

SUMMARY OF A BOARD MEETING
HELD Wednesday, September 23, 2020
at 11:30 a.m. – (via in-person/telephone)
[THESE ARE NOT THE OFFICIAL MINUTES]
REVISED

The Governor’s Open Meeting Act (“OMA”) Proclamation allows members of governmental bodies to hold said meeting electronically (via telephone etc.) for purposes of establishing a quorum, deliberating and taking action; and via electronic equipment allows members of the public to listen to the meeting.

A regular meeting of the directors of The Water Works Board of the City of Birmingham was held on Wednesday, September 23, 2020 at 11:30 a.m.

The following directors were present: Ronald A. Mims, Tommy J. Alexander, Brenda J. Dickerson, Deborah Clark, William “Butch” Burbage, Jr., Lucien Blankenship, William Muhammad, Brett A. King, and George Munchus.

Others present were: Michael Johnson, General Manager; Derrick Murphy, Jeffrey Thompson and Iris Fisher, Assistant General Managers; Grace Amison, Executive Assistant to the Board of Directors; Cynthia Williams, Board Administrator; Anitra Hendrix, Executive Assistant to the General Manager; Terrell Jones and Colandus Mason, BWWB Employees; K. Mark Parnell, Parnell Thompson Law, LLC; Kelvin Howard, Kelvin Howard, LLC; Emory Anthony, Esq.; and Matthew Arrington, Terminus Municipal Advisors, LLC.

Chairman Mims declared a quorum in attendance.

Chairman Mims called the meeting to order at 11:34 a.m. and Information Technology Manager Colandus Mason opened with prayer.

Following, Director Muhammad made a motion to move agenda item 12, New Business, to agenda item 11 and to move agenda item 11, Executive Session, to agenda item 12; and to remove agenda item 3 from the agenda and Director Munchus seconded the motion. The General Manager stated agenda item 3 was important to BWWB’s strategic plan. He indicated the Historically Underutilized Business (HUB) participation for this item was at 24 percent. A discussion then ensued. The Chairman questioned why there was a request to remove this item from the agenda. A director stated this item did not meet the baseline for BWWB’s requirement of 30 percent HUB participation. The General Manager stated Effective Utility Management is a required part of the BWWB’s strategic plan. He indicated the consultant in question has the expertise needed for Effective Utility Management. He indicated he pushed for this consultant to meet the 30 percent HUB requirement; however, they were unable to do it. He indicated this particular consultant would use in-house staff to complete this work. The Chairman questioned what would happen if this item got delayed. The General Manager stated this would impact the time needed to coordinate meetings necessary to complete the strategic plan. A discussion then ensued regarding the consultant requesting additional money in addition to the agreement they already have with BWWB. The Board then voted on the motion before them. The motion was approved by unanimous vote. Next, Director Munchus made a motion to approve the agenda and Director Dickerson seconded the motion. The motion was approved by unanimous vote.

Following, the Board moved to the first item on the agenda, Request Board to approve the starting salary for the Corporate Governance Specialist - Grade Level 19 - \$80,369.00; necessary to perform essential minimum functions of the governmental body. (Said agenda attached hereto) Director Munchus made a motion to approve the item and Director Muhammad seconded the motion. A discussion ensued regarding the procedure used to define the grade level for this position. The Board then voted on the motion before them. On a motion duly made and seconded, the item failed by a roll call vote of 3-5-1.

Following, the Board moved to the second item on the agenda, Request Board to approve payments of invoices, necessary to perform essential minimum functions of the governmental body. A director requested these items be voted on separately. The Board then voted separately on agenda items 2.1 through 2.9. Item 2.1 was approved unanimously by a roll call vote; Item 2.2 was approved unanimously by a roll call vote; Item 2.3 was approved unanimously by a roll call vote; Item 2.4 was approved unanimously by a roll call vote; Item 2.5 was approved by a roll call vote of 8-0-1; Item 2.6 was approved unanimously by a roll call vote; Item 2.7 was approved unanimously by a roll call vote; Item 2.8 was approved by a roll call vote of 7-1-1; and Item 2.9 was approved by a roll call vote of 8-0-1.

Following, the Board moved to the fourth item on the agenda, Request Board to adopt a resolution to hire Attorney Tiffanie Agee to provide legal services at an hourly rate of \$300.00 and a monthly budgeted amount not to exceed \$10,000.00; and to authorize the General Manager to execute the agreement; necessary to perform essential minimum functions of the governmental body. Director Munchus made a motion to approve the item and Director Dickerson seconded the motion. A brief description regarding Ms. Agee's background was given. On a motion duly made and seconded, the item was approved by a roll call vote of 5-3-1.

Following, the Board moved to the fifth item on the agenda, Request Board to approve a Letter of Interest to the U. S. Environmental Protection Agency seeking Water Infrastructure Finance and Innovation Act (WIFIA) funding assistance; necessary to perform essential minimum functions of the governmental body. Director Muhammad made a motion to approve the item and Director Munchus seconded the motion. A director questioned who would handle the preparation of this letter. The General Manager indicated staff would be handling the preparation and if needed they would consult with the Board's financial advisor and independent engineer. A director stated this is a great opportunity for BWVB to receive a grant from the State of Alabama. The General Manager clarified these funds would not be a grant, but it would be a loan. He indicated no entities in the State have ever been awarded this loan. A discussion then ensued regarding the percentage of the amount of the loan BWVB would receive. The Board's financial advisor stated the are several benefits and advantages of the loan for BWVB. The Board then voted on the motion before them. On a motion duly made and seconded, the item was approved by unanimous vote.

Following, the Board moved to the sixth item on the agenda, Request Board to approve a proposal to reinvest \$20 million with Citizens Trust Bank at an interest rate of 0.14% for one year; and to authorize the General Manager and/or the Assistant General Manager to execute said proposal; necessary to perform essential minimum functions of the governmental body. The General Manager stated BWVB has a Certificate of Deposit with Citizens Trust Bank that is about to mature, and they would like to reinvest with Citizens Trust Bank at a rate of 0.14 percent. Director Blankenship made a motion to approve the item and Director Muhammad seconded the motion. On a motion duly made and seconded, the item was approved by unanimous vote.

Following, the Board moved to the seventh item on the agenda, Request Board to hear an update on the Social Security Tax Deferral in IRS Notice 2020-65; necessary to perform essential minimum functions of the governmental body. Assistant General Manager Fisher stated President Trump issued an order on August 8, 2020 to defer withholding tax on wages. She indicated there were no clear directives given on the order from the U. S. Treasury Department until August 28, 2020 and the order was to go into effect on September 1, 2020. She indicated this order would result in a negative impact on employees. She also stated if an employee was to leave BWWB, BWWB would be financially responsible. She indicated after several discussions, including consulting with other entities, it is management's recommendation to opt out and not implement this order. A director requested a written legal opinion be given to the Board.

Following, the Board moved to the eighth item on the agenda, Request Board to discuss terms of the proposed agreement with Environmental Litigation Group, P.C.; necessary to perform essential minimum functions of the governmental body. Director Munchus made a motion to hear this item and Director Dickerson seconded the motion. The General Manager stated it was understood there would be no cost associated with this agreement; however, Term #9 in the agreement stated BWWB would incur costs. The Board's attorney stated if BWWB chose to terminate the agreement with Environmental Litigation Group, the Board would incur expenses; however, the Board would have had to receive compensation from the work the firm performed. A director stated she had a concern with Term #13 in the agreement. Director King left the meeting at 1:01 p.m.

Following, the Board moved to the ninth item on the agenda, Request Board to approve a Water Agreement with Water Works Board of the City of Helena, and to authorize the General Manager and/or the Assistant General Manager to execute the agreement, as recommended by the Engineering and Maintenance Committee; necessary to perform essential minimum functions of the governmental body. Director Munchus made a motion to approve the item and Director Dickerson seconded the motion. The Chairman questioned whether this is the same agreement that has been used in the past with other entities. The General Manager responded yes. A director questioned the background information regarding this item. Assistant General Manager Thompson stated the City of Helena has had an issue with receiving a consistent supply of water from their current provider. Director King returned to the meeting at 1:03 p.m. A director suggested pursuing the City of Helena as a permanent customer for BWWB. The Board then voted on the item and it was approved by a roll call vote of 8-0-1.

Following, the Board moved to the tenth item on the agenda, Request Board to grant an easement to Shelby County Water Services to cross BWWB property with an underground water line for the sum of \$1.00; and to authorize the General Manager and/or the Assistant General Manager to execute the agreement, as recommended by the Engineering and Maintenance Committee; necessary to perform essential minimum functions of the governmental body. Director Munchus made a motion to approve the item and Director Dickerson seconded the motion. Assistant General Manager Murphy stated the Alabama Department of Transportation is doing expansion work in this area. Chairman Mims questioned whether this work will cross BWWB lines and Assistant General Manager Murphy responded no. The Board then voted on the item and it was approved unanimously by a roll call vote.

Following, the Board moved to the twelfth item on the agenda, New Business. Director Munchus questioned where management is in hiring for the position of Security Manager. He indicated he is impressed with the current interim manager. The General Manager stated staff is

working as fast as possible and asked the Board to allow BWWB's internal process to handle the hiring of this position.

Next, Director Muhammad made a motion to discontinue employing the Blount County Sheriff's Office to provide security at Inland Lake and the resolution would go into effect 60 days after its passage and Director Dickerson seconded the motion. A discussion then ensued regarding time being allowed to evaluate this issue, including amending the motion to allow more time to evaluate the issue. A director recommended BWWB Security Department be engaged to bring back a solution for the Board to consider. A director stated he was embarrassed by the racist comments made by a commissioner in Blount County and indicated the commissioner does not speak for the residents of Blount County. The Board then voted on the motion before them and it passed on a roll call vote of 6-3. Director Blankenship then made a motion to amend the previous motion to include an opportunity for BWWB staff to speak with representatives from Blount County to give them consideration for a plan going forward but that does not exclude the termination of the contract in 60 days should BWWB not reach an agreement and Director Clark seconded the motion. The motion was approved by a unanimous vote. Director Dickerson left the meeting at 11:47 p.m. A director requested the Board take a recess from the meeting. The Board agreed to a 5-minute recess at 1:47 p.m. The recess ended at 2:01 p.m.

Following, the Board moved to the eleventh item on the agenda, Request Board to enter Executive Session to discuss ongoing litigation; necessary to perform essential minimum functions of the governmental body. Board Attorney Parnell stated there were three items to discuss in Executive Session, pending litigation, legal ramifications, and options. Director Blankenship made a motion for the Board to enter Executive Session and Director Dickerson seconded the motion. The motion was approved by unanimous vote. The Board entered Executive Session at 2:02 p.m. Director King left the meeting during Executive Session.

Next, the Board came out of Executive Session at 3:16 p.m. Director Blankenship then made a motion to accept the restitution offered in the case dealing with Jerry Jones that will be ordered as a part of the case resolution and naming BWWB as a victim and Director Burbage seconded the motion. The Board approved the motion before them by a roll call vote of 5-3.

Next, Director Alexander then made a motion to adjourn the meeting and Director Muhammad seconded the motion. The motion was approved by unanimous vote and the meeting was adjourned at 3:19 p.m.