

**MINUTES OF THE HUMAN RESOURCES COMMITTEE MEETING
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
February 21, 2024**

A Human Resources Committee meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, February 21, 2024, at 12:45 p.m., immediately after the Regular Board of Directors' Meeting, at 3600 First Avenue North, Birmingham, Alabama.

The following Committee members were present: Directors William "Butch" Burbage, Jr. (Committee Chairman), Thomas E. Henderson, and Mashonda S. Taylor. Also, present was Director George Munchus.

Others present were: Michael Johnson, General Manager; Iris Fisher, Philip King and Derrick Murphy, Assistant General Managers; Cynthia Williams, Board Administrator; Vanessa Washington, Executive Assistant; Colandus Mason, Rick Jackson, Paul Lloyd, Platon Crowell, Jeremy Ervin, Rosalind Jones, Cassandra Bell, Jeff Wade, David King, Anthony Hazel, and David Walker, BWB Employees; K. Mark Parnell, Parnell Thompson Law, LLC; Charles Wilkinson, Human Resource Management Inc., and Bill Todd, O2 Ideas.

Inasmuch as all Committee members were present, a quorum was declared in attendance. Committee Chairman Burbage called the meeting to order at 12:45 p.m.

Next, the Committee proceeded to approval of the agenda. Director Henderson made a motion to approve the agenda and Director Taylor seconded the motion. On a motion duly made and seconded, the motion was approved by unanimous vote.

Following, the Committee proceeded to the first item on the agenda, Request Committee to approve minutes of October 11, 2023. Director Taylor made a motion to approve the minutes and Director Henderson seconded the motion. On a motion duly made and seconded, the motion was approved by unanimous vote.

Next, the Committee proceeded to Reports of Officers. General Manager Michael Johnson indicated that Human Resources has two reports to present. General Manager Johnson recognized Jeremy Ervin, BWW Workforce Development Administrator, to present an update to the Committee on renewing one-year Memorandum of Understandings (MOUs) with Jefferson State Community College and Lawson State Community College to provide training services for employee development. Mr. Ervin stated that there was no update on Jefferson State Community College. He said the company's partnership with Jefferson State Community College is working and that Birmingham Water Works is continuing its partnership with them. In addition, he stated that Jefferson State Community College charges \$1,000.00 per course and that Birmingham Water Works utilized nine courses from them last year. Per Mr. Ervin, the courses consisted of customer service certification/training, business writing, Heavy Equipment Operators (HEO) Simulator, technical writing, business training, and keyboarding, etc., which proved to be beneficial for Birmingham Water Works. Next, Mr. Ervin referenced the handout entitled "*Memorandum of Agreement: Lawson State Community College & The Water Works Board of The City of Birmingham*". A copy is on file in Diligent. He stated that the company's partnership with Lawson State Community College is being updated and customized for employees. Birmingham Water Works has chosen to use Lawson State

Community College's Career Enhancement Series opposed to an open catalog agreement/partnership. He stated as part of the Career Enhancement Series, employees will participate in self-leadership training on ten soft skills and on responsibilities needed in the workplace. Birmingham Water Works' Transportation Team training consists of automotive service certification training, which includes the multi-craft training. Mr. Ervin stated the contract with Lawson State and Jefferson State's contract renewal will become effective April 1, 2024. Mr. Ervin concluded his presentation. Director Burbage asked how many employees participated in the nine classes Jefferson State Community College offered last year vs this year. Mr. Ervin responded that approximately 15-20 employees per class participated. Director Burbage said he wanted to make sure there was adequate participation in the classes and not one or two employees. Mr. Ervin responded that the classes are being videoed and shown throughout the company on the Birmingham Water Works televisions for video training. He stated a lot of measures have been put in place to attract employees to participate in the courses. Also, Mr. Ervin said feedback was considered from the Employee Association, and one of their requests was ongoing training. Director Taylor asked Mr. Ervin was he going to each department, which he responded yes. General Manager Johnson commented that some of the questions being asked by directors were asked by employees at the townhall meetings. He stated that this training is one of the methods used to better equip employees at the company. Director Burbage commented that he wants to make sure the company has a good program in place (*it appears to be a good program*), the program is enhanced as it moves forward, and that employees are taking advantage of this opportunity. Director Munchus asked whether the training was being done on site. Mr. Ervin responded yes. He said the instructors come to Birmingham Water Works to provide employee training. Mr. Ervin stated that when there is an interest to partner with Birmingham Water Works, he negotiates to ensure Birmingham Water Works business needs are being met. Mr. Ervin concluded his presentation.

Following, General Manager Johnson stated the next item being presented to the Committee is an update on the upcoming Career Fair and other Talent Acquisition Plans. Mr. Ervin began his presentation of the handout entitled "*Career Fair Update*". A copy is on file in Diligent. He stated many additional steps have been implemented for this career fair to ensure its success. Mr. Ervin stated it is important to make sure the company has the right relationships. He said as part of Birmingham Water Work's partnership with Vestavia Chamber of Commerce, the career fair will be held in the City of Vestavia. In addition, the City of Vestavia is part of the company's service area and hosting the career fair there is cost effective. Mr. Ervin indicated that this career fair will focus mostly on Engineering, Technology, and hard to fill positions. Therefore, he wanted more funds spent on marketing to assist in identifying the right talent for positions actively being recruited. Afterwards, Mr. Ervin highlighted the slide on vacancies. Director Taylor asked whether the company was looking at professional organizations connected to the specialized positions, such as Engineering. Mr. Ervin responded yes, he is working with the University of Alabama at Birmingham (UAB) and alumni groups. Mr. Ervin concluded his discussion.

Next, Platon Crowell, Talent Management Officer, discussed the Zip Recruiter 30-day partnership. He stated Zip Recruiter is another method used to market jobs at Birmingham Water Works. Mr. Crowell said the company posts jobs to over 100 job boards in addition to utilizing, email, texts, and a mobile application. Next, he highlighted the results to date for Zip Recruiter. Mr. Crowell said Zip Recruiter is only marketing four jobs (Principal Engineer, Senior Engineer, Manager Internal Audit, and Accounting Information Support Analyst) at one time. He said the four jobs posted resulted in 47 resumes submitted, and 33 candidate invitations were sent to prospective candidates to register and attend the career fair. Mr. Crowell said two positions (Project Manager IT and Principal Engineer Land Administration) have been added to the job's rotation; therefore, two jobs were rotated out. He

said job rotations are ongoing and reviewed weekly. Mr. Crowell concluded his discussion.

Following, Mr. Ervin highlighted the Internal Marketing Plan. Mr. Ervin stated his team met internally with the Engineering Department and Information Technology Department, because the career fair impacts their departments. He stated Birmingham Water Works Public Relations team is being utilized to market the career fair. The Public Relations Team is creating a marketing flyer with a QR code to register for the career fair and apply for positions in real time. He stated the Public Relations marketing plan will consist of advertising the career fair in the Vestavia Voice, 280 Living, Hoover Sun, Homewood Star, and AL.COM (Birmingham marketing). Mr. Ervin stated the career fair will also be marketed in Montgomery, Alabama and Huntsville, Alabama. In addition, the Public Relations team will market the career fair on BWWB's social media platforms, college/alumni associations to promote the opportunity Handshake, and E-newsletter. Mr. Ervin concluded his discussion. Next, Mr. Crowell resumed the discussion on the Internal Marketing Plan. He said Zip Recruiter is being used to assist in getting applicants for the career fair and Alabama Media Group is being used to market and advertise the actual career fair. Mr. Crowell said Alabama Media Group is centered around the Birmingham area, and that Birmingham Water Works will receive 100,000 impressions (ads served), 25,000 half-page impressions, and 25,000 billboard impressions through utilizing Alabama Media Group. Finally, Mr. Crowell reviewed the AL.COM Marketing Results to Date presentation slide and concluded his discussion. Next, Mr. Ervin referenced the career fair flyer in his presentation and gave an overview of the career fair next steps. The career fair will be held March 19, 2024. Mr. Ervin stated the career fair will begin at 3:00 pm and end at 7:00 pm to attract professionals that get off work from 3:30 pm to 5:00 pm. Afterwards, Mr. Ervin concluded his presentation. General Manager Johnson commented that staff wants to make sure to stay in contact with applicants and move quickly to assess an applicant's interest, because they move around.

Next, Paul Lloyd, Human Resources Manager, began a presentation on the handout entitled "*Talent Acquisition and Retention Action Plans*". A copy is on file in Diligent. He said that the Human Resources' team is working aggressively to recruit new talent for Birmingham Water Works. Mr. Lloyd stated that his team has worked on a strategy that covers the next twelve months for improving the company's talent acquisition hiring process, in addition to the retention strategy. He indicated that it is important to be able to keep the people hired. Mr. Lloyd gave an overview of Phase I of the plan. He highlighted the statistics on filling positions over the last three years as follows: 1,119 internal applications processed, 1,800 external applications, 593 internal interviews, and over 1,000 external interviews. Mr. Lloyd said there were a lot of internal promotions. He stated that 212 employees have been promoted internally (30 of the promotions consist of leadership positions) over the last three years. Mr. Lloyd stated that some parts of the Talent Acquisition and Retention Action Plan have already been accomplished; however, the following actions are to be implemented within the next 30 days: a career fair will be held March 19, 2024, reduce the minimum job posting time to six days, initiate practice of hiring temporary employees into entry level positions, finalize the self-promotion program for Water Treatment Operators, promote the employee job referral bonus to employees, and streamline the Personnel Action Request Form (PARF) approval process to reduce the number of approvals required. Next, Mr. Crowell gave an overview of Phase II-A of the plan. He stated that Phase II-A is centered around actions to be completed within 30 to 90 days. The actions for this plan consists of the following: research and recommend updating the sign-on-bonus program to increase the bonus amount for hard to-fill targeted positions, add additional temporary staffing companies to provide temporary employees, research and make a recommendation for increasing the employee referral bonus for difficult to fill jobs, remove the Human Resources Business Partner (HRBP) from the entry level positions interview process, recommend a remote and flexible work schedule policy

for approval, implement career pathing in certain areas and update the plan for the Distribution Department, as well as, continuing interview training classes for employees. Director Taylor asked what happens after a candidate goes through the interview process but does not get hired in the position. Mr. Crowell responded that the candidate receives a letter stating that their qualifications were reviewed, however, they were not a good fit for the position. He stated a process is being developed to provide more details/feedback on the area where the candidate needs improvement. Director Taylor said a lot of processes are being transferred to other management positions. She asked whether leadership development training was being provided to management. Director Taylor stated there are two types of training: (1) skill set training and (2) general leadership training. Mr. Crowell responded yes, and asked Marilyn Vertison, Assistant Manager-Learning & Development, to elaborate. Ms. Vertison stated that companies were being evaluated to partner with Birmingham Water Works for leadership training. Ms. Vertison stated she has two positions opened on her team; therefore, she has not had an opportunity to complete the partnership. She said the partnership will still happen because training employees and leadership training are very important. Ms. Vertison said from an interview standpoint, there is interview training currently available to management, and her team will be providing more of said training to ensure managers and supervisors can conduct more interviews without the Human Resources Business Partner. Also, Ms. Vertison stated that her team member Mr. Ervin provides one on one interview skills to employees. Next, Mr. Lloyd gave an overview of Phase II-B of the plan, which is centered around actions to be completed within 90 to 120 days. He indicated that this phase would consist of hosting half day targeted quarterly pre-scheduled interview days to hire for entry level and operational jobs and to provide succession planning templates and training to Executives and Managers to complete for potential successors for their roles. Next, Mr. Crowell gave an overview of Phase III-A of the plan, which is centered around actions to be completed within 120 to 180 days. He indicated that this phase would consist of hiring a corporate recruiter for candidates to fill vacant exempt level and technical positions, hosting a 2nd career fair, implementing an employee relations platform to track exit interviews, corrective actions, and employee relations cases, implementing coaching for managers and supervisors based on data pulled from the employee relations system, and implementing career pathing for the Call Center, Electrical and Mechanical, and Revenue Water Departments. Finally, Ms. Vertison gave an overview of Phase III-B of the plan, which is centered around actions to be completed within 180 to 365 days. She indicated that this phase would consist of gaining approval to start implementation of the Learning Management System (LMS) – an electronic way to onboard employees, train, test, and customize learning plans, plan for succession, and career development modules in SAP SuccessFactors. In conclusion, Mr. Lloyd indicated that the remaining action plan for this phase would consist of the following: implement career pathing in Customer Support Services, Security, and System Development Departments, recommend AON Retirement Study changes, research and recommend proposed changes to vacation accrual allocations for employees as well as additional paid time off based on research and competitive practices, and explore the use and implementation of Artificial Intelligence (AI) to assist with sourcing candidates, candidate screening, and candidate assessments. Director Taylor commented that the team should move deep and quickly regarding AI. She stated that it will make things easier and the organization more efficient. Mr. Lloyd concluded his presentation.

Following, the Committee proceeded to agenda item two, Request Committee to recommend to the Board to approve one-year agreements with the following recruitment/staffing firms (Human Capital Services, InSight Global, ITAC, and Innova Solutions), effective May 1, 2024 through April 30, 2025, to provide recruiting and/or contract staffing services to assist with staffing positions as needed; and to authorize the General Manager and/or Assistant General Manager to execute the agreements. Director Taylor made a motion to recommend said item be moved to the full Board for

approval, and Director Henderson seconded the motion. On a motion duly made and seconded, the item was approved by unanimous vote.

Next, the Committee proceeded to agenda item three, Request Committee to approve a one-year renewal agreement with Veritas Prime, LLC for SAP Payroll/HR support, effective April 1, 2024, through March 31, 2025, at an out-of-pocket cost to the Board of \$187,200.00; and to authorize the General Manager and/or Assistant General Manager to execute the agreement. Director Taylor made a motion to recommend said item be moved to the full Board for approval, and Director Henderson seconded the motion. On a motion duly made and seconded, the item was approved by unanimous vote.

Following, the Committee proceeded to agenda item four, Request Committee to recommend to the Board to approve a proposal from Human Resource Management, Inc. to update the Salary Administration Plan (Plan) at an estimated cost to the Board of \$33,600.00; and to authorize the General Manager or Assistant General Manager to execute the agreement. Mr. Lloyd highlighted the reason for updating the Salary Administration Plan. He referenced the handout entitled "*Salary Administration Plan (Plan) Changes/Updates (02/2024)*". A copy is on file in Diligent. Mr. Lloyd stated the Plan is being updated due to the following: core elements such as new hires, promotions, and merit increases have not been updated in over 20 years, the Plan amendments need to be consolidated and Handbook updates regarding pay items need to be included in one Plan document. Our current plan is a government type plan; therefore, we need to decide whether to keep the government type plan or move to a private sector type plan or a hybrid plan. Also, the plan needs to be updated to address specific items, such as, incorporating the new salary structure approved by the Board, new hires payrate flexibility, promotions, salary schedule adjustments, etc. Director Taylor inquired about the timeline for completion. Mr. Lloyd responded the original goal is April 2024; however, it is approaching quickly. Mr. Lloyd asked General Manager Johnson to elaborate. General Manager Johnson stated that the completion date was set for April 2024, when originally discussed; however, moving through the process has indicated that additional resources are necessary to complete this document. He stated more time is needed for the completion and that BWW consultant Charles Wilkinson, Human Resource Management, will help staff in moving forward to completion. Mr. Wilkinson stated completion time should take approximately 90 days. Director Taylor made a motion to recommend said item be moved to the full Board for approval, and Director Henderson seconded the motion. On a motion duly made and seconded, the item was approved by unanimous vote.

Subsequently, the Committee proceeded to agenda item five, Request Committee to recommend to the Board to approve a Statement of Work (SOW) with Onsite Health Diagnostics to complete the 2024 Biometric Screenings prior to open enrollment at an out-of-pocket estimated cost to the Board of \$36,000.00; and to authorize the General Manager and/or the Assistant General Manager to execute the statement of work. Director Taylor made a motion to recommend said item be moved to the full Board for approval, and Director Henderson seconded the motion. On a motion duly made and seconded, the item was approved by unanimous vote.

As there was no further business before the Committee, Director Henderson made a motion to adjourn the meeting, and Director Taylor seconded the motion. On a motion duly made and seconded, the motion was approved, and the meeting adjourned at 1:45 p.m.

_____/s/_____
Michael Johnson
General Manager

_____/s/_____
William “Butch” Burbage, Jr.
Committee Chairman

_____/s/_____
Thomas E. Henderson
Director

_____/s/_____
Mashonda S. Taylor
Director