

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM
December 14, 2022**

A regular meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, December 14, 2022 at 11:30 a.m.

The following directors were present: Tom Henderson, Lucien Blankenship, Larry Ward, Tereshia Huffman, George Munchus, William “Butch” Burbage, Jr., Ronald A. Mims, and Dalton NeSmith.

Others present were: Michael Johnson, General Manager; Iris Fisher and Derrick Murphy, Assistant General Managers; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Rick Jackson, Jeff Wade, Charles McGee, Rosalind Jones, Paul Lloyd, Colandus Mason, Jeremy Ervin, and David Walker, BWWB Employees; K. Mark Parnell, Parnell Thompson, LLC; Byron Perkins, Perkins Law, LLC; Kelvin Howard, Kelvin W. Howard, LLC; Michael Bell, Birmingham Construction Industry Authority; Olivia Martin, State of Alabama Attorney General’s Office; Patrick Flannelly, ARCADIS; Theo Johnson, Jacobs; Mark Hamby, Valent Group; Jamekia Bies, H2O Foundation; Bill Todd, O2 Ideas; Daymeon Fishback and Greg Burchell, Morgan Stanley; Roy Johnson, AL.com; and William Muhammad, Citizens to Save Jefferson County.

Vice Chairman Burbage declared a quorum in attendance.

Vice Chairman Burbage called the meeting to order at 11:33 a.m. and Board Employee Paul Lloyd opened with prayer.

Following, Vice Chairman Burbage asked the Board to approve the agenda. Director Munchus requested Speakers be moved permanently before New Business which would avoid having to amend the agenda each meeting. Board Attorney Mark Parnell stated he would need to review the By-Laws. Director Mims questioned agenda item 9 being added to the agenda after a motion to approve it died on a previous Board agenda. Vice Chairman Burbage stated he requested the item be added to the agenda. A discussion then ensued. 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. Dalton NeSmith and seconded by Mr. Lucien Blankenship, that the Board hereby approves the agenda for the December 14, 2022 Regular Board of Directors’ Meeting; and hereby moves Speakers permanently before New Business. Resolution No. 9175 is hereby adopted by unanimous vote.”

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Following, Vice Chairman Burbage asked to hear Reports of Committee. As there were no reports, the General Manager stated the upcoming Engineering & Maintenance Committee meeting would be held directly following the board meeting. He stated there will be a Communications Workshop on Monday, December 19, 2022 at 11:00 a.m. He stated there will be a Service Pin Ceremony held on December 15, 2022 at 11:00 a.m. at Cahaba Pumping Station. He stated there will also be a Retiree Luncheon on December 16, 2022 at 11:30 a.m. at the Cahaba Pumping Station. He indicated Morgan Stanley will make a presentation at the luncheon.

Following, Vice Chairman Burbage asked to hear Reports of Officers. Next, the General Manager recognized Morgan Stanley to make a presentation regarding the Investment Performance of the Pension and Other Post-Employment Benefits (OPEB) Plans as of November 30, 2022. Daymeon Fishback, Morgan Stanley,

gave a review of the 3rd Quarter stating gross stocks outperformed value stocks; small cap outperformed large cap; S&P 500 was down five percent; and Russell 3000 and NASDAQ were down four percent. He stated there were two positive sectors in the S&P 500: consumer discretionary and energy. He stated the federal government hiked rates over 400 basis points in one year. He indicated the Federal rate hike caused significant losses in fixed income. He stated the bond market fell 4.8 percent in the 3rd Quarter. He stated consumers are stressed and they are using credit more, and the housing market is affecting the economy. Director Munchus questioned whether this was the first time the Federal government has done a rate hike in four years and Mr. Fishback responded yes; this is the most aggressive the Federal government has been in a small time frame. Director Munchus questioned whether the Federal government is expected to be aggressive in 2023. Mr. Fishback responded the market will see a 50-basis points increase on December 14, 2022, and they are anticipating a 25-basis point increase in the 1st Quarter of 2023. Director Munchus recommended Morgan Stanley tell BWB Retirees that their pension is safe. Next, Greg Burchell, Morgan Stanley, gave an overview of the Pension Plan's performance. He stated bonds and stocks had one of the worst years in 50 years. He stated gross stocks did well in the 3rd Quarter. He indicated fixed income had its worst performance in 40 years. He stated typically bonds perform better when stocks perform poorly; however, that was not the case in 2022. He stated the U.S. Dollar has strengthened during this time. He stated the 1st Quarter of 2022 caused the Federal government to pivot, sparking its sharpest monetary tightening since 1994. He stated the Federal government is trying to tackle the inflation rate and indicated they will pause 16 to 18 months for their hike to take effect. Mr. Burchell indicated there was no issue in meeting the Pension Plan's obligations. Director Blankenship left the meeting at 11:56 a.m. Mr. Burchell stated the fund took out \$10.7 million between 2016 through 2021. He stated the plan is in compliance with the Board's investment policy. He indicated the plan is at the upper limit of the equity allocation which is due to the target rate of return being higher than estimated. He stated the target for the portfolio is 70/30, leaning more towards equities. He recommended the Board review its target assumption with its actuary to lower the assumption so that there is not too much stress on its assets to meet income requirements. He stated the current value of the Pension Plan is \$172 million with \$5.3 million in pension expenses. Director Blankenship returned to the meeting at 11:58 a.m. Mr. Burchell stated the money managers outperformed the markets, with the portfolio having 47 percent in minority managers. Director Munchus questioned whether there are any local firms and Mr. Burchell responded Atlanta has the closest firm.

Subsequently, Mr. Burchell gave an overview of the OPEB Plan. He stated the plan's portfolio has 32 percent in fixed income and 68 percent in equities and the plan is in compliance with the allocation. He stated the plan's value was \$26 million in 2016 and is currently \$31.8 million. He indicated the plan is up 11 percent for the 3rd Quarter. He stated the portfolio has 41 percent in minority managers. The General Manager indicated the Board has an investment policy and the Board is in compliance with the policy. Director NeSmith questioned whether the 6 percent return for the plan comes from the Board. Mr. Burchell responded no, stating that return comes from the global investment community which puts a 20-year forecast based on various asset classes. The General Manager stated the Board needs to look at moving return assumptions downward. Director NeSmith questioned whether the 6 percent return would be getting the Board into position to have some unfunded liability because the return is set so high. Mr. Burchell stated it is a balancing act and indicated a higher return assumption will discount future liabilities quicker. He indicated the Board is not doing anything outside of the normal in the pension world. Director Blankenship questioned Morgan Stanley's recommendation. Mr. Burchell stated Morgan Stanley has stated for 2 years they would like to see the rate assumption go down. Director Blankenship questioned what the assumptions are based on. The General Manager stated the Board moved it down from 7.5 to 7 a couple of years ago. He indicated there is an actuarial study currently being conducted. Director Blankenship requested an analysis been done on both plans. Director NeSmith questioned if the Board lowers the assumption, would BWB employees have to contribute more. The General Manager stated additional funding would have to come either from the Board or employees.

Next, the General Manager recognized Jamekia Bies, Help To Others (H2O) Foundation. Ms. Bies presented the Board with a handout. A copy of the handout is on file in Diligent. Ms. Bies gave an overview of

the H2O Foundation. She then gave an overview of client assistance between 2018 through 2022. She indicated in 2022 548 customers have received assistance at a cost of \$140,000.00. She stated the total net assets for the Foundation is \$1.1 million. She stated the Foundation has worked towards being a separate entity which required expenses such as office space. She then gave an overview of the Foundation's revenue indicating for 2022 it is \$169,274.00 with 25 percent coming from BWWB and 36 percent from customer donations and a golf tournament. Director Munchus questioned where is the \$1 million the Foundation had. Ms. Bies stated that money is comprised of revenue received from customer donations, BWWB, and the golf tournament. She stated there are Certificates of Deposit (CDs) in the amount of \$539,000.00. She stated \$100,000.00 is designated annually for client assistance. Director Munchus stated the Foundation appears to be operating in a deficit. Ms. Bies stated there is currently a deficit based on current funding sources. She indicated the Foundation received a small grant from the CBG Fund with the City of Birmingham; however, the Foundation will not see that revenue until 2023. Director Mims questioned whether the Board can allot more money to the Foundation. The General Manager stated the Board allocates \$100,000.00 annually to the Foundation if the Board's operating income exceeds the budget in any month. He stated the Board allocating more money to the Foundation would have to be reviewed by legal. Director Mims stated the Board needs to look at giving more money to the Foundation because its constituents are hurting. Director Blankenship questioned whether the \$100,000.00 the Board contributes is contingent. The General Manager responded yes. Board Attorney Parnell stated the Board adopted a resolution in 2005 stating it would contribute \$8,333.33 per month if its operating income exceeded the budget in any month. He stated there are months when that doesn't happen. He stated the resolution could go before the Finance Committee to remove the contingency. He stated there has been communication with the Board regarding increasing the funds. He indicated the H2O Foundation is separate from BWWB and there can't be any co-mingling of the corporate responsibility for the two entities. Director Blankenship requested this item be moved to the Finance Committee. Director Ward questioned what is the pay out on each case for client assistance. Ms. Bies responded in the past it has been between \$165.00 to \$175.00; however, currently it has been between \$300.00 to \$400.00. A discussion then ensued. Vice Chairman Burbage stated the Board will look at what it can do for the Foundation.

Following, the Board moved to Speakers. Mr. William Muhammad spoke regarding the mathematics of the sewer contract.

Following, the Board moved to the first item on the agenda, Request Board to adopt a resolution authorizing surviving spouse retirement benefits from the Board's Retirement Trust Fund in accordance with the terms of the Pension Plan, and as stated on the respective retirement calculation, effective January 1, 2023, for Ms. Suttle G. Mims, the surviving spouse of retiree Stanley L. Mims; and to authorize a one-time retro payment for the month of December 2022. Director NeSmith then made a motion to take agenda items 1 through 6 together and Director Huffman seconded the motion. Director Mims questioned whether there are replacements for these positions. The General Manager stated currently interviews are being conducted. Director Munchus questioned whether the succession planning is working, and the General Manager responded yes. On a motion duly made and seconded, the following resolution was adopted:

“WHEREAS, Stanley L. Mims, a retiree of The Water Works Board of the City of Birmingham (“The Board”), passed away on November 8, 2022; and

WHEREAS, Stanley L. Mims was receiving, up until the time of his death, monthly retirement benefits from the Board's Retirement Trust Fund in the amount of \$2,181.22, and under the terms of the Board's Retirement Plan, his spouse is now entitled to receive 50% of that monthly benefit until such time as she either remarries or passes away; and

WHEREAS, the surviving spouse, Suttle G. Mims will begin receiving her surviving spouse monthly benefit of \$1,090.61, effective January 1, 2023.

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. Larry Ward and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay a pension of \$1,090.61 per month and a one-time retro payment for the month of December 2022 to Suttle G. Mims from the Board’s Retirement Trust Fund, in accordance with the terms of the Trustee Pension Plan, with the payment to be effective January 1, 2023.

Resolution No. 9176 is hereby adopted by unanimous vote.”

“WHEREAS, Ike Square, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective January 1, 2023, at an age of 67, and

WHEREAS, Ike Square has 35 years and 9 months of continuous service with the Board at his 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 \$7,052.83; 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. Larry Ward and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$7,052.83 to Mr. Square from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made January 1, 2023.

Resolution No. 9177 is hereby adopted by unanimous vote.”

“WHEREAS, Ike Square, an employee of The Water Works Board of the City of Birmingham, is retiring, effective January 1, 2022, after 35 years and 9 months of service with the Board; and

WHEREAS, management has informed the Board of Ike Square’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, Ike Square, 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, Ike Square is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Ike Square’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 an official resolution presented to Mr. Square.

Resolution No. 9178 is hereby adopted by unanimous vote.”

“WHEREAS, Jonathan Harris, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective January 1, 2023, at an age of 62, and

WHEREAS Jonathan Harris has 29 years and 9 months of continuous service with the Board at his 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 \$7,282.35; 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. Larry Ward and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$7,282.35 to Mr. Harris from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made January 1, 2023.

Resolution No. 9179 is hereby adopted by unanimous vote.”

“WHEREAS, Jonathan Harris, an employee of The Water Works Board of the City of Birmingham, is retiring, effective January 1, 2023, after 29 years and 9 months of service with the Board; and

WHEREAS management has informed the Board of Jonathan Harris’ 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 Jonathan Harris 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, Jonathan Harris is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Jonathan Harris’ 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 an official resolution presented to Mr. Harris.

Resolution No. 9180 is hereby adopted by unanimous vote.”

“WHEREAS, Roger Hicks, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective January 1, 2023, at an age of 62, and

WHEREAS Roger Hicks has 27 years and 8 months of continuous service with the Board at his 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 \$7,492.92; 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. Larry Ward and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$7,492.92 to Mr. Hicks from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made January 1, 2023.

Resolution No. 9181 is hereby adopted by unanimous vote.”

“WHEREAS, Roger Hicks, an employee of The Water Works Board of the City of Birmingham, is retiring, effective January 1, 2023, after 27 years and 8 months of service with the Board; and

WHEREAS management has informed the Board of Roger Hicks’ 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 Roger Hicks 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, Roger Hicks is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Roger Hicks’ 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 an official resolution presented to Mr. Hicks.

Resolution No. 9182 is hereby adopted by unanimous vote.”

“WHEREAS, Doyle Cherry, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective January 1, 2023, at an age of 65, and

WHEREAS Doyle Cherry has 16 years and 3 months of continuous service with the Board at his 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 \$2,038.10; 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. Larry Ward and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$2,038.10 to Mr. Cherry from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made January 1, 2023.

Resolution No. 9183 is hereby adopted by unanimous vote.”

“WHEREAS, Doyle Cherry, an employee of The Water Works Board of the City of Birmingham, is retiring, effective January 1, 2023, after 16 years and 3 months of service with the Board; and

WHEREAS management has informed the Board of Doyle Cherry’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 Doyle Cherry 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, Doyle Cherry is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Doyle Cherry’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 an official resolution presented to Mr. Cherry.

Resolution No. 9184 is hereby adopted by unanimous vote on December 14, 2022.

“WHEREAS, Brian K. Lind, an employee of The Water Works Board of the City of Birmingham ("the Board"), is retiring, effective January 1, 2023, at an age of 61, and

WHEREAS Brian K. Lind has 15 years and 7 months of continuous service with the Board at his 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 \$2,233.27; 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. Larry Ward and seconded by Mr. George Munchus, that the Trustee be, and is hereby instructed to pay monthly benefit payments of \$2,233.27 to Mr. Lind from the Board’s Retirement Trust Fund, in accordance with the terms of the Pension Plan, with the first payment to be made January 1, 2023.

Resolution No. 9185 is hereby adopted by unanimous vote.”

WHEREAS, Brian K. Lind, an employee of The Water Works Board of the City of Birmingham, is retiring, effective January 1, 2023, after 15 years and 7 months of service with the Board; and

WHEREAS management has informed the Board of Brian K. Lind’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 Brian K. Lind 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, Brian K. Lind is hereby commended for his efficiency, reliability, and loyal service to the Board.

BE IT FURTHER RESOLVED, that in recognition of Brian K. Lind’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 an official resolution presented to Mr. Lind.

Resolution No. 9186 is hereby adopted by unanimous vote.”

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Following, the Board moved to the seventh item on the agenda, Request Board to approve payment of the following 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. Ronald Mims, and seconded by Ms. Tereshia Huffman, that the Board hereby authorizes staff to execute payment to the following:

- 7.1 The Jones Group, LLC for professional services rendered November 2022 in the amount of \$10,000.00.
- 7.2 Agee Law, LLC for professional services rendered October 2022 in the amount of \$10,815.00.
- 7.3 Dominick Feld Hyde for the following:
 - 7.3.1 For professional services rendered September 7, 2022 related to the Pension Plan in the amount of \$186.00.
 - 7.3.2 For professional services rendered August 26, 2022 through August 31, 2022 related to the Pension Plan in the amount of \$372.00.
 - 7.3.3 For professional services rendered September 7, 2022 through September 8, 2022 related to Other Benefit Plans in the amount of \$500.00.
 - 7.3.4 For professional services rendered June 7, 2022 through July 8, 2022 related to the Pension Plan in the amount of \$558.00.
 - 7.3.5 For professional services rendered November 22, 2022 through November 29, 2022 related to the Pension Plan in the amount of \$1,636.80.
 - 7.3.6 For professional services rendered June 1, 2022 through July 28, 2022 related to Other Benefit Plans in the amount of \$3,742.00.
- 7.4 Terminus Municipal Advisors, LLC for the following:
 - 7.4.1 For professional services rendered September 2022 in the amount of \$8,500.00.
 - 7.4.2 For professional services rendered November 2022 in the amount of \$8,500.00.
- 7.5 Pat Lynch & Associates for the following:
 - 7.5.1 For professional services rendered October 2022 in the amount of \$10,000.00.
 - 7.5.2 For professional services rendered November 2022 in the amount of \$10,000.00.
- 7.6 Perkins Law, LLC for professional services rendered November 2022 in the amount of \$22,929.00.
- 7.7 O2 Ideas for professional services rendered November 2022 in the amount of \$25,000.00.
- 7.8 Birmingham Construction Industry Authority for professional services rendered October 2022 in the amount of \$25,000.00.
- 7.9 Raftelis Financial Consultants, Inc., for the following:
 - 7.9.1 For professional services rendered November 2022 related to the WIFIA Loan in the amount of \$977.50.

7.9.2 For professional services rendered November 2022 related to Consolidated Invoices in the amount of \$25,802.50.

7.10 ARCADIS, U.S., Inc. for professional services rendered October 2022 in the amount of \$230,667.27.

Resolution No. 9187 is hereby adopted by Directors Burbage, Huffman, NeSmith, Ward, Munchus, Mims, and Henderson; and Director Blankenship voted No.”

Following, the Board moved to the eighth item on the agenda, Request Board to approve payment of invoice from Hilliard, Smith & Hunt, LLC for professional services rendered November 2022 in the amount of \$13,000.00. 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. George Munchus, and seconded by Mr. Lucien Blankenship, that the Board hereby authorizes staff to execute payment to Hilliard, Smith & Hunt, LLC for professional services rendered November 2022 in the amount of \$13,000.00. Resolution No. 9188 is hereby adopted by Directors Burbage, NeSmith, Blankenship, Henderson, Ward, Munchus, and Mims; and Director Huffman abstained from voting.”

Following, the Board moved to the ninth item on the agenda, Request Board to approve an amendment to the agreement with Underwood Financial Consultants, LLC for an additional amount of \$10,400.00 for a total amount of \$24,900.00; and to authorize the payment of an invoice dated November 4, 2022 in the amount of \$24,900.00. 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. Dalton NeSmith, and seconded by Mr. Larry Ward, that the Board hereby approves an amendment to the agreement with Underwood Financial Consultants, LLC for an additional amount of \$10,400.00 for a total amount of \$24,900.00; and authorizes the payment of an invoice dated November 4, 2022 in the amount of \$24,900.00. Resolution No. 9189 is hereby adopted by a roll call vote: Director Burbage, Yes; Director Huffman, Yes; Director NeSmith, Yes; Director Ward, Yes; Director Munchus, Abstain; Director Mims, No; Director Henderson, Yes; and Director Blankenship, No.”

Following, the Board moved to the tenth item on the agenda, Request Board to approve an agreement with Optum for the 2023 Stop Loss Insurance renewal at a projected annual cost of \$615,883.68; and to authorize the General Manager and/or Assistant General Manager to execute any necessary documents. 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. George Munchus, and seconded by Mr. Ronald Mims, that the Board hereby approves an agreement with Optum for the 2023 Stop Loss Insurance renewal at a projected annual cost of \$615,883.68; and authorizes the General Manager and/or Assistant General Manager to execute any necessary documents. Resolution No. 9190 is hereby adopted by unanimous vote.”

Following, the Board moved to the eleventh item on the agenda, Request Board to approve expenditures with Tractor Equipment Company to purchase a Hydraulic Excavator at a total out-of-pocket cost to the Board of \$155,400.00, under the Sourcewell negotiated contract number 032119-KOM and Alabama State Examiner’s office approved, as recommended by the Engineering and Maintenance Committee. 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. Dalton NeSmith, and seconded by Mr. Larry Ward, that the Board hereby approves expenditures with Tractor Equipment Co. to purchase a Hydraulic Excavator at a total out-of-pocket cost to the Board of \$155,400.00, under the Sourcewell negotiated contract number 032119-KOM and Alabama State Examiner’s office approved, as recommended by the Engineering and Maintenance Committee. Resolution No. 9191 is hereby adopted by Directors Burbage, Huffman, Ward, NeSmith, Munchus, Blankenship, and Henderson; and Director Mims abstained from voting.”

Following, the Board moved to the twelfth item on the agenda, Request Board to ratify an additional expenditure of \$587,798.00 for purchases of chemicals needed for the daily operations of the Water Works Board’s water system, as recommended by the Engineering and Maintenance Committee. Director Munchus questioned whether there is a provision in the contract for the vendor to increase cost while the contract is in effect. Mr. Parnell responded no; and stated that is why the Board is being asked to ratify the item. Director Munchus stated that cost is an increase of 59 percent. 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. Dalton NeSmith, and seconded by Mr. Larry Ward, that the Board hereby ratifies an additional expenditure of \$587,798.00 for purchases of chemicals needed for the daily operations of the Water Works Board’s water system, as recommended by the Engineering and Maintenance Committee. Resolution No. 9192 is hereby adopted by Directors Burbage, Huffman, NeSmith, Blankenship, Henderson, Ward, Mims, and Director Munchus voted No.”

Following, the Board moved to the thirteenth item on the agenda, Request Board to award annual chemical bids to the following. Director Huffman stated there is 0 percent HUB participation and questioned how much effort was put in securing minority participation and whether Birmingham Construction Industry Authority (BCIA) was involved in the process. Assistant General Manager Jeff Thompson stated staff has diligently sought vendors for chemicals with no success. He indicated if there are HUB vendors in the market, it appears they have no interest in responding to the bids. Director Huffman stated she would like to see the HUB participation increase on this item and would like to see any recommendations Mr. Thompson may have to accomplish that. Director Munchus requested the prices of the chemicals for 2022 and the total cost. Director Blankenship requested the Board be supplied with the chemical vendors’ diversity programs. Michael Bell, BCIA, stated chemicals with HUB participation are difficult to find because they are specialized when it comes to manufacturing and delivery. 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. Dalton NeSmith, that the Board hereby awards annual chemical bids to the following:

- 13.1 Chemrite, Inc., the lowest responsible and responsive bidder, for Orthophosphoric Acid, at an estimated out-of-pocket cost to the Board of \$81,600.00; and authorizes the General Manager and/or the Assistant General Manager to execute a contract per Bid Specifications and Conditions, as recommended by the Engineering and Maintenance Committee.
- 13.2 Univar USA, Inc., the lowest responsible and responsive bidder, for Hydrofluosilicic Acid (Fluoride), at an estimated out-of-pocket cost to the Board of \$320,400.00; and authorizes the General Manager and/or the Assistant General Manager to execute a contract per Bid Specifications and Conditions, as recommended by the Engineering and Maintenance Committee.
- 13.3 Mississippi Lime, the lowest responsible and responsive bidder, for Bulk Hydrated Lime, at an estimated out-of-pocket cost to the Board of \$473,169.80; and authorizes the General Manager and/or the Assistant General Manager to execute a contract per Bid Specifications and Conditions, as recommended by the Engineering and Maintenance Committee.
- 13.4 Harcos Chemicals, the lowest responsible and responsive bidder, for Liquefied Chlorine, at an estimated out-of-pocket cost to the Board of \$546,000.00; and authorizes the General Manager and/or the Assistant General Manager to execute a contract per Bid Specifications and Conditions, as recommended by the Engineering and Maintenance Committee.
- 13.5 Burnett Lime Company, Inc., the lowest responsible and responsive bidder, for Liquid Calcium Hydroxide (Lime), at an estimated out-of-pocket cost to the Board of \$672,000.00; and authorizes the General Manager and/or the Assistant General Manager to execute a contract per Bid Specifications and Conditions, as recommended by the Engineering and Maintenance Committee.
- 13.6 Allied Universal Corp, the lowest responsible and responsive bidder, for Liquid Sodium Hypochlorite, at an estimated out-of-pocket cost to the Board of \$1,552,500.00; and authorizes the General Manager and/or the Assistant General Manager to execute a contract per Bid Specifications and Conditions, as recommended by the Engineering and Maintenance Committee.
- 13.7 Pencco, Inc., the lowest responsible and responsive bidder, for Ferric Sulfate, at an estimated out-of-pocket cost to the Board for \$5,147,500.00; and authorizes the General Manager and/or the Assistant General Manager to execute a contract per Bid Specifications and Conditions, as recommended by the Engineering and Maintenance Committee.

Resolution No. 9193 is hereby adopted by Directors Burbage, Huffman, NeSmith, Henderson, Blankenship, and Ward; Director Munchus voted No; and Director Mims abstained from voting.

Following, the Board moved to the fourteenth item on the agenda, Request Board to exercise its bid option on the following. 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. Dalton NeSmith, and seconded by Ms. Tereshia Huffman, that the Board hereby exercises its bid option on the following:

- 14.1 G2O Technologies, the lowest responsive and responsible bidder, for a second 1-year (12 month) extension for estimated quantities of Liquid Aluminum Sulfate, at an estimated out-of-pocket cost of \$903,000.00; and to authorize the General Manager and /or the Assistant General Manager to execute a signed agreement for the period of January 1, 2023 through December 31, 2023, as recommended by the Engineering and Maintenance Committee.
- 14.2 Unifilt Corporation, the sole bidder, for Filter Media at a total out-of-pocket cost to the Board of \$200,700.00; and to authorize the General Manager and/or Assistant General Manager to execute the necessary documents, as recommended by the Engineering and Maintenance Committee.

Resolution No. 9194 is hereby adopted by Directors Burbage, Huffman, Henderson, Blankenship, NeSmith, Ward, and Mims; and Director Munchus voted No.”

Following, the Board moved to the fifteenth item on the agenda, Request Board to approve a scope of services amendment with ARCADIS, U.S., Inc. to provide Construction Management Services for the Shades Mountain Filter Plant Improvement Project at an estimated out-of-pocket cost to the Board for \$723,682.00; and to authorize the General Manager and/or the Assistant General Manager to execute the necessary documents. 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. Dalton NeSmith, and seconded by Ms. Tereshia Huffman, that the Board hereby approves a scope of services amendment with ARCADIS, U.S., Inc. to provide Construction Management Services for the Shades Mountain Filter Plant Improvement Project at an estimated out-of-pocket cost to the Board for \$723,682.00; and authorizes the General Manager and/or the Assistant General Manager to execute the necessary documents. Resolution No. 9195 is hereby adopted by unanimous vote.”

Following, the Board moved to the sixteenth item on the agenda, Request Board to approve an agreement with Raftelis Financial Consultants, Inc., effective January 1, 2023 through December 31, 2023 to continue to serve as BWW’s Rate Consultants (Independent Rate Consultants) at a cost based on Raftelis’ 2023 Standard Billing Rates provided in Attachment A of the agreement; and to authorize the General Manager and/or Assistant General Manager 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 Mr. Tom Henderson, and seconded by Mr. George Munchus, that the Board hereby approves an agreement with Raftelis Financial Consultants, Inc., effective January 1, 2023 through December 31, 2023 to continue to serve as BWW’s Rate Consultants (Independent Rate Consultants) at a cost based on Raftelis’ 2023 Standard Billing Rates provided in Attachment A of the agreement; and authorizes the General Manager and/or Assistant General Manager to execute said agreement. Resolution No. 9196 is hereby adopted by unanimous vote.”

Following, the Board moved to the seventeenth item on the agenda, Request Board to grant an easement to Alex Jones, within Birmingham Water Works property as described in Exhibit A survey description,

requiring adherence to the strict guidelines described in the attached Declaration of Protective Covenants and Easements document, as recommended by the Engineering and Maintenance Committee. 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. Dalton NeSmith, and seconded by Ms. Tereshia Huffman, that the Board hereby grants an easement to Alex Jones, within Birmingham Water Works property as described in Exhibit A survey description, requiring adherence to the strict guidelines described in the attached Declaration of Protective Covenants and Easements document, as recommended by the Engineering and Maintenance Committee. Resolution No. 9197 is hereby adopted by Directors Burbage, Huffman, NeSmith, Ward, Blankenship, Munchus, and Henderson; and Director Mims abstained from voting.”

Next, Director Ward then made a motion to adjourn the meeting and Director Huffman seconded the motion. On a motion duly made and seconded, the motion was approved, and the meeting was adjourned at 12:56 p.m.

/s/
William Burbage
Vice Chairman/First Vice President

Attest:

/s/
Raymond L. Ward
Secretary-Treasurer