

**Minutes Of
Business and Economic Development Committee Meeting
Of The Water Works Board
Of The City Of Birmingham
September 24, 2015**

A Business and Economic Development Committee Meeting of The Water Works Board of the City of Birmingham was held on Thursday, September 24, 2015, at 9:00 a.m., in the principal office of the Board, 3600 First Avenue North, Birmingham, Alabama, 35222, to discuss business and economic development issues.

The following Committee members were present: Ronald A. Mims, and George Munchus.

The meeting was also attended by: Mac Underwood, General Manager; T. M. “Sonny” Jones, Assistant General Manager of Engineering and Maintenance; Darryl Jones, Assistant General Manager of Operations and Technical Services; Michael Johnson, Assistant General Manager of Finance and Administration; Charlie Waldrep and Mark Parnell, Waldrep, Stewart and Kendrick, LLC; Courtney French, Fuston, Petway & French, LLP; Jesse Lewis and Dorian Kendrick, The Lewis Group; Tammy Wilson, Executive Assistant to T. M. “Sonny” Jones and Darryl R. Jones; Grace Amison, Executive Assistant to the Board of Directors.

General Manager Mac Underwood called the meeting to order at 9:03 a.m. There was no discussion under old business.

Next, item 3 on the agenda was brought before the Committee, requesting them to review a contract with ServisFirst Bank to purchase property from the Birmingham Water Works Board (BWWB) adjacent to the Rosedale Pump Station. General Manager, Mac Underwood, referred to a large map board pointing out the location under consideration. Mr. Underwood stated ServisFirst Bank is moving from its existing location on U. S. Highway 280 to Homewood, AL near the Rosedale Pump Station, where they have purchased property. The parcel ServisFirst Bank is interested in purchasing from the BWWB is about 4.51 acres. Some concerns of the BWWB are that there is enough space for a turn-around area for our large trucks to use in conjunction with the Rosedale Pump Station operations and a six-inch main needs to be relayed by the BWWB which would require an easement and a retaining wall would need to be built, but these issues will all be at the expense of ServisFirst Bank. Charlie Waldrep entered the meeting at 9:05 a.m. An appraisal will be needed on the property and the contract states the BWWB is to select an appraiser at the expense of ServisFirst Bank; if the BWWB is not happy with the first appraisal, the BWWB may hire another appraiser at the BWWB’s expense. Mark Parnell stated the first appraisal will be made available to both parties. If ServisFirst Bank is unhappy with the first appraisal, they are responsible for the expense of a second appraisal. Mac Underwood provided a handout of the Purchase and Sales Agreement between the BWWB and ServisFirst Bank (wherein a copy is on file with the Committee meeting book) for the Committee’s review. Some discussion occurred about

which appraiser to use. Joseph & Company was mentioned as a possibility to perform the appraisal, having performed work for the BWWB in the past. Mac Underwood stated this potential sale was thoroughly vetted and the BWWB does not need the property. Also, Staff has been back and forth on this since late July according to Mac Underwood. The Committee agreed for Staff to move forward on the contract with ServisFirst Bank to purchase property from the BWWB adjacent to the Rosedale Pump Station.

Following, item 2 on the agenda was brought before the Committee, requesting them to discuss and hear information on the Memorandum of Understanding (MOU) for the Grants Mill Road Project. Mac Underwood provided handouts (wherein copies are on file with the Committee meeting book) pertaining to the study on the Grants Mill Road Project; the Cost Sharing Agreement, the City Ordinance and two emails Mac Underwood sent to the Board. Last November Mac Underwood stated he and Charlie Waldrep attended a meeting where the City of Birmingham, Jefferson County and Shelby County discussed various corridor studies designed to relieve traffic and congestion on Highway 280. Another email details various cities and counties and their funding amounts. Mac Underwood referred to a map showing the area where our 16" main was extended when the widening of Grants Mill Road took place at Irondale's request. Sonny Jones stated there are three very large sub-divisions planned for Grand River, Pine Tree and a portion of Liberty Park which come into play. Charlie Waldrep stated that Daniel has taken in 1500 lots in the area that he understands Leeds will serve. Mac Underwood stated he believed this is on hold right now and that there is an issue involving the school. Some discussion occurred about which property BWWB owns in the undeveloped areas. Most of the land is in the city of Birmingham and BWWB owns that land according to Mac Underwood. It is in the Board's plan (Carson Loop) to tie into Highway 119 by an existing roadway, a new roadway, or a pipe easement according to Darryl Jones. The question, Mac Underwood stated, is whether or not to participate in the study at a total cost of \$60,000.00 to the Board in anticipation of picking up some of these areas as they potentially develop to service. Staff recommends moving this item; however it is up to the Committee Mac Underwood stated. Director Munchus stated he thought this was a minimum investment considering the benefits. Charlie Waldrep pointed out he did not believe Irondale would be a player south of Highway 459. Irondale competes more with Leeds and Trussville he stated. You are really paralleling Highway 280, Mr. Waldrep stated. Birmingham and Hoover are players because both have property on Highway 280 which is underperforming, so this will take some of the heavy traffic out of this area. Charlie Waldrep stated he was asked to put together the MOU in November 2014 and February 6, 2015 was when the document was actually agreeable to the parties and finalized. The next time Charlie Waldrep stated he had any involvement, was when he received a text from Mac Underwood stating a Birmingham Business Journal article reported the ordinance was adopted. The MOU is being looked at by Hoover and Birmingham and Hoover had their first reading October 2nd. The City of Birmingham announced that Volkert & Associates, Inc. is going to perform the work according to Mac Underwood, if the study goes forward. Director Munchus, on behalf of the Committee agreed to move the item forward at the next Board meeting. Charlie Waldrep asked Mac Underwood if a resolution should be drafted. Mac Underwood said yes.

Next, item 4 was brought before the Committee, requesting them to approve an agreement with Pelham Water System to acquire 25 customers along Carl Raines Road, not Old Leeds Road. Mac Underwood provided a handout (wherein a copy is on file with the Committee meeting book) of the draft agreement quitclaim deed with the BWWB and Pelham Water System. Mac Underwood referred to a map board pointing out the area and where the BWWB has water mains in service in the area already. Pelham Water System has old pipe in the ground which is one of the motivating factors for them and it is PVC pipe at the tail end of the main. The only negative Staff sees is that possibly the BWWB's billing rates are higher than the 25 Pelham customers' current rates. Attorney Mark Parnell stated there is another driver for Pelham, they have an operational issue; if there is a break, they may not be able to serve these 25 customers. Pelham will have to gain consent from these customers to agree to move to the BWWB to provide their water service. They will go door to door and talk to these customers, Mark Parnell stated. This agreement has taken a while to get both parties to this point according to Mark Parnell. Director Munchus stated he believed this to be a good move. Some discussion occurred concerning the water pressure BWWB could provide in the area. Possibly the pressure is much stronger. Mac Underwood stated Doug Stockham, the BWWB System Development Manager is working on that issue and it should not be a problem. Darryl Jones stated the pressure in the area is hot (meaning high). The 25 customers are on a long stretch of main that only these 25 customers are on and this could also be a reason motivating Pelham to ask for the agreement according to Mac Underwood. Mark Parnell stated there is a possibility this could be re-visited again in the future if there are customers not in agreement to move to the BWWB as customers. The Committee agreed to approve the agreement with Pelham Water System. Mac Underwood stated he would keep the Board updated.

As there was no further business before the Committee the meeting was adjourned at 9:48 a.m.

_____/s/_____
Mac Underwood
General Manager

_____/s/_____
Ronald A. Mims
Chairman/President

/s/

George Munchus, Ph.D.
Secretary-Treasurer