

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS  
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM  
July 10, 2024**

A regular bi-monthly meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, July 10, 2024, at 11:30 a.m., at 3600 First Avenue North, Birmingham, Alabama.

The following Directors were present: William “Butch” Burbage, Jr., Thomas E. Henderson, Tereshia Q. Huffman, George Munchus, Carl Dalton NeSmith, and Raymond “Larry” Ward.

Others present were: Darryl Jones, Interim General Manager; Philip King and Derrick Murphy, Assistant General Managers; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Vanessa Washington, Executive Assistant; Colandus Mason, Rick Jackson, Rosalind Jones, Cassandra Bell, Jonathan Jett, Jeff Wade, Charles McGee, Derrick Maye, A’khi King, Anthony Hazel, and David Walker, BWWB Employees; K. Mark Parnell, Parnell Thompson Law, LLC; Bobby L. Davis, the Law Office of Bobby L. Davis; Cynthianther May, May Law Group; Olivia Martin, State of Alabama Attorney General’s Office; Patrick Flannelly, ARCADIS, US, Inc; Kyle, Adams, CBG Strategies; Connie Harris and Courtnie Anderson, Sheppard-Harris & Associates, P.C.; Jason Harpe and Andrew Waits, Carr, Riggs & Ingram CPAs and Advisors, LLC; and Chandra Abesingha, CE Associates.

Chairwoman Huffman called the meeting to order at 11:30 a.m., and Interim General Manager Jones opened the meeting with prayer.

Inasmuch as six directors were present, Chairwoman Huffman declared a quorum in attendance.

Following, Interim General Manager Jones asked the Board to approve the agenda. 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. George Munchus, that the Board of Directors hereby approves the Regular Board of Directors’ meeting agenda for July 10, 2024. Resolution No. 9597 is hereby adopted by unanimous vote.”

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Next, the Board proceeded to the first item on the agenda, Request Board to approve minutes of the Regular Board of Directors’ meetings held April 24, 2024, and May 8, 2024. 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 Mr. Carl Dalton NeSmith and seconded by Mr. Thomas E. Henderson, that the Board hereby approves minutes of the following meetings:

- Regular Board of Directors’ Meeting held April 24, 2024.
- Regular Board of Directors’ Meeting held May 8, 2024.

Resolution No. 9598 is hereby adopted by unanimous vote.”

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Following, Interim General Manager Jones proceeded to the Reports of Committees. He indicated the following scheduled meetings:

- Engineering & Maintenance Committee Meeting – Wednesday, July 10, 2024, immediately after the Regular Board of Directors’ Meeting
- Executive Committee Meeting – Wednesday, July 18, 2024, at 1:00 p.m.
- Finance Committee Meeting – Wednesday, July 24, 2024, at 10:00 a.m.
- Regular Board of Directors’ Meeting – Wednesday, July 24, 2024, at 11:30 a.m.

Director Blankenship entered the meeting at 11:33 a.m.

Next, Interim General Manager Jones, asked the Board to hear Reports of Officers. Director Munchus thanked Board Attorney Parnell for his assistance on the Customer Assistance Program. He asked Board Attorney Parnell to provide his definition of Customer Assistance. Director Munchus commented that his view of the matter is probably contrary to Board Attorney Parnell’s view; however, he would accept Board Attorney Parnell’s opinion. Afterwards, Director Munchus inquired about the status of the Automatic Meter Reading/Advanced Metering Infrastructure (AMR/AMI) project and the status of the Historically Underutilized Business (HUB) Program in terms of bringing the HUB program in-house. Interim General Manager Jones responded that an Executive Committee meeting is scheduled for July 18, 2024, to discuss the AMI/AMR process. Also, he indicated that staff met twice with Birmingham Business Resource Center (BBRC) on the HUB program. Director Munchus asked if BBRC would be responsible for the HUB program, because he thought the program would be in-house. Chairwoman Huffman responded that the Board voted to hire BBRC to assist and prepare minority businesses on doing work with Birmingham Water Works. She stated two internal positions were opened to manage compliance. Afterwards, Chairwoman Huffman asked staff about the decision made on managing compliance, after their meetings with BBRC. Chairwoman Huffman indicated she received emails from Assistant General Manager Fisher and Assistant General Manager Murphy notifying BBRC of upcoming bids. Also, Chairwoman Huffman said based on the length of time Birmingham Water Works bids are posted, she does not think the notifications were early enough to allow minority businesses to be prepared nor have conversations with the businesses. Chairwoman Huffman stated she would like for BBRC to receive the same notices as the Board regarding contracts up for termination to allow BBRC time to prepare businesses to qualify. She indicated that the list of items that BBRC needs to start receiving from our team consists of a list of contracts and when those professional services expire and the documentation the Board receives on

contracts, which consists of the type of services so that BBRC can be more intentional about getting businesses to qualify with Birmingham Water Works. Subsequently, Interim General Manager Jones reminded the Board that the retiree luncheon will be held Friday, July 12, 2024, Cahaba Pump Station at 11:00 a.m. He stated two meetings are held for retirees during the year.

Following, Connie Harris, Sheppard-Harris Associates began her presentation of the FY2023 Pension Audit Report. Audit report books entitled "*Retirement Plan for Employees of the Water of the City of Birmingham Audited Financial Statements for the year ended December 31, 2023, and 2022 Report*" and *Other Post Employment Benefits Plan of the Water of the City of Birmingham Audited Financial Statements for the year ended December 31, 2023, and 2022 Report,*" were distributed at the meeting. Copies are on file in Diligent. Ms. Harris stated that under Required Communication for the retirement plan, there were no significant difficulties in performing the audit, no corrected or uncorrected misstatements, no disagreements with management and after the audit was completed, management signed a representation letter stating that the information given were the financial statements for the retirement plan. Ms. Harris stated the Independent Auditor's Report contains management responsibilities and the auditor's responsibilities for the financial statements. She explained that management is responsible for the preparation of the audit and the auditors are responsible for attesting to the fair statements. Ms. Harris stated that an unmodified opinion was issued, which is a clean opinion and the best opinion one can receive on an auditor's report. Also, she reviewed the Statements of Changes in Fiduciary Net Position. Per Ms. Harris, the total assets for 2023 is \$187,592,690.00 compared to assets for 2022, which was \$168,488,988.00, and there were no liabilities. The total additions for 2023 is \$34,493,680.00 compared to total additions for 2022, which had a deficit of (\$13,821,073.00). Then, Ms. Harris gave an overview of Notes to Financial Statements. She stated the plan is a single employer defined benefit plan, established in 1951 and that the Birmingham Water Works is exempt from filing income taxes (form 5500). Ms. Harris indicated that the note referencing COVID must be included in the Notes, because there is still uncertainty in the market. In conclusion, Ms. Harris said the Funding Progress for the retirement plan market value in 2023 was 77.85% and 72.09% in 2022. Afterwards, Ms. Harris, began her presentation of the FY2023 Other Post Employment Benefit (OPEB) Audit Report. She stated an unmodified clean opinion was issued on said report. Per Ms. Harris, the Statements of Changes in Fiduciary Net Position total assets for 2023 is \$35,619,106.00 compared to assets for 2022, which was \$31,906,973.00. Also, Ms. Harris highlighted the additions and deductions that occurred in the OPEB Plan. She noted that, as it relates to additions, the net unrealized appreciation for 2023, is \$3,050,025.00; however, there was a deficit in net unrealized of \$5,376,981.00 for 2022. She said the OPEB Plan performance improved for 2023. In conclusion, Ms. Harris said the OPEB Plan provides medical and dental insurance for eligible retirees. Director Munchus asked if these reports would be presented to the retirees at the upcoming retiree luncheon on Friday. Interim General Manager Jones responded that a summary of the reports was recently mailed to the retirees, in addition, some other matters will also be discussed with the retirees. Ms. Harris commented that the OPEB Plan had a funded ratio of over 94% for 2023 compared to 83% for 2022.

Next, Andrew Waits, Carr, Riggs, and Ingram, CPAs and Advisors, introduced his partner Jason Harpe and began the presentation of the FY2023 Financial Audit Report. An audit report booklet entitled "*The Water Works Board of the City of Birmingham Financial Statement, December 31, 2024,*" was distributed at the meeting. A copy is on file in Diligent. Mr. Waits stated

his company issued an unmodified opinion related to the Board's financial statements, which is a clean opinion and the best opinion one can receive. He said the Board increased its net position by \$40,446,210.00 during 2023, which represents net income. The ending net position as of December 31, 2023, is \$246,873,420.00. Per Mr. Waits, there was an audit finding this year related to the accounts payable accrual process, which is being corrected. He remarked that the two material findings from last year have been corrected and were not an issue for this year. Mr. Waits gave an overview of Management's Responsibilities. He stated that management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting principles. Next, Mr. Waits gave an overview of the Auditor's Responsibilities. He stated auditors are to obtain reasonable assurance about whether financial statements overall are free from material mismanagement, either fraud or error, and issue an auditor's report that includes their opinion, in addition to risk assessment. Afterwards, Mr. Waits discussed the Required Communications Summary. He highlighted the client's responsibility and the auditor's response. Mr. Waits said one of the most important matters is the significant accounting policies Governmental Accounting Standards Board (GASB) Statement No. 91 and Statement No. 96 (recently issued accounting pronouncements) did not have an impact on the financial statements. He stated that there will be pronouncements in the future that the Board will need to consider that will most likely change items on the financials. Per Mr. Waits, there were no significant difficulties encountered in the audit nor disagreements with management, and the management representation letter was received at the end of the audit. He remarked that internal control deficiencies are referenced at the end of the audit report, along with their company findings, issues to be corrected, and management's response. Mr. Waits said the Required Supplementary Information is in the financial statements as required by GASB. After continued discussion on various required communication, such as, revenue and expenses, allowance for doubtful accounts, investments, depreciation of property and equipment, defined benefit pension plan, and the other post-employment benefit plan, Mr. Waits concluded his presentation. Director Ward commented that he was pleased with both audit reports. He stated that on page 5.3 of the report, there is a reduction in the total liabilities, and he wishes the press was present to see that Birmingham Water Works is decreasing its outstanding indebtedness, which is also reflected on page 32. He said the company is making steady progress with our funds, by watching interest rates along with having competent financial advisors and competent underwriters. Mr. Waits explained that the refunding by the Board in 2023 really impacted and decreased the company's outstanding debt. He said usually when money is refunded there is a deferred loss; however, that was not the case for Birmingham Water Works. The company had a deferred gain realized. Mr. Waits said the pension liability was in line with the decrease Director Ward referenced and that investments contributed to the decrease. Director Ward commented that he had to be approved on the referenced transaction. Afterwards, Director Munchus inquired about the internal auditor's position. Interim General Manager Jones responded that staff is reviewing candidates; therefore, the position is not currently filled. Director Munchus asked if said position was a critical factor in day-to-day activities, since the position is vacant. Mr. Waits responded that a company cannot have enough accountants. He said anything the company does to improve their process of analyzing controls and reporting to the Board is a good thing. Mr. Waits said the more internal controls, review, and reporting, the better impact to the Board. Director Munchus commented that it seems difficult to hire someone for the internal auditor position. Mr. Waits replied that it is very difficult to find qualified CPAs in the CPA industry, which is not unusual nor specific to the Birmingham Water Works. The company's search issues involving the internal auditor's position is common. Next, Chairwoman

Huffman asked whether Paul Lloyd, HR Manager was present. Chairwoman Huffman indicated she wanted to follow-up on the internal auditor's position and two other positions approved by the Board regarding the Compliance/Historically Underutilized Business (HUB) positions. Interim General Manager Jones replied that Mr. Lloyd was not present at the meeting; however, he would contact Mr. Lloyd to update the information. Director Munchus asked Chairwoman Huffman if she could find out the information today, because both positions are critical.

Following, the Board proceeded to the second item on the agenda, Request Board to approve payment of invoices. 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. William “Butch” Burbage, that the Board hereby authorizes staff to execute payments to the following:

- 2.1 Agee Law, LLC for expenses incurred May 31, 2024, through June 4, 2024, in the amount of \$891.00.
- 2.2 Dominick Feld Hyde, P.C. for the following:
  - 2.2.1 Professional services rendered May 2024 related to Occupational Tax in the amount of \$1,615.20.
  - 2.2.2 Professional services rendered May 2024 related to the Pension Plan in the amount of \$1,712.80.
- 2.3 Fine Geddie & Associates for professional services rendered June 2024 in the amount of \$15,000.00.
- 2.4 The Jones Group, LLC for professional services rendered June 2024 in the amount of \$15,000.00.
- 2.5 o2 Ideas, Inc. for professional services rendered June 2024 in the amount of \$17,900.00.
- 2.6 Raftelis Financial Consultants, Inc. for the following:
  - 2.6.1 Professional services rendered May 2024 related to the Moody Analysis in the amount of \$2,292.50.
  - 2.6.2 Professional services rendered May 2024 related to Consolidated Invoices in the amount of \$35,065.00.
- 2.7 Perkins Law, LLC for professional services rendered April 2024 in the amount of \$44,790.00.
- 2.8 ARCADIS U.S., Inc. for the following:
  - 2.8.1 Professional services rendered April 2024 in the amount of \$282,923.53.
  - 2.8.2 Professional services rendered March 2024 in the amount of \$332,355.42.

Resolution No. 9599 is hereby adopted by unanimous vote.”

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Next, the Board proceeded to the third item on the agenda, Request Board to approve the items recommended by the Engineering and Maintenance Committee. Interim General Manager Jones read items 3.1 through 3.5 into the record. Director Munchus expressed concern with contract compliance. He asked staff to investigate items 3.14, 3.23, 3.24, 3.35 and 3.36. He stated that it is his assumption that all items he referenced are women owned businesses. Director Munchus stated that the contract compliance program needs to be involved, because there have been issues with ownership and operations of businesses reporting as HUBs; however, when one drill down into the day-to-day operations, the businesses are usually not a HUB. Chairwoman Huffman asked Director Munchus for clarification on his items of concern. She asked Director Munchus whether he was saying that women owned said businesses, which Director Munchus answered that was his assumption. Director Ward stated he did not want it to be any misunderstandings or perception that the company should not be doing business with women and Chairwoman Huffman agreed. Director Munchus said Birmingham Water Works should do business with women-owned businesses; however, women involvement/non-involvement in day-to-day operations may be a legal issue if the business is in name only. He is not opposed to legitimate women-owned businesses, as he has been an advocate. Afterwards, Chairwoman Huffman stated she agrees with getting HUB Compliance on board by filling the two related positions, as well as identifying processes with Birmingham Business Resources Center (BBRC) to increase HUB participation. Chairwoman Huffman indicated she would like to hear an update on the two HUB positions and internal auditor position from Mr. Lloyd. Chairwoman Huffman stated she was aware the Mr. Lloyd was not present and would wait for his update. Next, Director Blankenship asked for clarification on whether they were voting on unanimous consent for certain parts of agenda item three. Chairwoman Huffman responded that the vote will be for all items listed under agenda item 3. On a motion duly made and seconded, the following resolutions were adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Carl Dalton NeSmith and seconded by Mr. Larry Ward, that the Board hereby exercises its bid option to extend one-year agreements, as recommended by the Engineering and Maintenance Committee to the following:

- 3.1.1 Walter A. Wood Supply Co., Inc., the lowest responsible and responsive bidder, for estimated annual quantities of Rainwear, at an estimated out-of-pocket cost to the Board of \$34,795.85; and to authorize the Interim General Manager and/or the Assistant General Manager to execute the agreement.
- 3.1.2 Advanced Asphalt Products, the lowest responsible and responsive bidder, to provide Asphalt COLD Mix (Delivered) for temporary patching requirements for the Distribution Department within the specifications and conditions, at an estimated out-of-pocket cost to the Board of \$217,500.00; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreement.

- 3.1.3 CJ Pressure Cleaning, Inc., the lowest responsible and responsive bidder, for pressure washing services throughout the limits of the Board's distribution system, at an estimated out-of-pocket cost to the Board of \$750,000.00; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreement.
- 3.1.4 Tate Contracting & Excavating, Inc., the lowest responsible and responsive bidder, for standard concrete replacement, to include the replacement of concrete driveways, sidewalks, curbs, gutters, etc., at an estimated out-of-pocket cost to the Board of \$2,265,000.00; and to authorize the General Manager and/or Assistant Interim General Manager to execute the agreement.

Resolution No. 9600.3.1 is hereby adopted by Directors Burbage, Henderson, Huffman, Munchus, NeSmith, and Ward; and Director Blankenship abstained.”

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“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Carl Dalton NeSmith and seconded by Mr. Larry Ward, that the Board hereby authorizes staff to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system, as recommended by the Engineering and Maintenance Committee to the following:

- 3.2.1 CDW Government LLC, the lowest responsible and responsive bidder, for Lenovo laptops and accessories, to replenish inventory, at an out-of-pocket cost to the Board of \$92,000.00; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreement.
- 3.2.2 Mac Uniforms, the lowest responsible and responsive bidder, for estimated annual quantities of employee uniforms, at an estimated out-of-pocket cost to the Board of \$102,916.00; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreement.
- 3.2.3 Eagle Cleaning Service, Inc., the lowest responsible and responsive bidder, for annual janitorial services, at an out-of-pocket cost to the Board of \$240,240.00, contingent upon the review by the Board’s legal counsel; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreement.
- 3.2.4 Black Diamond Paving, LLC, the lowest responsible and responsive bidder, for estimated annual quantities of Standard Patch Paving/Longitudinal Transverse/Milling and Resurfacing at an estimated cost of Item 1 (West District) - \$1,489,240.00; Item 3 (East/South District) - \$2,353,915.00, for a total annual out-of-pocket cost to the Board of \$3,843,155.00; and to award bid to Tate Contracting and Paving, the lowest responsible and responsive bidder, for Standard Patch Paving for Item 2 (Central District), at an estimated cost of \$1,135,000.00,

for a total out-of-pocket cost to the Board of \$4,978,155.00; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreements.

Resolution No. 9600.3.2 is hereby adopted by Directors Burbage, Henderson, Huffman, Munchus, NeSmith, and Ward; and Director Blankenship abstained.”

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“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Carl Dalton NeSmith and seconded by Mr. Larry Ward, that the Board hereby approves expenditures, as recommended by the Engineering and Maintenance Committee with the following:

- 3.3.1 Diligent, a sole source provider, effective August 23, 2024, through August 22, 2025, at an out-of-pocket cost to the Board of \$33,685.95; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreement.
- 3.3.2 C Spire, for Meraki wireless controller, license, support, and maintenance, effective July 15, 2024, through July 14, 2025, at a total out-of-pocket cost to the Board of \$34,403.25; and to authorize the Interim General Manager and/or Assistant General Manager to execute applicable purchase orders.
- 3.3.3 Environmental Systems Research Institute, (ESRI) Inc., a sole source provider, for an annual ArcGIS Subscription and License to manage and analyze geospatial data related to BWW distribution, and management of water resources, at an estimated out-of-pocket cost to the Board of \$63,171.64; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreement.
- 3.3.4 Stivers Ford, for the purchase of one (1) Ford Transit Cargo Van, for use by the Electrical and Maintenance Department, at an estimated out-of-pocket cost to the Board of \$69,009.00; and to authorize the Interim General Manager and/or Assistant General Manager to execute applicable purchase orders.
- 3.3.5 Gulf Coast Electric Motor Service, Inc., a sole source provider, for repairs, and warranty center for Allis Chalmers/Siemens, for repairs to Sipsey #4 Synchronous Vertical Motor (Allis Chalmers, 900 RPM, 4,160 volt), to rebuild stator, rotor, and re-pour guide bearing, at an estimated out-of-pocket cost to the Board of \$226,386.00; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreement.
- 3.3.6 Gulf Coast Electric Motor Service, Inc., a sole source provider, for WEG Electric Machinery Company, for EM Synchronous Motors for Cahaba Pump Station's 2000 HP Motor #21, for service, repairs and installation to original manufacturer



specifications and other expenditures necessary for service, at an estimated out-of-pocket cost to the Board of \$253,497.00; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreement.

- 3.3.7 Pro Logic ITS, for Installation of emergency lights in eighty-eight (88) new vehicles, at an estimated out-of-pocket cost to the Board of \$421,910.92; and to authorize the Interim General Manager and/or Assistant General Manager execute applicable purchase orders.

Resolution No. 9600.3.3 is hereby adopted by Directors Burbage, Henderson, Huffman, Munchus, NeSmith, and Ward; and Director Blankenship abstained.”

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“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Carl Dalton NeSmith and seconded by Mr. Larry Ward, that the Board hereby approves two (2) scopes of services, as recommended by the Engineering and Maintenance Committee to the following:

- 3.4 CE Associates for the design and inspection of two (2) water main replacement projects; Enon Ridge-East Thomas Community and Crestwood Community, at a total out-of-pocket cost to the Board of \$456,901.00 for both scopes; and to authorize the Interim General Manager and/or Assistant General Manager to execute the agreements.

Resolution No. 9600.3.4 is hereby adopted by Directors Burbage, Henderson, Huffman, Munchus, NeSmith, and Ward; and Director Blankenship abstained.”

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“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Carl Dalton NeSmith and seconded by Mr. Larry Ward, that the Board hereby terminates a scope of services with the following:

- 3.5 Studio 2H, for providing planning, surveying, design plans, technical specifications, and construction inspection for the proposed new EnviroLab Building Project, at Putnam Filter Plant located in the City of Birmingham, as recommended by the Engineering and Maintenance Committee.

Resolution No. 9600.3.5 is hereby adopted by Directors Burbage, Henderson, Huffman, Munchus, NeSmith, and Ward; and Director Blankenship abstained.”

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Following, the Board proceeded to the fourth item on the agenda, Request Board to award bids. Chairwoman Huffman commented that she noticed agenda items 4.1 and 4.2 did not go to

the committee for review. She asked Interim General Manager Jones to explain said items. Chairwoman Huffman stated she had been a part of some email discussions on item 4.1. She asked that it be explained to the Board, how did this happen and why is the Board being asked to award said items today. She asked Rosalind Jones, Comptroller to speak on the issue, since Interim General Manager Jones was newly re-hired, and Assistant General Manager Fisher was absent. Mrs. Jones stated that regarding item 4.1, the team missed said item, but placed the item on this agenda once they realized it. She stated that regarding 4.2, there was an issue with the vendor's timing. The vendor originally awarded the bid was unable to supply corporation stops to Birmingham Water Works; therefore, the item had to be re-bid. Chairwoman Huffman stated she does not accept missing item 4.1; there were other previous items missed under the Finance Division, such as, solid waste, mailing, etc. She asked Mrs. Jones how items keep being missed by staff and who is managing the process. Mrs. Jones responded, she is responsible for managing the department, but there are staffing issues being worked through in her areas. Chairwoman Huffman asked Mrs. Jones if she thought the Board deserved an explanation regarding items 4.1 and 4.2 before asking the Board to approve such? She asked Mrs. Jones if she planned to provide an explanation before being asked to do so. Mrs. Jones responded yes, the Board deserved an explanation; however, she thought a conversation had already been held in advance regarding the items. Chairwoman Huffman indicated that there had not been a previous conversation with the Board and thanked Mrs. Jones for providing an explanation. Afterwards, Director Munchus asked if the reason items 4.1 and 4.2 did not go through the Engineering and Maintenance Committee, was because staff ran out of time. He also asked whether both items were emergencies. Mrs. Jones responded yes to both questions. Chairwoman Huffman asked if the items were emergencies because they were missed. Mrs. Jones said the vendor who was awarded the bid was not able to provide the corporation stops. Chairwoman Huffman stated that relates to 4.2; however, based on emails she was copied on, item 4.1 is an emergency because staff missed the item, or it was an oversight. Mrs. Jones concurred. Afterwards, Director Munchus stated he was voting no and would share his reasons later. Director Munchus said he does not understand how the Republic Service of Birmingham has no HUB participation. He stated they are local and a good company. He inquired as to whether Republic Service of Birmingham was asked to participate in the voluntary HUB program. Per Director Munchus, there should have been an opportunity in the solid collection waste area to allow for small business opportunities. He asked the reason for zero percent HUB participation. Mrs. Jones responded that she cannot explain why Republic Service of Birmingham has zero HUB participation. On a motion duly made and seconded, the following resolutions were adopted:

“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Thomas E. Henderson and seconded by Mr. William “Butch” Burbage, that the Board hereby authorizes staff to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system to the following:

- 4.1 Republic Service of Birmingham, the lowest responsible and responsive bidder, for Solid Waste Collection, at an annual estimated out-of-pocket cost to the Board of \$42,853.16, effective August 1, 2024, through July 31, 2027; at a total estimated out-of-pocket cost for the three-year period of \$128,559.48; and to authorize the Interim General Manager and/or Assistant General Manager to execute the contract.

Resolution No. 9601.4.1 is hereby adopted by Directors Blankenship, Burbage, Henderson, Huffman, NeSmith, and Ward; and Director Munchus voted no.”

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“BE IT RESOLVED By The Water Works Board of the City of Birmingham (“the Board”), on a motion duly made by Mr. Thomas E. Henderson and seconded by Mr. William “Butch” Burbage, that the Board hereby authorizes staff to execute purchase orders and/or contracts for procurement of materials, services and supplies needed for the operation, construction, and maintenance of the water system to the following:

- 4.2 Ferguson Waterworks, the lowest responsible and responsive bidder, for estimated annual quantities of Bid 24-03-05, Curb Stops, Meter Stops, Meter Adapters, Compression Couplings, Corporation Stops, and Unions, items 1, 2, and 3, at an estimated out-of-pocket cost to the Board of \$500,522.45 for item 1 (Curb Stops, Corporation Stops, and Meter Stops), \$385,631.80 for Item 2 (Adapters, Valves, and Compression Couplings), and \$188,715.90 for item 3 (Unions), at an estimated total out-of-pocket cost to the Board of \$1,074,870.15; and to authorize the Interim General Manager and/or the Assistant General Manager to execute applicable documentation.

Resolution No. 9601.4.2 is hereby adopted by Directors Blankenship, Burbage, Henderson, Huffman, NeSmith, and Ward; and Director Munchus voted no.”

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Next, the Board proceeded to the fifth item on the agenda, Request Board to ratify and approve Emergency Work awarded to Rast Construction for leaks repairs at Cahaba Pump Station, at an estimated amount of \$286,500.00; and to authorize the Interim General Manager and/or the Assistant General Manager to execute said agreement. Interim General Manager Jones stated that most of the repairs involved leaks and that remediation of the site is ongoing. He indicated that staff does not have the final number for the repairs; however, the estimated amount was needed to perform the emergency repairs. Interim General Manager Jones said staff will provide the Board with an update when the final cost of repairs is received, which will be below the referenced estimated amount. Director Munchus asked whether there would be additional work. Per Interim General Manager Jones, additional work would involve the clean-up site, etc. 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 Ms. Tereshia Q. Huffman and seconded by Mr. George Munchus, that the Board hereby ratify and approve Emergency Work awarded to Rast Construction for leaks repairs at Cahaba Pump Station, at an estimated amount of \$286,500.00; and authorizes the Interim General Manager and/or the Assistant General Manager to execute said agreement. Resolution No. 9602 is hereby adopted by unanimous vote.”

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Following, the Board proceeded to the sixth item on the agenda, Request Board to approve an agreement with Direct Communication; and to authorize the Chair to execute said agreement. 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 Ms. Tereshia Q. Huffman, and seconded by Mr. Larry Ward, as follows:

The Chair is authorized to execute that certain agreement with Direct Communication to provide the Board with the following services including support for organizational and strategic plan development, review of customer service, plan recommendations on improving customer service outreach to be more effective and efficient, assessment of all communications and external outreach conducted by the Board to the general public, community leaders and other constituencies, and support to General Ron Burgess and the Interim General Manager as needed.

Resolution No. 9603 is hereby adopted by Directors Burbage, Henderson, Huffman, Munchus, NeSmith, and Ward; and Director Blankenship abstained.”

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Subsequently, the Board proceeded to the seventh item on the agenda, Request Board to approve a consulting agreement with Underwood Financial Consultants, LLC; and to authorize the Chair to execute said agreement. Director Munchus asked for a brief update on Underwood Financial Consultants services. Chairwoman Huffman explained that Underwood Financial Consultants would provide support to the Interim General Manager, in addition to oversight support to the company’s Finance and Administration Division. Afterwards, Director Ward commented that he had two situations/interactions with employees since the last meeting. Director Ward stated he contacted Geraldine Davis, Customer Support Services Manager, for assistance and she was extremely helpful. Also, without knowing who he was, a polite and helpful employee called to notify him of his excessive water usage. Director Ward stated he appreciated the employees and their helpfulness. Chairwoman Huffman acknowledged a card received from Mr. Richards, a Birmingham Water Works customer. Chairwoman Huffman read the letter into the records. The letter thanked the Board and staff for taking care of his problem. 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. William “Butch” Burbage, and seconded by Mr. Larry Ward, as follows:

The Chair is authorized to execute that certain agreement with Underwood Financial Consultants, LLC to provide the Board with the following services: review of customer service and billing operations, financial operations, purchasing, internal audit, and other related issues as requested by the Board of Directors, or Interim General Manager.

Resolution No. 9604 is hereby adopted by Directors Burbage, Henderson, Huffman, Munchus, NeSmith, and Ward; and Director Blankenship abstained.”

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As there was no further business before the Board, Director Ward made a motion to adjourn the meeting and Chairwoman Huffman seconded the motion. On a motion duly made and seconded, the motion was approved, and the meeting adjourned at 12:24 p.m.

\_\_\_\_\_/s/\_\_\_\_\_  
Tereshia Q. Huffman  
Chairwoman

Attest:

\_\_\_\_\_/s/\_\_\_\_\_  
Raymond “Larry” Ward  
Secretary-Treasurer