

BUSINESS OFFICE, 4725 MOFFETT ROAD, MOBILE, ALABAMA
July 12, 2021

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. Walter Bell, Chair
Mr. Thomas Zoghby, Secretary-Treasurer
Ms. Barbara Drummond, Commissioner
Mr. Kenneth Nichols, Commissioner
Ms. Maria Gonzalez, Commissioner

Mr. Bud McCrory, Jr., Director
Mr. Douglas L. Cote, Assistant Director
Mrs. Calressia Clark, W&S Engineering Manager
Mr. Daryl Russell, W&S Engineering Manager
Mr. Bradley Dean, Attorney

ABSENT:

Ms. Sheri N. Weber, Vice Chair
Mr. Raymond L. Bell, Jr., Commissioner

Chair W. Bell called the meeting to order and Commissioner Drummond gave the invocation. **Committee Reports** was next and Commissioner Zoghby updated the Board on the **Finance/Risk Management Committee** meeting, held on June 28, 2021. The actuarial firm we utilize to review retiree medical benefits gave a good report, which indicates we are well funded in the plan. The committee met with MAWSS' trust funds investment group, and the reports show a good year. At this time last year, we moved investments from 50% bonds and 50% equity to 60% equity, leading to very good investment results, which in turn will help our liability.

There was a proposed change of adding alternative investments in as well as the bonds, fixed income and the equity, however; after further discussion, the committee requires clarity from the trustee in regards to limited mutual fund type alternative investments. It is on the agenda for approval today, but the committee would like to table that item and bring it back at a future meeting.

Commissioner Zoghby continued and said the insurance brokers provided an overview of the upcoming renewals on all of the insurance packages not including employee benefits. There was a 15% rate increase on the liability insurance.

The committee reviewed the master plan analysis; Commissioner Zoghby said he would like to commend Mr. McCrory and the staff on the 'One Team, One Goal' narrative. It will take everyone working together to determine better efficiency as we move forward. In conclusion, it is hoped that we will be able to keep our rates to a manageable level with a 3% target desired during the upcoming budget review. Rates have risen significantly and we need to be able to show MAWSS is doing the best we can from an internal standpoint as we manage our ratepayers funds.

Commissioner Drummond queried the number of employees that have recently retired; is our attrition rate in line or has there been an increase? If there has been an increase, how will that affect the monies that must be set aside in relation to retiree benefits? Mr. McCrory responded and said we are in good shape as far as the OPEB, which is funded at 90%. There have been 25 retirements since March 2020 with a slight uptick within the last few months.

Commissioner Drummond asked the average attrition rate for the last four months. Ms. Washington responded and said there were 15 retirements in 2020 and to date in 2021 there have been 10 retirements. That total number is less than previous years.

Visitors was next and Mr. McCrory read the following Resolution for Retiree into record:

WHEREAS, MR. ANTHONY D. BOYKIN, MAWSS Repair and Service Worker, began his employment with the Board of Water and Sewer Commissioners on March 28, 1987, as a classified employee, and has worked continuously since; and

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WHEREAS, he served the System faithfully for over 34 years, performing his duties with the highest quality, working in a cooperative spirit with his fellow employees, and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF WATER AND SEWER COMMISSIONERS OF THE CITY OF MOBILE that **MR. ANTHONY D. BOYKIN**, whose retirement was effective July 1, 2021, be recognized and commended for his years of service to the Board of Water and Sewer Commissioners of the City of Mobile and to the citizens of Mobile.

ADOPTED this 12th Day of July, 2021.

Mr. McCrory continued and said Mr. Boykin previously worked in the Operations Communications Department as a dispatcher where he provided assistance on the morning and evening shifts. He moved to the Cross Connections Control and Meters Department several years ago and during the AMI transition, he was responsible for testing meters during the meter change-outs. He was always diligent in his work and was a great asset to the company, going above and beyond his normal duties. We wish him well in his retirement.

Chair W. Bell said on behalf of the Board, we thank Mr. Boykin for his 34 years of service to the organization and wish him the very best.

The **Minutes of June 7, 2021** were presented for approval. Commissioner Drummond moved for approval and Commissioner Nichols seconded. The motion then carried with the unanimous vote of the Board present.

Bids and Purchasing was next:

**Item 4A Driven Engineering Project No. 21068
 2021 Various Sewer Repair Locations**

Original Estimate:	Construction:	Engineering:	Total Original Estimate:	Current Estimate:	Construction:	Engineering:	Total Current Estimate:
	\$743,992.00				\$772,732.00		
		\$139,196.00				\$129,319.00	
			\$883,188.00				\$902,051.00

Mr. Cote addressed the Board and said the engineers estimate was \$772,732.00. There were three bidders, with the apparent low bidder being Construction Labor Services, Inc. in the amount of \$858,176.00. Staff asks that the Board authorize a Directors Award for this project after completed recommendation and review from the engineer and our DBE Manager.

Commissioner Nichols moved for approval and Commissioner Drummond seconded. The motion then carried with the unanimous vote of the Board present.

Item 4B Change Order 1 to IFB 21-013 Purchase Two (2) Laboratory Fume Hoods
Supplier: Fox Scientific
Change Order Value: \$2,438.30 +11.9%

Mr. Cote presented this item to the Board and requested approval of this change order for the purchase of two cabinets that will be installed underneath laboratory fume hoods. Commissioner Zoghby moved for approval and Commissioner Drummond seconded. The motion then carried with the unanimous vote of the Board present.

Item 4C Blanket Approval to Purchase MJ, DI Pipe and Fittings Without a Contract up to \$105,000 for 2021
Supplier: Various
Contract Period: 7/1/21-6/30/22
2021 Est Annual Value: \$105,000
2020 Est Annual Value: \$150,000

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Item 4C

Part II - Rescind Approval of IFB 21-023 to Ferguson Waterworks

Mr. McCrory addressed the Board and said staff would like to present this item in two parts, requesting approval of Part II first. The Board previously awarded this contract to Ferguson Waterworks at the June 7, 2021 Board meeting. Ferguson Waterworks subsequently was unable to honor the pricing and sign the contract due to ongoing force majeure issues with obtaining materials. Staff requests the Board rescind approval of Item 4C Part II IFB 21-023. Commissioner Drummond moved for approval with a question and Commissioner Zoghby seconded.

Mr. McCrory continued and said even though Ferguson Waterworks was unable to sign the contract; staff still has to purchase the needed materials. Staff will seek pricing from multiple vendors each time the materials are to be purchased and we are asking the Board for approval of purchasing authority up to \$105,000. Suppliers could not hold pricing, as they are unsure of the amount they will be paying for the materials over the next six months.

Commissioner Drummond asked for clarification of the bid price. Are we being held at bay by the vendor or the supplier? Mr. McCrory responded and said the supplier. Commissioner Drummond continued and asked if that is customary across the board with other industries. Mr. McCrory said after checking with both Montgomery Water Works & Sanitary Sewer Board and Birmingham Water Works, they are having the same issues with their suppliers.

Commissioner Drummond asked if this is why the term '*blanket approval*' is used and Mr. McCrory answered yes, it is.

Commissioner Nichols said that in reviewing the supporting documents, there is not a fixed dollar amount for Board approval. Is there a timeline on when an amount can be set for a bid to enter into another contract? Mr. McCrory responded and said staff is asking for a three to six month process from our suppliers. The request brought to the Board today is for *up to* \$105,000 to cover a six-month period, as we do not have a definite date on when this force majeure crisis will lift.

Commissioner Nichols continued and said the contract term for this item is July 1, 2021 – June 30, 2022; the Board hopes staff can solidify a date prior to the end of this request. Ms. Russell addressed the Board and said she has contacted the State of Alabama (*Ferguson Waterworks has a piece of the state contract*) and we will use that as much as possible. Ferguson Waterworks has stated they are able to guarantee and lock in our pricing for thirty-day increments only. Commissioner Drummond asked if staff is aware of what is causing this and Ms. Russell answered and said this issue is happening with every vendor due to the volatile current market. The motion then carried with the unanimous vote of the Board present.

Mr. McCrory continued and requested approval of Item 4C Part I Blanket Approval to Purchase MJ, DI Pipe and Fittings without a Contract up to \$105,000 for 2021. As Ms. Russell mentioned, we will approach the State Bid Listing first and if they are able to honor the pricing, we will use that list. Commissioner Drummond moved for approval and Commissioner Zoghby seconded. The motion then carried with the unanimous vote of the Board present.

Item 4D

IFB 21-026 Annual Contract – Cam Lock Retainer Glands

Supplier: Consolidated Pipe

Contract Period: 8/1/21-7/31/22

2021 Est Value: \$25,000

2020 Est Value: \$25,000

Mr. McCrory stated there were three bidders for this contract and we ask the Board to approve the award to Consolidated Pipe in the amount of \$25,000. Commissioner Nichols moved for approval and Commissioner Zoghby seconded. The motion then carried with the unanimous vote of the Board present.

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Item 4E Sole Source Purchase of Endress + Hauser Waterpilots

Supplier: TriNova

Contract Period: 7/1/21-6/30/24

2021 Est Value: \$75,000

2020 Est Value: \$40,000

Mr. Cote addressed the Board and said this item is to create a new contract for the purchase of this sole source item, pressure transducers used in our lift stations and treatment plants. The pressure sensor controls the equipment within the stations and plants. We ask for approval of spending authority, not to exceed \$75,000. There are two different pressure transducers; one is a 22-millimeter diameter pressure transducer in the amount of \$1,056.40 each and the other is a 42-millimeter diameter pressure transducer in the amount of \$1,184.99 each. Referencing an earlier purchase, with annual contracts, staff will only purchase the quantities needed. The 2020 pricing was not for an annual contract, which explains the price differential to the 2021 request. We have typically purchased the transducers as separate items in quantity. The quantities are exceeding the amount as required for bidding, leading this request to be presented as a sole source purchase. If approved as requested, staff will not have to bring this item back to the Board this year. Commissioner Nichols moved for approval with a question and Commissioner Drummond seconded.

Commissioner Nichols commented that based on supporting documents, approximately twelve years ago, it was internally decided to make this a sole source item in the standard specifications. Since that time, have there been efforts made to determine if another product has been introduced to the market that is competitive in pricing with comparable or even better durability? Mr. Cote responded and said not to his knowledge in regards to the reliability of the item. Utilizing them in a wastewater application makes the dependability critical to lift station operations. If the lift station fails, it would result in sanitary sewer overflows, which is why we have continued with this supplier.

Mr. Herman addressed the Board and said they have tested several other products over the last ten years. They have had rubber and stainless steel diaphragms, but once introduced to wastewater they experienced failure of the sensors.

Chair W. Bell asked if this would be an annual contract going forward. Mr. Cote responded and said that is correct, quantities have increased to the point that an annual contract is needed so that we can pursue them on an as needed basis with expenditure not to exceed authorization as approved by the Board. In 2020, we spent \$40,000 without an annual contract. The motion then carried with the unanimous vote of the Board present.

Legal was next and Attorney Dean said there are matters appropriate for discussion in an Executive Session.

Unfinished Business was next and they are as follows:

Item 6A IFB 21-024 Annual Contract – Fire Hydrants

Supplier: Ferguson Waterworks

Contract Period: 7/1/21-6/30/22

2021 Est Value: \$190,700

2020 Est Value: \$180,000

Mr. Russell presented this item for approval to the Board. Purchasing received bids in May 2020; at the June 2021 Board meeting the item was held over in order to have further discussions with the bidders. The apparent low bidder was Core & Main with a combined total of \$207,529 with the second low bidder being Ferguson Waterworks in the amount of \$211,198.61. Core & Main contacted MAWSS and informed us they would not be able to adhere to the delivery schedule as indicated, giving a possible delivery date of August 2021. Once this was confirmed, the bid was considered non-responsive. Ferguson Waterworks was contacted and they are able to meet the delivery schedule as indicated. They have offered to keep the item in stock at their warehouse so that MAWSS would have them as needed. Staff considers them to be responsive and recommend award by the Board.

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Commissioner Zoghby moved for approval and Commissioner Nichols seconded. The motion then carried with the unanimous vote of the Board present.

Item 6B Facilities for Acceptance

Chaparral Subdivision – Conditionally Accepted November 9, 2020
Encroachment Permit from Gulf South Pipeline Company, LLC.

Mr. Russell continued addressing the Board and stated this item was originally presented and '*conditionally accepted*' by the Board on November 9, 2020. The encroachment permit was to be received by December 2, 2020 and if not, Commissioner Drummond requested it be brought back to the Board.

The permit was submitted to MAWSS in June 2021 and staff requests that the Board acknowledge receipt of the permit. Commissioner Drummond moved for approval and Commissioner Nichols seconded. The motion then carried with the unanimous vote of the Board present.

New Business was next and they are as follows:

Item 7A McCrory & Williams Project No. M5712-2643 2019 Annual Contract for Cured-In-Place Pipe Rehabilitation of Small Diameter Sanitary Sewer Mains

Mr. Russell presented this request to the Board to add Gulf Coast Underground and S & P Liner as additional subcontractors on the referenced project. This addition does not affect their DBE participation and it remains the same. Staff recommends approval from the Board. Commissioner Drummond moved for approval and Commissioner Nichols seconded. The motion then carried with the unanimous vote of the Board present.

Item 7B McCrory & Williams Project No. M5712-2696 2021 Annual Contract for Cured-In-Place Pipe Rehabilitation of Large Diameter Sanitary Sewer Mains

Mr. Russell continued and said S & P Liner, LLC is requesting to add Smith Industrial Services (SIS) to perform cured-in-place-pipe work to the list of approved subcontractors. This does not affect the DBE participation of the contract and staff recommends approval from the Board. Commissioner Nichols moved for approval and Commissioner Gonzalez seconded. The motion then carried with the unanimous vote of the Board present.

Item 7C Public Works Cooperative Agreement – City of Mobile & MAWSS Texas Street Rehabilitation from Ann Street to Broad Street

This item is similar to cooperative agreements that have been presented to the Board in the past, and it is for the Texas Street Rehabilitation Project from Ann Street to Broad Street. Mr. Russell said the total bid cost for the water and sewer related improvements was \$1,987,820.23. Staff has budgeted \$700,000 in 2021 for this work with the remaining balance to be budgeted in 2022, if the Board so chooses to enter into this agreement with the City. This is an opportunity for us to renew our water and sewer at 30%-50% of normal associated costs if we completed the repairs ourselves. Staff feels this is a good arrangement for MAWSS and we recommend the agreement for approval. Commissioner Drummond moved for approval with a question and Commissioner Nichols seconded with a question.

Commissioner Drummond said she is in agreeance with Mr. Russell. This is a much needed project for this older area of the City. Does staff have the total costs available that will be related to the project? Mr. Russell answered and said he believes the total costs are in the \$6,000,000 dollar range, but he will make certain and get the information back to the Board.

MAWSS will pay in two installments, \$700,000 upon signing the agreement and the remaining balance for our portion of the work will be due in January 2022. Both payments will come from the same budget, which will be budgeted for the payments being processed in separate years. The timeline for completion of the project is approximated at 18 months.

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Commissioner Nichols commented, as this is a City only project without ALDOT participation, MAWSS is responsible for 100% of the improvement costs. Has the project bid yet? Mr. Russell replied, yes MAWSS is responsible for 100% of improvement costs and the City has bid the project. The agreement prices represent the bid numbers. The contractor for the City is John G. Walton Construction Company. They are using Construction Labor Services (CLS) as a subcontractor.

Chair W. Bell asked if MAWSS receives DBE requirements from the work performed by MAWSS. Mr. Russell responded and said this is a City contract that bid with its own requirements to the bid and MAWSS does not receive any addition to the requirement. The City has a 15% requirement. The motion then carried with the unanimous vote of the Board present.

Item 7D McCrory & Williams Project No. M5712-2652 2019 Annual Contract for Cleaning of 15" through 54" Various Sanitary Sewer Segments, with Force Account #1

Mrs. Clark addressed the Board and said staff asks for approval in the amount of \$220,996.94 for emergency work that was associated with the cleaning and videoing of the Cypress Shores sanitary sewer overflow. Commissioner Zoghby moved for approval and Commissioner Drummond seconded. The motion then carried with the unanimous vote of the Board present.

Item 7E McCrory & Williams Project No. M5712-2690 2021 Annual Contract for Access Roads, with Force Account #1

Mrs. Clark continued, and said staff asks for approval in the amount of \$432,769.36 for access roads and erosion control measures associated with the Cypress Shores sanitary sewer overflow. Commissioner Zoghby moved for approval and Commissioner Nichols seconded. The motion then carried with the unanimous vote of the Board present.

Item 7F Proposed Revision to Investment Policies and Procedures for the Section 115 Discretionary Trust (GASB 45) (OPEB)

Mr. McCrory addressed the Board and said staff requests to table this item and resubmit to the Board at a later date. This will provide staff additional time to meet with the Finance/Risk Management Committee.

Item 7G CH2MHill/Jacobs Project No. 697482 Three Mile Creek SWAT Facility (*late agenda submittal*)

Mr. Cote presented this item to the Board for approval. Max Foote Construction Company, LLC requests to replace the original subcontractor, Landscape the South with proposed landscaping contractor, Hydroseed Pros. Landscape the South is a DBE and due to numerous deficiencies in their performance, which they have not corrected, the contractor has chosen to change landscapers for the project. We ask the Board to approve this request.

Commissioner Gonzalez moved for approval and Commissioner Nichols seconded. Chair W. Bell asked if both subcontractors are DBE's and Mr. Cote responded said Hydroseed Pros is not a DBE but it does not change the proposed DBE percentage of the contract as submitted in the subcontracting plan. The motion then carried with the unanimous vote of the Board present.

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

Item 8 Information Only

- A. Sole Source Purchase of Electrical Parts from Endress + Hauser/TriNova
Supplier: Endress + Hauser/TriNova
Est Value: \$24,747.82

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- B. Sole Source Purchase Flygt Parts for Perch Creek LS
Supplier: Jim House & Associates
Value: \$21,419
- C. Ext 1 MAWSS 20010 Annual Contract – Easement Vegetation Maintenance
Year Two
Supplier: Robinson Landscaping
Contract Period: 9/1/21-8/31/22
2021 Value: \$281,250
2020 Value: \$281,250
- D. Driven Engineering Project No. 19008 Halls Mill Creek Sewer Abandonment
Change Order No. 1
Original Contract Amount: \$597,197.66
This Change Order: +\$12,000.00 2.01%
Total Revised Contract Amount: \$609,197.66
- E. Jacobs Project No. D3385400
Change Order No. 1
Original/Current Contract Days: 210
Additional Contract Days: 45
Revised Contract Days: 255
- F. McCrory & Williams Project No. M5712-2650
Eslava Creek Force Main Replacement Phase II: Perimeter Road to Broad Street
[Confirmation of Directors Award, June 7, 2021]
Low Bidder: Hemphill Construction Company, Inc.
Amount: \$15,137,460
- G. Disclosure of Property Purchases:
1. Mobile County Key No. 4003541
2. Mobile County Key Nos. 1468584, 897952, 1468557, 1468548, 1468539, 1468593, 1468520, 1468511, 1468502
3. Mobile County Key Nos. 4003517, 1514374
- H. Consultant Project Status Reports
(May 2021)
1. Asarisi & Associates, LLC
2. CERM (*No Active Projects*)
3. Constantine Engineering
4. Dewberry
5. Driven Engineering, Inc.
6. GMC
7. HDR
8. Isaiah Engineering, Inc.
9. Jacobs
10. McCrory Williams
11. Mobile Group, Inc.
12. Mott McDonald
13. Neel Schaffer, Inc.
14. Stantec
15. Volkert, Inc.

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There being no further business to come before the Board at 2:45 p.m., Commissioner Drummond moved to adjourn to Executive Session and Commissioner Nichols seconded. The motion then carried with the unanimous vote of the Board present. At 2:50 p.m. the Board convened into **Executive Session**.

The next regular meeting is scheduled for August 2, 2021 at 2 p.m.



Thomas Zoghby, Secretary-Treasurer