

MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS  
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM  
October 11, 2013

The regular bi-monthly meeting of the directors of The Water Works Board of the City of Birmingham was held on Friday, October 11, 2013, at 9:00 a.m., at 3600 First Avenue North, Birmingham, Alabama.

The following Directors were present: A. Jackie Robinson, III, Sherry W. Lewis, Ann D. Florie, David S. Herring and George Munchus, Ph.D.

Inasmuch as all of the Directors were present, Chairman Robinson declared a quorum in attendance.

The meeting was also attended by: Mac Underwood, General Manager; Michael Johnson; T. M. "Sonny" Jones, and Darryl Jones, Assistant General Managers; Grace E. Amison, Executive Assistant to the Board of Directors; Ben Sorrell, Binnie Myles, Joyce Jordan, Barry Williams, George Anderson, Randolph Harmon, and Michael Parker, Board employees; K. Mark Parnell, Mary H. Thompson, Kelvin Howard, and J. J. Johnson, Waldrep Stewart & Kendrick, LLC; Jerry Jones, ARCADIS U.S., Inc.; Dr. Jesse J. Lewis, Sr., Dorian Kendrick, Noelle Petties, and Matt Tanner, The Lewis Group; Mark Dolan, Volkert, Inc. Danny O. Meadows, S. S. Nesbitt & Company, Inc.; David Merrida, Birmingham Construction Industry Authority; Spencer Horn, Ph.D., Birmingham Board of Education; and Ann C. Smith, The League of Women Voters of Greater Birmingham.

Chairman Robinson called the meeting to order at 9:06 a.m. and an invocation was given by IT Manager George Anderson.

Under old business, the General Manager recognized Assistant General Manager Michael Johnson and he reported that approximately 76 students from the Birmingham Board of Education's High School Career Academies participated in the Birmingham Water Works Board's job shadowing internship program on October 8 – 9, 2013. Assistant General Manager Michael Johnson said the students job shadowed with managers and assistant general managers and gained tremendous experiences by talking with department heads and their employees. He pointed out that he believes the Board's staff learned a lot from the students. He indicated Dr. Spencer Horn from the Birmingham Board of Education would make comments later. Following, Public Communications Manager Binnie Myles was acknowledged and she agreed that the referenced program is wonderful and the students are excited, pointing out she has received telephone calls from teachers and some of the students. She said the students appreciate what the Board is doing because it provides them with a direct opportunity. Subsequently, Ms. Myles recognized Dr. Horn and he expressed appreciation for what the Water Works is doing. As District Coordinator for the Career Academies in the Birmingham City Schools, Dr. Horn also conveyed gratitude on behalf of Superintendent Dr. Craig Witherspoon and the Birmingham City Schools for the opportunity afforded their students to work with the Board's professionals. Dr. Horn said he hopes the Water Works has heard about some of the things they are trying to do in changing how education in Birmingham is approached and linking professional career beams to their academics before the students graduate from high school. He pointed out that one (1) of the ways they are trying to incorporate authentic experiences for the students and indicated the Board's willingness to permit their students to job shadow with its professionals allowed them to have those realistic experiences. Following, Dr. Horn expressed a special thank you to Public Communications Manager Binnie Myles, Assistant General Manager Michael Johnson and Director Lewis. He said he realizes Director Lewis put

in a lot of hard work and the Birmingham City Schools and the Birmingham Board of Education extend their appreciation to the Birmingham Water Works.. The meeting body extended applause. Following, Director Lewis commented that it is wonderful to have had the students visit the Birmingham Water Works Board and on behalf of the Board, she thanked the Birmingham City School System for educating such dynamic young people. She said she met with several of the students during Customer Service Week and commented managers shared with her how absolutely outstanding the students are, pointing out that one (1) student is fluent in Chinese and another student from Africa had run a business at age 9. Assistant General Manager Michael Johnson further commented that the student from Africa is studying Accounting, Engineering, and Architecture and wants to go to Harvard. Following, Director Lewis said some managers have asked her if the job shadowing program can be done again. She said it is exciting to know these kinds of students are being produced in Birmingham and she again expressed her appreciation. Director Lewis also said while attending a meeting with Birmingham Board of Education President April Williams on Tuesday, Ms. Williams expressed her excitement and assured her that Birmingham's students are the finest. On behalf of the Board, Director Lewis thanked Dr. Horn for the Board of Education's genuine partnership with the Birmingham Water Works and for allowing the Water Works the opportunity to share with the students. Subsequently, Dr. Horn presented to Director Lewis and the Board a commendation on behalf of the Birmingham Board of Education. He said the students that job shadowed at the Water Works this week are the rule and not the exception and the Birmingham Board of Education wants to make sure all of its students have the opportunity to be involved in such programs. Following, Director Lewis asked that the Water Works continue to participate in said program.

Next, Assistant General Manager Michael Johnson pointed out Customer Service Week is being observed this week and he expressed appreciation to the employees. He noted that the employees have truly supported said week and many great things are happening, particularly with the various departments. Following, Assistant General Manager Michael Johnson recognized Public Communications Manager Binnie Myles for additional comments. Ms. Myles said Customer Service Week has gone very well and he mentioned that the Birmingham Fire and Rescue Department provided coloring books, fire hats, and balloons for the children as well as smoke detectors for the adults. She said the Birmingham Water Works Board gave a wristband to its customers with an attached USB flash drive of the downloaded BWWB video that was filmed in the Customer Service Department. She invited the directors to stop by the Customer Service Department.

Continuing with old business, the General Manager recognized Business Systems Analyst Joyce Jordan for a brief report on the H2O Foundation's Tenth Annual Golf Tournament that was held on September 16, 2013 at the Robert Trent Jones Golf Trail at Oxmoor Valley. A copy of said report is on file in today's Diligent Boardbooks™. Ms. Jordan reported that sponsorship and other donations totaled \$57,595.00, expenses totaled \$23,846.71 and indicated said event netted \$33,748.29. She pointed out this year's tournament proceeds are less than the amount received in 2012, alluding to the economy and other things that affected the 2013 fundraising. She indicated overall the tournament was successful. Following, Ms. Jordan reported 232 players participated in the tournament. She noted that Volkert, Inc., has been a Platinum Sponsor since the inception of the tournament and the other top two (2) donors were American Cast Iron Pipe Company and ARCADIS, U.S., Inc. Following, Ms. Jordan expressed appreciation to everyone that supported, participated, and volunteered in said event. The Board expressed its gratitude to Ms. Jordan. Following, the General Manager commented that in addition to having a team in the tournament, he commented that Waldrep Stewart & Kendrick, LLC donated a lot of give-a-ways. He expressed his appreciation to everyone for their support and commented that Ms. Jordan has done a good job chairing said tournament for the past several years. The meeting body extended applause for her efforts.

Following, the General Manager proceeded with the agenda, and he asked the Board to approve minutes of Board of Directors' Meetings, as set forth in agenda item 2. He indicated staff has reviewed the 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. David S. Herring and seconded by Dr. George Munchus, that the Board hereby approves minutes of Board of Directors' Meetings held on June 20, 2013, July 18, 2013, August 9, 2013 and August 22, 2013. Resolution No. 6550 is hereby adopted by unanimous vote.”

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Next, the Board was asked to approve payments of invoices for professional services, as set forth in agenda items 3.1 through 3.6. The General Manager indicated staff has reviewed the referenced invoices and recommends them for approval. On a motion duly made and seconded, the below resolution was adopted. Following, Director Florie voted “no” on item 3.6.

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

- 3.1 Carl Dalton NeSmith, Jr., LLC  
For Retainer Fee for October 2013 \$ 500.00
- 3.2 Terminus Securities, LLC  
For professional services rendered for September 2013 \$ 5,500.00
- 3.3 Fine Geddie & Associates  
For professional services rendered for October 2013 \$ 7,500.00
- 3.4 HandPrint Bell, LLC  
For professional services rendered for September 2013 \$ 10,000.00
- 3.5 The Lewis Group  
For professional services rendered for September 2013 \$ 25,000.00
- 3.6 Porter, White & Company  
For professional services rendered from July 15, 2013 through August 6, 2013 \$ 48,289.75

Resolution No. 6551 is hereby adopted by Directors Robinson, Lewis, Herring and Munchus; Director Florie voted no on item 3.6.”

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Following, the General Manager asked the Board to award bids to the lowest responsible and responsive bidders, as set forth in agenda items 4.1 and 4.2. After reviewing item 4.1 the bid award to NAFECO for the purchase of flame resistant cold weather garments for employees, he explained that certain workers must wear special, all-cotton clothing when working on or near electrical equipment. The General Manager commented that item 4.2 is to award bid to Wiregrass Construction Company to complete the

repaving along South Shades Crest Road, as recommended by the Engineering and Maintenance Committee, and indicated staff recommends approval of said items. After a motion was made, Director Munchus inquired about the second bidder and the amount relative to item 4.1. Assistant General Manager Sonny Jones said “At Work Uniforms” was the second bidder at an amount of \$82,137.00 wherein it was pointed out that “NAFECO’s” bid is not the lowest. Following, Assistant General Manager Sonny Jones pointed out “At Work Uniforms” did not meet the bid specifications because it did not submit a bid on Alternative A for Big Bill Baseball Caps. Following, Chairman Robinson inquired as to the amount of the original repaving bid pertaining to item 4.2. The General Manager stated said bid was \$460,000.00, noting that according to staff’s calculation for the portion of work rejected from the first contractor, the total is \$448,000.00. In response to Chairman Robinson’s inquiry if the latter amount would satisfy all of the Board’s debt for said repaving, the General Manager said yes and he pointed out the contract contains a section that has to be discussed with the Board’s attorneys. In addition, said Wiregrass Construction Company’s bid is included in the \$448,000.00. Subsequently, the motion was 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. David S. Herring and seconded by Dr. George Munchus, that the Board hereby authorizes staff to award bids to the following:

- 4.1 NAFECO, the lowest responsible and responsive bidder, for purchase of flame resistant cold weather garments for employees while they are working on or near electrical equipment at an estimated total out-of-pocket cost to the Board of \$82,156.26. [NOTE: The apparent low bidder was determined to be non-responsible/non-responsive because they did not meet the bid specifications.]
- 4.2 Wiregrass Construction Company, the lowest responsible and responsive bidder, to complete the repaving of approximately one (1) mile along South Shades Crest Road at an out-of-pocket cost to the Board of \$232,350.00, as recommended by the Engineering and Maintenance Committee.

Resolution No. 6552 is hereby adopted by unanimous vote.”

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Next, the Board was asked to adopt resolutions authorizing monthly retirement benefits for David G. Johnsey (Remittance Processing Clerk) and Carol B. Duncan (Museum Coordinator – Cahaba Pumping Station), as referenced in agenda items 5.1 and 5.2 respectively, from the Board’s Retirement Trust Fund, as stated on the respective retirement calculations, and commending Mr. Johnsey and Mrs. Duncan for their years of service at the Water Works Board. He indicated staff has reviewed the referenced items and recommends them for approval. On a motion duly made and seconded, the following resolutions were adopted:

“WHEREAS, David G. Johnsey, a former vested employee of The Water Works Board of the City of Birmingham, (“the Board”); has reached the age of 65, effective November 1, 2013; and

WHEREAS, David G. Johnsey had 22 years and 7 months of continuous service with the Board at the time he left 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 \$1,487.81.

NOW, THEREFORE, BE IT RESOLVED, By the Board of Directors of the Water Works Board of the City of Birmingham, on a motion duly made by Mr. David S. Herring and seconded by Dr. George

Munchus, that the Trustee is hereby instructed to pay monthly benefit payments of \$1,487.81 per month to David G. Johnsey from the Board's Retirement Trust Fund in accordance with the terms of the Pension Plan, with the first payment to be made November 1, 2013. Resolution No. 6553 is hereby adopted by unanimous vote."

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"WHEREAS, Carol B. Duncan, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective November 1, 2013, at an age of 61 and

WHEREAS, Carol B. Duncan has 26 years and 3 months of continuous service with the Board at her 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 \$2,378.28; 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. David S. Herring and seconded by Dr. George Munchus, that the Trustee is hereby instructed to pay monthly benefit payments of \$2,378.28 to Carol B. Duncan from the Board's Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made November 1, 2013. Resolution No. 6554 is hereby adopted by unanimous vote."

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"WHEREAS, Carol B. Duncan, an employee of The Water Works Board of the City of Birmingham, is retiring, effective November 1, 2013, after 26 years and 3 months of continuous service with the Board; and

WHEREAS, management has informed the Board of Carol B. Duncan'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, Carol B. Duncan 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, that Carol B. Duncan is hereby commended for her efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Carol B. Duncan'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 a copy presented to Carol B. Duncan. Resolution No. 6555 is hereby adopted by unanimous vote."

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Following, the General Manager asked the Board to hear a revised Meter Reading Report on the reduction of overtime from 2010 through 2013, as set forth in agenda item 6. A copy of said report is on file in today's Diligent Boardbooks™. Customer Service Manager Randolph Harmon was recognized and he reported overtimes totaling \$190,154.00 and \$168,871.00 were presented in 2010 and 2011, respectively. He pointed out his department realized an error was made wherein the numbers 6 and 8 had been transposed after presenting the 2011 amount. Mr. Harmon indicated overtime totaling \$84,619.00 was reported in 2012 and \$68,070.00 was projected for 2013. He said after the Accounting Department went back and made some

changes, corrected numbers for the overtime, he indicated the overtime numbers were \$194,726.00 in 2010, \$203,446.00 in 2011, and \$86,529.00 in 2012. In addition, Mr. Harmon indicated overtime reported to date for 2013 is \$66,297.00 wherein the projected total would be almost \$70,000.00. The General Manager said if there are five (5) overtime codes, a certain number is generated if one (1) of the codes is omitted. Subsequently, the General Manager indicated Mr. Harmon's presentation includes all of the time codes and the revised overtime numbers. He also said the key point is that Mr. Harmon has shown he has been working to reduce overtime since 2010 and a downward trend is reflected in his overtime numbers, pointing out it was part of Mr. Harmon's original report. Following, Director Herring commented that it is important to train employees to use the same codes so that correct reports are generated, pointing out staff should work on this and make sure it does not happen in the future. Mr. Harmon commented they had discussed standardizing overtime codes going forward to better assist the overtime process. In response to Director Munchus' inquiry as to why there are five (5) different overtime codes, Mr. Harmon replied each department uses various different overtime codes, pointing out the filtration plants have "hurry back pay" wherein if an employee whose shift ends is called back to the plant within a certain period of time it is referred to as "hurry back" overtime. Following, the General Manager said staff would work with the Accounting Department to try and reduce the number of overtime codes, pointing out everyone is now aware of the codes. Director Munchus asked if the downward trend in overtime is attributed to operational changes and Mr. Harmon said several scheduling changes had been made, noting that Assistant General Manager Michael Johnson and he worked together to make improvements wherein overtime is being better managed. Subsequently, Director Munchus asked how staff handles emergencies that occur after 5:00 p.m. Mr. Harmon said Meter Readers do not work after 5:00 p.m.

Next, the General Manager mentioned that a couple of items needed to be discussed in an Executive Session. Following, Chairman Robinson recognized consultants and visitors. As there were no comments, Chairman Robinson expressed his appreciation to employees who participated in Customer Service Week, Director Lewis for initiating the Board's job shadowing program, and staff and management for their participation. Subsequently, Attorney Parnell asked the Board to enter into an Executive Session to discuss the good name and character of an individual and two issues regarding litigation. He indicated that said session would last about 30 minutes and no action was expected to be taken by the Board.

Following, Chairman Robinson expressed his gratitude to all who worked on the H2O Foundation's Tenth Annual Golf Tournament. He pointed out that said tournament was held on the Monday immediately following the busiest two (2) weeks in Birmingham's history. He said sponsorships were a part of activities surrounding the 50<sup>th</sup> Year Empowerment Week and he believes this had an impact on donations to said tournament. Assistant General Manager Michael Johnson said the Board has many patrons who support the golf tournament annually, noting a lot of events are taking place and staff is very careful to acknowledge their support because of their sacrifice to donate to the H2O Foundation and to play in the tournament. Following, Director Herring acknowledged Volkert, ARCADIS, and Waldrep Stewart & Kendrick, LLC for their continued support of the H2O Foundation, and he expressed appreciation to Mr. Mark Dolan of Volkert for their ongoing Platinum Sponsorship. Subsequently, Chairman Robinson asked staff to consider scheduling the golf tournament on a different day of the week, since Monday is a tough day for a lot of business people to play golf.

Subsequently, Chairman Robinson called for a motion to enter into Executive Session. 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. David S. Herring and seconded by Dr. George Munchus, that the Board hereby approves an Executive Session for purpose:

1. To discuss the good name and character of an individual; and
2. To discuss two matters pertaining to litigation.

Resolution No. 6556 is hereby adopted by unanimous vote.”

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At 9:38 a.m. the Board, senior executive management, representatives from Gray & Company, and the Board’s attorneys entered into an Executive Session. At 10:17 a.m., representatives from Gray & Company departed the Executive Session. At 10:30 a.m., Director Florie departed the Executive Session.

At 11:03 a.m. the meeting reopened. As there was no further business before the Board, Chairman Robinson thanked the meeting body, wished all a great weekend and the meeting adjourned.

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/s/  
A. Jackie Robinson, III  
Chairman/President

Attest:

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/s/  
David S. Herring  
Secretary-Treasurer