The City Council of the City of Mountain Brook, Alabama met in public session in the Pre-council Room (A106) of City Hall at 6:00 p.m. on the 28th day of October, 2019. The Council President called the meeting to order and the roll was called with the following results:

Present: Virginia C. Smith, Council President
William S. Pritchard III, Council President Pro Tempore
Philip E. Black
Lloyd C. Shelton
Alice B. Womack
Stewart Welch III, Mayor

Absent: None

Also present were City Attorney Whit Colvin, City Manager Sam Gaston and City Clerk Steven Boone.

1. EXECUTIVE SESSION

Council President Smith made a motion that the City Council convene in executive session to discuss a real estate matter and another matter involving a strategy in preparation for negotiations between the governing body and a group of public employees. The motion was seconded by Council President Pro Tempore Pritchard. Then, upon the question being put and the roll called, the vote was recorded as follows:

Ayes: Virginia C. Smith, Council President
William S. Pritchard III, Council President Pro Tempore
Philip E. Black
Lloyd C. Shelton
Alice B. Womack

Nays: None

The Council President Smith declared that the motion passed by a vote of 5—0 and then requested that the audience members leave the room and will be recalled upon conclusion of the executive session. The pre-meeting resumed at approximately 6:30 p.m.

2. RECOGNITION OF GUESTS

Council President Smith recognized Boy Scouts John Webb and Philip Cook of Troop 53.

3. AGENDA

1. Chamber of Commerce Semi—Annual Report to the City (Molly Wallace showed a video report to the audience.)

2. Discussion of expanding areas in Mountain Brook Village for prohibiting employee parking and reducing parking time from 4-hours to 3-hours - Ro Burrow and Molly Wallace (Appendix 1, Ordinance No. 2060 was added to the formal meeting agenda)

3. SRO Agreement with Board of Education (Appendix 2, This matter was continued for later discussion as the City is awaiting comments from School Board officials.)
4. Street Light request between 2428-2430 Mountain Brook Circle—Sam Gaston (Appendix 3, The City Manager was asked to notify area residents of the planned change and this matter shall come back for consideration on November 12, 2019.)

5. Caldwell Mill Road bridge replacement options and grant opportunities—Sammy Harton of Gresham Smith Partners (Resolution No. 2019-162 was added to the formal meeting agenda.)

6. Re-landscaping around the Jemison Trail pedestrian bridge—Sim Johnson (Resolution No. 2019-163 was added to the formal meeting agenda.)

7. Library Board appointment—(This matter was tabled for discussion.)

8. Act 2019-132 allowing cities to provide Tier 1 pension benefits to its Tier 2 employees—Steven Boone (Due to time constraints, this matter was tabled for discussion during the formal meeting.)

9. Review of the other matters to be considered at the formal (7 p.m.) meeting

4. ADJOURNMENT

There being no further matters for discussion, Council President Smith adjourned the pre-meeting at approximately 7 p.m.

5. CERTIFICATION

I, Steven Boone, City Clerk of the City of Mountain Brook, Alabama, certify the above is a true and correct synopsis of the discussion from the work session of the City Council of the City of Mountain Brook, Alabama held at City Hall, Pre-Council Room (A106) on October 28, 2019, and that the meeting was duly called and held in all respects in accordance with the laws of the State of Alabama and bylaws of the City and that no formal action or votes were conducted at said work session.

City Clerk
Approved by City Council November 12, 2019
Sam Gaston

From: Suzan Dodge
To: Sam Gaston, bunya@mywebbook.org, cosco@mywebbook.org, Alice Woman@calvertcreditunion.com
Subject: Parking in Mt. Brook Village

FYI

Sent from my iPhone

Begin forwarded message:

From: "tnw@calvertcreditunion.com" <tnw@calvertcreditunion.com>
Date: September 20, 2019 3:23:40 PM EDT
To: Suzan Dodge <suzan@employeewebchamber.org>
Subject: Parking in Mt. Brook Village

Hey Susie,

We have received the ordinance on parking and understand the need for optimum economic benefits. The reason I am reaching out is for two reasons:

Firstly, our customers have consistently complained THAT THERE IS NOWHERE TO PARK and secondly, we are asking if the church giving up a portion of their parking spots and running a tram, golf cart or trolley could be rethoughted.

We are also concerned about when Mt. Brook Elementary has their sports/field days... the majority of the Mt. Brook Elementary/Kreithmoor Rd parking spots are full by 7:45 am with parents/family and there's no extra spots for employees on that side of the village whose "in" time isn't until 9 am or after. Would it be possible on those days if the employees of the village would be able toexcerpt any parking tickets if they had to park elsewhere?

We're just trying to have solutions to a frustrating and ongoing problem.

Much thanks!

Emily

Sam Gaston

From: Janell Forbes
To: Suzan Dodge, Myra Waite, Sam Gaston, Rozsita Burnaw
Subject: City of Mountain Brook

Self called to voice his opinion against the new parking ordinance. With the ordinance prohibiting parking on Canstucky Rd, all the employees will park on his side on MBV. He doesn't think the ordinance should only restrict parking on one street.
Minute Book 90

October 28, 2019

Sam Gaston

Send: Ted Cook
Send: Wednesday, September 11, 2019 3:33 PM
Send: Sam Gaston
Subject: Re: MBV Parking

Jackie’s response to the question about her route and ticketing:

Chief, I can’t see if existence my duties in MBV other than I probably will write less tickets on Culver, Petticoat and Cahaba. When the employees see me writing tickets on Canterbury, they will start moving their cars (which is a good thing). The only possible problem I see is with the No Employee parking. Employees will move more than likely start parking on Petticoat and Culver Rd. This could create a problem on these other streets.

Chief Ted Cook
Mountaintop Police Department
101 Tilders Rd.
Mountaintop, AL 35213
(205) 862-3552

On Tue, Sep 10, 2019 at 4:53 PM Sam Gaston <gaston@mountbook.org> wrote:

Regarding going from 4 hour to 3 hour parking in MBV, if Jean Clayton is the only person who mentioned it, then I am not sure we need to ask the rest of the village, just leave it at 4 hours. Dan says she has received no comments or complaints about the 4 hour parking. Your thoughts?

Ted-if we did make MBV 3 hours and kept 4 hours in the other 2 villages, how would this affect Jackie’s schedule? Do parking employees have time to walk a copy of the ordinance around to all the village?

Could be that a few village employees from other streets that might occasionally park on Canterbury Road.

Sam S Gaston
City Manager

The petition to remove Ordinance No. 2056

This is a signed petition to remove ordinance no. 2056 issued on behalf of one merchant’s complaints. In addition, any employee associated with any business located in Mountain Brook Village to park any motor vehicle on Canterbury Road. The majority of employees of Mountain Brook Village are also paying customers to other merchants in Mountain Brook Village. The ordinance is unfair and one sided.

We, the undersigned, are concerned citizens who urge our leaders to act to remove Ordinance No. 2056.

Dorie King Nick Els
Marcia Twitchy Marcia Austin
Wendy Ann Achieved
Cherri Dean Allison Brown
Allison Monley Allison Monley

Chi Ranieri Chi Ram

October 8, 2019

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A survey was done by staff during the summer of 2019, regarding the number of employees in the traditional village (notes Lake Park and Village Demographics) at a peak hour, compared to the number of all-day employee parking (on-street parking combined with private, on-site parking). The results indicated that there is a small surplus (7 parking spaces) on all-day parking when compared to the employee need.
Agreement for Student Resource Officer Program
City of Mountain Brook, Alabama and City of Mountain Brook BOE

This Agreement for Student Resource Officer Program ("Agreement") is made and entered into effective as of October 1, 2019 (the Effective Date) by and between the City of Mountain Brook, Alabama ("City"), and the City of Mountain Brook Board of Education (the "Board"). The City and Board may be individually referenced herein as a "Party" or collectively as "Parties.

WHEREAS, the City and Board have previously entered into a Memorandum of Understanding (the "MOU") wherein:

WHEREAS, when this Agreement becomes effective, the MOU will terminate, but the Parties desire to continue the SRO Program pursuant to the terms, conditions and provisions herein; and

WHEREAS, when this Agreement becomes effective, it shall supersede and replace the MOU in its entirety.

NOW, THEREFORE, in consideration of the respective agreements, premises, representations and warranties of the Parties, and for other good and valuable considerations, the receipt and sufficiency of which is acknowledged by the Parties, the City and Board agree as follows:

1. Objectives. The Parties desire to operate the SRO Program pursuant to the terms, conditions and provisions herein, and anticipate that, through cooperative efforts of their officers, City law enforcement officers, students, parents, schools, and the community, that Program will achieve the following objectives:

(a) help provide a safe and secure environment in schools and the areas immediately surrounding them;
(b) assist the Board maintain conditions at its schools that are conducive to learning;
(c) reduce or limit activity by students;

2. Definitions. (a) "Board" shall mean the Board of Education for the City of Mountain Brook.

3. Duties. The City shall assign and supervise a full-time police officer who has completed basic law enforcement training to the Board and who is assigned to the Board as a school resource officer ("SRO") for the purpose of providing law enforcement services and community relations in accordance with the Agreement.

4. Training. The Board shall provide basic and continuing training to the SRO in accordance with the training requirements established by the City and Board.

5. Discipline. The SRO shall comply with the City's rules and regulations governing the conduct of its employees.

6. Expenses. The City shall pay all expenses incurred in connection with the SRO Program.

7. Review. The City and Board shall review the SRO Program at least annually and report their findings to the City Council and Board, as applicable.

8. Termination. This Agreement shall terminate on the Effective Date or earlier by mutual agreement of the Parties.

9. Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings or negotiations.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama.

11. Amendments. This Agreement may be amended only by written agreement of the Parties.

12. Headings. The headings of the sections, parts, and paragraphs of this Agreement are for convenience only and shall not affect the meaning or interpretation of this Agreement.

13. Counterparts. This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

City of Mountain Brook
By: ____________________________
Title: __________________________

City of Mountain Brook Board of Education
By: ____________________________
Title: __________________________

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October 28, 2019
(i) Services Outside Scope of Agreement. The following services that a City Police Officer (whether or not designated as an SRO) performs in connection with Board functions and activities shall not constitute the scope of this Agreement and the SRO Program:

(ii) Except for the Overtime Work by an SRO or as determined and discussed above in Section 3(j), services performed for the Board after regular school hours or days for an athletic, extra-curricular or other Board-sponsored event at School. The Board may request and receiving the benefit of such off-duty service shall compensate the officer for that work based on understandings that have been or will be negotiated independent of this Agreement;

(iii) Any services performed in connection with a class retreat, athletic event or other Board function that does not occur at a School site. Requests for law enforcement services for such an event shall be approved in advance by the City and shall be subject to the Board fully reimbursing the City for all costs related thereto.

4. City’s SRO Program Expense/Cost Sharing by Board.

During the Term the City will bear the expense of performing its responsibilities hereunder for the SRO Program, maintain records substantiating the actual costs of the Program, and make those records available to the Board on reasonable, advance request. The elements of the SRO Program include, but are not limited to, the expense of labor and benefits for up to six (6) SROs that the City will assign to the Program, uniforms, law enforcement equipment, costs of capital transfers for vehicle replacements, training expenses incurred by these City officers required for them to be certified for SRO services and the City’s cost for a Police Department representative to attend the first PTA meeting at a School during an academic-year and regular monthly meetings of the Board (specifically, the “City’s SRO Program Costs”). If an SRO performs Overtime Work for educational events, functions and matters (see Section 3(j) above), the accounting purposes the expenses of that Work will not be treated as an expense of the SRO Program.

Beginning in the Effective Date, the Board shall reimburse the City for 50% of the City’s SRO Program Costs for the first 12 months of the Agreement and for 100% of Overtime Work performed by SROs. Within ten (10) days following each calendar month during the Term, the City will submit invoices to the Board indicating the City’s SRO Program Costs (and any Overtime Work) attributable to the preceding month, and the Board shall remit payment for those invoices within fifteen (15) days following receipt. Within sixty (60) days following each twelve-month period of the Term (or other month immediately following termination of the Agreement), the Parties will confer to reconcile any variances in amounts billed by the City and actual amounts owed by the Board for the City’s SRO Program Costs (or Overtime Work) during the preceding twelve month period (or other months preceding termination). If the Parties determine in that reconciliation process that the City under billed or the Board overpaid City’s SRO Program Costs (or Overtime Work) for the period that is reconciled, the reconciled amount will be paid by the Party owing that amount to the other within ten (10) days after conclusion of such process.

5. Request by Board for Material Modification of Agreement. The Board acknowledges that the City has invested significant resources to employ and train additional law enforcement officers to meet its commitment herein to furnish six (6) designated SROs to perform SRO duties. Consequently, if the Board subsequently requests that the City amend this Agreement to increase or decrease the number of designated SROs contemplated herein or make any other modifications to this Agreement or the SRO Program that, in the City’s sole judgment, materially affects the City’s SRO Program Costs, the Board must provide the City a transition period of up to six (6) months to implement any such agreed modification (an “Implementation Period”) and compensate the City for any previously unbudgeted costs that may accrue during or at the end of that Period to make any such change. By way of example, if the Parties agree to amend this Agreement to adjust a request from the Board that the City increase the number of designated SROs from 6 to 7, the Board, as a condition for any such amendment, the City may require that the Board pay the City’s cost to employ and train an additional law enforcement officer or new SRO during the Implementation Period. Conversely, if the Board were to request that the City agree to reduce the number of designated SROs from 6 to 4, as a condition of any such Amendment the City may require that, in order to minimize its risk and cost of having overstaffed with law enforcement personnel at the end of Implementation Period, it have the unilateral discretion to remove designated SROs from the SRO Program, furnish less than 6 SROs and realign the SROs who are expected to be deployed by the amendment to other positions in the Police Department that may become available at any time during that Period.


(a) Entire Agreement. This Agreement sets forth the entire understanding between the Parties concerning the matters and subjects herein, and all oral representations, prior negotiations, understandings, agreements, conditions, and terms discussed between them prior to acceptance and signing of this Agreement are deemed to be merged herein and of no effect unless expressed herein.

(b) Counterparts. This Agreement may be executed in counterparts each of which when executed by the Parties shall be deemed to be a complete original. An electronic or facsimile copy of the executed Agreement or counterpart shall be deemed to be, and shall have the same legal force and effect as, an original document.

IN WITNESS WHEREOF, the undersigned, duly authorized officials of the Parties have executed this Agreement on behalf of their respective organizations.

City of Mountain Brook, Alabama
By: __________________________
In: Mayor
Date ________________

City of Mountain Brook Board of Education
By: __________________________
In: Superintendent
Date ________________

(Signature Page Follows)
Allen

There is a utility pole between 2428-2430 Mountain Brook Circle. Here is a photo. It is between the concrete block apartments on this short cul-de-sac off of Heberlam Road. Behind the utility pole is a walking path from Mountain Brook Village to Heberlam and Mountain Brook Elementary School and field.

Con's street light goes on this pole and be turned over the path, not towards the apartments?

Sam S. Gaeton

City Manager
City of Mountain Brook, Al.
51 Church Street
P.O. Box 13009
Mountain Brook AL 35213

(205) 802-3593 Phone
(205) 870-3577 Fax

--- Original Message ---
From: Sam Gaeton
To: hale@energysector.org
Sent: Monday, October 14, 2019 4:37 PM
Subject: Between 2428-2430 Mountain Brook Circle

There is a utility pole between 2428-2430 Mountain Brook Circle. Here is a photo. It is between the concrete block apartments on this short cul-de-sac off of Heberlam Road. Behind the utility pole is a walking path from Mountain Brook Village to Heberlam and Mountain Brook Elementary School and field.

Con’s street light goes on this pole and be turned over the path, not towards the apartments?
MINUTES OF THE REGULAR OF THE
CITY COUNCIL OF THE CITY OF MOUNTAIN BROOK
OCTOBER 28, 2019

The City Council of the City of Mountain Brook, Alabama and met in public session in the City Hall Council Chamber at approximately 7:00 p.m. on the 28th day of October, 2019. The Council President called the meeting to order and the roll was called with the following results:

Present: Virginia C. Smith, Council President
         William S. Pritchard III, Council President Pro Tempore
         Philip E. Black
         Lloyd C. Shelton
         Alice B. Womack
         Stewart Welch III, Mayor

Absent: None

Also present were City Attorney Whit Colvin, City Manager Sam Gaston and City Clerk Steven Boone.

The Council President stated that a quorum was present and that the meeting was open for the transaction of business

1. PRESENTATION

Mayor Welch read aloud and presented the American Indian Heritage Month Proclamation (No. 2019-157) to Ms. Jessie Schniper.

2. CONSENT AGENDA

Council President Smith announced that the following matters will be considered at one time on the consent agenda provided no one in attendance objects:

Approval of the minutes of the October 14, 2019, regular meeting of the City Council

2019-157 American Indian Heritage Month proclamation

2019-158 Recommend to the ABC Board the issuance of a 070 – Retail Table Wine (Off Premises Only) license to Phoenix Wines, LLC (Trade name Finch Fine Wines) located at 2737 Highway 280, Suite 144, Mountain Brook, AL 35223

2019-159 Authorize the execution of an agreement with the Birmingham-Jefferson County Transit Authority (BJCTA or MAX) for their provision of public transportation services in the City for fiscal year ending September 30, 2020

2019-160 Authorize the execution of a contract between the City and Strengths Consulting, Inc., with respect to a city-wide employee engagement survey and related manager training

2019-162 Authorize Gresham Smith to prepare on behalf of the City a $250,000 Rebuild Alabama Act 2020 grant application with respect to the Caldwell Mill Road bridge replacement due on or before November 30, 2019
2019-163 Approve the bank stabilization, grading/drainage and (temporary) reforestation proposal in the vicinity of the pedestrian bridge located in Jemison Trail the estimated cost related thereto of $30,000 to be shared equally between the City and Friends of Jemison Park

Thereupon, the foregoing minutes, proclamation and resolutions were introduced by Council President Smith and a motion for their immediate adoption made by Council member Black. The minutes, proclamation and resolutions were then considered by the City Council. Council member Womack seconded the motion to adopt the foregoing minutes, proclamation and resolutions. Then, upon the question being put and the roll called, the vote was recorded as follows:

Ayes: Virginia C. Smith, Council President
William S. Pritchard, Council President Pro Tempore
Philip E. Black
Lloyd C. Shelton
Alice B. Womack

Nays: None

Council President Smith thereupon declared that said minutes, proclamation (No. 2019-157) and resolutions (Nos. 2019-158 through 2019-160, 2019-162 and 2019-163) are adopted by a vote of 5—0 and that and as evidence thereof she signed the same.

3. CONSIDERATION OF AN ORDINANCE (NO. 2060) ESTABLISHING TIME RESTRICTIONS FOR ON-STREET PUBLIC PARKING IN MOUNTAIN BROOK VILLAGE (BY CHANGING ALL SHORT-TERM 4-HOUR PARKING TO 3-HOUR PARKING) (EXHIBIT 7, APPENDIX 6)

The ordinance was introduced in writing by Council President Smith who then invited comments. There being no comments or questions, President Smith called for a motion. Council President Pro Tempore Pritchard made a motion that all rules and regulations which, unless suspended, would prevent the immediate consideration and adoption of said ordinance be suspended, and that unanimous consent to the immediate consideration of said ordinance is given and that the reading of the ordinance at length be waived. The motion was seconded by Council member Black. Thereupon, Council President Smith called for vote with the following results:

Ayes: Virginia C. Smith
William S. Pritchard, III
Philip E. Black
Lloyd C. Shelton
Alice B. Womack

Nays: None

The Council President Smith declared the motion passed by a vote of 5—0.

After said ordinance had been considered in full by the Council, Council President Pro Tempore Pritchard moved for the adoption of said ordinance. The motion was seconded by Council member Womack. Thereupon, Council President Smith called for vote with the following results:

Ayes: Virginia C. Smith
William S. Pritchard, III
Philip E. Black
Lloyd C. Shelton
Alice B. Womack
Nays: None

The Council President Smith declared that the said ordinance (No. 2060) is hereby adopted by a vote of 5—0 and, as evidence thereof, she signed the same.

4. CONSIDERATION: ACT 2019-132 ALLOWING CITIES TO PROVIDE TIER 1 PENSION BENEFITS TO ITS TIER 2 EMPLOYEES (RESOLUTION NO. 2019-161, EXHIBIT 8, APPENDIX 7)

Council President Smith called on Steven Boone, Finance Director, to introduce the matter for discussion.

Steven Boone:
- The City joined the Employees' Retirement Systems of Alabama (RSA) in 1995 and shortly thereafter reported a funded status of 76%
- The City has realized a funded status of 84% in 1999, 86% in 2007. The City's funded status has since dropped to 64%-65% in 2013 where it has remained until the most recent reporting date of September 30, 2018.
- During this period, the City has contributed everything required by the actuaries plus an additional $11.8 million
- The Tier 1 pension benefit has been determined to be 35%+ more than the Tier 2 pension benefit (due to the hazardous duty addendum fire and law enforcement (FLC) service credit bonus combined with the higher pension benefit factor)
- The RSA has provided all cities with individualized case studies of the impact of the change, if implemented. The City's combined case studies show an increase in the unfunded actuarial accrued liability (UAAL) of $334,000 representing the Tier 2 to Tier 1 retroactive service credit.
- The increased UAAL shall be paid exclusively by the City over a 15-year period by a fractional percentage increase in the City's Tier 1 and converted Tier 2 wages. Additionally, the City's prospective normal cost for the converted Tier 2 employees shall be increased by approximately 2% of the converted Tier 2 wages. The estimated cost increase reported in the case study for year 1 is $80,500.
- As Tier 1 employees retire, the converted Tier 2 wages shall increase. Boone estimates the City's additional cost after full conversion to be $300,000+ (determined by applying the increased required contribution rate to the City's total salaries). This additional cost will not be realized in any year but rather incrementally as the Tier 1 employees retire and are replaced with employees with the same benefit structure rather than the lower retirement benefit Tier 2 employees.
- This analysis is somewhat different from other employers as Mountain Brook has already increased its Tier 1 employee withholdings to the maximum allowed. Employers who have not done so could realize a cost reduction by shifting 2.5% of their pension cost to their Tier 1 employees. This savings is temporary and will diminish over time as the Tier 1 wages decrease due to Tier 1 employee retirements.
- Since implementing this 2.5% cost transfer in 2012, the City's Tier 1 required contribution rate has almost doubled to 16%+ effective October 1, 2020. So, even those cities that shift a portion of their cost to the Tier 1 workers will experience an increase in their cost of the converted pension plan in the long run.
- Considering the City's current funded status and experiences, Boone does not recommend implementing the Tier 2 pension conversion plan and presented a resolution formally rejecting the change

Council member Shelton:
- The City has been concerned about the sustainability of the pension plan for well over a decade
- The City has contributed millions of dollars over the years more than actuarially required in order to improve the pension plan's financial condition
- The efforts have thus far not achieved the desired result
- In his view, an additional increase in the pension benefit is not prudent
Mr. Boone:
- In 2001 and 2007, the City contributed a total of $9 million in lump sums.
- The City planned to contribute $300,000 annually starting in 2008.
- After making the 2008 contribution, the City did not realize the anticipated funding improvement and discontinued the annual contributions (instead saving the money internally).
- In 2017, the City resumed its annual excess funding strategy contributing $600,000 in 2017, $610,000 in 2018, $638,000 in 2019 and has budgeted $640,000 for 2020.
- Boone still believes this strategy is exerting downward pressure on the City’s required contribution rate expressed as a percentage of payroll, however, the contribution rate is continuing to grow.
- If the Tier 2 conversion is implemented, the added cost will diminish to a degree the positive effects the current excess funding strategy is yielding.
- Additionally, the Council has passed a resolution stating that retiree cost-of-living adjustments and one-time bonuses shall not be granted until the City achieves a funded status of 90%. Those costs are born solely by the City and offset the benefits achieved through the over funding strategy.

Mayor Welch:
- Was shocked after taking office and learning of the City’s $25 million UAAL.
- Was concerned that the City had made employee promises that the City may not be able to fulfill.
- Out of this concern, the Council agreed to implement Mr. Boone’s recommendation to resume making annual contributions in 2017 starting at $600,000+
- Defined benefit pensions are very complicated.
- Considers corporate chief executive officers to be among the sharpest business leaders. Corporations began to terminate their defined benefit pension plans decades ago as they realized the long-term costs were exorbitant, difficult to manage and detrimental to the balance sheet.
- The actuarial model is based on historical life expectancies. As life expectancies increase, pension costs increase significantly.
- The Council is concerned about sustainability of the current 2-tiered model. Considers taking on more cost to be irresponsible.
- The City values its employees greatly but recommends that the current 2-tiered pension remain in effect.

Eric Meyer, a 16-year employee and Fire Lieutenant from Engine 3 on behalf of the City’s employee federation members:
- Mr. Boone presented the results of his analysis to employee groups this past week.
- Not all employees have been able to see or hear the information presented.
- The employee federation requests that the City delay action for at least two weeks to allow time to communicate with the remaining employees.
- Additionally, the employees would like to be involved in the discussion as to compensation and other budget changes that may ultimately be required to offset any future cost increases should the City determine later to implement the Tier 2 pension conversion.
- The postponement simply allows the federation to communicate the results of the RSA case study to the remainder of the employees.
- The employees do not see the harm in a delay.

After said resolution (No. 2019-161) had been considered in full by the Council, Council President Smith asked whether the members of the Council wished to vote tonight or delay.

Council member Black:
- Hears the request for a delay but does not see how it affects the data that the Council has been studying for months.
- Recommends the Council proceed with a vote tonight.
Council President Smith:
- Considering the information at-hand, agrees that the Council should vote “no” to the Tier 2 conversion plan
- Recognizes that new information may come available in the future and that a “no” vote tonight does not preclude the Council from revisiting this issue

Council member Shelton:
- The implementation date ends May 8, 2021
- Bad math does not improve with age and the numbers will not change over the coming two weeks
- Agrees further study is warranted but agrees the Council should not delay
- Is prepared to reconsider this matter should new information come to light

 Council President Pro Tempore Pritchard:
- Encouraged Mr. Meyer to continue his dialogue with Mr. Boone
- If one keeps the magnitude of the $31 million UAAL in perspective with respect to the City’s financials, no one can argue that this is not a huge problem for the City
- Agrees that the City should proceed with its vote to reject the Tier 2 conversion
- The City will have to remain vigilant is the management of its budget and operations in order to ensure that its employee promise can be honored

Council member Womack:
- Joined the Finance Committee the same year as Mr. Shelton
- At that time, the pension was the number one concern of the City and continues to be today
- Has nothing further to say that has not already been said

There being no further discussion, President Smith called for a motion to adopt the resolution rejecting the Tier 2 pension conversion plan. Council member Black made a motion for the passage of the resolution. The motion was seconded by Council President Smith. Thereupon, Council President Smith called for vote with the following results:

Ayes: Virginia C. Smith  
William S. Pritchard, III  
Philip E. Black  
Lloyd C. Shelton  
Alice B. Womack

Nays: None

The Council President Smith declared that the said resolution (No. 2019-161) is hereby adopted by a vote of 5—0 and, as evidence thereof, she signed the same.

5. ANNOUNCEMENTS

There will be a public hearing on Tuesday, November 12, 2019, to consider an ordinance adopting the 2018 building codes and 2017 electrical code.

The next regular meeting of the City Council will be November 12, 2019, at 7:00 p.m. in the Council Chamber of City Hall located at 56 Church Street, Mountain Brook, AL 35213.

6. ADJOURNMENT

There being no further business to come before the City Council, Council President Smith adjourned the meeting at approximately 7:30 p.m.
7. CERTIFICATION

I, Steven Boone, City Clerk of the City of Mountain Brook, Alabama, certify the above is a true and correct transcript of the regular meeting of the City Council of the City of Mountain Brook, Alabama held at City Hall, Council Chamber (Room A108) on October 28, 2019, and that the meeting was duly called and held in all respects in accordance with the laws of the State of Alabama and bylaws of the City and that a quorum was present.

City Clerk
Approved by City Council November 12, 2019

EXHIBIT 1

PROCLAMATION NO. 2019-157

Whereas, the history and culture of our great nation have been significantly influenced by American Indians and indigenous peoples; and

Whereas, the contributions of American Indians have enhanced the freedom, prosperity, and greatness of America today; and

Whereas, their customs and traditions are respected and celebrated as part of a rich legacy throughout the United States; and

Whereas, Native American Awareness Week began in 1976 and recognition was expanded by Congress and approved by President George Bush in August 1990, designating the month of November, as National American Indian Heritage Month; and

Whereas, in honor of National American Indian Heritage Month, community celebrations as well as numerous cultural, artistic, educational, and historical activities have been planned;

Now, Therefore, I, Stewart H. Welch III, Mayor of the City of Mountain Brook, Alabama do hereby proclaim, November, 2019, as:

"NATIONAL AMERICAN INDIAN HERITAGE MONTH"

and urge the residents of our community, and communities across the country, to observe this month with the appropriate programs, ceremonies and activities.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Mountain Brook to be affixed the 28th day of October of the year of our Lord 2019 and of the Independence of the United States of America, the 243rd.

Stewart H. Welch III, Mayor
EXHIBIT 2

RESOLUTION NO. 2019-158

BE IT RESOLVED by the City Council of the City of Mountain Brook, Alabama, that the City Council hereby recommends to the State of Alabama, Alcoholic Beverage Control Board, the issuance of a 070 – Retail Table Wine (Off Premises Only) license to Phoenix Wines LLC (trade name Finch Fine Wines), 2737 Highway 280, Suite 144, Mountain Brook, AL 35223.

BE IT FURTHER RESOLVED that the City Clerk is hereby instructed to forward a copy of this resolution to the State of Alabama, Alcoholic Beverage Control Board.

APPENDIX 1

EXHIBIT 3

RESOLUTION NO. 2019-159

BE IT RESOLVED by the City Council of the City of Mountain Brook, Alabama, that the City Council hereby authorizes the execution the Birmingham-Jefferson County Transit Authority (BJCTA/MAX) fiscal 2020 Transit Service Agreement, in the form as attached hereto as Exhibit A.

APPENDIX 2

EXHIBIT 4

RESOLUTION NO. 2019-160

BE IT RESOLVED by the City Council of the City of Mountain Brook, Alabama that the City Council hereby authorizes the execution of a contract for services between the City and Strengths Consultants, Inc., in the form as attached hereto as Exhibit A subject to such minor revisions as may be determined appropriate by the City Attorney, with respect to an employee engagement survey and related training services.

APPENDIX 3

EXHIBIT 5

RESOLUTION NO. 2019-162

BE IT RESOLVED by the City Council of the City of Mountain Brook, Alabama that the City Council hereby authorizes Gresham Smith and Partners to prepare (on behalf of the City) a Rebuild Alabama Act 2020 grant application with respect to the Caldwell Mill Road bridge replacement project.

APPENDIX 4

EXHIBIT 6

RESOLUTION NO. 2019-163

BE IT RESOLVED by the City Council of the City of Mountain Brook, Alabama that the City Council hereby approves the proposed bank stabilization, grading/drainage and (temporary) reforestation proposal in the vicinity of the pedestrian bridge located in Jemison Trail, in the form as attached hereto as
Exhibit A, the estimated cost related thereto of $30,000 to be shared equally between the City and Friends of Jemison Park.

APPENDIX 5

EXHIBIT 7

ORDINANCE NO. 2060

AN ORDINANCE ESTABLISHING TIME RESTRICTIONS FOR ON-STREET PUBLIC PARKING SPACES LOCATED IN MOUNTAIN BROOK VILLAGE

BE IT ORDAINED by the City Council of the City of Mountain Brook, Alabama, as follows:

Section 1. Short Term on-street parking spaces located within Mountain Brook Village are hereby restricted to three (3) hour parking, Monday through Friday between the hours of 8 a.m. and 5 p.m. when there is standing at or in the vicinity of said parking space(s) 3-hour restricted parking signs.

Section 2. Any person violating the provisions of Section 1 of this ordinance shall, upon conviction thereof, be punished within the limits and as provided by Section 50-107 of the Code of the City of Mountain Brook.

Section 3. Repealer. All ordinances or parts of ordinances heretofore adopted by the City Council of the City of Mountain Brook, Alabama, that are inconsistent with the provisions of this ordinance are hereby expressly repealed.

Section 4. Severability. If any part, section or subdivision of this ordinance shall be held unconstitutional or invalid for any reason, such holding shall not be construed to invalidate or impair the remainder of this ordinance, which shall continue in full force and effect notwithstanding such holding.

Section 5. Effective Date. This ordinance shall become effective immediately upon adoption and publication as provided by law.

APPENDIX 6

EXHIBIT 8

RESOLUTION NO. 2019-161

EXPRESSION OF OPPOSITION TO AND REJECTION OF THE TIER 3 PENSION (ACT 2019-132)

WHEREAS the Alabama Legislature has given local employers that participate in the Employees’ Retirement System of Alabama (RSA) the option of granting Tier 1 pension benefits to its Tier 2 employees upon the Legislature’s adoption of Act 2019-132; and

WHEREAS RSA participating employers have until May 8, 2021, to pass a resolution to irrevocably adopt the provisions of Act 2019-132; and

WHEREAS participating employers who have not previously implemented the provisions of Act 2011-676 and who elect to implement the Tier 3 pension must 1) increase Tier 2 employee contributions by 1.5% and 2) adopt a plan to increase its Tier 1 employees by 2.5% such employees receiving no benefit from the Tier 3 pension change; and
WHEREAS the City's pension plan achieved a funded status of 86% in 2007 (following a $7,000,000 extra cash deposit into the pension trust) and has since declined to 65% (considered "below average") as of September 30, 2018, which included the City's required RSA payments plus an additional $600,000 in 2017 and 2018 ($1.2 million total); and

WHEREAS the City's actuarially required total contribution to the pension plan is 23%+ of payroll and has increased at a compound annual growth rate of more than 7% since 2012; and

WHEREAS the City projects, based on a 2019 RSA case study, the City's cost differential between the Tier 1/Tier3 and Tier 2 plans to be $300,000+ annually to be realized incrementally over the coming 15—20 years and the total cost differential to be more than $540,000 annually; and

WHEREAS, based on experience, the City Council is deeply concerned that the current 2-tiered pension plan is unsustainable and that replacing the Tier 2 plan with a Tier 3 plan that provides benefits 35% greater than the Tier 2 plan can only worsen the pension plan's financial position;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mountain Brook, Alabama, the City hereby voices its objection to the provisions of Act 2019-132 and rejects the implementation of the provisions thereof due to the adverse effects on both the funded status of the City's RSA pension plan as well as the untenable required contribution currently in excess of 20% of covered payroll.

APPENDIX 7
4. The Department of Transportation is required to provide transportation services to the City of Mountain Brook, Alabama.

BIRMINGHAM-JEFFERSON COUNTY TRANSIT AUTHORITY TRAVEL SERVICE AGREEMENT

This Ten-Year Agreement (the "Agreement") is made and entered into by the BIRMINGHAM-JEFFERSON COUNTY TRANSIT AUTHORITY ("BTCA") and the City of Mountain Brook, Alabama ("City") as of the date hereof, which is October 1, 2019.

WHEREAS, the City, through its duly elected officials, has the authority to enter into agreements for the provision of public transportation services for the benefit of its citizens; and

WHEREAS, the BTCA was established by Alabama Legislative Act No. 491-102 to provide public transportation services and operate the Birmingham-Jefferson County Mass Transportation System ("System") in the City of Birmingham, Alabama; and

WHEREAS, Birmingham-Jefferson County Mass Transportation System ("System") and the City of Birmingham, Alabama, have entered into a franchise agreement ("Franchise Agreement") that provides for the operation and maintenance of the System in the City; and

WHEREAS, the City, through its duly elected officials, has the authority to enter into agreements for the provision of public transportation services for the benefit of its citizens; and

WHEREAS, the Agreement shall be entered into by the City and shall be subject to the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereto do hereby agree as follows:

1. Services Provided: The BTCA agrees to provide the City with public transportation services for the benefit of the citizens of the City, as set forth in this Agreement.

2. Terms of Agreement: The Agreement shall be effective as of the date hereof and shall continue in full force and effect for a period of ten years, unless terminated in accordance with the terms of this Agreement.

3. Amendments: Any amendments to this Agreement shall be in writing and signed by both parties.

4. Termination: Either party may terminate this Agreement upon ninety (90) days written notice, effective at the end of the then current term of this Agreement.

5. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

For the City of Mountain Brook:

[Signature]

For the BTCA:

[Signature]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

For the City of Mountain Brook:

[Signature]

For the BTCA:

[Signature]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

For the City of Mountain Brook:

[Signature]

For the BTCA:

[Signature]
proof of this Agreement or the terms of this Agreement, to purchase or account for more than one (1) of each item.

5. Definitions of the Parties. The parties are aware and understand that with respect to any adjustment or need for the Service, BCTA will be required to follow state and federal guidelines relating to adjustments and specifications of the Service. The parties will comply with any minimum of $500 pesos in order to provide various required services.

6. Capital Requirements (Ca. Debit). BCTA has generally charged for advances made to provide the Blue Service, if, at any time, BCTA believes the service shall be provided to the State of Tennessee, the parties acknowledge that they will be required to provide the advance payment in addition to any other required services. The parties will agree to accept as a collateral payment on the property they are using, the parties agree to the terms of any advances allowed for the service.

7. Exhibit/Notice Provisions. The parties understand and are aware that BCTA agrees to a notice in the same manner for the financial or non-financial service to be rendered hereunder. In the event any Party believes that the other Party is in default under this Agreement, the other Party may serve notice of the default. A further notice will be required to be served in the manner set forth below. This is understood and agreed to by the parties.

8. Service Within and Outside the Service Area. The Blue Service to be provided by BCTA under this Agreement covers the territory within the Service Area, as more particularly set forth in Exhibit CA. BCTA is not obligated to provide the Blue Service within the Service Area.

9. Indemnity and Insurance. BCTA is an independent contractor and assumes the risk of injury or loss. BCTA is not responsible for any loss or damage to property or person that may occur while providing the service. BCTA provides no warranty or guarantee of any kind, and assumes no liability for any consequential or incidental damages. BCTA shall not be liable for any loss or damage that may occur while providing the service.

10. completeness of Agreement. This Agreement constitutes the complete agreement between the parties and is subject to the approval of the BCTA Board of Directors.
We met with Graham Smith Partners today about this project. We had a much better turnout and response from residents on this bridge than the other two. They all seemed to want to see a bridge that was similar in some way. Graham Smith will be at our October 28th pre-meeting to discuss some options for us to consider. They plan to have a cost estimate for both versions of the bridge design mentioned above. The good news about the stone guards is that the bridge may not have to be too wide, which would make some roads more navigable. The width may not be as a concern. In addition, Graham Smith has a new great project, Rebuild Alabama. It's the Department of Transportation Alabama. Rebuild Alabama has announced a $50 million dollar grant to the State, effective for the State to spend on reimbursement for the bridge. Graham Smith will be bringing this research to Georgia's shareholders and state to see if it will be feasible for us to apply, since this bridge is being funded entirely with state monies. Supposedly this is a fast-track program with little oversight by AIDOT and we have most of the plans already prepared, plus we're an abstraction of our bridge using an AIDOT grant is pretty much the work we plan to do on these bridges in 2021-2022.

Graham Smith
October 25, 2022

Mr. Sam Gantt, City Manager
City of Mountain Brook
1404 Forest Road
Mountain Brook, AL 35213

Re: Stone Bridge for National Park Plan

Subject: Re: Stone Bridge for National Park Plan

The current proposal structure shows a Stone Bridge structure in a 5 inch wide concrete section and structure. The current proposal uses the least effective structure possible, the new bridge structure requires a much wider opening under the bridge, enough to accommodate the Stone Bridge, the new bridge structure requires a much wider opening under the bridge, enough to accommodate the Stone Bridge. Due to the lack of space for the bridge and the width of the structure, the bridge and parallel pavement were not feasible. The new bridge structure was proposed as a much better solution to both the width and space issues.

Choosing this proposal for the stone bridge will allow the structure to be reduced to 5 inches wide. Also, it will result in a lower cost for the City compared to the current structure. This is our proposed structure for the bridge, which will reduce the cost and width of the structure. The total cost is estimated at $1.5 million dollars for this structure.

Below is a summary of the additional costs for each scenario in the bridge structures over the new structure.

Graham Smith
October 25, 2022

Rebuild Alabama Act Annual Grant Program Fiscal Year 2020 Program Guidelines

This document contains information regarding the Rebuild Alabama Act (RAA) Annual Grant Program for Fiscal Year (FY) 2020. The RAA Annual Grant Program is administered by the Department of Transportation (IDOT). Proprietary project sponsors approved agencies are encouraged to thoroughly review this document, available for FY 2020 RAA Annual Grant Program Application and FAQ document, when considering developing a project application.

A. ELIGIBILITY:

Any political subdivision of the State of Alabama (Municipal and County Government) is eligible to apply for funding under the RAA Act for a project application.

Project applications may be submitted for improvements to any road or bridge awarded and maintained by the applicant to open public traffic.

The final eligibility of applications and proposed project activities will be determined by IDOT upon evaluation of the application submitted.

B. COMPETITIVE SELECTION:

RAA Annual Grant Fund awards are made through a competitive project selection process.

C. FUNDING:

The RAA Annual Grant Program was established by Act 451-2019. The program allocates funds totaling $10 million annually to符合条件的 projects as identified by IDOT during a fiscal year.

The maximum funding available to any project in FY2020 will be $20,000,000.

RAA Annual Grant program awards are made through a competitive project selection process.

RAA Annual Grant program awards are made through a competitive project selection process.

RAA Annual Grant program awards are made through a competitive project selection process.

RAA Annual Grant program awards are made through a competitive project selection process.
Rebuild Alabama Act (RAA) Annual Grant Program

FREQUENTLY ASKED QUESTIONS

What is the RAA Annual Grant Program? The RAA Annual Grant Program is an Alabama Department of Transportation (ADOT) administered grant program, which provides funds for projects of local concern initiated in the Rebuild Alabama Act of 2017.

What projects are eligible? Project applicants may be submitted for improvements to any civil road or public transit facility. Projects must be initiated by local governmental entity (county or municipal) within the state of Alabama.

How much funding can be requested? The maximum amount of funding per project is subject to funding available for any fiscal year. Please refer to the current fiscal year’s guidelines for details.

What is the total amount of a project allowed? The project total amount is limited by the provisions of the state and ADOT guidelines.

Is a special funding match required? There is no special funding match required by ADOT. However, project sponsors should include a funding match in their project application.

What is meant by “Business as usual” in the application? “Business as usual” is defined as the current level of funding provided by the state and ADOT for maintenance activities.

Has the project been approved by ADOT? The project must be approved by ADOT prior to the submission of the application.

What is meant by “is the project for a sustainable solution？” The project must be a sustainable solution that will reduce maintenance costs and increase the life of the project.

Will the project be required to have a sustainability plan? The project must have a sustainability plan that includes a sustainability checklist.

What is the purpose of the sustainability plan? The purpose of the sustainability plan is to ensure that the project is sustainable and will reduce maintenance costs and increase the life of the project.

Is there a dollar amount limit on the grant? Yes, the maximum grant amount is $500,000.

Are there any restrictions on the use of grants? Grantees are required to follow all ADOT and state guidelines and regulations.

Is there a deadline for applications? Applications must be submitted by the due date specified in the guidelines.

What happens after the application is submitted? After submission, the application will be reviewed by ADOT staff and a decision will be made.

What is the purpose of the review process? The purpose of the review process is to ensure that the project meets all guidelines and requirements.

What is the status of the project after approval? The project will be included in the annual grant program and the funds will be awarded.

Will the project be monitored during construction? Yes, ADOT will monitor the project during construction.

What is the purpose of the construction phase? The purpose of the construction phase is to ensure that the project is completed as specified in the plan.

What is the purpose of the maintenance phase? The purpose of the maintenance phase is to ensure that the project continues to meet the design criteria.

Is there a timeframe for completion? Yes, the project must be completed within the allotted timeframe.

What is the purpose of the performance evaluation? The purpose of the performance evaluation is to ensure that the project is performing as expected.

Is there a requirement for post-project evaluation? Yes, a post-project evaluation must be conducted to ensure that the project meets the goals and objectives.
Fwd: Jemison Park Bridge Reforestation

From: Nimrod Long <nimrod@nimrodl.com>
Date: October 21, 2019 at 9:31:21 AM CDT
To: Nimrod Long <nimrod@nimrodl.com>, Simon Johnson <simonjohnson@nimrodl.com>, Brenda Williams <williamsb@nimrodl.com>, Virginia Smith <vsmithb@nimrodl.com>
Cc: John Wilson <johnwilson@nimrodl.com>, Stewart Walsh <stewart@nimrodl.com>
Subject: Fwd: Jemison Park Bridge Reforestation

Here is the proposal from Landscape Services. Funds to cover expenses will come from the Mayor and Friends. Contract will be with the City. Thanks,

Nim

Nimrod W.E. Long III
FADLA
Nimrod Long and Associates
Landscape Architects | Urban Designers
500 Monticello Road, Suite 230
Birmingham, AL 35203-1033
205-322-5077 Voice
205-910-9750 Cell

Begin forwarded message:

From: Emily Damp <edamp@nimrodl.com>
Date: October 21, 2019 at 7:03:31 AM CDT
To: Nimrod Long <nimrod@nimrodl.com>
Cc: Emily Damp <edamp@nimrodl.com>
Subject: Request for Estimate - Jemison Park Bridge Project

Good morning. Please see attached estimate for the work we discussed last week for the bridge at Jemison Park. If you have any questions please let me know.

Thank you.

https://mail.google.com/mail/u/0/#inbox/16ce6f4a9b59e5eab40d919cbe62f5e07a

---

Landscape Services, Inc.

11/21/2018

Estimate for Jemison Park Bridge Reforestation Project

<table>
<thead>
<tr>
<th>ESTIMATE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Work</strong></td>
</tr>
<tr>
<td>------------</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
</tbody>
</table>

Subtotal: $12,000

Total Project: $12,000
Mountain Brook Village

Legend

- All day MBV **EMPLOYEE PARKING ALLOWED**
- Private MBV w LP no OP

Total All Day Spaces: 162
Private Spaces (none include Office Park):
including Village Dermatology and Lane Parke: 578
including Village Dermatology, not including Lane Parke: 294

465 Spaces for employees needed total.
To: The members of the City Council, Mayor, and City Manager of the City of Mountain Brook, Alabama

From: Steven Boone, Finance Director

Subject: Commentary and analysis of the provisions of Act 2019-132, Election to provide Tier 1 benefits to Tier 2 plan members

Date: October 25, 2019

Relevant legislation

- Act 2004-437 Hazardous Duty addendum: The pension benefit for fire/law enforcement/corrections officers (FCC) increased 20% by granting such employees 6 years of service credit for every 5 years (or portion thereof) worked. Upon adoption, FCC employees were 1) given the option of purchasing their prior service credit and 2) required to increase their contributions to 6% of covered payroll (formerly 5%).

- Act 2011-476: Addendum that shifts a portion of the pension cost from the employer to employees by increasing the employee contributions to 7.5% (civilian) and 8.5% (FCL). Employers who implemented this addendum realized a savings of approximately 2.5% of covered payroll by virtue of the employees’ increased contributions of 2.5%. According to RSA, approximately 60 agencies out of 847 have implemented the provisions of this act.

- Act 2012-377: Established a new pension plan for anyone hired on or after January 1, 2013. The new “Tier 2” plan includes the following changes compared to the old “Tier 1” plan:

<table>
<thead>
<tr>
<th>Description</th>
<th>Tier 1</th>
<th>Tier 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit expressed as a % of defined salary</td>
<td>2.0125%</td>
<td>1.65%</td>
</tr>
<tr>
<td>Hazardous duty addendum</td>
<td>FCL employees credited with 6 years of service for every 5 years (or portion thereof) worked</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Minimum age to retire</td>
<td>Any age with 25 years of service or age 60 with 10 years’ service</td>
<td>62 civilians or 55 (FCL) with at least 10 years of service</td>
</tr>
<tr>
<td>Service credit for sick leave</td>
<td>Allowed if authorized by employer</td>
<td>Not allowed</td>
</tr>
<tr>
<td>Overtime</td>
<td>Limited to 20% of base salary</td>
<td>Limited to 25% of base salary</td>
</tr>
</tbody>
</table>

- Act 2019-132: Allows employers the option of providing Tier 1 benefits to Tier 2 employees. Once made, the election is irrevocable. Employers have until May 8, 2021, to make the election. If implemented, employers must contribute 7.5% (civilian) and 8.5% (FCL) of covered payroll to the pension plan (+1.5% increase over their current contributions). Employers must also present a plan to RSA to transition their Tier 1 employees to the increased contribution rates (+2.5% increase over their current contributions).

Financial impact analysis of Act 2019-132

RSA commissioned its actuaries to prepare an analysis of the impact of the implementation of Act 2019-132 for each participating employer such case studies for the City (2460 EMBT), Park Board (4792 EMBP) and Library (4791 EMBL) are attached hereto.

The City’s combined case studies reflect an estimated increase in the unfunded actuarial accrued liability (UAAL) as of September 30, 2018, in the amount of $333,756 representing the retroactive service credit for Tier 2 employees from the earlier of their date of hire or January 1, 2013. This increase in the City’s UAAL shall be paid off over a 15-year period by way of increasing the City’s pension contribution.

In addition to the increase in the UAAL and annual costs related thereto, participating employer’s shall experience a perpetual increase in the total contribution required for the pension trust reflecting the increased pension benefit attributable to the adoption of Act 2019-132 by virtue of 1) the 22%+ benefit increase to 2.0125% from 1.65% of wages plus 2) the additional 20% increase in the FCL pension benefit resulting from the hazardous duty service credit (i.e., 6 years credit for 5 years of service).

Below is a summary of the results of the City’s RSA case study:
The City's projected ongoing increase in the annual required contribution resulting from the increased pension benefit provided in Act 2019-132 is $300,000* based on the attached RSA case studies as determined below:

<table>
<thead>
<tr>
<th>Unit</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Weighted Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2460 EMTP City</td>
<td>15.64%</td>
<td>14.44%</td>
<td>15.50%</td>
</tr>
<tr>
<td>4792 EMTP Park Board</td>
<td>3.72%</td>
<td>2.46%</td>
<td>3.45%</td>
</tr>
<tr>
<td>4791 Library</td>
<td>2.99%</td>
<td>2.43%</td>
<td>2.90%</td>
</tr>
<tr>
<td>Weighted Average</td>
<td>1.87%</td>
<td>$16,061,504</td>
<td>$100,025</td>
</tr>
</tbody>
</table>

(2) The annual cost increase will not be incurred in any one year but rather incrementally over time and represents the difference between the Tier 3 costs compared to what the cost would have been for a Tier 2 employee.

The City's projected ongoing increase in the annual required contribution resulting from the increased pension benefit provided in Act 2019-132 is $300,000* based on the attached RSA case studies as determined below:

City's strategies to address its pension concerns
The City Council has been concerned for many years about the sustainability of the RSA pension plan. To address these concerns the City has implemented the following strategies/policies:

1. The City has contributed substantial sums of cash over the actuarially determined annual required contributions ($2 million in 2001, $7 million in 2007, $300,000 in 2008, $600,000 in 2017, $610,000 in 2018, and $400,000 in 2019; and $600,000 budgeted for 2020).


3. The City formally established a policy of declining future one-time lump and cost-of-living adjustments for retirees until the City's unfunded pension liability has improved to a 90% funded status and the City's matching contribution has stabilized (Resolution No. 2017-094).

In spite of these policies/strategies, the City has experienced continued growth in the unfunded pension liability and increases in the annual employer pension costs. Adoption of the provisions of Act 2019-132 will diminish the effectiveness of the City's plans.

Equity issues inherent in Act 2019-132
1. Tier 3 employees will receive retroactive hazardous duty credit. [Note: FLC employees were required to purchase their hazardous duty credit when the hazardous duty amendment was imposed on participating agencies by the Alabama Legislature back in 2004.]

2. The fact that participating employers who have previously adopted the provisions of Act 2011-676 (presumably in an attempt to address their sustainability concerns) must bear 100% of the increased cost of the Act 2019-132 change.

3. The imposition of the 2.5% increase in Tier 1 employee contributions for participating employers who have not previously implemented Act 2011-676 when such Tier 1 employees receive no benefit from the adoption of Act 2019-132.

4. The greater required Tier 3 employee pension contributions in relation to Tier 1 employees' of participating employers who have not previously adopted Act 2011-676 and that do not implement their Act 2019-132 plan to do so.

5. The introduction of unnecessary competition for personnel and increased difficulty in employee recruitment and retention that will inevitably result for those participating employers who may not be able to afford or cannot justify the increased pension costs associated with the adoption of Act 2019-132.

The information below only applies to cities which have not previously increased their Tier 1 employee contributions pursuant to Act 2011-676.

Illustration of Case Study Results for Employer Who Has Not Implemented Act 2011-676

<table>
<thead>
<tr>
<th>Employer/Employee</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Tier 3</th>
<th>Tier 4</th>
<th>Tier 5</th>
<th>Tier 6</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>T1</td>
<td>12.50%</td>
<td>15.66%</td>
<td>2.50%</td>
<td>0.50%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>3.00%</td>
</tr>
<tr>
<td>T2 Employee</td>
<td>15.66%</td>
<td>15.66%</td>
<td>1.66%</td>
<td>0.50%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>3.00%</td>
</tr>
<tr>
<td>T3 Employer</td>
<td>2.50%</td>
<td>2.50%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>2.50%</td>
</tr>
<tr>
<td>T4 Employer</td>
<td>0.50%</td>
<td>0.50%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.50%</td>
</tr>
<tr>
<td>T5 Employer</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>T6 Employer</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total</td>
<td>15.66%</td>
<td>15.66%</td>
<td>2.50%</td>
<td>0.50%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>3.00%</td>
</tr>
</tbody>
</table>

For cities who have not already implemented Act 2011-676 (i.e., increased T1 withholdings to 7.5% and 8.5%), the analysis of the RSA case study is different than the Mountain Brook analysis. The chart above assumes the Mountain Brook fiscal year 2021 pension contribution rates minus the effects of the 2.5% cost shift from City to employee Mountain Brook implemented in 2012. The rates provided in the RSA case study have been applied to the resulting pension contribution rates to estimate the adjusted pension contribution rates.
As illustrated above, it is conceivable that an employer could actually experience a pension contribution reduction by implementing the Tier 3 pension change due to the increase of Tier 1 employee contributions. For this situation, bear in mind that the 2.50% cost shift does not impact the total contribution to the pension plan so effectively this change, while it reduces the employer’s cost, does nothing to improve the funded status of the pension plan.

Employers should first determine whether their pension plan funded status is improving, holding steady or deteriorating. The implementation of the Tier 3 pension cannot improve a plan’s funded status and can only increase (likely at an increasing rate) the total required contribution. Any cost savings the employer may realize by increasing Tier 1 employee contributions is temporary as illustrated in the City’s Tier 1 matching contributions since 2012 and will certainly diminish completely once all Tier 1 employees have retired.
Local employers may elect to provide Tier I benefits to their Tier II employees by adopting a resolution and submitting such resolution to the ERS. Under the Act, local employers have until May 8, 2021, to do so.

The Act also requires that local employers that have not raised the Tier I member contribution rates from 5% to 7.5% for regular employees and from 6% to 8.5% for firefighters and law enforcement officers as provided in Act 2011-676 must submit a plan to the ERS for raising those rates before they will be allowed to make an election to provide Tier I benefits to Tier II members.

To make an election, submit your resolution and plan (if you have not increased rates under Act 2011-676) to the attention of the Employees' Retirement System, 201 S. Union St., Montgomery, AL 36104. If approved, elections will become effective October 1, 2020.

Act 2019-132 ERS Board Policy
Sample Tier I Election Resolution - Employer Has Not Increased Tier I Rates Per Act 2011-676
Mountain Brook City of EMTB Act 2019-132 Analysis

Estimated Impact on Valuation Results as of 9/30/2018 and 2018 Amendment Act 2019-132 Amortization of Increase

1. Increase in UAAL and UAAL contribution due to Act 2019-132
   - Yearly Amortization of UAAL
   - Increase in UAAL (9/30/2013 - 7/30/2014)
   - Increase in UAAL (9/30/2013 - 7/30/2014)
   - Total Impact

2. Change in Tier 2 Normal Cost as a % of Tier 2 Estimated Payroll due to Act 2019-132
   - Tier 2 Normal Cost Change
   - Total Impact

3. Overall Impact of Act 2019-132 as a % of Estimated Payroll
   - Total Impact

4. Increase in UAAL and UAAL contribution due to Act 2019-132 (if Act 2019-132 Has NOT Already Been Adopted)

5. Change in Tier 1 Normal Cost as a % of Tier 1 Estimated Payroll due to Act 2019-132
   - Total Impact

6. Overall Impact of Act 2019-132 as a % of Estimated Payroll


Employee Rate is a blend of FLC employee contribution rates and non-FLC employee contribution rates.
Minute Book

Mountain Brook Pk & Rec Bd EMPB Act 2019-132 Analysis

Estimated Based on Valuation Results as of 9/30/2018 and 15 Year Amortization of Increase

1) Increase in UAA and UAL contribution due to Act 2019-132

<table>
<thead>
<tr>
<th>Increase in UAA</th>
<th>Increase in UAL Rate as a % of Estimated Total Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>$20,477</td>
<td>6.34%</td>
</tr>
</tbody>
</table>

2) Change in Tier 2 Normal Cost as a % of Estimated Payroll due to Act 2019-132

<table>
<thead>
<tr>
<th>Total Tier 2 Normal Rate</th>
<th>Tier 2 Cost</th>
<th>Tier 2 Cost of Total Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.38%</td>
<td>$2,665</td>
<td>13.34%</td>
</tr>
</tbody>
</table>

3) Overall Impact of Act 2019-132 as a % of Estimated Payroll

Amortization of UAL: $2,665 (13.34% of $20,477)
Tier 2 Normal Cost Change: $6,232 (31.71% of $20,477)
Total Impact: $8,897 (43.74% of $20,477)

4) Increase in UAA and UAL contribution due to Act 2011-476 (if Act 2011-476 was NOT Already Been Adopted)

<table>
<thead>
<tr>
<th>Increase in UAA</th>
<th>Increase in UAL Rate as a % of Estimated Total Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,665</td>
<td>13.34%</td>
</tr>
</tbody>
</table>

5) Change in Tier 1 Normal Cost as a % of Estimated Payroll due to Act 2011-476

<table>
<thead>
<tr>
<th>Total Tier 1 Normal Rate</th>
<th>Tier 1 Cost</th>
<th>Tier 1 Cost of Total Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.44%</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

6) Overall Impact of Act 2011-476 as a % of Estimated Payroll

Amortization of UAL: N/A
Tier 1 Normal Cost Change: $0 (0.00% of $26,177)
Total Impact: N/A


<table>
<thead>
<tr>
<th>Total Tier 2 Normal Rate</th>
<th>Tier 2 Cost</th>
<th>Tier 2 Cost of Total Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>13.71%</td>
<td>$4,087</td>
<td>19.78%</td>
</tr>
</tbody>
</table>

Amortization of UAL: $4,087 (19.78% of $20,477)
Tier 2 Normal Cost Change: $12,489 (61.23% of $20,477)
Total Impact: $16,576 (80.95% of $20,477)

Amounts and percentages above do not reflect the impact of expected increases due to assumed changes in the average age of the workforce, the impact of the adoption of the Pension Protection Act of 2006, or the impact of the discount rate. These assumptions changes are estimated to increase contributions by approximately 2.0% for Tier 1 members and 3.0% for Tier 2 members each year for FY 2014 and FY 2015. These assumptions changes were calculated at 9/30/2018 and are based on expected economic demographics occurring in the future. The actual increases in required contribution that will occur will vary based upon actual results each fiscal year.

**Employee rate is a blend of FLC employee contribution rates and non-FLC employee contribution rates.
### Mountain Brook Library Bd EMBL Act 2019-132 Analysis

**Estimated Based on Valuation Results as of 9/30/2018 and 15 Year Amortization of Increase**

<table>
<thead>
<tr>
<th></th>
<th>Increase in UUL and UAA contribution due to Act 2019-132</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yearly Amortization</td>
<td>% of Estimated Total Payroll</td>
</tr>
<tr>
<td>Increase in UUL</td>
<td>75,350</td>
<td>0.23%</td>
</tr>
<tr>
<td>UAA</td>
<td>9,582</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Change in Tier 2 Normal Cost as a % of Tier 2 Estimated Payroll due to Act 2019-132</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Act 2019-132</td>
<td>7/30/2018 Valuation</td>
</tr>
<tr>
<td>Tier 2 Normal Rate</td>
<td>6.00%</td>
<td>6.00%</td>
</tr>
<tr>
<td>Blended Employee Rate</td>
<td>7.00%</td>
<td>6.00%</td>
</tr>
<tr>
<td>Net Employer Tier 2 Normal Rate</td>
<td>0.60%</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Overall Impact of Act 2019-132 as a % of Estimated Payroll</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>First Year Cost</td>
<td>Tier 2</td>
<td>Tier 2 Total</td>
</tr>
<tr>
<td>Amortization of UUL</td>
<td>$3,582</td>
<td>0.23%</td>
</tr>
<tr>
<td>Tier 2 Normal Cost Change</td>
<td>$1,586</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total Impact</td>
<td>$5,168</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Increase in UUL and UAA contribution due to Act 2011-676 (if Act 2011-676 Has NOT Already Been Adopted)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yearly Amortization</td>
<td>% of Estimated Total Payroll</td>
</tr>
<tr>
<td>Increase in UUL</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>UAA</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Change in Tier 1 Normal Cost as a % of Tier 1 Estimated Payroll due to Act 2011-676</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Act 2011-676</td>
<td>7/30/2018 Valuation</td>
</tr>
<tr>
<td>Tier 1 Normal Rate</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Blended Employee Rate*</td>
<td>N/A</td>
<td>5.50%</td>
</tr>
<tr>
<td>Net Employer Tier 1 Normal Rate</td>
<td>N/A</td>
<td>6.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Overall Impact of Act 2011-676 as a % of Estimated Payroll</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 Normal Cost Change</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Impact</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Increase in UUL and UAA contribution</td>
<td>% of Estimated Total Payroll</td>
</tr>
<tr>
<td>Increase in UUL</td>
<td>$75,350</td>
<td>0.23%</td>
</tr>
<tr>
<td>UAA</td>
<td>$9,582</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

*Employee rate is a blend of FLC employee contribution rates and non-FLC employee contribution rates.
SB147

ENROLLED, An Act,

To add Section 36-27-6.5 to the Code of Alabama 1975, relating to retirement for members of the Employees' Retirement System; to provide that a local employer participating in the ERS could elect to provide the same retirement benefits given to Tier I plan members to its Tier II plan members.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 36-27-6.5 is added to the Code of Alabama 1975, to read as follows:

§36-27-6.5.

(a) Any employer participating in the Employees' Retirement System of Alabama pursuant to Section 36-27-6, may, by adoption of a resolution within 24 months of the effective date of the act adding this section, elect to provide to its Tier II plan members the same retirement benefits provided to Tier I plan members. Provided, however, the Employees' Retirement System Board of Control may, based on a staff review of the historical compliance with ERS requirements as well as the financial stability of the local government entity, elect to deny the election authorized herein. The local entity may petition the Board of Control for a...
reconsideration of its action within the 24 months period of the effective date of this act. Such election shall be irrevocable and shall be effective at the beginning of the fiscal year following the date the resolution is received by the ERS.

(b) Any employer that has not increased the Tier I member contribution rates as provided in Act 2011-676 shall develop a plan to gradually increase the member contribution rates as provided herein. The plan shall be submitted to the Employees' Retirement System before electing to provide Tier II plan members the same retirement benefits as Tier I plan members. Beginning in the month the election to provide Tier II plan members the same retirement benefits provided to Tier I plan members becomes effective, Tier II plan members shall contribute to the Employees' Retirement System seven and one-half percent of their earnable compensation and Tier II plan members who are firefighters, law enforcement officers, or correctional officers, as defined in Section 36-27-59 (a), shall contribute to the Employees' Retirement System eight and one-half percent of their earnable compensation.

(c) Anything in this article to the contrary notwithstanding, in the application of the provisions of Sections 36-27-16 and 16-25-14 to a member whose creditable service includes periods of service to different Tier plans, the benefit rates of each respective Tier plan will be applicable to the creditable service earned while in each respective Tier plan. In all other respects the pension under this subdivision shall be determined on the basis of the member's Tier plan at the time of his or her withdrawal from service.

Section 2. This act shall become effective immediately following its passage and approval by the Governor, or its otherwise becoming law.
From: Walter Mayor <mayor@mtbreek.org>
Date: October 24, 2019 at 6:35:30 PM CDT
To: Sam Gaston <gaston@mtbreek.org>
Subject: Request to speak at council meeting 28Oct2019

Sam,

Here is my request.

I would like to make a request to speak on behalf of the employee federation concerning the Tier 1 / Tier 2 conversion at the Oct 28 council meeting.

The goals of my request are to ask the council to postpone or delay the vote on the resolution to vote "NO" on the Tier 1 / Tier 2 conversion. Steve has worked hard putting together the numbers concerning the conversion and preparing a presentation for the employees. These presentations were given over the past two days and there are many questions and concerns about the conversion by the employees. I want to ask that the council postpone the vote so that the employees federation members can discuss the conversion with their respective departments and represent their departments accurately. I also want to ask the council to postpone the vote so that in the event Mountain Brook chooses to moving forward with the conversion, there is a tentative plan to make the conversion as budget neutral as possible and that tentative plan is able to be shared with the employees.

Thank you.

Eric Mayer
Lieutenant Engine 3
Mountain Brook Fire Department
205-565-5444
City of Mountain Brook
RSA Pension Plan

Evaluation of the Impact of
Act 2019-132
(Tier 2 Pension Conversion to Tier 1)
Comparison of Tier 1 and Tier 2 Plans

<table>
<thead>
<tr>
<th>Description</th>
<th>Tier 1</th>
<th>Tier 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit expressed as a % of defined salary</td>
<td>2.0125%</td>
<td>1.65%</td>
</tr>
<tr>
<td>Hazardous duty addendum</td>
<td>FLC employees</td>
<td>Not applicable</td>
</tr>
<tr>
<td></td>
<td>credited with 6 years of service for every 5 years (or portion thereof) worked</td>
<td></td>
</tr>
<tr>
<td>Minimum age to retire</td>
<td>Any age with 25 years of service or age 60 with 10 years' service</td>
<td>62 civilians or 56 (FLC) with at least 10 years of service</td>
</tr>
<tr>
<td>Service credit for sick leave</td>
<td>Allowed if authorized by employer</td>
<td>Not allowed</td>
</tr>
<tr>
<td>Overtime</td>
<td>Limited to 20% of base salary</td>
<td>Limited to 25% of base salary</td>
</tr>
</tbody>
</table>

- Tier 1 FLC benefits are 46% greater than Tier 2 benefits
- Tier 1 Civilian benefits are 22% greater than Tier 2 Civilians
- Mtn Brook's weighted avg difference between Tier 1 and Tier 2 benefits is 35%+

RSA Case Study Summarized

1. Immediate increase in the UAAL by $334,000 (due to Tier 2 service credit)

2. Year 1 increase in City’s pension cost of $80,500 (due to prospective 35% increase in Tier 1 pension benefit)

Is that all?
The Tier 2 Conversion
Only Gets More Costly

1. After implementation, pension costs will increase annually
2. As Tier 1 employees retire, instead of being replaced with Tier 2 workers they will be replaced with Tier 3 workers whose benefits are 35%+ greater than the Tier 2’s
3. Mountain Brook’s expense differential after the Tier 3 transformation will be $300,000+ annually based on the RSA case study estimates
4. Mountain Brook’s total cost (employee + City) after the Tier 3 transformation will be $540,000+ annually
5. Mountain Brook has already increased its Tier 1 employee withholdings (Act 2011-676). How does this action make its RSA case study results different from another city’s who has not?

Everyone Else

1. Another city could see a pension expense decrease once they implement Tier 3 plan based on their RSA case study
2. The savings will be achieved by transferring a portion (2.5%) of its pension cost to the Tier 1 employee
3. This cost transfer does not impact in any way the total cost of the pension plan—only who is paying the cost
4. Tier 1 wages will decrease over time as they retire and so will this 2.5% cost transfer savings
5. Mountain Brook has been there and done that, what happened?
CONCERNS:

1. Considering the increasing City pension cost trends, is the current 2-tiered plan sustainable?

2. The Tier 2 conversion plan is substantially more expensive than Tier 2. If Tier 2 is questionable, how can a Tier 2 conversion to Tier 1 be justified considering the greater cost?
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