

**Minutes Of  
Engineering And Maintenance Committee Meeting  
Of The Water Works Board  
Of The City Of Birmingham  
February 19, 2019**

An Engineering and Maintenance Committee Meeting of The Water Works Board of the City of Birmingham was held Tuesday, February 19, 2019, at 11:30 a.m., at the Birmingham Water Works Board, 3600 First Avenue North, to discuss engineering and maintenance issues.

The following Committee members were present: Brett A. King, Brenda J. Dickerson, Sherry W. Lewis and Ronald A. Mims. Other Board Members present who do not serve on the Committee were: Tommy Joe Alexander, William “Butch” Burbage, Jr., George Munchus, William R. Muhammad and Deborah Clark.

The meeting was also attended by: Michael Johnson, Interim General Manager; T. M. “Sonny” Jones, Assistant General Manager of Engineering and Maintenance; Grace Amison, Executive Assistant to the Board of Directors; Tammy Wilson, Executive Assistant to T. M. “Sonny” Jones; Terrell Jones, Security Superintendent; Ben Sorrell, Chief Engineer; George Anderson, Information Technology Manager; Ed Travis, Purchasing Manager; Barry Williams, Business Systems/Operations Manager; Doug Stockham, System Development Manager; Paul Lloyd, Human Resources Manager; John Dansby, Distribution Manager; Ike Square, Transportation Supervisor; Geoff Goodwin, Water Revenue Manager; Jeff Cochran, Principal Engineer; Mark Parnell, Parnell Thompson, LLC; Kelvin Howard, Kelvin Howard, LLC; Brian Ruggs and Patrick Flannelly, ARCADIS; Tommy Palladino, Agency 54; Chandra Abesingha, CE Associates.

Board Chairman, William “Butch” Burbage, Jr. called the meeting to order at 11:30 a.m. and apologized stating he would be leaving the meeting at 12:30 to attend another meeting downtown. Chair of the Committee, Director Brett King called on George Anderson to open the meeting with prayer.

Following, as set forth in agenda item 1, on motions duly made and seconded, Committee meeting minutes from September 25, October 23 and November 26, 2018 were approved by the Committee unanimously.

Next, on motions duly made and seconded, the Committee agreed to table the presentation from Santec for a later time to be determined. Director King opposed.

Following, was a request for the Committee to recommend to the Board to take bids for: 1) a Caterpillar 308E2 SB Mini Excavator; 2) an HVAC Maintenance Agreement for service needed at the Main Campus, plant sites and quarterly services for SCADA and Information Technology cabinets at all plant sites and; 3) an estimated 41 Board fleet replacement automobiles, as set forth in agenda items 3, 4 and 5. On a motion duly made and seconded, the Committee unanimously agreed to move all three items to the Board.

Next, was a request for the Committee to recommend to the Board authorization for the issuance of a Request for Proposal to implement SAP HR/Payroll, as set forth in agenda item 6. Director King conferred with Director Lewis asking if this item needed to be referred to the Human Resources Committee. Interim General Manager Michael Johnson stated the item could be presented in the Human Resources Committee, however it was brought to the Engineering and Maintenance Committee today because it is part of the SAP implementation. Director Lewis stated she had some concerns that she had been made aware of and she would need clarification before any discussion or decision on the item. On a motion duly made and seconded, the Committee unanimously agreed to table the item.

Following, was a request for the Committee to recommend to the Board to award a bid to Black Diamond Paving, LLC, the lowest responsible and responsive bidder, for estimated quantities of Standard Patch Paving, as set forth in agenda item 7. AGM Sonny Jones stated this was the first year for Black Diamond Paving to be awarded the bid and they are 100% woman owned. Director Munchus entered the meeting at 11:35 a.m. Ed Travis responded that it was a white-woman owned business. A motion was duly made and seconded, but no vote was taken. More discussion occurred regarding the minority issue. At 11:36 a.m., Director Munchus returned to the meeting. Director Clark stated the minority business seemed to be tilted more toward white-women owned as opposed to other minorities. Director Clark stated she would prefer the Board do more business with businesses in the city of Birmingham. Director Munchus stated he would like to echo that, adding it's a lack of will. Director Dickerson stated she noticed that Black Diamond Paving, LLC has a post office box address in Graysville rather than a physical address. Director Clark stated she was told the owner lives in Jasper and his name is Chuck Hollis. Director Alexander stated a lot of companies use post office boxes. Director Lewis stated there were some questions regarding this bid award. It was confirmed by AGM Sonny Jones that the bid award could be pushed back 30 days. AGM Sonny Jones confirmed that the old bid with Tate Contracting ran out in August 2018. The Board could continue month to month with Tate Contracting until the new contract is awarded according to Mr. Travis. Director Munchus stated this was an example where having a Contract Compliance Program would mitigate some of these issues. A substitute motion to table the bid award to Black Diamond Paving, LLC was made and seconded and passed unanimously. AGM Sonny Jones stated through SAP we can be alerted when contracts are close to expiring. Director Clark asked why this wasn't being utilized already and what other technology available is not being used. Interim General Manager Johnson stated issues come up that prompt Staff to look at things such as this but were not part of what was initially implemented. Director Muhammad stated he was told by Brian Ruggs that there were a lot of things that we are not doing that SAP is capable of. Director Muhammad stated it was his understanding that SAP is very flexible. Director Lewis stated she was surprised that this is just now being determined because we have been awarding bids for a long time. Director Clark stated everyone needs to come to the table, be it Brian Ruggs or Barry Williams to discuss what we are paying for versus what we are getting.

Next, Director King asked to move agenda item 8, an award bid to Mueller Company for estimated quantities of gate valves for the annual bid; agenda item 10, an award bid to Comfort Systems USA (Midsouth) Inc., for the Western Filter Plant HVAC replacement project; agenda item 11, an award bid to The Smith Group & Associates, LLC, for the Customer Service Center HVAC upgrade and agenda item 12, to extend a 12-month contract exercising the Board's bid option for a contract with Hills' Janitorial Service Inc, for janitorial work. On a motion duly made and seconded, the Committee unanimously agreed to move all four items to the Board.

Following, was a request for the Committee to recommend to the Board to award a bid to Ferguson Water Works, for estimated quantities of fire hydrants for the annual bid, as set forth in agenda item 9. AGM Sonny Jones stated this was an annual bid and Ferguson Water Works from Pelham, Alabama was low bidder. On a motion duly made and seconded, the Committee unanimously agreed to move the item to the Board.

Next, was a request for the Committee to recommend to the Board to award a bid to REV Construction, Inc. for a pipeline replacement project along Green Springs Highway, as set forth in agenda item 13. AGM Sonny Jones referred to a map board detailing the location of the project. There are some fire flow issues according to AGM Sonny Jones and we need to get this main in as soon as possible. Director Munchus asked if REV Construction was based in Tuscaloosa. AGM Sonny Jones responded yes. Director Clark stated she was still concerned with not having someone in Birmingham to do this work. Director Lewis noted the HUB participation was only 17.4% and asked if Staff was working to get more HUB participation. Interim General Manager Michael Johnson stated Staff is working toward this and will present information/initiatives to the Board later. Director Muhammad stated he would like someone loyal to us adding that BCIA in his opinion is mostly loyal to its members. On a motion duly made and seconded, the Committee unanimously agreed to move the item to the Board.

Following, was a request for the Committee to recommend to the Board approval of an easement agreement with Alabama Power Company along Stonebrook Drive and a small portion of Bailey Road in Jefferson County near Lake Purdy, as set forth in agenda item 14. AGM Sonny Jones stated this was merely a clerical item. On a motion duly made and seconded, the Committee unanimously agreed to move the item to the Board.

Next, was a request for the Committee to recommend to the Board approval of an access agreement with Heathermoor Farms, an adjacent property owner to the Board's property in Moody, Alabama to hunt, trap, fish and allow representatives of Heathermoor Farms to control beavers and the dams they construct that cause flooding on Board property and Heathermoor Farms property, as set forth in agenda item 15. AGM Sonny Jones stated the Board's attorneys have reviewed this item and we have an agreement drafted. Director Dickerson asked about the liability. Attorney Parnell stated the Board would be held harmless in the agreement. Director Alexander questioned hunting on this property with its proximity to the city of Moody. Director Clark asked if there were any photos to support the request. Director King stated it sounded like more information is needed. After some

more discussion, a motion was duly made and seconded and the Committee unanimously agreed to table the item.

Following, was a request for the Committee to recommend to the Board approval of an agreement to grant permission to Pine Mountain Fire Department, Remlap Fire Department and Allgood Fire Department, for use of a 1994 Tracker Pontoon boat located at Inland Lake for fighting fires and conducting emergency rescue operations, as set forth in agenda item 16. Director King stated an incident happened last fall where there was some confusion and the fire department could not get access to a boat. Some discussion occurred regarding the Board's liability. Director King stated the Board's attorneys have a draft agreement and it is part of the agenda in Diligent. Attorney Parnell stated the agreement would specify that the fire departments have their own insurance in place. Director King stated it was planned to leave a key in a lock box. Director Lewis asked how these fire departments have fought fires in the past. It was confirmed the draft agreement was in Diligent. Director Lewis stated she missed that. Director Clark stated she could not pull up anything in Diligent, so she would need a hard copy of the agreement. Director King stated these are volunteer fire departments and they approached him. Director Mims stated it was in the Board's interest to protect the property around Inland Lake. More discussion occurred regarding what the boat is used for. Director Mims stated the lake is patrolled periodically by Board personnel. Director Clark stated she overheard a conversation behind her that there are many boats at the lake. Director Clark demanded Staff get together and give a full disclosure of all information. AGM Sonny Jones suggested having Roger Hicks, Water Resources Manager come before the Board. The Committee discussed the item further. Director King stated he would like to move this item to the full Board because we are simply trying to help the volunteer fire departments. Other possible emergencies on and around the lake were discussed. Interim General Manager stated Mr. Hicks could come to another Engineering and Maintenance Committee meeting. On a motion duly made and seconded, the Committee agreed to table the item. Directors King and Mims voted no. The motion failed. Another motion was made and seconded to ask Roger Hicks, Water Resources Manager, to come to the next Regular Board Meeting, Thursday, February 28<sup>th</sup> to answer questions and to present the item again for approval. Directors Dickerson and Lewis opposed the motion. The motion failed.

Next, Barry William, Business Systems/Operations Manager made a presentation and asked the Committee for approval of an agreement with Business Systems and Operations, LLC (BSO) for support for the SAP Finance Module, as set forth in agenda item 17 and approval of an agreement with Utegration to provide support for the Customer Relations and Billing Module (CRB) of SAP, as set forth in agenda item 18. Director Burbage exited the meeting at 12:30 p.m. Barry Williams stated SAP was implemented to provide modern, flexible and efficient solutions to support the operations of the Board. The cost of SAP can vary for small business needs of \$10,000.00 to mega business needs of hundreds of millions of dollars. There are thousands of vendors at the SAP Conference trying to sell their applications according to Barry Williams. Meetings are held in house every other week to discuss current issues and SAP configurations. The upcoming SAP conferences being held this year were mentioned and Barry Williams stated he would get those dates and their locations to the Board. Director Clark asked when SAP was

implemented why contracts nearing expiration were not considered on the front-end because the company has been awarding bids for a long time. Mr. Williams stated there were 14 systems prior to SAP and all were on different platforms. Phase 1 and Phase 2 brought most of our systems online. At 12:35 p.m. Director Alexander departed the meeting. Director Lewis stated it was important as a Board Member to make sure the correct information is being input. A diagram showing the status of the Board's various systems was discussed. The difference in laying items on the table and tabling items was discussed. Mr. Williams stated we went live January 1, 2011 and the first items addressed were the financials, plant maintenance, project systems, purchasing and inventory. Some discussion took place regarding the timeline of bringing everything online. Director Clark stated it seemed to her that buffoons were running the show, or it gives the appearance that we don't know what we need or how to get there. Mr. Williams stated it is clear where we are going. Patrick Flannelly reminded the Committee that EA was hired and then fired so we no longer have an external vendor. The Board has a PMO with ARCADIS responsible currently. At 12:47 p.m., Director Alexander returned to the meeting. Director Lewis stated that we spent a lot of money to make sure employees knew everything they needed to know to make the system operational. Barry Williams stated there have been dramatic improvements in operations, especially with the Otis System. System Maintenance took place from 2014 to 2018, which included program management, system support, CR & B integrator advisor system support and BASIS system support. SAP Phase 1.5 included program management, EA cleanup, banking implementation, PS workflow, budget implementation and GL redesign. In 2018 with the Jefferson County Sewer agreement, we implemented changes and updates for providing JeffCo billing and adjustments as well as customer service according to Mr. Williams. The Dashboard Project will develop departmental dashboards for highest priority departments and we will continue as needed for additional departments. At 12:50 p.m., Director King departed the meeting. Director Muhammad stated he likes to know what is billed and collected each month and he is currently getting that from Interim General Manager Michael Johnson. Interim General Manager Johnson stated the dashboard serves as an assessment of everything that goes on in the company and you can see the effectiveness and efficiencies by looking at the reports produced. Data is looked at everyday according to Mr. Williams. At 12:52 p.m. Director King returned to the meeting. Phase 2 is the CR & B phase. The SAP ongoing support cost for the 2018 budget was \$672,155.74 and the negotiated 2019 budget is \$582,440.00. The CR & B support provided by Utegration in the 2018 budget was \$526,751.00. The cost will remain the same for the 2019 budget. Director Lewis asked specifically what the finance module will do, and which departments will be impacted. Mr. Williams stated the module will positively affect accounting, collections, purchasing and project systems. In addition, the system is monitored 24 hours each day. It was confirmed that Utegration bills the Board directly. Mr. Williams talked about the SAP ongoing support costs. Director Dickerson asked for a hard copy of the presentation. Director Lewis asked if we are going to get the same level of service in 2019 that we have received previously. Mr. Williams responded yes. It was confirmed that BSO is a 100% black male-owned business. Motions were made and seconded to move items 17 and 18 to the Board.

Following, Director King asked if anyone wanted a second opinion on the dam. Director Lewis stated she would like to see other companies present something at the same

meeting. Director Mims stated the dam people we have worked with in the past have done good work and he would hate to lose that expertise.

As there was no further business to be brought before the Committee, the meeting was adjourned at 1:17 p.m.

\_\_\_\_\_/s/\_\_\_\_\_  
Michael Johnson  
Interim General Manager

\_\_\_\_\_/s/\_\_\_\_\_  
Brett A. King, Esq.  
Director

\_\_\_\_\_/s/\_\_\_\_\_  
Sherry W. Lewis  
Director

\_\_\_\_\_/s/\_\_\_\_\_  
Ronald A. Mims  
Secretary-Treasurer

\_\_\_\_\_/s/\_\_\_\_\_  
Brenda J. Dickerson, Ph.D.  
Second-Vice Chairwoman/Second Vice President