13; 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 Mr. Ronald A. Mims and seconded by Dr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$3,302.13 to Mr. Thomas from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made August 1, 2021.

Resolution No. 8789 is hereby adopted by unanimous vote.”

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“WHEREAS, Terry Thomas, an employee of The Water Works Board of the City of Birmingham, is retiring, effective August 1, 2021, after 30 years and 1 month of service with the Board; and

WHEREAS, management has informed the Board of Terry Thomas’ 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, Terry Thomas, 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, Terry Thomas is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Terry Thomas' 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. Thomas.

Resolution No. 8790 is hereby adopted by unanimous vote.”

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Next, the Board was asked to approve the minutes of the May 12, 2021 Regular Board of Directors' meeting, as set forth in agenda Item 5. 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. Dalton NeSmith and seconded by Dr. George Munchus, that the Board hereby approves minutes of the following meeting:

- Regular Board of Directors' Meeting held May 12, 2021

Resolution No. 8791 is hereby adopted. Director Blankenship abstained.”

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Following, the Board was asked to authorize, ratify and confirm the issuance and final pricing of its Senior Taxable Water Revenue Refunding Bonds, Series 2021, as set forth in agenda Item 6. Matthew Arrington addressed the meeting body and noted that the total transaction was \$480 million. The savings were twice as much as originally anticipated. A preliminary handout (a copy of which is on file with the Board meeting book), from Raymond James, containing the Pricing Review was provided to the Board. The closing is set for July 28, 2021. Mr. Arrington talked about the diversity of the investors and the national acknowledgement recognition when it comes to S&P and Moody's rating agencies. General Manager Johnson stated if the item was approved, Staff would like to send out a Press Release. On a motion duly made and seconded, the following resolution was adopted:

## **RESOLUTION NO. 8792**

Thereupon, the following was introduced in writing, duly seconded, and adopted by Directors Mims, Burbage, Blankenship, Huffman, NeSmith, Rice, Ward and Henderson; and Director Munchus abstained from voting.

### **RESOLUTION AUTHORIZING THE ISSUANCE OF \$480,995,000 SENIOR TAXABLE WATER REVENUE REFUNDING BONDS, SERIES 2021**

**“WHEREAS**, The Water Works Board of the City of Birmingham, a public corporation organized under the laws of the State of Alabama (the “Board”), owns and operates an integrated water supply and distribution system (the “System”) within certain areas of Jefferson County, Alabama and surrounding counties;

**WHEREAS**, the Board has heretofore issued various series of its water revenue bonds pursuant to that certain Trust Indenture dated as of December 1, 1998 (the “Original Senior Indenture”), between the Board (as successor to the City of Birmingham) and Trust Bank formerly Branch Banking and Trust Company, (as successor trustee) (the “Trustee”), as supplemented and amended by a First Supplemental Indenture dated as of July 1, 2002, by a Second Supplemental Indenture dated as of September 1, 2002, by a Third Supplemental Indenture dated as of April 1, 2004, as further amended by an Amendment to Third Supplemental Indenture dated as of May 1, 2004, by a Fourth Supplemental Indenture dated as of April 1, 2006, by a Fifth Supplemental Indenture dated as of February 28, 2007, by a Sixth Supplemental Indenture dated as of December 1, 2008, by a Seventh Supplemental Indenture dated as of May 1, 2009, by an Eighth Supplemental Indenture dated as of November 1, 2010 (the “Eighth Supplemental Indenture”), by a Ninth Supplemental Indenture dated as of June 1, 2011 (the “Ninth Supplemental Indenture”), by a Tenth Supplemental Indenture dated as of March 1, 2012 (the “Tenth Supplemental Indenture”), by an Eleventh Supplemental Indenture dated as of April 1, 2013 (the “Eleventh Supplemental Indenture”), by a Twelfth Supplemental Indenture dated as of April 1, 2015 (the “Twelfth Supplemental Indenture”), by a Thirteenth Supplemental Indenture dated as of October 1, 2016 (the “Thirteenth Supplemental Indenture”), by a Fourteenth Supplemental Indenture dated as of November 1, 2018 (the “Fourteenth Supplemental Indenture”) and by a Fifteenth Supplemental Indenture dated as of November 1, 2019 (the “Fifteenth Supplemental Indenture”) each between the Board and the Trustee (collectively, the “Existing Supplemental Indentures”);

**WHEREAS**, the bonds now outstanding under the Original Senior Indenture, as so supplemented and amended, are (i) the Water Revenue Refunding Bonds, Series 2015-A, dated

April 14, 2015, issued pursuant to the Twelfth Supplemental Indenture and now outstanding in the aggregate principal amount of \$21,390,000, (ii) the Water Revenue Bonds, Series 2015-B, dated April 14, 2015, issued pursuant to the Twelfth Supplemental Indenture and now outstanding in the aggregate principal amount of \$15,310,000, and (iii) a portion of the Senior Water Revenue Refunding Bonds, Series 2016-A, dated October 4, 2016, issued pursuant to the Thirteenth Supplemental Indenture and now outstanding in the aggregate principal amount of \$108,090,000, (iv) a portion of the Senior Water Revenue Bonds, Series 2018, dated November 1, 2018, issued pursuant to the Fourteenth Supplemental Indenture and now outstanding in the aggregate principal amount of \$45,830,000 and (v) the Water Revenue Refunding Bonds, Series 2019, dated November 1, 2019, issued pursuant to the Fifteenth Supplemental Indenture and now outstanding in the principal amount of \$332,575,000 (all of the foregoing being referred to herein collectively as the “Outstanding Parity Securities”);

**WHEREAS**, pursuant to a separate Trust Indenture dated as of March 1, 2007, providing for the issuance of water revenue bonds secured by a pledge of Pledged Revenues (as defined in the Original Senior Indenture and in said Trust Indenture) that is subject and subordinate to the prior pledge thereof under the Original Senior Indenture, as said Trust Indenture has been amended and supplemented by, among others, the Sixth Supplemental Indenture dated October 1, 2016, (the “Subordinate Lien Indenture”) the Board has heretofore issued its Subordinate Water Revenue Refunding Bonds, Series 2016-B and Subordinate Water Revenue Refunding Bonds, Series 2016-C (the “Series 2016-B and 2016-C Bonds”), which are outstanding in the aggregate principal amount of \$287,865,000;

**WHEREAS**, the Board has determined it to be desirable and in the public interest to cause to be refinanced, defeased and retired certain obligations of the Board heretofore issued under the Original Senior Indenture consisting of (i) those of the Series 2012-A Bonds maturing in 2022 through 2026 (the “Refunded 2012-A Bonds”); (ii) those of the Series 2013-A Bonds maturing in 2022 through 2043 (the “Refunded 2013-A Bonds”); (iii) those of the Series 2016-A Bonds maturing in 2031 through 2035 (the “Refunded 2016-A Bonds”); and (iv) those of the Series 2018 Bonds maturing in [2031 through 2039] (the “Refunded 2018 Bonds,” and together with the Refunded 2012-A Bonds, Refunded 2013-A Bonds, and the Refunded 2016-A Bonds, the “Refunded Senior Lien Bonds”).

**WHEREAS**, the Board has determined it to be desirable and in the public interest to cause to be refinanced, defeased and retired certain obligations of the Board heretofore issued under the Subordinate Lien Indenture consisting of (i) those of the Series 2016-B Bonds maturing in 2023 through 2043 (the “Refunded 2016-B Bonds”); and (ii) those of the Series 2016-C Bonds maturing in



[2022 through 2023] (the “Refunded 2016-C Bonds” and, together with the Refunded 2016-B Bonds, the “Refunded Subordinate Lien Bonds”).

**WHEREAS**, the Board has determined that it is appropriate, desirable and in the public interest for the Board to issue its \$480,995,000 initial principal amount Senior Taxable Water Revenue Refunding Bonds, Series 2021, dated the date of delivery (the “Series 2021 Bonds”), in order to pay a portion of the costs of refinancing, defeasing and retiring the Refunded Senior Lien Bonds and the Refunded Subordinate Lien Bonds (collectively herein called the “Refunded Bonds”, and to pay related issuance expenses of the Series 2021 Bonds;

**WHEREAS**, a portion of the proceeds of the Series 2021 Bonds will be deposited in an escrow fund established pursuant to that certain Senior Bond Escrow Trust Agreement to be dated as of July 1, 2021 (the “Senior Series 2021 Escrow Agreement”) hereinafter authorized which, together with funds deposited therein from the Original Senior Indenture, along with investment earnings thereon, will be sufficient to pay maturing installments of the principal and interest requirements on the Refunded Bonds until and including their respective redemption dates and the redemption prices thereof on their respective redemption dates, as more particularly described in the Senior Series 2021 Escrow Agreement;

**WHEREAS**, a portion of the proceeds of the Series 2021 Bonds will be deposited in an escrow fund established pursuant to that certain Subordinate Bond Escrow Trust Agreement to be dated as of July 1, 2021 (the “Subordinate Series 2021 Escrow Agreement”) hereinafter authorized which, together with funds deposited therein from the Subordinate Lien Indenture, along with investment earnings thereon, will be sufficient to pay principal and interest requirements on the Refunded Bonds until and including their respective redemption dates and the redemption prices thereof on their respective redemption dates, all as more particularly described in the Subordinate Series 2021 Escrow Agreement;

**WHEREAS**, the Series 2021 Bonds shall be issued as Additional Parity Securities (as defined in the Original Senior Indenture) pursuant to the Original Senior Indenture, as heretofore amended and supplemented by the Existing Supplemental Indentures, and further supplemented by that certain Sixteenth Supplemental Indenture dated as of July 1, 2021 (the “Sixteenth Supplemental Indenture”) as hereinafter authorized, pursuant to which the Series 2021 Bonds are to be issued (the Original Senior Indenture as so amended and supplemented being hereinafter referred to as the “Senior Indenture”);

**WHEREAS**, following the issuance of the Series 2021 Bonds, the only Parity Securities outstanding under the Senior Indenture will be the Series 2021 Bonds and those of the Outstanding Parity Securities other than the Refunded Senior Lien Bonds;

**WHEREAS**, the Series 2021 Bonds shall be limited obligations of the Board payable from, and secured by a pledge of, the revenues from the System remaining after payment of the reasonable and necessary expenses of maintaining and operating the System (the “Pledged Revenues”), on an equal and proportionate basis and parity of lien with the Outstanding Parity Securities other than the Refunded Senior Lien Bonds;

**WHEREAS**, no Event of Default under the Senior Indenture has occurred and is continuing, no event which, with the giving of notice or the passage of time or both, would constitute such an Event of Default, has occurred and is continuing;

**WHEREAS**, the Board has determined that the Series 2021 Bonds will not be secured by the debt service reserve fund established in the Senior Indenture;

**WHEREAS**, in connection with the refunding of the Refunded Senior Lien Bonds, the Board has determined that the funds in the debt service reserve fund established in the Senior Indenture and allocable to the Refunded Senior Lien Bonds shall be released from said debt service reserve fund and shall be deposited into the escrow fund established in the Senior Series 2021 Escrow Trust Agreement, as specified in the Sixteenth Supplemental Indenture, and used for redemption, defeasance and payment of the Refunded Senior Lien Bonds;

**WHEREAS**, the Series 2021 Bonds will be sold to Raymond James & Associates, Inc., as Senior Manager of an underwriting syndicate that includes Piper Sandler & Co., San Blas Securities and Blaylock Van, LLC.(collectively, the “Original Purchasers”), pursuant to a bond purchase agreement (the “Bond Purchase Agreement”), hereinafter authorized;

**WHEREAS**, the Board has caused a Preliminary Official Statement dated July 6, 2021 (the “Preliminary Official Statement”) to be prepared and distributed to prospective purchasers in connection with the issuance and sale of the Series 2021 Bonds, which describes the provisions of an appropriate continuing disclosure agreement to be entered into by the Board in connection with the Series 2021 Bonds (the “Continuing Disclosure Agreement”); and

**WHEREAS**, copies of the Preliminary Official Statement and the Bond Purchase Agreement and the forms of the Sixteenth Supplemental Indenture, the Continuing Disclosure Agreement, the Senior Series 2021 Escrow Agreement, and the Subordinate Series 2021 Escrow Agreement (collectively, the “Financing Documents”) have been presented to, considered and approved by the Board, all as more particularly set forth herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD**, as follows:

1. The Board does hereby authorize to be issued the Series 2021 Bonds under such terms, conditions and provisions as are set out in the Sixteenth Supplemental Indenture herein authorized, which such Series 2021 Bonds shall be secured by and payable from revenues of the System as set forth and described in the Senior Indenture. The Series 2021 Bonds shall be sold to the Original Purchasers, as underwriters for the Series 2021 Bonds, at and for a price equal to \$478,950,771.25, which such price reflects the initial principal amount of the Series 2021 Bonds, less an underwriting discount of \$2,044,228.75. The Board does hereby authorize and direct the Chairman/President and First Vice Chairman of the Board, or either of them, to execute and deliver, for and in the name and behalf of the Board, the Bond Purchase Agreement with the Original Purchasers, a copy of which is presented to the meeting at which this resolution is adopted and shall be attached as an exhibit to the minutes of said meeting. The Series 2021 Bonds shall bear such date, shall mature at such times and in such manner, shall bear such rate or rates of interest, shall be payable at such place, shall be in such denominations, shall bear such numbers, and shall be in such form and contain such provisions as shall be set out in the said Bond Purchase Agreement and the Sixteenth Supplemental Indenture herein authorized.

2. The Board does hereby further approve, authorize, ratify and confirm (i) the issuance of the Series 2021 Bonds, (ii) the execution and delivery of the Financing Documents by the Board including the Sixteenth Supplemental Indenture, the form of which is presented to the meeting at which this resolution is adopted and attached as an exhibit to the minutes of said meeting, the Senior Series 2021 Escrow Trust Agreement, the form of which is presented to the meeting at which this resolution is adopted and shall be attached as an exhibit to the minutes of said meeting, the Subordinate Series 2021 Escrow Trust Agreement, the form of which is presented to the meeting at which this resolution is adopted and shall be attached as an exhibit to the minutes of said meeting, and the Continuing Disclosure Agreement, the form of which is presented to the meeting at which this resolution is adopted shall be attached as an exhibit to the minutes of said meeting, subject to insertion into the form of each of the Financing Documents of the respective principal amounts, maturities, interest rates, price and/or yield provisions, and redemption provisions as specified in the Bond Purchase Agreement and (iii) the consummation of all other transactions described in the recitals of this resolution and contemplated by the Financing Documents (the “Plan of Financing”). The Chairman/President and First Vice Chairman of the Board, or either of them, are hereby authorized and directed to execute and deliver the Series 2021 Bonds and each of the Financing Documents in substantially the form presented to the Board at this meeting, with such changes or additions thereto or deletions therefrom as the officer executing the same shall approve, which approval shall be conclusively evidenced by his or her execution of such instruments. The Secretary or any Assistant Secretary of the Board is hereby authorized and

directed to affix the corporate seal of the Board to the Series 2021 Bonds and the Financing Documents and to attest the same.

3. The Board does hereby approve the Preliminary Official Statement, a copy of which is presented to the meeting at which this resolution is adopted and shall be attached as an exhibit to the minutes of said meeting. The action of the Chairman/President of the Board in causing the Preliminary Official Statement to be "deemed final" as of its dated date for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission is hereby ratified and affirmed in all respects. The Board does hereby approve, authorize, ratify, and confirm the distribution by the Original Purchasers of the Preliminary Official Statement to prospective purchasers of the Series 2021 Bonds. The Chairman/President and First Vice Chairman of the Board, or either of them, are hereby authorized and directed to complete the Preliminary Official Statement (such Preliminary Official Statement as completed being herein referred to as the "Official Statement") with (a) information relating to the terms of sale of and interest rates on the Series 2021 Bonds, (b) such information regarding reoffering prices or yields on the Series 2021 Bonds as shall be provided by the Original Purchasers of the Series 2021 Bonds and (c) such changes or additions thereto or deletions therefrom as the executing officers shall approve and shall be acceptable to the Original Purchasers of the Series 2021 Bonds. The Chairman/President and First Vice Chairman of the Board, or either of them, are hereby authorized and directed to date the Official Statement as of an appropriate date and to execute and deliver the Official Statement in the name and on behalf of the Board.

4. The Series 2021 Bonds shall be issued under and secured by the Senior Indenture as therein provided. The Series 2021 Bonds shall be in the form and shall contain the terms and provisions provided in the Senior Indenture. To the extent that the Senior Indenture provides alternative methods for execution of the Series 2021 Bonds, the officers of the Board executing the Series 2021 Bonds are hereby authorized to select the method of execution. The Chairman/President and First Vice Chairman of the Board, or either of them, are hereby authorized and directed to execute the Series 2021 Bonds on behalf of the Board, and the Secretary or any Assistant Secretary of the Board is hereby authorized and directed to affix the official corporate seal of the Board to the Series 2021 Bonds and to attest the same. The officers executing the Series 2021 Bonds are hereby authorized and directed to deliver the Series 2021 Bonds so executed to the Trustee for authentication and delivery to the Original Purchasers, and the Trustee is hereby requested and directed to follow any instructions provided by such officers with respect to such authentication and delivery.

5. The Series 2021 Bonds shall be sold to the Original Purchasers pursuant to, and on the terms and conditions specified in, the Bond Purchase Agreement

6. The Board hereby calls (a) the Refunded 2012-A Bonds for redemption and payment on January 1, 2022 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, (b) the Refunded 2013-A Bonds for redemption and payment on January 1, 2023 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, (c) the Refunded 2016-A Bonds for redemption and payment on January 1, 2027 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, (d) the Refunded 2016-B and 2016-C Bonds for redemption and payment on January 1, 2027 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption, and (e) the Refunded 2018 Bonds for redemption and payment on January 1, 2028 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption. The Chairman/President and First Vice-Chairman of the Board, or either of them, are hereby authorized and directed to take or cause to be taken, in the name and on behalf of the Board, all of the actions required by the provisions of the Senior Indenture to be taken in order to effect the redemption of the Refunded Bonds including, without limitation, the execution and delivery of the Senior Escrow Agreement and Subordinate Escrow Agreement. Final approval of the Senior Escrow Agreement and Subordinate Escrow Agreement, including, without, limitation, specification therein of the particular maturities and principal amounts of the Refunded Bonds, by the Chairman/President and First Vice- Chairman of the Board, or either of them, shall be evidenced by their execution of the same. The Board hereby certifies that no default exists under the Senior Indenture and no such default is imminent.

7. The officers of the Board and any person or persons designated and authorized by any officer of the Board to act in the name and on behalf of the Board, or any one or more of them, are authorized to do and perform or cause to be done and performed in the name and on behalf of the Board such other acts, to pay or cause to be paid on behalf of the Board such related costs and expenses, and to execute and deliver or cause to be executed and delivered in the name and on behalf of the Board such other notices, requests, demands, directions, consents, approvals, orders, applications, certificates, agreements, further assurances, or other instruments or communications, under the corporate seal of the Board, or otherwise, as they or any of them may deem necessary, advisable, or appropriate in order to (i) complete the Plan of Financing, (ii) carry into effect the intent of the provisions of this resolution and the Sixteenth Supplemental Indenture and (iii) demonstrate the validity of the Series 2021 Bonds and the absence of any pending or threatened litigation with respect to the Series 2021 Bonds or the Sixteenth Supplemental Indenture , and (iv) carry into effect the Plan of Financing and establish the taxable interest on the Series 2021 Bonds from federal income taxation and exemption of interest on the Series 2021 Bonds from State of Alabama income taxation.

8. Each act of any officer or officers of the Board or any person or persons designated and authorized to act by any officer of the Board, which act would have been authorized by the foregoing provisions of this resolution except that such action was taken prior to the adoption of this resolution, is hereby ratified, confirmed, approved and adopted.

9. Each act of the General Manager and/or Assistant General Manager designated and authorized by the Chairman or First Vice Chairman of the Board to enter into any and all ancillary investment agreements and termination thereof for the purpose of carrying out the Plan of Financing for the Senior Series 2021 Bonds, including without limitations engagement and payment of costs relating to a bidding agent and rating agent, if applicable, which acts would have been authorized by the foregoing provisions of this resolution except that such action was taken prior to the adoption of this resolution, is hereby ratified, confirmed, approved and adopted.

10. The various provisions of this resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this resolution.

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Next, the Board was asked to approve an invoice from Dominick Feld Hyde, PC, for professional services provided March 11 - May 29, 2021, as set forth in agenda Item 7. 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 Dr. George Munchus and seconded by Mr. Larry Ward, that the Board hereby authorizes staff to execute payment of an invoice to Dominick Feld Hyde, PC, for professional services provided March 11 – May 29, 2021 (Pension Plan), in the amount of \$1,815.60.

Resolution No. 8793 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve an invoice from Perkins-Law, LLC, professional services provided June 2021, as set forth in agenda Item 8. 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 Dr. George Munchus and seconded by Mr. Dalton NeSmith, that the Board hereby authorizes staff to execute payment of invoices to Perkins-Law, LLC, for professional services provided June 2021, in the amount of \$6,006.72.

Resolution No. 8794 is hereby adopted by unanimous vote.”

\* \* \* \* \*

Next, the Board was asked to approve an invoice from Pat Lynch & Associates, for professional services provided June 2021, as set forth in agenda Item 9. 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. Larry Ward and seconded by Mr. Chris Rice, that the Board hereby authorizes staff to execute payment of an invoice to Pat Lynch & Associates, for professional services provided June 2021, in the amount of \$10,000.00.

Resolution No. 8795 is hereby adopted. Director Blankenship voted no.”

\* \* \* \* \*

Following, the Board was asked to approve an invoice from Raftelis Financial Consultants, Inc., for professional services provided June 2021, as set forth in agenda Item 10. 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 Dr. George Munchus and seconded by Ms. Tereshia Huffman, that the Board hereby authorizes staff to execute payment of an invoice to Raftelis Financial Consultants, Inc., for professional services provided June 2021 (Strategic Planning), in the amount of \$12,793.00.

Resolution No. 8796 is hereby adopted by unanimous vote.”

\* \* \* \* \*

Next, the Board was asked to approve an invoice from Hilliard, Smith & Hunt, LLC, for professional services provided May 2021, as set forth in agenda Item 11. 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 Dr. George Munchus and seconded by Mr. Dalton NeSmith, that the Board hereby authorizes staff to execute payment of an invoice to Hilliard, Smith & Hunt, LLC, for professional services provided May 2021, in the amount of \$13,000.00.

Resolution No. 8797 is hereby adopted. Director Huffman abstained.”

\* \* \* \* \*

Following, the Board was asked to approve an invoice from Agee Law, LLC, for professional services provided June 2021, as set forth in agenda Item 12. 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. Dalton NeSmith and seconded by Dr. George Munchus, that the Board hereby authorizes staff to execute payment of an invoice to Agee Law, LLC, for professional services provided June 2021, in the amount of \$13,095.00.

Resolution No. 8798 is hereby adopted. Director Blankenship voted no.”

\* \* \* \* \*

Next, the Board was asked to approve revisions to the Education Assistance Program in Section 7.9 of the Employee Handbook and in Section 7090 in the HR Management Guide, as set forth in agenda Item 13. Some discussion occurred regarding employees’ introductory period and utilizing a tracking process. Attorney Anthony confirmed that the legal team had not been consulted regarding these revisions. The Board agreed to bring the item back to the next Board meeting in order for the legal team to have an opportunity to review it. On a motion duly made and seconded, the following resolution was tabled:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Dalton NeSmith, and seconded by Dr. George Munchus, that the Board hereby tables revisions to the Education Assistance Program in Section 7.9 of the Employee Handbook and in Section 7090 in the HR Management Guide as set out in Exhibits “A” and “B” attached hereto for the following purposes (1) add language to clarify that certificate programs may be covered under the Policy, (2) remove provision that employees cannot participate in the program during their Introductory Period, (3) raise the maximum allowable lifetime reimbursement from \$34,000 to \$60,000, and (4) add language that allows the General Manager to make exceptions to the policy based on business needs, as recommended by the Human Resources Committee.

Resolution No. 8799 is hereby adopted by unanimous vote.”

\* \* \* \* \*

Following, the Board agreed to table the remaining Items, 14 – 16, referring them to the legal team and bringing them back for a vote at the next Board meeting.



“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Lucien Blankenship, and seconded by Mr. Tom Henderson, that the Board hereby tables the following items, until a legal opinion is obtained:

- Crediting employees (and covered spouses) and under 65 retirees (and covered spouses) as having completed a biometric screening for the purpose of their 2021 health insurance premiums due to the impact of COVID-19 on completing a biometric screening, as recommended by the Human Resources Committee.
- A revision to the Vacation Policy for the current year (2021) to waive the mandatory taking of five (5) consecutive days of vacation for 2021 relative to employees with fiduciary or internal control responsibilities due to the impact of COVID-19 on employees using paid time off, as recommended by the Human Resources Committee
- An amendment to the Emergency Pay Policy to allow the option for earned Comp Time by exempt employees to be paid out in salary or in time off, as recommended by the Human Resources Committee.

Resolution No. 8800 is hereby adopted by unanimous vote.”

\* \* \* \* \*

Next, under New Business, Director Munchus asked if the public could be provided a call-in number enabling them to listen to the Board and Committee meetings going forward. General Manager, Johnson stated IT could set that up in “listen only” mode. Director Blankenship stated while the company training program was to be commended, he believed there may be some gaps. Rick Jackson stated the American Water Works Association highlighted the Birmingham Water Works’ (BWW) recent Plant Awards and Operator Award along with the recent “Hydrate the City” campaign. GM Johnson reminded the Board that there were documents to be signed relating to the bond agreement which Board members would need to sign prior to leaving. One speaker was recognized to speak, William R. Muhammad. Mr. Muhammad stated he had unfinished business relating to BWW’s policy as it relates to the cap on legal fees and who the authority lies with to approve overages in legal fees each month.

As there was no further business before the Board, a motion was made and seconded, and the meeting adjourned at 12:37 p.m.

/S/

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Ronald A. Mims  
Chairman/President

Attest:

/S/

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William "Butch" Burbage  
Secretary-Treasurer