BUSINESS OFFICE, 4725 MOFFETT ROAD, MOBILE, ALABAMA
September 14, 2020

The Board of Water and Sewer Commissioners of the City of Mobile met this Monday in their regular session at 2:00 p.m. at MAWSS' Park Forest Plaza.

PRESENT:
Mr. Kenneth Nichols, Chair
Mr. Walter Bell, Vice Chair [via videoconference]
Ms. Sheri N. Weber, Secretary-Treasurer
Ms. Barbara Drummond, Commissioner [via videoconference]
Ms. Maria Gonzalez, Commissioner [via teleconference]
Mr. Raymond L. Bell, Jr., Commissioner
Mr. Charles E. Hyland, Jr., Director
Mr. Douglas L. Cote, Assistant Director
Mr. Bud McCrory, Assistant Director
Mr. Bradley Dean, Attorney

ABSENT:
Mr. Thomas Zoghby, Commissioner

Chair Nichols called the meeting to order and gave the invocation. Mr. Woody Trimble, Jackson Thornton [via videoconference] addressed the Board to present **Item 8A** Comprehensive Annual Financial Report *'CAFR'*. Mr. Trimble expressed his appreciation to attend and present remotely and stated he will present an abbreviated version of this year's audit. The audit was discussed in detail with the Finance Committee in August.

Mr. Trimble continued and directed attention to his shared screen on which he displayed the audit report. *We have audited the accompanying financial statements of the business-type and fiduciary activities of The Board of Water and Sewer Commissioners of the City of Mobile, Alabama (the Board) as of and for the years ended December 31, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents. In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type and fiduciary activities of The Board of Water and Sewer Commissioners of the City of Mobile, Alabama as of December 31, 2019 and 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.*

Mr. Trimble clarified and said this means we have a clean audit opinion on the financial statements of the business type activity and fiduciary funds (*OPEB*) of the Board of Water and Sewer Commissioners of the City of Mobile. This is exactly what you want your auditors to provide when they give an opinion on your financial statements.

To point out a few highlights with the numbers:

On the assets page, cash and equivalents increased to $32 million this year versus $18 million last year. This is due to investments that were cashed out this year as noted on the assets page.

Investment balances decreased to $1.6 million versus $15.5 million last year. That $14 million was converted into cash this year. This is why the cash position has decreased.

- The assets and deferred outflows of resources of the Board exceeded its liabilities and deferred inflows of resources at the close of 2019 and 2018 by $400.2 million (net position) and $381.4 million (net position), respectively. Of these amounts, unrestricted net position was a deficit of $(8.2) million and $(6.4) million as of December 31, 2019 and 2018, respectively. The Board adopted both GASB Statement No. 74 and GASB Statement No. 75 dealing with OPEB reporting by recording the full OPEB liability as of January 1, 2017. As a result, a liability of $14.8 million was recorded. As of the end of 2019, the unfunded portion is $2.4 million. After adopting GASB Statement No. 68, which required the recording of the unfunded pension liability in the amount of $31 million as of December 31, 2015, the Board had a negative unrestricted net position of $(8.3) million as of December 31, 2015. However, the Board has designated a

total of $6.3 million over the past five years to offset this liability, and will continue to fund it in the 2020 Budget. The amount of the unfunded liability at the end of 2019 was $29.3 million.

- The Board's net position increased by $18.8 million during the current year and by the same amount during the prior year.

- Operating expenses decreased by $1.6 million to $83.8 million in 2019, or 1.9%. Supervision and general costs were reduced by $2.3 million due to a reduction in the OPEB liability, offset by an increase in depreciation expense of $.7 million. For the year 2018, expenses increased $4.2 million, or 5.2%, due to increases in transmission and collection costs, supervision and general costs, and depreciation expense.

- Operating revenue increased by $1.3 million in 2019, or 1.3%, due to increased revenues from a water and sewer rate increase. In 2019, the Board implemented an overall effective rate increase of 6.5%. Changes included adding both water and sewer capital improvement fees by meter size, as well as adopting a three-tiered declining block rate schedule instead of the historical four-tiered schedule. The actual realized effect of the rate increase of approximately 2.6% was offset by an addition to the allowance for doubtful accounts. For 2018, the Board passed a volumetric increase of less than 1%, but increases in fees to reflect the actual cost of services amounted to an overall increase of approximately 5%.

- Transfers to the Capital Improvement Fund accounts for capital projects totaled $26.4 million in 2019 compared to $19.8 million in 2018.

In the report as it relates to the single audit, which the Board is required to have because of the SRF funding, during the internal audit, we did not identify any significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Board's ability to record, process, summarize and report financial data.

Mr. Trimble concluded his presentation and stated we are also not aware of any communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices. Concerning the SRF, in our opinion, the Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019. This again indicates a clean report on your expenditures for the year.

Chair Nichols thanked Mr. Trimble for his report and asked if there were any questions or comments from the Board. Commissioner Walter Bell voiced his gratitude to staff for their efforts on a daily basis, which contributed along with our financial advisors to the clean audit report. Commissioner Raymond Bell moved for acceptance and Commissioner Walter Bell seconded. The motion then carried with the unanimous vote of the Board present.

Chair Nichols introduced and welcomed the newest Board member, Commissioner Raymond L. Bell Jr.; he will replace Mr. Maynard Odom. Chair Nichols then read Commissioner Raymond Bell's bio into the record:

Raymond L. Bell, Jr. is a shareholder with the law firm of Maynard, Cooper & Gale with a practice focused on governmental relations. He has practiced law since 2000. Prior to practicing law he served as an Assistant to the Alabama Senate President Pro Tem, Assistant to the Lieutenant Governor and as Appointment Secretary for the Governor. In addition to the practice of law he serves as a Special District Court Judge for the 13th Judicial Circuit of Alabama. He is a former member of the Alabama Ethics Commission and has served as a member of the governing boards for many other civic and community entities. He is currently an Alabama State Bar Commissioner and actively participates in many functions of the State Bar. He is a proud graduate of the University of Montevallo (B.S. – Political Science) and Faulkner – Jones School of Law (J.D.).

Chair Nichols said we are looking forward to his expertise and background in serving on the Board in the years to come. Commissioner Raymond Bell thanked Chair Nichols and said he is looking forward to being on the Board and getting to know everyone.

Committee Reports was next and Commissioner Walter Bell presented a recap of the **Insurance Committee** meeting that was held on August 24, 2020. Thames Batré Insurance provided summaries for discussion on the insurance they provide for MAWSS. Self-insured claims as well as workers compensation claims were reviewed.

Title insurance was discussed and we are looking forward to receiving a good survey from Thames Batré on self-insurance and an audit of all of our systems. The flood policy for the C.C. Williams WWTP (*primary flooding area*) was also discussed. Mr. Cote has indicated there will be reconstruction on the buildings in that area over the next several years. We would like to mitigate the flooding when we put the building plans in place.

Commissioner Walter Bell concluded and stated there is information on the schedule of premiums in the Board Agenda packet along with a PowerPoint presentation that shows the 2019-2014 trends of MAWSS' self-insured claims.

Chair Nichols said Commissioner Zoghby is traveling and in his stead, Mr. Hyland will update the Board with a report on the August 12, 2020 **Finance Committee** meeting.

Mr. Hyland mentioned if any of the other Board members that serve on the committee would like to comment, please feel free to do so. Mr. Woody Trimble of Jackson Thornton was present at the Finance Committee meeting and he gave a more detailed overview of the 2019 CAFR. He also answered questions from the committee members. The committee discussed the delinquency process and late fees. The consensus of the committee is to recommend the reinstatement of late fees, but delay discussion in regards to cutting delinquent accounts. In delaying that discussion, the committee recommends introducing an outreach program for delinquent customers in order to help them with past due balances in order to move forward.

A proposed calendar was reviewed for proceeding through the 2021 budget review and approval process. Staff is working to have the budget ready for review by the committee prior to the October 12, 2020 Board meeting.

The bond refunding issue was brought to the table and the committee unanimously agreed that this process should be transparent and the committee will proceed with the evaluation of proposals sent by the various firms.

Staff will update the Finance Committee calendar for the remainder of 2020 and send it out to the committee.

Chair Nichols asked in regards to the Finance Committee's recommendation on late fees and delinquent accounts, does this need to be approved? Mr. Hyland responded and said under New Business Item 8J, we will ask for approval. At the beginning of the pandemic, we did not vote on this issue, but as COVID continued, we have asked the Board for approval.

Commissioner Drummond asked if MAWSS will be charging late fees retroactively and Mr. McCrory responded and said if the Board should approve restarting late fees today, only a customer's current balance would be charged a late fee. We will not go back and pick up balances from the start of the pandemic; delinquent accounts starting in October 2020 will be addressed.

The **Human Resources Committee** conducted a meeting on September 9, 2020 and Mr. Hyland said they covered several topics. The representatives from CareHere gave their annual report on activity with the onsite clinic for the last twelve months. The report was positive and staff discussed recommending an additional four hours per week. CareHere is currently available to employees twenty hours per week with 99% usage. This high utilization rate prevents employees from being able to get same day and next day appointments. The cost to add an additional four hours per week annually would be $57,000. Staff thought to wait and ask the Board to approve this for the 2021 budget, but Commissioner Raymond Bell brought to our attention that with cold/flu season imminent along with COVID-19, it might be a good idea to implement the additional hours as of October 1, 2020. The cost

for an additional three months within the current budget year would be $14,250. The committee was in agreeance with this path on moving forward.

In doing this, we can provide the opportunity for additional hours for our employees starting October 1, 2020 and discuss with the Board the annual addition for the 2021 budget.

Mr. Hyland continued and said Willis Towers Insurance representatives gave an update on our insurance and we are still in the process of evaluating changes for 2021. These are updates with our health insurance as opposed to the other insurance issues that were covered by Commissioner Walter Bell during the Insurance Committee recap.

During the Human Resources Committee meeting, Ms. Fatima Washington gave an update on the MAWSS Compensation and Incentive Pay Policy (*MIP*), which we are proposing will replace our current Bonus Incentive Program (*BIP*). The information presented to the committee during the meeting was a broad overview and we have since forwarded material containing a more extensive policy to the committee members for their consideration at our next Human Resources Committee meeting. All of these items will eventually be brought to our full Board.

In conclusion, Mr. Hyland said the last two items discussed in the meeting are on today's agenda and we will be asking for approval of the MAWSS Closing Pay Plan Policy and an amendment to the current Time Clock Policy. They are listed under New Business Item 8H and 8I and all three committee members were in agreeance to present them to the full Board at the meeting today and ask for consideration.

The COVID Insurance Expense report shows the total expenditures MAWSS has experienced through the CareHere facility, testing and medical expenses. This information will be sent to the committee members along with the notes from the meeting for review.

Commissioner Weber asked if we are reporting the number of positive COVID-19 tests received from our CareHere facility to the Mobile County Health Department. Mr. Hyland responded and said we do report all positive tests received from CareHere and the Civic Center location. The Civic Center testing location, which is operated by USA, has been helpful to MAWSS, especially when turn-around times on test results was drawn out at the beginning of the pandemic. Commissioner Weber thanked Mr. Hyland and said she wanted to be sure we are reporting our positive test results; because it has been rumored that some of the Urgent Care facilities are not reporting positive test results, as they should.

Commissioner Walter Bell asked if there are updates with cost savings to our health claims since implementing CareHere. Mr. McCrory responded and said due to COVID and the associated health insurance costs, it will be hard to determine if there have been any cost savings as of yet. In regards to regular doctor visits, he can cautiously say there have been some savings. Long term and with the wellness program, the report shows a potential cost savings of $1.4 million dollars and approximately 308 new findings of possible severe health conditions within the last year. As mentioned, we are in the third year of using the onsite facility and if the trend continues, we should have definitive numbers for comparison at the end of this year.

Mr. Hyland said the report was very positive on the savings of the soft health care costs, but we are still challenged with increases from the pharmaceutical aspect. We are reviewing avenues to lower those costs through CareHere and the overall insurance programs in hopes that we can show savings in not only the soft cost savings, but also with the hard costs. As Mr. McCrory stated, moving into 2021, we anticipate seeing more savings. The 308 new findings were discovered due to MAWSS having the HRA system in place and many of those discoveries were chronic diseases that the employee was unaware they were experiencing.

Once the employee has been made aware of the problem; for example, high blood pressure, diabetes, high cholesterol, etc., they can be placed on a program, which will ideally stop them from presenting an even more costly medical issue. The report contains a lot of information and it is very interesting. We will be able to track the numbers from three years ago and determine how those findings were addressed.

Commissioner Bell thanked Mr. Hyland and Mr. McCrory and said he is looking forward to being able to review the report.

There were no **Visitors** present.

The **Minutes of August 3, 2020** were presented for approval and the Recording Secretary stated to the accuracy. Commissioner Walter Bell moved for approval and Commissioner Drummond seconded. Commissioner Raymond Bell indicated that he was not present for the August 3, 2020 meeting so he abstained from the vote. The motion then carried with the majority vote of the Board present.

Bids and Purchasing was next:

Item 5A **Volkert Project No. 1025611** C. C. Williams Digester Seal Replacements and Structural Repairs

Original Estimates:
Engineering: $235,000.00
Total Original Estimate: $235,000.00

Mr. Cote addressed the Board and said one bid was held today. There were three bidders and the apparent low bidder was Schmidt Environmental Construction, Inc. in the amount of $234,100. The engineers estimate for this project was $235,000 and we ask the Board to authorize the Director to award this project. Commissioner Weber moved for approval and Commissioner Raymond Bell seconded. Chair Nichols asked for clarification on the name of the apparent low bidder, Smith Industrial Services. Mr. Cote responded and stated Schmidt Environmental Construction, Inc.; they are the same contractor that just completed construction on the new digester dome at the Smith Plant. The motion then carried with the unanimous vote of the Board present.

Item 5B **IFB 20-031** Annual Contract PVC Pipe, Fittings and Ball Valves

Mr. McCrory said the supplier is Consolidated Pipe with an estimated annual value of $117,000 and we ask the Board to award this contract to Consolidated Pipe. Commissioner Drummond moved for approval and Commissioner Raymond Bell seconded. The motion then carried with the unanimous vote of the Board present.

Item 5C **IFB 20-032** Replace Effluent Valves and Actuators at H. E. Myers Plant

Mr. Cote presented this item to the Board and said this is for the purchase of six effluent valves and actuators. There was one bidder, Elle Waterworks and they are a DBE vendor. The bid amount was $63,000 and we ask the Board to approve this purchase. Commissioner Drummond moved for approval and Commissioner Raymond Bell seconded. The motion then carried with the unanimous vote of the Board present.

Item 5D **Co-op Annual Uniform Lease Agreement**

Mr. McCrory presented this item for approval to the Board. The supplier is Unifirst and in 2017, the estimated three-year value was $143,600. We ask the Board to approve the estimated value for 2020 in the amount of $50,000. Commissioner Weber moved for approval and Commissioner Raymond Bell seconded. Commissioner Walter Bell asked if this was a five-year contract as opposed to the three-year contract in 2017. Mr. McCrory replied this is a part of the source wear program. He deferred to Attorney Dean for further clarification.

Attorney Dean said it is correct that a three-year term has been our preference, but Unifirst has requested a five-year term with this contract. The matter was discussed with Mr. Hyland and Mr. McCrory and they are in agreeance that the five-year term will better serve our operations. The process is not always seamless with uniforms, especially if the vendor changes to a lower bidder. When that happens, the employees must repeat the fitting process and the old uniforms must be returned. It will help with operations by choosing to go with a longer term on this contract.

Commissioner Drummond asked if there is a cost savings to MAWSS by changing to a five-year contract, is this a second term? Mr. McCrory responded and said once labor, lost time and the purchase of the uniforms is calculated; we will see the cost savings. The lease program provides a representative that will come to the employees at our facilities to handle the fittings. With the purchase program, employees had to travel to the supplier, which resulted in downtime. Commissioner Drummond is correct; this is the second term on this lease. Our first time was in 2017 and the procedure has gotten smoother after the initial six-month transition.

There is not a cost to employees for the uniform lease program and MAWSS provides steel-toed boots along the same avenue. Attorney Dean confirmed that there is a clause within the contract which allows termination if MAWSS is unsatisfied with the vendors performance.

Chair Nichols questioned the cumulative sum for 2020. The sum for a three-year term in 2017 was $143,600 and the estimated cost for one year in 2020 is $50,000. Mr. McCrory said yes, it is an estimated cost, it varies and we are at the high end of the pricing point. The motion then carried with the unanimous vote of the Board present.

Item 5E **IFB 20-034** Annual Contract – Employee Uniform Purchases

Mr. McCrory continued and said this item is in relation to Item 5D. Based on the wear and tear of t-shirts and jackets, staff determined it would be more beneficial to purchase t-shirts and jackets for our employees every three years versus leasing them. The vendor is Unifirst in the estimated amount of $20,000 for the first year with the expense dropping to $4,000 - $5,000 thereafter. We ask the Board to approve this purchase. Commissioner Walter Bell moved for approval and Commissioner Raymond Bell seconded. The motion then carried with the unanimous vote of the Board present.

Item 5F **IFB 20-035** Annual Contract – Wire Fencing

Mr. Cote addressed the Board for approval of this item. The wire fencing will be installed at properties owned by the Board surrounding Big Creek Lake. There was one bidder for this contract, Construction Labor Services in the estimated annual amount of $32,300. Commissioner Drummond moved for approval and Commissioner Raymond Bell seconded with a question. He asked the reasoning for the annual contract. Is it due to the fencing being continually damaged? Mr. Cote replied this is the first time we are using an annual contract for wire fencing and it will be for the installation of new fencing as we acquire properties in the referenced area. The vendor will also repair fencing should it become damaged. It is difficult to determine blame when the fencing is damaged, so this contract will also provide maintenance.

Commissioner Drummond asked Mr. Cote if MAWSS will require any additional fencing once the roadway project at I-158 and I-98 begins. Mr. Cote responded affirmatively and said once the needs are determined and staff has completed an in-depth review, this contract will give us the capacity to handle that as well. The motion then carried with the unanimous vote of the Board present.

Item 5G **IFB 20-036** Fiberglass Reinforced Plastic (FRP)

This purchase is for six fiberglass-reinforced plastic current density baffles that go in the final clarifiers at the Williams Wastewater Treatment Plant. Mr. Cote recapped the Board on a past presentation that exhibited one clarifier with the baffles falling off the walls, which resulted in the removal of the clarifier from service. Staff is moving forward with rebuilding four clarifiers and replacing some of the mechanical devices within so they will not continue to fail. There were three bidders and the low bidder was Enduro Composites in the amount of $101,755 and we ask the Board to approve this purchase. Commissioner Raymond Bell moved for approval and Commissioner Weber seconded. The motion then carried with the unanimous vote of the Board present.

Item 5H **IFB 20-037** Purchase of a Philadelphia Mixer Gearbox

Mr. Cote continued and said these are mixers that are in the hyperion oxygen reactors at the Williams Wastewater Treatment Plant. There were two bidders and the low bidder was Philadelphia Mixing Solutions in the amount of $45,352 and we ask the Board to approve this purchase. Commissioner Drummond moved for approval and Commissioner Raymond Bell seconded. The motion then carried with the unanimous vote of the Board present.

Item 5I **IFB 20-038** Purchase of a 2020 Toyota Highlander Hybrid

Mr. McCrory presented this item to the Board for approval. This vehicle will be placed in the executive staff pool and it will be a part of our testing program, which we have mentioned to the Board previously. We are in the beginning stages of testing propane and hybrid style vehicles and we currently have two propane vehicles being tested in our fleet. We ask for approval of this purchase through Springhill Toyota in the amount of $35,623.16. Commissioner Walter Bell moved for approval and Commissioner Weber seconded. Chair Nichols questioned the evaluation metrics on the added cost of these vehicles. How will cost, gas mileage, maintenance and such be determined so that we will be able to make an informed decision on future purchases? Mr. McCrory replied that we have an internal fleet maintenance [work order program] that tracks all maintenance related issues and the vehicles are tracked monthly for all other expenditures, which will include fuel costs.

Commissioner Drummond questioned assigning the vehicle to the executive staff fleet; assigning propane and hybrid vehicles to the crew fleet would seem more advantageous with the higher usage on the vehicles being prudent when making a decision based on evaluation numbers and determining the true cost savings. Mr. McCrory stated the two propane vehicles are being utilized within the working (crew) fleet and in 2021 we will introduce a F150 Hybrid to that fleet. The motion then carried with the unanimous vote of the Board present.

Item 5J **Co-op Service Agreement for LogMeIn Central Premier 500**

Mr. Butt [via videoconference] addressed the Board asking for approval of this item. This is a remote computer log in service that we have relied heavily upon during this pandemic. It has worked very well for us with the many employees that are either telecommuting and/or working remotely. The supplier is Insight Public Sector in the amount of $36,917.36 and covers a three-year service period. Commissioner Drummond moved for approval and Commissioner Raymond Bell seconded. The motion then carried with the unanimous vote of the Board present.

Legal was next and Attorney Dean said there is one legal matter that is appropriate for discussion in an Executive Session; he will need approximately 15 minutes.

Unfinished Business was next and Mr. Hyland addressed the Board. **Item 7A** 2021 Holiday Schedule was held over from the August 3, 2020 Board Meeting and it includes two days for the 2021 Mardi Gras Holiday. The Board questioned the cancellation of Mardi Gras due to the pandemic and if so, how will staff handle those days? We have contacted the Mobile County Personnel Board and their response was if the schedule is approved with the Mardi Gras Holidays intact and they are changed or cancelled, our Board may submit a request through the Mobile County Personnel Board to remove them as holidays. Our Board may also request the holidays be reclassified as floating holidays. Based on their reply, if it pleases the Board, we ask for approval of the 2021 Holiday Schedule as submitted with the caveat that changes will be made if necessary. Commissioner Raymond Bell moved for approval and Commissioner Drummond seconded. The motion then carried with the unanimous vote of the Board present.

New Business was next and they are as follows:

Item 8B **Driven Engineering Project 20019** Florida Street Sewer Rehabilitation, Phase I

Mr. Cote stated this project was bid at the August 3, 2020 Board meeting. The low responsible and responsive bidder was Gulf Coast Underground, LLC in the amount of $751,107.76 and we ask the Board to award this project.

Commissioner Walter Bell moved for approval and Commissioner Raymond Bell seconded with a question. For his edification, what is the difference between bids under Item 5 Bids and Purchasing and bids under Item 8 New Business? Mr. Hyland responded and said in most cases, after a bid, we ask our consulting engineers to evaluate the bid and make a recommendation to staff. Once we receive their recommendation, we bring it back to the Board and ask for approval of the award. In some instances, like today, the project may need to be addressed in a more timely manner and we will ask the Board to allow the Director to award the project after review by the consulting engineers and our DBE Manager. The motion then carried with the unanimous vote of the Board present.

Item 8C **M5712-2609** 2018 Annual Contract for Manhole Rehabilitation

Mr. Cote asked the Board to approve an increase to the spending authority of this contract from the current authority of $500,000 to a new authority of $600,000 which is the rehabilitation budget for 2020. Commissioner Raymond Bell moved for approval and Commissioner Walter Bell seconded. Chair Nichols asked if $600,000 was approved for 2020 and Mr. Cote responded that is correct. The motion then carried with the unanimous vote of the Board present.

Item 8D **M5712-2643** 2019 Annual Contract for Cured-In-Place Pipe for Sanitary Sewer Rehabilitation (Small Diameter)

Mr. Cote continued addressing the Board and asked the Board to increase the spending authority from $900,000 to $1,000,000 in order to complete ongoing projects. Commissioner Weber moved for approval and Commissioner Raymond Bell seconded. The motion then carried with the unanimous vote of the Board present.

Item 8E **Facilities for Acceptance** Creekside Estates, Phase I Sewer Facilities (only)

Mr. Cote explained this item is when a developer wants to construct new developments and the developer requests that the Board assume ownership of the maintenance of the water and sewer facilities within the development going forward. We would like to ask the Board to approve acceptance of the sewer facilities at Creekside Estates, Phase I with a value of $187,730. Commissioner Weber moved for approval and Commissioner Raymond Bell seconded. Chair Nichols asked the number of new connections at this site. Mr. Russell [via videoconference] responded there will be 39 connections during Phase I at this site and 38 connections at Colleton, Phase IV.

Chair Nichols asked if the Board can combine these items for approval and Mr. Cote responded that we can.

Facilities for Acceptance Colleton, Phase IV Sewer Facilities (only)

Mr. Cote asked for approval of the sewer facilities within this development valued at $80,300. Commissioner Raymond Bell moved for approval and Commissioner Walter Bell seconded. The motions then carried with the unanimous vote of the Board present.

Item 8F **USGS Joint Funding Agreement** October 1, 2020 through September 30, 2021

MAWSS' portion of this agreement with USGS is $31,140 and it covers the three stream gauges located at Big Creek Lake. Commissioner Drummond moved for approval and Commissioner Raymond Bell seconded. The motion then carried with the unanimous vote of the Board present. Commissioner Walter Bell asked Mr. Cote if we are purchasing new stream gauges every year. Mr. Cote responded we are not buying new gauges each year, these are instruments installed and maintained by the USGS and MAWSS is able to access the data. The costs have been steadily increasing and staff is reviewing ways to have our own in-house instrumentation for 2021.

Item 8G Supplier Diversity Policy 18-01 Proposed Changes

Mr. McCrory presented the proposed changes to the Board for approval and they are entered here for the record:

Written bid specifications must accompany all solicitations for bids and must be sent to prospective bidders by e-mail. MAWSS employees must retain all solicitations for bids in the contract file. Prior to the opening of all sealed bids and award of the contract, MAWSS employees shall not relay information about one bidder's prices to another potential bidder. Each bid must be returned to MAWSS via email using the bid portal email address assigned to the bid.

Once ~~all sealed bids are received~~ the bid end date is reached, the requesting employee may open all of the sealed bids ~~, e~~ Employees will use the 10% rule when selecting the lowest responsive and responsible bidder. If the Diverse Contractor's bid is within 10% of the lowest bid, and the bidder is responsive and responsible in all other respects, the Diverse Contractor will be selected as the low bidder. If the Diverse Contractor's bid exceeds 10% of the lower bid, then the lower responsible and responsive bidder will be selected.

All bids received must be attached to the requisition sent to Purchasing.

Mr. McCrory continued and explained that in conjunction with the IT Department, a bid portal has been developed, which allows the electronic submittal of bids. This policy is in reference to all in-house employees that would control this portal and the changes are as indicated above. Once the vendor completes the bids, they forward them via email to the bid portal to the designated MAWSS employee. For tracking purposes, the designated employee will keep all documentation until it is time to release the bids and we ask the Board to approve the changes to Policy 18-01.

Commissioner Weber moved for approval and Commissioner Walter Bell seconded. Commissioner Drummond stated she feels this will make the process much better. Chair Nichols asked if MAWSS has contacted the suppliers and educated them on this new process. Mr. McCrory responded that it has been a challenge, but we are proactively taking the necessary steps to ensure it will be a smooth process.

Commissioner Raymond Bell asked if this changes the way diverse bidders submit their bids versus a non-diverse bid submittal. Mr. McCrory replied that all bids will be submitted in the same fashion. There will not be a difference between DBE and non-DBE vendors. Commissioner Drummond asked if this policy will be reviewed with the vendors during the DBE certification process and Mr. McCrory responded that yes, Mrs. Thomas reviews all policies with the potential vendors during the certification process. The motion then carried with the unanimous vote of the Board present.

Item 8H MAWSS Closing Pay Plan Policy HR 20-02

Mr. Hyland addressed the Board and said he mentioned this policy during his Human Resources Committee report. It is entered here for the record:

Policy No. HR 20-02
Adopted:

DESCRIPTION: MAWSS Closing Pay Plan Policy
Disaster/Emergency/Pandemic/Inclement Weather

This policy supersedes the "Disaster/Emergency Closing Pay Plan" procedure, and any other previous emergency pay procedure or policy, regardless of the manner in which they were communicated.

PURPOSE:

The purpose of this policy is to provide compensation procedures and guidance on recording employee time during disasters, emergency closings, inclement weather closings, pandemics, or other infectious disease closings.

PROCEDURE:

Once MAWSS determines the company is closing for a disaster, emergency, pandemic or inclement weather, employees will be paid emergency regular overtime (ERO) –Emergency Regular Overtime for actual hours worked after the official closure of MAWSS facilities.

Note: All hours worked over the first 40 hours will continue to be paid at the overtime rate of one and one-half times the regular rate in accordance with the Fair Labor Standards Act for non-exempt employees; the employee is required to have 40 hours in a worked status. During the period the company is closed, no standby will be paid; MAWSS will go into an emergency overtime status. The Director will determine the beginning and ending time for the emergency overtime. All employee classifications listed as critical/essential are expected to be available for work as determined by their supervisor, Hurricane and Emergency Closing Staffing Policy, and the Hurricane Plan.

Once MAWSS has determined the type of closure, time is tracked as:
ERE- emergency regular,
ERO- emergency regular overtime at one and one-half times the regular rate, for all hours worked after the official closure for the first 40 hours of work
EOR- emergency overtime at regular rate (OR),
EOT- emergency overtime paid at one and one-half times the regular rate, for all hours worked in excess of the first 40 hours worked for preparation, support, cleanup, and maintenance.

Note: (ERO) Emergency Regular Overtime will not be paid in addition to (ER) Emergency Regular time.

DEFINITIONS:
1. Emergency Regular (ER)- Regular scheduled hours an employee would normally work, during full open operation. (40hrs per week for full-time employees, and average hours for past 30-90 days for part-time permanent employees, or whichever is longer)

2. Emergency Overtime at Regular Rate (OR)- All time worked over 40 hours by Exempt Employees after an official closure by the Director . Time worked over 40 hours will be paid at the exempt employee's regular rate of pay.

3. Emergency Regular Overtime (ERO)- All time employees are required to work after an official closure will be paid one and one-half times of the employee's regular rate of pay for all hours worked. Note: The time paid at one and one-half hours of the regular rate of pay is not in addition to emergency regular (ER).

4. Emergency Overtime (EO)- All hours in excess of the first 40 hours worked.
EO-Emergency Overtime will be paid at one and one-half times of employee's regular rate of pay after they have worked the first 40 hours in a work week in accordance with the Fair Labor Standards Act.

5. No Pay (NP)- Employees in a NP status will not receive payment during the MAWSS closure. This will include employees in a non-pay status prior to the closing due to personal leave or medical leave, temporary workers, contract workers, and seasonal workers.

6. Full-Time Permanent Employees
8-hour shift employees These employees will receive their regular pay on the day(s) the main office is declared "closed" and will not be charged with accumulated annual or sick leave. During the day(s) the office is closed, time should be recorded as ER on the time sheet. Any time actually worked after the official closure shall be

recorded on the timesheet as ERO (emergency regular overtime at time and one-half) until 40 worked hours is reached.

EO (emergency overtime: time and one-half) will be paid for all hours worked in excess of the first 40 hours of ER-regular time worked and ERO-emergency regular overtime worked.

7. 12-hour shift employees-(ERO) Emergency Regular Overtime- paid at one and one-half times of the employee's regular rate of pay, will be paid beginning at the time the closure is officially declared by the Director for all hours worked . 12-hour shift employees who are scheduled to work will receive 12 ER (or that portion of day deemed closed). All hours worked after an official closure is recorded as ERO-(this is OT paid at time and one half their regular rate of pay) for hours worked up to 40 and EO for the number of hours actually worked in excess of the first 40 hours.
NOTE: The time paid at one and one-half hours of the regular rate of pay is not in addition to emergency regular (ER).

Shift workers will not be charged accumulated annual or sick leave during the time identified as a closure. If, due to personal safety, a shift worker is sent home without completing a full day's work, he/she will receive ER hours during this period. When the plant is placed back in operation, the scheduled shift worker is to return immediately

10- hour shift and flex employees - 10-hour shift employees or employees that work a flex schedule will receive 8 ER on the time sheet for the 8 hours the main office is closed.
All 10-hour shift and flex employees should revert to a Monday – Friday, 8 hours a day schedule.

8. Exempt Employees- Exempt employees should record hours actually worked (closure related only) as ER for hours worked up to 40, and (EOR) emergency overtime at regular rate for hours worked in excess of 40 during the period of time declared a closure. The Department Head must approve exempt employee's time, verifying that overtime worked was related to the closure.

NOTE: The time paid for EOR at the exempt employees regular rate of pay is not in addition to emergency regular (ER).

9. Part-time Permanent Employees- Part-time employees that are classified as permanent employees under the Mobile County Personnel Board (MCPB) will be paid using the average number hours worked per week for the past 30-90 days, whichever is longer.

10. Temporary Employees- Employees classified as temporary employees under the MCPB will not be paid for the time they were scheduled to work and the main office is closed. Their hours will be coded as No Pay (NP).

**Temporary employees who work during the closure will only be paid for actual hours worked at regular rate. Examples of temporary employees include, but are not limited to, employees classified under the MCPB as: Part-time-temporary, supernumerary, provisional, and unskilled laborers-summer "aka" summer employees, seasonal workers, or contract workers.*

**Unskilled Laborers on the PSW1 career track will be paid during closure-see unskilled laborer definition.*

11. MAWSS Unskilled Laborers- MAWSS unskilled laborers will be paid no differently than a classified full-time permanent employee. These employees work full-time under the MCPB unskilled laborer program, on a designated career track, towards becoming a permanent employee.

Holiday- If a closure occurs on a Holiday, employees who work on the Holiday will be compensated for the Holiday plus time and one-half for all hours worked on the holiday coded as (ERO)-Emergency Regular Overtime. (No difference from regular Holiday Pay.)

Other: In the event the closure occurs on the weekend, scheduled standby crews who were unable to work or instructed not to work due to safety concerns will revert to a Monday through Friday work schedule and will receive

(ERO) emergency regular overtime for all hours worked after the official closure. Employees will receive (EO) overtime pay for actual hours worked in excess of the first 40 hours.

24-Hour Duty
Employees who stay on site for an extended period of time are required to take an 8-hour rest period and two (2) one-hour meal breaks within a 24-hour period; this means employees will be paid for 14 work hours in a 24-hour period. Regardless of the time on site, time spent napping/resting/relieved of duty shall be recorded by the employee. Employees will not be paid for such time they are resting/relieved of their duties, or meal breaks.

Employees on Leave
Employees who are on approved leave without pay—Absence with Leave (AL), Maternity Leave (MA), Suspension (SU), or Military Leave (ML)—will not be paid.

Employees who are on Injured with Pay (IP), Military Pay (MP), or Military Training (MT) will remain on IP, MP, or MT during closures.

If a closure lasts longer than a three- week period, the above procedures will be reviewed and revised as deemed by the Board.

Examples:

1. All Classified Employees (Full-time and Part-time/Exempt and Non-Exempt) and Unskilled Laborers:
Example: Max normally works 40 hours per week. During a company-wide closing, Max will continue to be paid for his daily scheduled hours for each day MAWSS is closed.

2. If a Non-Exempt employee is called in during the company-wide closing:
Non- exempt employees will be paid emergency regular overtime (ERO) if called in to work or has to physically work from home during the closure. ERO (Emergency Regular Overtime) is paid at time and one half the rate of pay.

Example: Stacy was called in during the company-wide closing to fix a leak on Monday. She worked 4 hours on the leak. Stacy works 8 hours per day when MAWSS is operating normally. Stacy will be paid 4 hours (ERO), and 4 hours (ERE) for that day for a total of 8 hours.

3. If an Exempt employee is called in during the company-wide closing:
Exempt employees will NOT be paid emergency regular overtime until the employee has worked 40 hours. Once an exempt employee works 40 hours they will receive (OR) overtime at regular rate. "OR", is overtime at an employee's regular rate of pay NOT at time and one half.

Example: An IT exempt employee worked during the company-wide closing for 4 days straight/10 hours per day (40 hours). On the 5th day, the employee worked an additional 3 hours. The exempt employee would be paid 3 hours at OR and 40 hours at ERE.

Example if the IT employee made $10/hour, they would be paid for 43 hours at $10/hour.

Mr. Hyland said there was a lot of discussion surrounding this policy at the committee level because we have operated and are continuing to operate today under a pay plan that only addressed short-term closing durations. When we came to the pandemic issue, other items became known that we realized were not being fully addressed by using that policy. The policy we are bringing before the Board today for approval would address all closings, no matter the type or duration.

Mr. Hyland continued and said he met with Mr. Cote and Mr. McCrory this morning to discuss a possible closure tomorrow, September 15, 2020 due to Hurricane Sally. The weather information at that time led us to believe we would not have to close, but that has changed since our last meeting at 1:00 p.m. today. Out of an abundance of caution for our customers and employees, we have realized that we do need to close our facilities tomorrow. If we do close, we would request that the Board allow us to continue to operate under the original closing policy/pay plan for the remainder of this week and ask that this new policy [which addresses all types of closings and emergencies] be approved effective September 21, 2020.

The reasoning for this request is that we have not had the opportunity to inform and educate our employees on any changes with the pay plan. If we close our facilities on September 15, we will have employees mandated to work and they are accustomed to the current policy that is already in place. (*Mr. Hyland shared with the Board that during this meeting he has received notification that the track of Hurricane Sally has moved farther east indicating the Alabama/Mississippi line.*)

Due to the difficulty of tracking the landfall and intensity of the coming storm, the closure may extend until Wednesday, September 16. It is our intention to inform our employees that we will close effective 6:00 a.m. September 15, 2020. Employees at our treatment plants and emergency crews will be available, as we determine if a closure will be needed for Wednesday, September 16, 2020.

Mr. Hyland said if the Board has no objection, we would like to close effective September 15 at 6:00 a.m. with a possibility of extension through September 16. We would also appreciate approval of Policy HR 20-02 today, but with an effective date of Monday, September 21, 2020.

Commissioner Raymond Bell said his thoughts regarding Mr. Hyland's comments about the uncertainty of the storm and potential power outages throughout late in the week are that we may need to make our approval date effective later than Monday, September 21. Chair Nichols agreed with this statement and said for clarification; staff requests approval of Policy HR 20-02 today with an effective date of September 21, 2020 while simultaneously giving the Director the authority to make decisions regarding MAWSS staff as it pertains to working hours, business operations and potential closings through September 21, 2020.

Commissioner Raymond Bell moved for approval and Commissioner Walter Bell seconded. The motion then carried with the unanimous vote of the Board present.

Item 8I Time Clock Policy HR 09-05

Mr. McCrory presented this item to the Board requesting approval of the proposed changes to Policy No. HR 09-05. They are entered here for the record:

Time Clock Policy

PURPOSE:
The purpose of this policy is to provide time reporting requirements for all Mobile Area Water & Sewer System (MAWSS) employees.

DEFINITIONS:

Time clock - a data collection device that records employees' arrival and departure times. Time clocks are located in all MAWSS facilities as a stationary wall unit which uses a badge or biometric feature to capture an employee's time. The electronic version of the time clock can be assessed through the KRONOS app or KRONOS desktop version.

Remote Access Device- includes cell phones, smart phones, tablets, computers, laptop computers, home computers, or any other device with which an employee can use to work remotely or clock in/out remotely.

A. TIME REPORTING REQUIREMENTS

Time clocks: Time recording devices (i.e., time clocks) and an electronic timekeeping system has been adopted by the Water Board for use by all non-exempt employees. The time recording devices that have been placed in buildings include a biometric component requiring employees verify their identity. All non-exempt employees are required to use the time clock or a remote access device system to record their hours worked.

Employees are required to keep accurate records of the time they begin and end work each day. The Board expects and requires all employees to submit time records reflecting only actual hours worked. Employees may also be required by supervisors to note the reasons for absences from work for full or partial days, whether the absence is excused, unexcused, or taken as part of any leave of absence.

Employees are required to clock in/out at the time clock(s) located in their department using the biometric method, the KRONOS app, or desktop version, using a remote access device, as directed by your supervisor. If there is a problem with the time clock system and the employee is unable to clock in/out, the employee should notify his/her supervisor and the supervisor will direct the employee to the next closest time clock station, or to utilize the KRONOS app, or the KRONOS desktop version.

When Should You Clock In/Out?

Employees should clock in no sooner than 7 minutes before the scheduled shift and clock out no later than 7 minutes after the scheduled shift. Non-exempt employees are required to clock in/out if they leave for doctor's appointments, or other personal time off, in addition to the beginning and end of the work day.
If an employee fails to clock in or out, or if the time records are incorrect for any other reason, the employee shall notify his/her supervisor immediately. The supervisor or manager must make the necessary correction as soon as possible. No employee is authorized to clock in or out for any other employee. No employee is authorized to alter or falsify any employee's time records. Employees who repeatedly miss clocking in or out and/or clocking in early or late without permission shall be subject to disciplinary action.

- *Working remotely from home- non-exempt employees are required to clock in prior to their assigned start time, no sooner than 7 minutes before their scheduled shift utilizing the KRONOS desktop version. Non-exempt employees working from home or telecommuting must clock in/out using the KRONOS desktop version through the MAWSS provided VPN access.*

- *Driving directly to jobsite from home- non- exempt employees utilizing a MAWSS vehicle to drive from home directly to the jobsite, must clock in no sooner than 7 minutes before their scheduled shift via a remote access device. The employee must be in route to the designated job site. (Any employee found clocking in/out from home or non-work related location will be subject to disciplinary actions).*

- *Working at MAWSS location (office workers) - non-exempt employees coming to any MAWSS location to work must clock-in/out via the KRONOS Desktop Version unless authorized by a supervisor to use another timeclock method.*

- *Working at MAWSS location (field and plant workers)- non-exempt employees that work in the field departments or plants, and must report to the MAWSS location first, can clock in/out using any remote access device, as long as the employee is within 50 meters (or 66 steps) of the employee's designated work area.*

- *Employees are not allowed to clock in/out from any MAWSS parking lot (including but not limited to, Park Forest, Shelton Beach, Plants, and Springhill locations) while sitting in their personal vehicles. Any employee found clocking in/out while sitting in their personal vehicle will be subject to disciplinary actions.*

Minutes of the meeting of the Board September 14, 2020, continued

A. TIME REPORTING REQUIREMENTS (cont'd.)

Non-exempt employees are not permitted to work overtime (in accordance with the Water Board's Overtime Pay and Compensatory Time Accrual policy) without prior authorization from a supervisor or manager. Overtime includes clocking in early, clocking out late or working through a scheduled lunch period. Nonexempt employees who work overtime without prior authorization shall be subject to disciplinary action.
Altering, or tampering with time clocks is prohibited and shall result in disciplinary action up to and including discharge.

Exempt employees are required to enter absences from work (i.e., vacation and sick leave) by going to the KRONOS timekeeping system via any remote access device.

Supervisors and managers must approve and/or sign time records by Monday, 10:00 a.m. of each week (if Monday is a holiday, time records will be required to be approved on the previous Friday or the day designated by the Payroll department). The employee is responsible for notifying his/her supervisor of any leave taken during the pay period. The supervisor(s) or manager(s) are also responsible for the accuracy of the time record and are advised to review time records daily.

In the unlikely event that there is an error in an employee's amount of pay, the employee should immediately bring it to the attention of his/her immediate supervisor and/or the payroll department so that corrections can be made as soon as possible.
Supervisors are to use Progressive Discipline when employees have repeated offenses to the time keeping policy and/or procedures. This may include, but is not limited to, situations where employees may have clocked in but are repeatedly absent from their work station during work hours; have missed time clock entries; or work unscheduled overtime.
Failure to properly record time worked or other violations of this policy are grounds for discipline, including discharge.

B. Work Schedules

For payroll purposes and the determination of overtime pay for non-exempt employees, the seven-day workweek begins on Saturday at 12:01 a.m. and ends on Friday at 12:00 a.m. (midnight), with the exception of employees who work twelve (12) hour shifts. Employees who work 12 hour shifts seven-day workweek begins on Saturday at 7:00 a.m. and ends on Saturday at 6:59 a.m. The Board's administrative offices are generally open from 8:00 a.m. until 5:00 p.m., Monday through Friday, except for scheduled holidays or emergency closures.

All full-time employees, regardless of classification, are expected to work 40 hours each workweek, except for leave time, paid holidays, or emergency closings. Each employee is responsible for following the specific work schedule for their departments by starting or arriving at work on time and working or remaining at work until the scheduled quitting time.

Unless expressly authorized by your supervisor or manager in advance, no employee should start working or report to work more than seven minutes before their scheduled work shift, and no employee should continue working, or remain at work more than seven minutes after their scheduled work shift without permission. If it appears necessary, or if the employee is required to continue working more than seven minutes after the scheduled work time to complete a particular job, the employee must first obtain permission from a supervisor, or manager. No MAWSS employee shall work more than 16 consecutive hours in a 24-hour period.

C. Overtime

The mission of our utility occasionally may require employees to work more than 40 hours in a workweek. Overtime is a condition of employment. Overtime work may be scheduled or required as determined by managers and supervisors. Non-exempt employees may not work overtime unless instructed or scheduled to do so. Non-exempt

employees who refuse to work assigned overtime or engage in unauthorized overtime work are subject to disciplinary action, up to and including discharge.

Non-exempt employees will be paid 1-1/2 times the regular rate of pay for all hours worked in excess of 40 hours in a workweek. Hours paid but not worked are not used in computing overtime. For example, paid holidays or emergency closures hours do not count in computing overtime. However, in accordance with Mobile County Personnel Board Rules, any employee who works on an official holiday will be paid 1-1/2 times their regular rate of pay.

In accordance with the Fair Labor Standards Act, Standby Time is counted as time worked for the purpose of calculating overtime.

Exempt employees are paid a salary for performing a specific job, not for the number of hours worked. Accordingly, exempt employees generally are not paid for overtime work. The Director has to approve emergency conditions that allow exempt employees to work on holidays or during emergency closings due to adverse weather conditions. The Mobile County Personnel Board must approve the Director's request for payment of overtime due to emergency conditions before exempt employees are paid. Overtime pay for exempt employees due to emergency closings will be paid after approval by the Mobile County Personnel Board. Prior notification and approval by the Director is required before exempt employees work overtime.

D. Standby Pay

Some employees are required to be on "standby." Standby is a condition of employment. In accordance with Mobile County Personnel Board Rule 3.1(d) "employees of such standby crew shall receive no form of compensation unless called back in to work, in which event the employees will then be compensated at double the hourly rate established in the Basic Salary Schedule for their class for each hour worked while serving on such standby." If an employee is called out to work, the employee will be paid one (1) hour "standby pay" for travel to work and home. Employees will not be paid for carrying a pager/ or cell phone.

When, where, and how should an employee clock in on Standby?

Employees shall clock in utilizing any timeclock or remote access device, if they are called in to work standby. The employee MUST be within 50 meters (66 steps) of the jobsite or MAWSS location before clocking in. An additional 1 hour is automatically added for travel time, no employee should clock in or out to document travel time.

When, where, and how should an employee clock out on Standby?

Employees shall clock out utilizing any timeclock or remote access device, if they are called in to work standby. If an employee has to return to the MAWSS location after the job is complete to pick up a personal vehicle or for any other reason, the employee must clock out once all MAWSS work is completed and turned in. Employees must clock out before getting in their personal vehicles.

Employees on standby who drove from home to the jobsite and will not visit the MAWSS location, should clock out when the job is complete, not when the employee is in-route home or arrives at home.

D. Meal Breaks

Unless otherwise scheduled or instructed, all non-exempt employees who work at least six hours a day are expected to take a minimum 30-minute uninterrupted meal break, with the exception of employees in the meter reading department and 12-hour shift employees. Each Department Head or designee will schedule 30-minute or (1) one-hour meal breaks for non-exempt employees, subject to this requirement. Meal breaks of 30 minutes or more are not included in the 40-hour workweek and are not paid. If an employee is instructed to work during a previously scheduled meal break, the employee will be paid for the time worked.

Employees are prohibited from working during the meal break unless expressly instructed to do so by a supervisor or manager. Employees who eat or drink at their workstations during the meal break must refrain from any manner of work. Employees are encouraged to take their meal break in designated break rooms or off premises. Supervisors will be responsible for monitoring the work areas to enforce this policy against working during meal breaks.

Mr. McCrory said our current time clock policy uses a biometric system where employees use their finger to clock in and out. As we have moved through the pandemic, we have been unable to use this system due to it being a possible contaminate. Staff has discussed using facial recognition, but our current system does have an app that will allow employees to use their phone or a computer based system to log in and out of work. The changes to the policy consist of removing the directive to use a physical touch timeclock clock-in/out method and replacing it with the use of the phone app or the computer based system. We request the Board to approve these changes to the policy. Commissioner Weber moved for approval and Commissioner Raymond Bell seconded.

Commissioner Walter Bell questioned the accountability of this new method, and Mr. McCrory responded that all managers and supervisors must keep track of where their employee is clocking in and out and they will have to approve all timecards. The newer system we are reviewing has several different features, which include facial recognition, temperature check and a geo code area, which can be placed to determine where the employee was located when they clocked in/out. The motion then carried with the unanimous vote of the Board present.

Item 8J Reports on COVID-19 Pandemic

Mr. Hyland directed the Board's attention to the agenda packet. He sent information on COVID-19 issues as of September 9. At that time, we had six MAWSS employees in quarantine. As of today, September 14, an updated report indicates that we now have four employees in quarantine, which means two have returned to work. We have had 20 employees that have tested positive since the start of this pandemic, which equals approximately 5% of our work force. With the type of work we perform and the unavoidable close contact some of our employees are exposed to, these numbers are encouraging. We hope to continue keeping the numbers as low as possible through continued social distancing, staggered shifts, sanitizing work areas, remote work, telecommuting and wearing face masks/coverings. As mentioned earlier, we are using testing services at CareHere and the Civic Center.

We are continuing to follow potential legislation that might aid either MAWSS or our employees in receiving reimbursement for COVID related expenses, but the news has not been encouraging. There are still debates within the senate in regards to the legislature surrounding another stimulus package.

The cordoned areas of the lobby in each of our payment centers continue to accommodate our customers when they make onsite payments. The social distancing process for both the customers and our employees is working very well and we will continue to monitor this method as we move forward.

Mr. McCrory addressed the Board and stated we are beginning to see an impact on our finances and this can be attributed to the non-collection of late fees during COVID. Our finances were remaining steady at the beginning of the pandemic, but over the last 4-6 weeks, we have begun to see how the changes are affecting MAWSS.

Mr. Hyland referenced the Finance Committee report where our delinquent processes and late fees were discussed. The consensus of the committee was to recommend the reinstatement of late fees. The late fees will not be retroactive; they will be attached to current balances only. We would delay modifications when it comes to cutting delinquent accounts. An outreach program will be established in order to assist those customers and educate them as we go through this progression. We ask the Board to approve the reinstatement of late fees along with instituting the outreach program.

Commissioner Weber moved for approval and Commissioner Raymond Bell seconded with a question. He asked the effective date of late fees being applied to delinquent accounts. Mr. McCrory responded the effective dates would be the end of September 2020 and the beginning of October 2020. Notification to our customers will begin immediately by informing them they should pay all balances if they do not want to begin incurring late charges.

Commissioner Raymond Bell continued and asked for clarification. If a customer has a $200 delinquent balance accrued during the pandemic, late fees are reinstated to the account on October 1, the customer is not charged a fee on that balance – the customer is charged a late fee on their new balance moving forward if they do not pay on time? The outreach program staff has requested approval for; staff will assist delinquent customers paying balances accumulated during the pandemic? In addition, customers are not all on the same billing cycle, is that correct? Will there be concession for customers receiving a late fee earlier than other customers do?

Mr. McCrory responded that is correct, we will not charge customers on balances gained during the pandemic. Billing cycles are determined by our system and it is difficult to change the code, which means that some accounts will be charged a late fee before a different account. We will notify all delinquent customers asking them to pay their current balances via our IVR notification system prior to the reinstatement of late fees. If a delinquent customer pays their current balance before reinstatement, they will not assume any late fees. Commissioner Walter Bell added; if a customer had a late fee going into the pandemic, they would have that same late fee coming out of the pandemic. Mr. McCrory said that is correct.

The motion then carried with the unanimous vote of the Board present.

Item 8K Appointment of Nominating Committee for Board Officers

Chair Nichols explained this procedure to Commissioner Gonzalez and Commissioner Raymond Bell. He then appointed Commissioner Weber, Commissioner Drummond, and Commissioner Raymond Bell to the nominating committee.

Items presented to the Board for **Information Only** were:

Item 9 Information Only

A. Emergency Repair of #1 Secondary Pump at Wright Smith
Supplier: Sheppard Services, LLC
Value: $16,885

B. Sole Source Purchase Flygt Pump Parts for Kerr McGee LS 094
Supplier: Jim House & Associates
Est. Value: $24,688

C. Co-op Purchase of 15 Dell Latitude 5510 Laptops
Supplier: Dell Inc.
NCPA Contract#01-42
Value: $18,689.40

D. Annual Service Agreement for S&S Sprinkler
Supplier: S&S Sprinkler Company
Contract Period: 8/1/20-7/31/21
2020 Value: $21,730
2019 Value: $21,730

E. Ext 2 Annual Contract MAWSS 18012 One Gallon Grease Containers
Third and Final Year
Supplier: Inmark, Inc.
Contract Period: 10/1/20-9/30/21
2020 Est. Value: $50,000
2019 Est. Value: $50,000

F. Ext 2 Annual Contract MAWSS 18013 CI Valve Boxes and Risers
Third and Final Year
Supplier: Core & Main
Contract Period: 11/1/20-10/31/21
2020 Est. Value: $15,000
2019 Est. Value: $15,000

G. Ext 2 Annual Contract MAWSS 18014 Heavy Equipment Rental
Third and Final Year
Supplier: Various Heavy Equipment Companies
Contract Period: 11/1/20-10/31/21
2020 Est. Value: $68,000
2019 Est. Value: $68,000

H. Ext 1 Annual Contract MAWSS 19012 Valves
Year Two
Supplier: Core & Main
Contract Period: 11/1/20-10/31/21
2020 Est. Value: $92,000
2019 Est. Value: $83,000

I. Ext 1 Annual Contract MAWSS 19013 Sodium Chlorite
Year Two
Supplier: International Dioxcide
Contract Period: 11/1/20-10/31/21
2020 Est. Value: $345,000
2019 Est. Value: $387,660

J. M5712-2640 Waterline & Valve Replacement at Royal Street and Government Street
[*Confirmation of Directors Award*]
Low Responsive and Responsible Bidder: Ballcon. Inc.
Amount: $997,937.50

K. M5712-2650 Eslava Creek Force Main Replacement, Phase 3
[*Confirmation of Directors Award*]
Low Bidder: Hemphill Construction Company, Inc.
Amount: $8,154,150.00

L. D3197100 Wright Smith Jr. Wastewater Treatment Plant Headworks Replacement Project Added Allocation 1
Change Order No. 1
Contract Amount: $8,863,254.00
Change Order No. 1: (-$368,662.00)
Revised Contract Amount: $8,494,592.00
Percent of Contract Amount: (-4.2%)

M. Disclosure of Property Purchase
1. Mobile County Key No. 473026

N. 2020 Holiday Gift Cards

O. Sensitive Position Memo

P. Consultant Project Status Reports
1. Asarisi & Associates, LLC – through July 2020
2. Constantine Engineering, Inc. – through July 2020
3. Corporate Environmental Risk Mgmt – July 2020
4. Dewberry – through July 2020
5. Driven Engineering, Inc. – through July 2020
6. GMC - through July 2020
7. HDR – through July 2020
8. Isaiah Engineering, Inc. – through July 2020
9. Jacobs – through July 2020
10. McCrory Williams – through July 2020
11. Mobile Group, Inc. - through July 2020
12. Mott McDonald - through July 2020
13. Neel Schaffer, Inc. – through July 2020
14. Stantec - through July 2020
15. Volkert, Inc. – through July 2020

Chair Nichols asked Mr. Cote if Item 9L was the change order spoken of during the August 3, 2020 Board meeting and Mr. Cote responded that is correct.

Commissioner Drummond spoke to Mr. Hyland and said she understands there has not been movement from the Federal aspect in regards to funding for utilities. Have our lobbying efforts included the Governor? Mr. Hyland responded that when monies were distributed to the State of Alabama, our organizations attempted to get on that list. He will touch base with our organizations to see if the outcome has changed in our favor. Once they have been contacted, Mr. Hyland will bring an update to the Board.

Commissioner Walter Bell asked if the proposed 2021 Board meeting dates are acceptable. All were in agreeance.

There being no further business to come before the Board at 3:34 p.m., Commissioner Walter Bell moved to go into Executive Session and Commissioner Weber seconded. Chair Nichols thanked everyone and requested that staff disconnect from the videoconference

Chair Nichols stated that he will recuse himself from the discussion and place the meeting under Commissioner Walter Bell's direction. At 3:35 p.m. Chair Nichols departed the meeting and the Board moved to **Executive Session.**

**Commissioner Gonzalez departed the meeting at 4:07 p.m.*

At 4:13 p.m., the meeting reconvened. Commissioner Raymond Bell moved to go back into regular session and Commissioner Weber seconded. The motion then carried with the unanimous vote of the Board present.

Chair Nichols asked if a motion was needed and Mr. Hyland responded that staff has an understanding on how to proceed with the matter discussed during Executive Session. Commissioner Walter Bell moved for adjournment and Commissioner Weber seconded. The motion then carried with the unanimous vote of the Board present.

The meeting concluded at 4:15 p.m.

The next regular meeting is scheduled for October 12, 2020 at 2 p.m.

Sheri N. Weber, Secretary-Treasurer