

**MINUTES OF THE REGULAR BI-MONTHLY MEETING OF DIRECTORS OF THE  
WATER WORKS BOARD OF THE CITY OF BIRMINGHAM  
May 8, 2024**

The regular meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, May 8, 2024, at 11:30 a.m.

The following Directors were present via roll call: Lucien Blankenship, William “Butch” Burbage, Jr., Tom Henderson, Tereshia Huffman, George Munchus, Dalton NeSmith, Jr., and Larry Ward. Director Taylor was absent.

Others present were: Michael Johnson, General Manager; Derrick Murphy and Iris Fisher, Assistant General Managers; Cynthia Williams, Board Administrator; Anitra Clark, Corporate Governance Specialist; Tammy F. Wilson, Executive Assistant to Derrick Murphy and Philip King; Mark Parnell, Parnell Thompson, LLC; Kelvin Howard, Kelvin Howard, LLC; Colandrus Mason, Information Technology Manager; Cassandra Bell, Assistant Accounting Manager; David Walker, Security Manager, Anthony Hazel, Security Superintendent; Rick Jackson, Public Relations Manager; Brad Steffens, Public Information Officer; Jessica Fadlevich, Public Relations Specialist; Platon Crowell, Talent Management Officer; Marilyn Vertison, Assistant Manager Learning and Development; Jonathan Jett, Superintendent Purchasing; Charles McGee, and Jeff Wade, Electrical and Mechanical Shop; Kessia Crenshaw, State of Alabama Office of the Attorney General; Patrick Flannelly, ARCADIS U.S.; Phillip Moultrie, Valent Group, Kirk Mills, Kimley-Horn; Lindsey McAdory, Kyle Adams and Kamalah Lewis, CBG Strategies; Angela Riley, O2 Ideas; Bob Dickerson and Reginald Scott, BBRC; Roy Johnson, Al.com; and COB Police Officer.

Chairwoman Tereshia Huffman called the meeting to order at 11:30 a.m. Assistant General Manager Iris Fisher opened the meeting with prayer.

Following a roll call, seven directors were present; therefore, there was a quorum in attendance.

Next, the Board was asked to approve the agenda for 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 by Mr. Dalton NeSmith and seconded by Mr. Tom Henderson, that the Board hereby approves the May 8, 2024, Regular Board of Directors’ meeting agenda, as printed.

Resolution No. 9560 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve minutes of the Regular Board of Directors' Meeting held March 6, 2024, as set forth in agenda Item 1. 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 Huffman and seconded by Mr. Larry Ward, that the Board hereby approves minutes of the March 6, 2024, Regular Board of Directors' Meeting.

Resolution No. 9561 is hereby adopted by unanimous vote.”

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Next, General Manager, Michael Johnson announced the Board and Committee Meetings scheduled for the month of May. A discussion occurred following Chairwoman Huffman's inquiry about reports she had been receiving about the Birmingham Water Works Board's (BWW) bill payment website being down for 2 days as well as the company phone lines being out of service yesterday. GM Johnson confirmed that the website was down Monday and Tuesday, citing a technical problem. IT Manager, Colandus Mason addressed the phone lines being out of service explaining that the issue was due to the server, whereas a reboot was performed but the service did not restart initially. Chairwoman Huffman asked how the issue was responded to by IT in terms of timeliness. Mr. Mason responded within 1 to 2 hours. Chairwoman Huffman stated she had heard otherwise. Chairwoman Huffman asked GM Johnson if he had been notified in advance about the phone issue. GM Johnson responded that he had not been notified prior. Mr. Mason stated he did notify AGM Fisher. Chairwoman Huffman asked if the GM was notified. AGM Fisher stated she was offsite and by the time she returned service had been restored and the GM was not notified. Chairwoman Huffman asked if the Board should have been notified and if not why they were not notified. AGM Fisher responded that the Board should have been notified, adding that she did not have an answer right now as to why they were not, adding that it was an oversight. Mr. Mason explained that third party support was utilized to correct the issue, and they assumed it would be about a 30-minute timeline to resolve but it took longer than expected. Director Burbage stated some Board Members received texts regarding some employee's withholding issues on their pay checks. Assistant General Manager Iris Fisher responded that there was an error, and that the Accounting and HR departments were actively working to resolve everything. AGM Fisher stated that there seemed to be an issue stemming from the conversion from UltiPro over to Success Factors. GM Johnson stated that the Board would be notified when a resolution is made, and a memo would be generated, which he already had a draft of today. Director Burbage asked if this was a vendor problem or an internal BWW problem. AGM Fisher responded that it was a combination of vendor and internal issues. Our team was not aware of some of the coding required, so proper questions were not asked initially. Director Burbage stated it was troubling that we are waiting for a problem to occur instead of checking things beforehand. AGM Fisher stated there is an issue list that BWW works though each payroll run. Director Burbage stated he hoped there is a process in place to prevent this from happening again, and an accountability review. According to Director Burbage there seemed to be a hole in the process. Director Burbage asked if BWW would be on the hook for repaying the taxes not withheld. AGM Fisher stated that would be part of the memo. AGM Fisher stated some employees were overpaid, and some would need to be reimbursed. Director Ward asked how this came to light. AGM Fisher responded that it was through tuition reimbursement and noticing the error there, which caused

accounting to dig deeper into this. Director Ward said this is a lot of money and he was going to be reluctant for ratepayers to have to come up with this money. Director Munchus asked how many employees this error affected. AGM Fisher responded that about 50 employees should have had withholdings taken out and they were not and about 17 employees had taxes withheld that should not have. Director Munchus stated it sounded as if the employees should pay this back and added, good luck getting it.

Following, Public Relations Manager, Rick Jackson provided a handout to the Board (a copy of which is on file in Diligent BoardBooks) of the agenda for the BWW “World Without Water” campaign scheduled for May 10<sup>th</sup> at McWane Science Center. A video was shown to the meeting body highlighting some of the activities BWW put together at local schools this year. There was no Unfinished Business. And there were no Speakers.

Next, the Board was asked to approve invoices as set forth in agenda Item 2.1 – 2.6. GM Johnson read the invoices into the record. Chairwoman Huffman asked if R.G. Harmon was able to access the systems that he needs to do the work. GM Johnson stated it was his understanding that Mr. Harmon had some issues with connectivity the beginning, but everything has been resolved. 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. Tom Henderson, that the Board hereby approves payments of invoices to the following:

- 2.1 R. G. Harmon Billing & Collections, for services rendered March 20 – April 5, 2024, in the amount of \$3,075.00.
- 2.2 Darryl R. Jones, for professional services rendered March and April 2024, in the amount of \$7,250.00.
- 2.3 Fine Geddie & Associates, for professional services rendered April 2024, in the amount of \$15,000.00.
- 2.4 O2 Ideas, Inc., for professional services rendered March 2024, in the amount of \$17,900.00.
- 2.5 CBG Strategies, LLC, for professional services rendered March 2024, in the amount of \$25,350.00.
- 2.6 ARCADIS U.S., Inc., as follows:
  - 2.6.1 For professional services rendered January 2024, in the amount of \$354,347.68.
  - 2.6.2 For professional services rendered February 2024, in the amount of \$482,286.63.

Resolution No. 9562 is hereby adopted by unanimous vote.”

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Following, the Board was asked to approve various items recommended by the Human Resources Committee, as set forth in agenda Items 3.1 – 3.3. GM Johnson read the items into the record. Director Munchus asked if the employee concerns had been resolved in relation to Item 3.3, the request for certain changes in the Employee Handbook and the HR Management Guide. Attorney Parnell responded that the issues were resolved with the Employee Association. Director Munchus asked the General Manager if he was in favor of the changes requested. GM Johnson responded that he was in favor. Chairwoman Huffman asked if anyone was present from the Employee Association today. GM Johnson responded no but stated someone from the Employee Association was present during the previous Human Resources Committee meeting. 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, Jr., and seconded by Mr. Tom Henderson, that the Board hereby approves the following items; and authorizes the General manager and/or Assistant General Manager to execute applicable documentation, as recommended by the Human Resources Committee:

- 3.1 An amended Grade I and Grade IV Certification Incentive Plan.
- 3.2 A one-year agreement with Excelsior Staffing, effective June 1, 2024, through May 31, 2025, to provide recruiting services to assist with staffing positions as needed.
- 3.3 Changes to Section 5.2 (Corrective Action, Progressive Discipline and Appeals) and Section 5.8 (Performance Appraisal) in the Employee Handbook and make corresponding changes in Section 5020 (Corrective Action, Progressive Discipline and Appeals) and Section 5080 (Performance Appraisal) in the HR Management Guide.

Resolution No. 9563 is hereby adopted by Directors Blankenship, Burbage, Huffman, Henderson, Huffman, NeSmith and Ward. Director Munchus Abstained on Item 3.3.”

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Next, the Board was asked to approve various items recommended by the Executive Committee, as set forth in agenda Items 4.1 – 4.5. GM Johnson read the items into the record. Some discussion took place in relation to Item 4.2, the request for approval of an agreement with Raftelis, to determine the value of the portion that serves Moody. Director Blankenship stated he supported the evaluation process, but his concern was the business philosophy of putting a water asset, which is very valuable, up for sale. GM Johnson stated BWW was requested by the mayor of Moody to determine the value of the Moody service area and he believed we should honor our customer’s request. Director Blankenship asked GM Johnson to keep the Board informed during the process. Director Burbage added that Moody came to us with a request to purchase and he believed BWW is just doing its due diligence. Director Munchus stated he would not support this, and he believed this was a bad deal. Director Munchus stated there are 11 water systems in Jefferson County that BWW could acquire. In 1999 there was a situation like this, and this is an asset that should not be sold, according to Director Munchus. Director Munchus stated he believed there were some private equities involved, like J. D. Power and possibly the American Water

Works Association. Director Munchus stated in 2014 that Raftelis was hired to conduct a similar financial feasibility study and he has not been able to find it, so he does not know if they actually did it. Director Munchus stated there is an election in August and he wondered why this could not be put on a referendum and let the people decide. 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 Huffman and seconded by Mr. William “Butch” Burbage, Jr., that the Board hereby approves the following items; and authorizes the General manager and/or Assistant General Manager to execute applicable documentation, as recommended by the Executive Committee:

- 4.1 An agreement with Davis Direct, for Printing and Mailing of the 2024 Consumer Confidence Reports (CCR), at an out-of-pocket cost to the Board of \$80,766.74. [NOTE: This agreement is awarded from the State of Alabama’s Bid List, Contract MA 21000000087-999.]
- 4.2 An agreement with Raftelis, to determine the value of the portion of the system that serves Moody, a financial impact analysis on BWWB if the system is sold, a financial impact analysis on Moody if the system is acquired, and the cost for generating meter reads for Moody’s sewer customers served by BWWB, at an estimated out-of-pocket cost of \$81,720.00.
- 4.3 The addition of a Superintendent, Small Business and Historically Underutilized Business (HUB) Program Administrator, to assist BWWB in expanding its HUB Program; and a Data Analyst II, to assist with program management, vendor expenditure analysis, reporting and contract administration.
- 4.4 An agreement with Birmingham Business Resource Center (BBRC), to establish a Business Sustainability and Capacity Building (BSCB), for a period of one-year, at a monthly cost of \$20,000.00.
- 4.5 An agreement with AON Consulting, in the amount of \$8,000.00 to do the following:
  - 4.5.1 Provide a retiree spouse (who becomes their spouse after the retiree has retired) a spousal pension benefit if the retiree passes away first.
  - 4.5.2 Calculate a one-time payment to retirees and an option to provide a 1 percent or 2 percent increase going forward.

Resolution No. 9564 is hereby adopted by Directors Burbage, Huffman, Henderson, Huffman, NeSmith and Ward. Director Blankenship Abstained on Item 4.2 and Director Munchus voted No on Item 4.2.”

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Following, as there was no further business before the Board, a motion was made by Director Burbage and seconded by Director Huffman and the meeting was adjourned unanimously at 12:05 p.m.

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Tereshia Q. Huffman  
Chairwoman

Attest:

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Larry Ward  
Secretary-Treasurer