

SUMMARY OF A BOARD MEETING
HELD Wednesday, February 24, 2021
at 11:30 a.m. – (via in-person/telephone)
[THESE ARE NOT THE OFFICIAL MINUTES]

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, February 24, 2021 at 11:30 a.m.

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

Others present were: Michael Johnson, General Manager; Derrick Murphy, Jeffrey Thompson and Iris Fisher, Assistant General Managers; Cynthia Williams, Board Administrator; Anitra Hendrix, Executive Assistant to the General Manager; Rick Jackson, Terrell Jones, Jeff Wade, David King, Tim Garrett, Hattye McCarroll and Colandus Mason, BWWB Employees; K. Mark Parnell, Parnell Thompson Law, LLC; Emory Anthony, Esq.; Patrick Flannelly and Brian Ruggs, ARCADIS, U.S., Inc.; Olivia Martin, Alabama Attorney General's Office; Greg Jones, Dalton Dismukes, Susan Kelly, and Terri Reynolds, The Jones Group; Pat Lynch, Pat Lynch & Associates; and Earl Hilliard, Hilliard, Smith & Hunt.

Chairman Mims declared a quorum in attendance.

Chairman Mims called the meeting to order at 11:31 a.m. and Assistant General Manager Iris Fisher opened with prayer.

Following, Chairman Mims asked the Board to approve the agenda. Director NeSmith then made a motion to approve the agenda and Director Munchus seconded the motion. The General Manager stated there was an updated resolution related to agenda item 7 that was distributed to the Board. Director NeSmith then amended his motion to approve the agenda and to also include the resolution presented by the General Manager. On a motion duly made and seconded, the agenda was approved by unanimous vote.

Following, the Board moved to the first item on the agenda, Request Board to adopt a resolution expressing its condolences in the death of employee Peter N. Gioko (Engineer II – Engineering Department) who passed away on February 12, 2021. Mr. Gioko was employed for 13 years at the Board; necessary to perform essential minimum functions of the governmental body. Director Munchus made a motion to approve the item and Director Blankenship seconded the motion. On a motion duly made and seconded, the item was approved by unanimous vote.

Following, the Board moved to the second item on the agenda, Request Board to adopt resolutions authorizing monthly retirement benefits from the Board's Retirement Trust Fund for Shelia Patterson, Budget Officer, Accounting Department, as stated on the respective retirement calculation, effective March 1, 2021; and commending Ms. Patterson for her 34 years of service; necessary to perform essential minimum functions of the governmental body. Director Munchus

made a motion to approve the item and Director Henderson seconded the motion. On a motion duly made and seconded, the item was approved by unanimous vote.

Following, the Board moved to the third item on the agenda, Request Board to approve reimbursement to the Operating Account for the period ended December 31, 2020 in the amount of \$8,251,478.36; necessary to perform essential minimum functions of the governmental body. Director Munchus made a motion to approve the item and Director Burbage seconded the motion. On a motion duly made and seconded, the item was approved by unanimous vote.

Following, the Board moved to the fourth item on the agenda, Request Board to approve payment of invoices, necessary to perform essential minimum functions of the governmental body. Director Munchus made a motion to bring the item before the Board for discussion and Director Huffman seconded the motion. A director stated the minutes regarding legal fees were not accurate and the Board was not abiding by its Resolution No. 8449 regarding the cap for legal fees. The director indicated they had documentation and audio recordings to support their statements. The Chairman requested the director present the information to the Board for review to be discussed at a later date. The director stated the Board was ignoring their fiduciary responsibility. A director stated the Board had an opportunity to review the minutes and resolutions in question prior to approving. The Chairman requested information be forwarded to the Board for their review. Director Munchus then made a motion to approve item 4.1 and Director NeSmith seconded the motion. The item was approved by unanimous vote. Next, Director Munchus made a motion to approve item 4.2 and Director NeSmith seconded the motion. A discussion ensued. The item was approved by a vote of 8-1. Next, Director Munchus made a motion to approve item 4.3 and Director NeSmith seconded the motion. The item was approved by unanimous vote. Next, Director Munchus made a motion to approve item 4.4 and Director Henderson seconded the motion. The item was approved by unanimous vote. Next, Director Blankenship made a motion to approve item 4.5 and Director Huffman seconded the motion. The item was approved by unanimous vote. Next, Director NeSmith made a motion to approve item 4.6 and Director Burbage seconded the motion. The item was approved by a vote of 7-1-1. Next, Director Munchus then made a motion to approve item 4.7 and Director Burbage seconded the motion. The item was approved by unanimous vote.

Following, the Board moved to the fifth item on the agenda, Request Board to exercise its right of first refusal on Lot 10 at Inland Lake; necessary to perform essential minimum functions of the governmental body. An Assistant General Manager presented the Board with a handout. A copy of the handout is on file in Diligent. He stated staff would be asking the Board to purchase this property. He indicated the Board has 90 days to decide whether to purchase and 45 days to close on the property. Director Ward then made a motion to approve the item and Director Munchus seconded the motion. 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 one-year agreement with The Segal Group, Inc. (Segal) to conduct annual actuarial valuations for the Pension and Other Post-Employment Benefits (OPEB) Plans and provide an annual summary for employees and retirees of the BWB at an out-of-pocket cost to the Board of \$70,000.00; and to authorize the General Manager and/or Assistant General Manager to execute the agreement; necessary to perform essential minimum functions of the governmental body. An Assistant General Manager stated Segal performs the actuarial variation for the Board's Pension and OPEB plans. They indicated that a Request for Proposals (RFP) was not sent out due to COVID; therefore,

staff would only like to engage with Segal with a one-year contract. Director Ward then made a motion to approve the item and Director Rice seconded the motion. On a motion duly made and seconded, the item was approved.

Following, the Board moved to the seventh item on the agenda, Request Board to approve a resolution authorizing the Board Administrator to hire the position of Corporate Governance Specialist, which was established by the Board of Directors; necessary to perform essential minimum functions of the governmental body. Director Munchus made a motion to approve the item, and Director Mims seconded the motion. A director stated routine action was not taken regarding this position and this position should be hired by the Board. They then gave an overview of the history for filling the position of Corporate Governance Specialist. The Chairman indicated he asked the General Manager and the Board Administrator to bring suggestions back to the Board for approval. A discussion then ensued regarding the resolution the Board was being asked to vote on. The General Manager clarified whether the Board would like to vote on the current resolution before them or amend it. There were no amendments to the resolution. On a motion duly made and seconded, the item was approved by a vote of 7-0-2.

Following, the Board moved to the eighth item on the agenda, Request Board to hear presentations from the following; necessary to perform essential minimum functions of the governmental body. Director Ward left the meeting at 12:39 p.m. and returned at 12:41 p.m. Presentations were made by The Jones Group; Pat Lynch & Associates; and Hilliard Smith & Hunt. The Jones Group presented the Board with a handout. A copy of the handout will be on file in Diligent. They gave an overview of their company and stated they have been working for the Board since 2015. They gave an overview of the current legislative leadership and delegations. They indicated they would be more than happy to provide the Board with more detailed information regarding their services. Pat Lynch & Associates presented the Board with a handout. A copy of the handout will be on file in Diligent. They gave an overview of the services they provide and indicated they would like to enhance the work provided by the Board's current lobbyist. A director requested Pat & Lynch & Associates provide further detail on the services they could provide the Board. Hilliard, Smith & Hunt, LLC gave an overview of the services they provide and stated they specifically provide work for governmental affairs. A director requested Hilliard, Smith & Hunt provide the Board with detailed information regarding how they can further assist the Board. A discussion then ensued. Subsequently, Director Blankenship requested the Board take a five-minute recess. The Board went into recess at 1:31 p.m. Director Rice left the meeting at 1:37 p.m. The Board re-opened the meeting at 1:40 p.m.

Next, the Board moved to the ninth 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 Mark Parnell certified the Executive Session and stated the Board would discuss potential litigation and possible action could be taken after Executive Session. He stated Executive Session could last 45 minutes to 1 hour. Director NeSmith made a motion to enter into Executive Session and Director Munchus seconded the motion. The motion was approved by unanimous vote. The Board entered Executive Session at 1:41 p.m. Director Huffman left the meeting at 2:15 p.m. Director Ward left the meeting at 2:57 p.m. and returned at 2:59 p.m.

Following, Director NeSmith made a motion to come out of Executive Session and Director Henderson seconded the motion. The Board came out of Executive Session at 3:27 p.m. A discussion then ensued.

Next, Director NeSmith then made a motion to adjourn the meeting and Director Henderson seconded the motion. On a motion duly made and seconded, the motion was approved by unanimous vote and the meeting was adjourned at 3:28 p.m.