

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS  
OF THE WATER WORKS BOARD OF THE CITY OF BIRMINGHAM  
September 27, 2023**

A regular meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, September 27, 2023, at 11:30 a.m.

The following directors were present: Tom Henderson, Larry Ward, Tereshia Huffman, George Munchus, William “Butch” Burbage, Jr., and Dalton NeSmith. Directors Ronald Mims, Mashonda Taylor, and Lucien Blankenship were not present.

Others present were: Michael Johnson, General Manager; Iris Fisher, Assistant General Manager; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Michelle Cox, Executive Assistant to the General Manager; Drusilla Hudson, Jeff Wade, Charles McGee, Rosalind Jones, Matt Shiver, Jackie Hill, Colandus Mason, Lauren Bitten, Rick Jackson, David Walker, Marsha Walker, and Anthony Hazel, BWWB Employees; K. Mark Parnell, Parnell Thompson, LLC; Kelvin Howard, Kelvin W. Howard, LLC; Myron Perkins, Perkins Law, LLC; Tiffanie Agee, Agee Law, LLC; Matthew Arrington, Terminus Municipal Advisors, LLC; Phillip Moultrie Valent Group; Bill Todd, o2 Ideas; Cathryn Smith Burchfield and Alex Ray, Butler Snow; Matt Adams and Brad Grun, Raymond James; Michael Rogers and Andrea Trammer, Asplundh Engineering Services; Bobby Britton, Contract Land Staff (Alabama Power); Michael H. Bell, Birmingham Construction Industry Authority; Olivia Martin, State of Alabama Attorney General’s Office, and Brandon Kennedy, Birmingham Plumbing and Drainworks.

Chairwoman Huffman declared a quorum in attendance.

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

Following, Chairwoman Huffman 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. Dalton NeSmith and seconded by Mr. Tom Henderson, that the Board hereby approves the agenda for the September 27, 2023 Regular Board of Directors’ Meeting. Resolution 9410 is hereby adopted by unanimous vote.”

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Following, the Board moved to the first item on the agenda, Request Board to approve minutes of the Regular Board of Directors’ Meeting held August 23, 2023. 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 Burbage the Board hereby approves minutes of its Regular Board of Directors’ Meeting held on August 23, 2023. Resolution No. 9411 is hereby adopted by unanimous vote.”

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Following, Chairwoman Huffman asked to hear Reports of Committee. The General Manager stated that the Executive Committee Meeting for September 27, 2023, had been canceled and the Engineering and Maintenance Committee Meeting originally scheduled for October 18, 2023, has been changed to October 11, 2023. Chairwoman Huffman stated there will also be a Communications Committee Meeting in October, date to be determined.

Director Munchus mentioned he went through the agenda and of the 21 items, 12 of those items did not have Historically Underutilized Business (HUB) participation. Director Munchus also stated he believes the program name should be changed to Equal Opportunity Business. Director Munchus also stated the BWWB needs to do a better job of being transparent and accountable. Director Munchus mentioned he will be voting No on items that do not have HUB participation; however, if Chairwoman Huffman decides a committee is needed to investigate this, Director Munchus stated he is happy to participate. Chairwoman Huffman stated HUB participation is important to her and at the last Regular Board of Directors' Meeting she requested Birmingham Construction Industry Authority (BCIA) to present at the next Engineering and Maintenance Committee Meeting. Chairwoman Huffman stated she'd like to understand how BCIA has helped minority businesses qualify to do business with the Board. Chairwoman Huffman stated Director NeSmith, Chair of the Engineering and Maintenance Committee, has been supportive. Director NeSmith stated the presentation from BCIA should be on the agenda for the October 11, 2023, Engineering and Committee Meeting.

Next, Chairwoman Huffman asked to hear Speakers. Brandon Kennedy, Birmingham Plumbing and Drainworks, was recognized. Mr. Kennedy spoke regarding an unpaid invoice from work completed for the BWWB for a project completed in December 2022. The General Manager indicated individuals from Global Construction had attended a previous meeting and the BWWB's attorneys stated discussion should be limited.

Following, the Board moved to the second 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. William Burbage and seconded by Mr. Larry Ward, that the Board hereby authorizes staff to execute payments to the following:

- 2.1 Pat Lynch & Associates for professional services rendered August 2023 in the amount of \$10,000.00.
- 2.2 Raftelis Financial Consultants, Inc., for professional services rendered August 2023 related to Consolidated Invoices in the amount of \$29,859.55.
- 2.3 Kelvin W. Howard, LLC for professional services rendered August 2023 in the amount of \$30,090.00.
- 2.4 Parnell Thompson, LLC for professional services rendered August 2023 in the amount of \$58,850.00.

Resolution No. 9412 is hereby adopted by unanimous vote."

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Following, the Board moved to the third item on the agenda, Request Board to approve payment of invoice to Moody's Investors Service Inc., for fees related to the Water Infrastructure Finance and Innovation Act (WIFIA) program loan, in the amount of \$85,000.00; as recommended by the Finance 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. Larry Ward, and seconded by Mr. William Burbage, that the Board hereby authorizes staff to execute payment of invoice to Moody's Investors Service Inc., for fees related to the Water Infrastructure Finance and Innovation Act (WIFIA) program loan, in the amount of \$85,000.00, as recommended by the Finance Committee. Resolution No. 9413 hereby adopted by unanimous vote."

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Following, the Board moved to the fourth item on the agenda, Request Board to award bids to the following, 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. Tom Henderson, that the Board hereby authorizes staff to award bids to the following, as recommended by the Engineering and Maintenance Committee:

- 4.1 Ferguson Water Works, the lowest responsible and responsive bidder, for estimated annual quantities of MJ Valve Adapters, at an out-of-pocket cost to the Board of \$32,572.75; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.
- 4.2 Walter A. Wood Supply Co., Inc., the lowest responsible and responsive bidder, for estimated annual quantities of Rainwear, at an out-of-pocket cost to the Board of \$34,795.85; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.
- 4.3 Consolidated Pipe Co., the lowest responsible and responsive bidder, for estimated annual quantities of MJ Retainer Glands, at an out-of-pocket cost to the Board of \$46,045.35; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.
- 4.4 Ferguson Water Works, the lowest responsible and responsive bidder, for estimated annual quantities of Flanged Fittings, at an out-of-pocket cost to the Board of \$51,984.31; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.
- 4.5 Birmingham Winsupply, the lowest responsible and responsive bidder, for estimated annual quantities of Copper Tubing, at an out-of-pocket cost to the Board of \$219,300.00; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.
- 4.6 Core & Main LP, the lowest responsible and responsive bidder, for estimated annual quantities of Meter Boxes and Lids, at an out-of-pocket cost to the Board of \$535,300.00; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.
- 4.7 Willoughby Contracting Company, Inc., the lowest responsible and responsive bidder, for the replacement of approximately 5,780’ of 2” galvanized steel pipe/2” unlined cast iron pipe with approximately 5,780’ of 6” DICL pipe and related appurtenances; and 110 water services along 2nd Street South; 3rd Avenue South; 3rd Street South; Kappa Avenue South; 1st Avenue/Way South; 4th Avenue South; Omega Street South; Delta Street South; Gamma Street South; and Alpha Street South located in the Titusville Community, at a bid amount of \$1,442,667.10; plus estimated cost of materials and Water Board labor in the amount of \$821,287.88; at an estimated out-of-pocket cost to the Board of \$2,263,954.98 and to authorize the General Manager and/or Assistant General Manager to execute the agreement.

Resolution No. 9414 is hereby adopted by Chairwoman Huffman, Directors NeSmith, Henderson, Ward, and Burbage; and Director Munchus voted Yes on agenda item 4.7 and voted No on agenda items 4.1 through 4.6.”

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Following, the Board moved to the fifth item on the agenda, Request Board to exercise its bid options to extend 1-year agreements to the following, as recommended by the Engineering and Maintenance Committee. Director Munchus asked Board Attorney Mark Parnell if he was aware of any legal issue regarding item 5.5. Mr. Parnell responded that it would be discussed in the Executive Session. 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. William Burbage, that the Board hereby authorizes staff to exercise its bid options to extend 1-year agreements to the following, as recommended by the Engineering and Maintenance Committee:

- 5.1 Advanced Asphalt for Part (A), Delivered, at an estimated cost of \$217,500.00, and Dunn Construction for Part (B), Picked-up, at an estimated cost of \$212,375.00, the lowest responsive and responsible bidders, for Asphalt COLD Mix procurement methods, at a total estimated out-of-pocket cost to the Board of \$429,875.00, effective November 14, 2023; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.
- 5.2 CJ Pressure Cleaning, Inc., the lowest responsive and responsible 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, effective November 1, 2023; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.
- 5.3 James Paving Co., LLC, the lowest responsive and responsible bidder, for estimated annual quantities of Longitudinal Transverse - Milling and Resurfacing Paving, at an estimated out-of-pocket cost to the Board of \$765,600.00, effective January 1, 2024 – December 31, 2024; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.
- 5.4 Allied Universal Security, and to amend rates as outlined in the attached addendum to provide Security Services at various sites referenced in the agreement, at an estimated out-of-pocket cost to the Board of \$949,577.00, effective October 1, 2023; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.
- 5.5 Jones Utility & Contracting Co., Inc., and (Item 3) with Black Diamond Paving, LLC, the lowest responsive and responsible bidders, for estimated quantities of Standard Patch Paving/Longitudinal Transverse/Milling and Resurfacing at an estimated annual cost of: Item 1 (West) - \$633,000.00; Item 2 (Central) - \$540,000.00; Item 3 (East/South) - \$1,294,310.00; Item 4 (All Districts) - \$106,250.00; Item 5 (All Districts) - \$1,181,500.00.
- 5.6 Tate Contracting & Excavating Inc., the lowest responsive and responsible bidder, for Standard Concrete Replacement, at an estimated out-of-pocket cost of to the Board \$2,265,000.00; and to authorize the General Manager and/or Assistant General Manager to execute the agreement.

Resolution No. 9415 is hereby adopted by Chairwoman Huffman, Directors NeSmith, Burbage, Ward, and Henderson; and Director Munchus voted No.”

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Following, the Board moved to the sixth item on the agenda, Request Board to approve expenditures to the following, 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. Tom Henderson, that the Board hereby authorizes staff to approve expenditures to the following, as recommended by the Engineering and Maintenance Committee:

- 6.1 Technical & Scientific Application Inc., for 11 Hewlett Packard Workstations, through the State of Alabama Master Agreement & Alabama State Examiner's office approved contract number (MA230000003893), at an out-of-pocket cost to the Board of \$29,645.00. [NOTE: The Historically Underutilized Business (HUB) participation 0%. This proposal is exempt from bidding under the

Alabama Competitive Bid law because it is a purchase from the State of Alabama Master Agreement contract.]

- 6.2 Environmental Systems Research Institute, Inc., (ERSI) for ArcGIS Annual Subscription & License, to be utilized as the mapping platform to manage and analyze geospatial data related to BWWB distribution and management of water resources, at an out-of-pocket cost to the Board of \$50,655.00; and to authorize the General Manager and/or Assistant General Manager to execute the agreement. [NOTE: The Historically Underutilized Business (HUB) participation 0%. Vendor is Sole Source Provider.]
- 6.3 Software House International (SHI), to purchase 60 Panasonic Tough books, at an estimated out-of-pocket cost to the Board of \$232,466.70; and to authorize the General Manager and/or the Assistant General Manager to execute the expenditure. [NOTE: The Historically Underutilized Business (HUB) participation 100%. No bid required, items and services fall under Omnia Partners Cooperative Contract# 2018011-02.]
- 6.4 Pursuant to the State of Alabama Contract #MA 230000004059 for Tires (Bridgestone), at an estimated out-of-pocket cost of \$550,000.00, for a period of up to 1-year. [NOTE: The Historically Underutilized Business (HUB) participation 0%. Proposal is exempt from bidding under the Alabama Competitive Bid Law because it is a purchase from the State of Alabama Master Agreement contract.]

Resolution No. 9416 is hereby adopted by Chairwoman Huffman, Directors NeSmith, Burbage, Ward, and Henderson. Director Munchus voted No.”

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Following, the Board moved to the seventh item on the agenda, Request Board to adopt a resolution authorizing the issuance by the Water Works Board of the City of Birmingham (“Board”) of its Senior Water Revenue Refunding Bonds, Series 2023, in a principal amount not to exceed \$225,000,000.00 (the “Bonds”) and a related tender offer to purchase and cancel portions of its Senior Water Revenue Refunding Bonds, Series 2019 and Series 2021 (the “Tender”); to authorize the General Manager and/or the Assistant General Manager of the Board to engage Raftelis as independent rate consultant, AMTEC as verification agent, and Municipal Government Investors Corp. as investment advisor, and such additional professionals as may be deemed necessary in connection with the Bonds and the Tender; and to authorize the Chairwoman and Vice-Chairman of the Board to execute the Financing Documents and all other documents, certificates, agreements, and other instruments in connection with the Bonds and the Tender, as recommended by the Finance 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. George Munchus, and seconded by Ms. Tereshia Huffman that the Board hereby adopts a resolution authorizing the issuance by the Water Works Board of the City of Birmingham (“Board”) of its Senior Water Revenue Refunding Bonds, Series 2023, in a principal amount not to exceed \$225,000,000.00 (the “Bonds”) and a related tender offer to purchase and cancel portions of its Senior Water Revenue Refunding Bonds, Series 2019 and Series 2021 (the “Tender”); to authorize the General Manager and/or the Assistant General Manager of the Board to engage Raftelis as independent rate consultant, AMTEC as verification agent, and Municipal Government Investors Corp. as investment advisor, and such additional professionals as may be deemed necessary in connection with the Bonds and the Tender; and to authorize the Chairwoman and Vice-Chairman of the Board to execute the Financing Documents and all other documents, certificates, agreements, and other instruments in connection with the Bonds and the Tender, as recommended by the Finance Committee.

WHEREAS, The Water Works Board of the City of Birmingham, a public corporation organized under the laws of the State of Alabama (the “Board”), owns and operates an integrated water supply and distribution system (the “System”) within certain areas of Jefferson County, Alabama and surrounding counties;

WHEREAS, the Board has heretofore issued various series of its water revenue bonds pursuant to that certain Trust Indenture dated as of December 1, 1998 (the “Original Indenture”), between the Board (as successor to the City of Birmingham) and Truist Bank (as successor trustee) (the “Trustee”), as supplemented and amended by a First Supplemental Indenture dated as of July 1, 2002, by a Second Supplemental Indenture dated as of September 1, 2002, by a Third Supplemental Indenture dated as of April 1, 2004, by a Fourth Supplemental Indenture dated as of April 1, 2006, by a Fifth Supplemental Indenture dated as of February 28, 2007, by a Sixth Supplemental Indenture dated as of December 1, 2008, by a Seventh Supplemental Indenture dated as of May 1, 2009, by an Eighth Supplemental Indenture dated as of November 1, 2010 (the “Eighth Supplemental Indenture”), by a Ninth Supplemental Indenture dated as of June 1, 2011 (the “Ninth Supplemental Indenture”), by a Tenth Supplemental Indenture dated as of March 1, 2012 (the “Tenth Supplemental Indenture”), by an Eleventh Supplemental Indenture dated as of April 1, 2013 (the “Eleventh Supplemental Indenture”), by a Twelfth Supplemental Indenture dated as of April 1, 2015 (the “Twelfth Supplemental Indenture”), by a Thirteenth Supplemental Indenture dated as of October 1, 2016 (the “Thirteenth Supplemental Indenture”), by a Fourteenth Supplemental Indenture dated as of November 1, 2018 (the “Fourteenth Supplemental Indenture”), by a Fifteenth Supplemental Indenture dated as of November 1, 2019 (the “Fifteenth Supplemental Indenture”), and by a Sixteenth Supplemental Indenture dated as of July 1, 2021 (the “Sixteenth Supplemental Indenture”), each between the Board and the Trustee (collectively, the “Existing Supplemental Indentures”);

WHEREAS, pursuant to the Original Indenture, as amended and supplemented by, among others, the Fifteenth Supplemental Indenture, the Board has heretofore issued its Senior Taxable Water Revenue Refunding Bonds, Series 2019 (the “Series 2019 Bonds”), which are outstanding in the aggregate principal amount of \$311,335,000;

WHEREAS, pursuant to the Original Indenture, as amended and supplemented by, among others, the Sixteenth Supplemental Indenture, the Board has heretofore issued its Senior Taxable Water Revenue Refunding Bonds, Series 2021 (the “Series 2021 Bonds”), which are outstanding in the aggregate principal amount of \$455,165,000;

WHEREAS, the Series 2019 Bonds were issued as taxable obligations and are not callable by the Board until January 1, 2029, and the Series 2021 Bonds were issued as taxable obligations and are not callable by the Board until July 1, 2031;

WHEREAS, the Board has determined, based on information and advice of its financial advisor and bond counsel, that certain portions of the Series 2019 Bonds (the “Applicable Series 2019 Bonds”) and certain portions of the Series 2021 Bonds (the “Applicable Series 2021 Bonds”) may be refinanced on a federally tax-exempt basis if tendered by the holders thereof for early purchase by the Board;

WHEREAS, the Board has determined that it is in the best interest of the public to solicit offers from the holders of the Applicable Series 2019 Bonds and the Applicable Series 2021 Bonds (separately, an “Applicable Series,” and collectively, the “Refunded Bonds”) to tender the same for early purchase and cancellation by the Board;

WHEREAS, the Board has caused to be prepared an Invitation to Tender (the “Tender Offer Invitation”) whereby holders of the Refunded Bonds are invited to make offers to sell to the Board, for cash, all or a part of the Refunded Bonds held thereby and which such Tender Offer Invitation, among other things, establishes and contains the terms, process, procedures, and conditions under which Refunded Bonds may be offered by the holders thereof to, and accepted for cash purchase by, the Board;

WHEREAS, to assist the Board in managing the Refunded Bonds tender offer and acceptance process, the Board has engaged Raymond James & Associates, Inc. to serve as dealer manager (in such capacity, the “Dealer Manager”) pursuant to the terms of a Dealer Manager Agreement between the Board and the Dealer Manager (the “Dealer Manager Agreement”) hereinafter authorized;

WHEREAS, the particular maturities and principal amounts of Refunded Bonds tendered by the holders thereof, and that the Board elects to purchase, shall be determined as more particularly set forth herein and in accordance with the Parameters for Acceptance of Tender Offers (as hereinafter defined) in conjunction with the pricing of the Series 2023 Bonds;

WHEREAS, the Board has determined to issue its federally tax-exempt Senior Water Revenue Refunding Bonds, Series 2023 (the “Series 2023 Bonds”), up to the maximum aggregate principal amount hereinafter established as part of the 2023 Bonds Pricing Parameters (hereinafter defined) to pay the purchase price of those of the Refunded Bonds tendered and accepted for purchase by the Board;

WHEREAS, the Series 2023 Bonds shall be issued as Additional Parity Securities pursuant to the Original Indenture, as heretofore amended and supplemented by the Existing Supplemental Indentures, and further supplemented by that certain Seventeenth Supplemental Indenture to be dated as of the first date of the month in which the Series 2023 Bonds are issued (the “Seventeenth Supplemental Indenture”; the Original Indenture as so amended and supplemented being hereinafter referred to as the “Indenture”) (any capitalized term used but not defined herein shall have the meaning assigned to such term in the Indenture);

WHEREAS, following the issuance of the Series 2023 Bonds, the only Parity Securities outstanding under the Indenture will be the Series 2023 Bonds and the following: (i) those of the Water Revenue Refunding Bonds, Series 2015-A maturing in 2024 through 2029 (issued pursuant to the Twelfth Supplemental Indenture), currently outstanding in the principal amount of \$14,270,000, (ii) those of the Water Revenue Bonds, Series 2015-B maturing in 2024 through 2030 and those maturing in 2040 with a 3.75% coupon (issued pursuant to the Twelfth Supplemental Indenture), currently outstanding in the principal amount of \$13,540,000, (iii) those of the Series 2016-A Bonds maturing in 2024 through 2030 and in 2036 through 2041 (issued pursuant to the Thirteenth Supplemental Indenture), currently outstanding in the principal amount of \$101,880,000, (iv) those of the Series 2018 Bonds maturing in 2024 through 2031 (issued pursuant to the Fourteenth Supplemental Indenture), currently outstanding in the principal amount of \$41,925,000, (v) those of the Series 2019 Bonds not constituting Applicable Series 2019 Bonds, along with those of the Applicable Series 2019 Bonds for which the Board does not receive, or does not accept, a tender offer to purchase (issued pursuant to the Fifteenth Supplemental Indenture), and (vi) those of the Series 2021 Bonds not constituting Applicable Series 2021 Bonds, along with those of the Applicable Series 2021 Bonds for which the Board does not receive, or does not accept, a tender offer to purchase (issued pursuant to the Sixteenth Supplemental Indenture) (all of which, but excluding the Series 2023 Bonds, are herein collectively referred to as the “Outstanding Parity Securities”);

WHEREAS, the Series 2023 Bonds shall be limited obligations of the Board payable from, and secured by a pledge of, the revenues from the System remaining after payment of the reasonable and necessary expenses of maintaining and operating the System (the “Pledged Revenues”), on an equal and proportionate basis and parity of lien with the Outstanding Parity Securities and any Additional Parity Securities hereafter issued;

WHEREAS, the Series 2023 Bonds will be sold to Raymond James & Associates, Inc., as Senior Manager of an underwriting syndicate that includes San Blas Securities and The Frazer Lanier Company, Incorporated (collectively, the “Underwriters”), pursuant to a bond purchase agreement between the Board and the Underwriters hereinafter authorized (the “Bond Purchase Agreement”);

WHEREAS, the Board desires to engage Raftelis, as independent rate consultant (“Raftelis”), AMTEC, as verification agent (“AMTEC”), and Municipal Government Investors Corp. (“mGIC”), as investment advisor, with respect to the Plan of Financing (as hereinafter defined);

WHEREAS, the Board has caused a Preliminary Official Statement (the “Preliminary Official Statement”) to be prepared for distribution to prospective purchasers in connection with the Tender Offer Invitation and, further, in connection with the issuance and sale of the Series 2023 Bonds, which references an appropriate continuing disclosure agreement to be entered into by the Board in connection with the Series 2023 Bonds (the “Continuing Disclosure Agreement”);

WHEREAS, forms of the Seventeenth Supplemental Indenture, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tender Offer Invitation, the Dealer Manager Agreement, and the Preliminary Official Statement (collectively, the “Financing Documents”) have been presented to the Board at the meeting at which this resolution is being considered.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD, as follows:

1. The Board does hereby authorize (i) the completion, distribution and circulation of the Tender Offer Invitation, with the Preliminary Official Statement attached thereto, to the holders of Refunded Bonds, and the undertaking of the tender process set forth and described in the Tender Offer Invitation, (ii) the completion, distribution and circulation of the Preliminary Official Statement to prospective investors in the Series 2023 Bonds, (iii) the execution, delivery and issuance of the Series 2023 Bonds (the form of which is contained in the Seventeenth Supplemental Indenture), (iv) the completion, execution and delivery of the Financing Documents by the Board, and (v) the consummation of all other transactions described in the recitals of this resolution and contemplated by the Tender Offer Invitation and the other Financing Documents (the “Plan of Financing”). The Chairman and Vice-Chairman of the Board, or either of them, are hereby authorized and directed to execute, deliver and cause to be circulated, as the case may be, the Financing Documents in substantially the form presented to the Board at this meeting, with such changes or additions thereto or deletions therefrom as the officer executing the same shall approve, which approval shall be conclusively evidenced by such officer’s execution of the same. The Secretary-Treasurer or any Assistant Secretary-Treasurer of the Board is hereby authorized and directed to affix the corporate seal of the Board to any or all of such instruments and to attest the same.
2. The Board does hereby approve the Tender Offer Invitation, together with any revisions to such form (prior to its distribution), as may be deemed necessary or appropriate by the Chairman and Vice-Chairman of the Board, or either of them. The Board hereby authorizes the use of said Tender Offer Invitation (together with the Preliminary Official Statement), and the information contained therein, by the Dealer Manager and all other agents of the Board in connection with the solicitation of offers for the Board to purchase Refunded Bonds.
3. The Board does hereby authorize the acceptance and purchase by the Board of any Refunded Bonds that are tendered by the holders thereof so long as such bonds satisfy the following requirements (the “Parameters for Acceptance of Tender Offers”): With respect to each Applicable Series, (a) the net present value savings resulting from the refinancing of such Applicable Series is not less than 3% in the aggregate, it being understood that the Board may purchase the Refunded Bonds of one Applicable Series satisfying the Parameters for Acceptance of Tender Offers notwithstanding that the other Applicable Series does not meet the Parameters for Acceptance of Tender Offers; (b) the price of any Refunded Bond to be purchased by the Board shall not exceed 107% (for purposes of defining price, the price shall be computed as the dollar amount to be paid by the Board in exchange for such Refunded Bond, stated as a percentage of the principal amount of such Refunded Bond to be purchased); and (c) the purchase of the Refunded Bonds will still be subject to the Board’s execution of the Bond Purchase Agreement, the satisfaction of the 2023 Bonds Pricing Parameters,



and the issuance and delivery of the Series 2023 Bonds to the Underwriters as described in the Tender Offer Invitation.

The Chairman and Vice-Chairman of the Board, or either of them, are hereby authorized to reject tender offers for the Board to purchase Refunded Bonds for any reason whatsoever, to modify the Tender Offer Invitation and the terms of any proposed tender offer of Refunded Bonds and to accept, by and on behalf of the Board, tender offers for Refunded Bonds that satisfy the Parameters for Acceptance of Tender Offers and, further, to execute and deliver such confirmations, instruments, documents, or agreements as shall be necessary or desirable, by and on behalf of the Board, to evidence such acceptance by the Board. The Chairman and Vice-Chairman of the Board, or either of them, are hereby further authorized to execute and deliver, by and on behalf of the Board, such certificates, documents, or instruments as shall be necessary or desirable to evidence satisfaction of the Parameters for Acceptance of Tender Offers as respects any Refunded Bonds tendered by the holders thereof for purchase by the Board.

4. The Board does hereby approve the Preliminary Official Statement, together with such revisions as may be deemed necessary or appropriate by the Chairman and Vice-Chairman of the Board, or either of them. The Board does hereby approve, authorize, ratify and confirm the distribution by the Underwriters of the Preliminary Official Statement to prospective purchasers of the Series 2023 Bonds. After the sale of the Series 2023 Bonds in accordance with the parameters set forth herein, the Chairman and Vice-Chairman of the Board, or either of them, are hereby authorized and directed to cause the Preliminary Official Statement to be revised to reflect (a) all information relating to the terms of sale of and interest rates on the Series 2023 Bonds, (b) such information regarding reoffering prices or yields on the Series 2023 Bonds as shall be provided by the Underwriters of the Series 2023 Bonds, and (c) such other changes or additions thereto or deletions therefrom as the executing officers shall approve and shall be acceptable to the Underwriters of the Series 2023 Bonds (the said Preliminary Official Statement, as so revised, the “Official Statement”). The Chairman and Vice-Chairman of the Board, or either of them, are hereby authorized and directed to execute and deliver the Official Statement in the name and on behalf of the Board.
5. The Series 2023 Bonds shall be issued under and secured by the Indenture as therein provided. The Series 2023 Bonds shall be in the form and shall contain the terms and provisions provided in the Seventeenth Supplemental Indenture. The Chairman and Vice-Chairman of the Board, or either of them, are hereby authorized and directed to execute the Series 2023 Bonds on behalf of the Board, and the Secretary-Treasurer or any Assistant Secretary-Treasurer of the Board is hereby authorized and directed to affix the official corporate seal of the Board to the Series 2023 Bonds and to attest the same. The officers executing the Series 2023 Bonds are hereby authorized and directed to deliver the Series 2023 Bonds so executed to the Trustee for authentication and delivery as directed by the Underwriters, and the Trustee is hereby requested and directed to follow any instructions provided by such officers with respect to such authentication and delivery.
6. The Series 2023 Bonds shall be sold to the Underwriters pursuant to, and on the terms and conditions specified in, the Bond Purchase Agreement, provided the following pricing parameters are met (collectively, the “2023 Bonds Pricing Parameters”): (1) the principal par amount of the Series 2023 Bonds shall not exceed \$225,000,000, (2) the all-in total interest cost for the Series 2023 Bonds (that is taking into account accrued interest, any original issue discount or original issue premium, the underwriter’s discount, any premiums or fees for credit enhancement paid from proceeds of the Series 2023 Bonds, and any other costs of issuance paid from proceeds of the Series 2023 Bonds) shall not exceed 5%, (3) the underwriter’s discount reflected in the Bond Purchase Agreement shall not exceed \$4.25 per thousand dollars of the principal amount of the Series 2023

Bonds exclusive of underwriting expenses such as underwriters' counsel and out-of-pocket expenses such as IPreo, CUSIPs, DTC, etc.

7. The Board does hereby approve the Bond Purchase Agreement, together with such revisions as may be deemed necessary or appropriate by the Chairman and Vice-Chairman of the Board, or either of them, to reflect the final terms of sale of the Series 2023 Bonds; provided the 2023 Bonds Pricing Parameters are satisfied, which approval (a) shall be conclusively evidenced by their execution of such instrument, and (b) shall constitute the Board's approval of the final pricing terms of the Series 2023 Bonds and their compliance with the 2023 Bonds Pricing Parameters.
8. The Chairman and Vice-Chairman of the Board, or either of them, are hereby authorized and directed to take or cause to be taken, in the name and on behalf of the Board, all of the actions required to be taken in order to effect the solicitation of offers to tender the Refunded Bonds to the Board for cash purchase, as well as to effectuate the redemption and termination of the Refunded Bonds upon the purchase of the same by the Board, including, without limitation, the circulation of the Tender Offer Invitation (with the Preliminary Official Statement attached thereto) and any amendments and supplements to the Tender Offer Invitation, and the acceptance of offers of Refunded Bonds that satisfy the Parameters for Acceptance of Tender Offers.
9. The Chairman and Vice-Chairman of the Board, or either of them, with the advice of the Board's legal counsel, are authorized to do and perform or cause to be done and performed in the name and on behalf of the Board such other acts, to pay or cause to be paid on behalf of the Board such related costs and expenses, and to execute and deliver or cause to be executed and delivered in the name and on behalf of the Board such other notices, requests, demands, directions, consents, approvals, orders, applications, certificates, agreements, further assurances, or other instruments or communications, under the corporate seal of the Board, or otherwise, as they may deem necessary, advisable, or appropriate in order to (i) carry into effect and complete the Plan of Financing, (ii) carry into effect the intent of the provisions of this resolution, and the Seventeenth Supplemental Indenture, (iii) demonstrate the validity of the Series 2023 Bonds and the absence of any pending or threatened litigation with respect to the Series 2023 Bonds and the Seventeenth Supplemental Indenture, and (iv) establish the excludability of interest on the Series 2023 Bonds from federal and State of Alabama income taxation, as applicable.
10. The Board does hereby authorize and approve the engagement of Raftelis as independent rate consultant, AMTEC as verification agent, and mGIC as investment advisor, with respect to the Plan of Financing. The general manager of the Board is further authorized to engage such additional professionals in connection with the Plan of Financing as he deems necessary after consultation with the Board's financing team and legal counsel.
11. Each act of any officer or officers of the Board or any person or persons designated and authorized to act by any officer of the Board, which act would have been authorized by the foregoing provisions of this resolution except that such action was taken prior to the adoption of this resolution, is hereby ratified, confirmed, approved, and adopted.

Resolution No. 9417 is hereby adopted by unanimous vote.”

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Following, the Board moved to the eighth item on the agenda, Request Board to approve agreements to the following, as recommended by the Finance Committee. Director Ward questioned Assistant General Manager Fisher about the interest rate. Ms. Fisher stated she didn't know an exact interest rate percentage; however, Ms. Fisher stated the interest rate would possibly be 4 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. Larry Ward, and seconded by Mr. William Burbage that the Board hereby approves agreements to the following, as recommended by the Finance Committee:

- 8.1 Municipal Government Investors Corp., (mGIC) to bid the following: 1) Funds from a Guaranteed Investment Contract (GIC) that matured with Bayerische Landesbank on March 15, 2023, currently with Truist Bank for \$1,200,000.00. 2) A GIC with Toronto Dominion Bank that matures 11/10/2023 and has a balance of \$9,830,228.00. 3) A one-year Certificate of Deposit (CD) with Citizens Trust Bank, which matures 10/30/2023 and has a balance of \$126,414.18. 4) Surplus funds with Truist Bank with a balance of \$12,587,239.00 or more; and to authorize the General Manager and/or the Assistant General Manager to execute the agreement.
  
- 8.2 Butler Snow LLC., to provide legal services related to the bid of the following: 1) Funds from a Guaranteed Investment Contract (GIC) that matured with Bayerische Landesbank on March 15, 2023, currently with Truist Bank for \$1,200,000.00. 2) A GIC with Toronto Dominion Bank that matures 11/10/2023 and has a balance of \$9,830,228.00. 3) A one-year Certificate of Deposit (CD) with Citizens Trust Bank, which matures 10/30/2023 and has a balance of \$126,414.18. 4) Surplus funds with Truist Bank with a balance of \$12,587,239.00 or more, in an amount not-to-exceed \$10,000.00; and to authorize the General Manager and/or the Assistant General Manager to execute the agreement.
  
- 8.3 Raftelis Financial Consultants, Inc., to provide consulting services to the Birmingham Water Works Board related to the upcoming Series 2023 Bonds tender transaction, at an amount not-to-exceed \$43,000.00; and to authorize the General Manager and/or the Assistant General Manager to execute the agreement.

Resolution No. 9418 is hereby adopted by unanimous vote.”

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Following, the Board moved to the ninth item on the agenda, Request Board approval to enter a standard Alabama Department of Transportation (ALDOT) Reimbursable Agreement (SAHD No. 3) for the relocation of Water Board facilities in conflict with ALDOT Project No. HPP-TAPBH-CMAQ-A104(916), Pedestrian Bridge over U.S Highway 31 near Wald Park in Vestavia Hills in Jefferson County, Alabama, at an estimated cost of \$51,076.70, less estimated ALDOT reimbursement totaling \$51,076.70, at no cost to the Board, 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. George Munchus, and seconded by Mr. William Burbage, that the Board hereby approves to enter into a standard Alabama Department of Transportation (ALDOT) Reimbursable Agreement (SAHD No. 3) for the relocation of Water Board facilities in conflict with ALDOT Project No. HPP-TAPBH-CMAQ-A104(916), Pedestrian Bridge over U.S Highway 31 near Wald Park in Vestavia Hills in Jefferson County, Alabama, at an estimated cost of \$51,076.70, less estimated ALDOT reimbursement totaling \$51,076.70, at no cost to the Board, as recommended by the Engineering and Maintenance Committee. Resolution No. 9419 is hereby adopted by unanimous vote.”

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Following, the Board moved to the tenth item on the agenda, Request Board to award an easement to Alabama Power Company, to replace overhead electric service with underground electric service near Stonebrook Drive and Bailey Road in Leeds, Alabama, at no cost to the Board, as recommended by 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. William Burbage, that the Board hereby awards an easement to Alabama Power Company, to replace overhead electric service with underground electric service near Stonebrook Drive and Bailey Road in Leeds, Alabama, at no cost to the Board, as recommended by Engineering and Maintenance Committee. Resolution No. 9420 hereby adopted by unanimous vote.”

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Following, the Board moved to the eleventh item on the agenda, Request Board to enter an Executive Session to discuss with legal counsel legal matters that are appropriate under Ala. Code Section 36-25A-7(a)(3). Board Attorney Parnell certified the Executive Session would discuss a pending lawsuit; he expected the session to last forty-five minutes to one hour, and Board Attorney Parnell stated Director Munchus’ question regarding item 5.5 would be addressed. Board Attorney Parnell stated he did not expect the Board to take any action after the Executive Session. 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 Ms. Tereshia Huffman, that the Board hereby enters Executive Session to discuss with legal counsel legal matters that are appropriate under Ala. Code Section 36-25A-7(a)(3). Resolution No. 9421 is hereby adopted by unanimous vote.”

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Following, the Board entered Executive Session at 12:01 p.m.

Next, Director Munchus made a motion to come out of Executive Session and Chairwoman Huffman seconded the motion. The Board voted unanimously to come out of Executive Session. The Board came out of Executive Session at 1:05 p.m. Chairwoman Huffman responded to previous comments made by Director Munchus regarding the Regular Board of Directors’ Meeting, September 27, 2023, agenda having only 12 out of 21 items that participated in the HUB program. She indicated the BWWB has reached its HUB goal for 2023.

Next, Director Ward then made a motion to adjourn the meeting and Director Munchus seconded the motion. On a motion duly made and seconded, the motion was approved, and the meeting was adjourned at 1:06 p.m.

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Tereshia Q. Huffman  
Chairwoman

Attest:

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Raymond L. Ward  
Secretary-Treasurer