CALL TO ORDER
The March 14, 2019 meeting of the Louisville One Water Board was called to order by Ellen Hesen at 9:07 a.m. in the Louisville Water Boardroom.

Board members present:
Creighton Mershon
Craig Willman
Ellen Hesen
Marita Willis

Others present:
Anne Trout, MSD Assistant General Counsel
Babs Elliott, Secretary, One Water Board
Brian Bingham, MSD Chief of Operations
Dave Vogel, LWC Executive Vice President
James A. Parrott, MSD Executive Director
Kelley Dearing Smith, LWC Vice President of Communications & Marketing
Kimberly Reed, One Water, Chief Innovation Officer
Lynne Fleming, MSD Human Resources Director
Michael Tigue, LWC Vice President Compliance / General Counsel
Rene’ Thomas, MSD Chief Procurement Officer (One Water)
Spencer Bruce, LWC President & CEO
Terrence Spence, LWC Vice President, Human Resources and Labor Relations
Tim Kraus, LWC Vice President, Chief Engineer
Tom Luckett, LWC Chief Information Officer (One Water)
Wesley Sydnor, MSD Director, Intergovernmental Relations

II. REVIEW AND APPROVE October 25, 2018 MEETING MINUTES
Ms. Hesen asked if everyone had a chance to review the minutes and asked for a motion to approve the minutes. A motion to approve the minutes was made and seconded and the motion passed unanimously.

III. BOARD ELECTIONS
Board Elections were discussed last in the meeting.

J.T. Sims was nominated and approved as Chair of One Water.
Creighton Mershon was nominated and approved as the Vice Chair of One Water.

The remaining board members will be appointed/reappointed by the respective boards.

IV. VISION VIDEO

Vision Video is a video communication to employees of MSD and LWC to present that One Water is designed to build on the strengths of both entities and to look at new markets. The video is online, so all employees can view it when they have time. Creighton Mershon suggested adding to the video some of the successes of cooperation and how it has benefitted both entities. Kelly Dearing-Smith said the video is the first phase of communication to employees and they will be building on it over the next 6 months. The communication plan is to improve awareness of One Water and create opportunities for both entities.

Terrance Spence said the video has been added to departmental meetings. Lynne Fleming added that Customer Service is having some growing pains, and Mr. Parrott added that combining Customer Service freed up full time employees to work in dispatch at MSD.

V. HUMAN RESOURCES UPDATE

Kim Reed said that policies and procedures are being aligned and that a compensation and job description review are in progress. A recommendation from those reviews are targeted for 7/1/2019. A study of recruitment will begin in the second quarter.

Mr. Mershon asked if they had thought about bidding health care together and Lynne Fleming and Terrance Spence responded that it had been considered but each entity will be rated for its own experiences so bidding together doesn’t necessarily result in reduced expenses. They are considering looking at self-insurance. Ms. Hesen asked if it would help to combine Metro, LWC, and MSD in a Request for Information from health insurers. Mr. Mershon stated that might help with determining comparable benefits between the entities. Ms. Fleming stated that there are other differences that make this difficult because they are on different plan years, offer different kinds of health insurance plans (HMO, PPO, high deductible). Spencer Bruce stated that there are collective bargaining union contract implications for LWC. Ms. Fleming said there are no contract issues at MSD on this issue.

Marita Willis stated we should see what options there are to explore benefit options and costs given the differences between the entities.

Ms. Reed stated there is a contract with Mercer to look at the different compensation policies and procedures and to make recommendations on best practices. The Human Resources Steering Committee will meet in early April. Mr. Spence stated that pay grades are aligned fairly well although MSD has one grade scale and LWC has two pay grade scales. Ms. Fleming said that pay equity analysis is ongoing and that a final determination on the philosophy needs to be determined on how to address pay ranges and performance analysis.
Mr. Willman asked about retention of employees with One Water and Mr. Bruce replied that there was trouble filling some positions and Mr. Spence added that there have been a lot of retirements at the LWC plant. Ms. Fleming added that MSD has trouble keeping electricians and skilled trades and that younger applicants do not want to work a shift or holidays. Ms. Hesen asked what steps they are taking to keep moving toward the alignment for HR and Ms. Reed presented a slide that details the time frame and steps to be taken to achieve this goal. Mr. Spence stated they had a One Water job fair, they are working with Jefferson County Public Schools technical schools, they are cross-training on some jobs, and went to the unemployment office to describe what MSD and LWC do and what types of employees are needed by both entities.

VI. STRATEGIC PLAN UPDATE

Ms. Reed provided an update on new efforts in Customer Service that are designed to promote quality assurance on calls and attendance. They are also coordinating between departments that are impacted by Customer Service. There is a survey that will compare One Water Customer Service to other utilities. They need an upgrade to the phone system. The biggest initiative is transferring all customers to monthly billing that will take three and a half years to complete.

Ms. Reed updated the Board on Fleet Services. Both entities are using the fleet system now and they are working on training and setting up rate structures and protocols for moving vehicles between entities when needed. Ms. Hesen asked they keep Metro Government in mind on these types of things as well.

Rene' Thomas provided an update on procurement. The contract lists have been combined to identify opportunities to bid for both entities. They have concluded that they do not have a large number of similar items in the warehouse, but do have aggregate materials in common. They are working on a small business development program to encourage diversity in contracting.

Brian Bingham said that they are using energy more efficiently. On paving, they are working with Metro Government under a MOU and Metro is doing final paving. There had been some delay in implementing the MOU due to flooding and the MSD issues on Main Street. Mr. Parrott stated there is an issue with Metro requiring curb to curb paving for all cuts. Mr. Bingham added they need to make sure that all drainage works appropriately after paving is completed.

Ms. Hesen asked about adding metrics for coordination of street cuts. Mr. Bingham stated that this was complicated because MSD assets from catch line to sewer are not in the records and these assets get cracked when other utilities are working in the area.

Tim Kraus updated the Board on LWC's use of MSD's computer system instead of paper. They are looking at a MOU on the shared database. Also, LWC does its own surveys and
MSD contracts surveying out. They are looking at this to see if there might be savings in this area.

Michael Tigue discussed eB, a document management system used by MSD. LWC is looking at that software for its own use because it allows for greater control over documents and processing contracts. Paula Purifoy and Michael Tigue consult on all the issues that are discussed at these Board meetings. Anne Trout asked about looking at collections. Mr. Tigue said that MSD has a more sophisticated legal group and processes.

Ms. Reed has started as the new Innovation Officer for One Water and they are looking to hire a new person to assist the Innovation Officer.

Ms. Hesen thanked everyone for the good discussion and added that it looks like a lot of the ideas discussed are getting traction and starting to show benefits.

VII. ONE WATER AUDIT UPDATE

The 2017 Audit was completed and the auditors have now started collecting the information for the 2018 Audit. The deliverables completed in the last quarter of 2018 include executing a work order for initiatives that required a transfer of funds between entities; the creation of a benefit form; and the execution of benefit forms by functional area to list all initiatives without a work order.

VIII. ADJOURN

A motion to adjourn was made and seconded. Meeting adjourned at 10:38 a.m.

These minutes were approved by the Board on 7-25-2019, 2019.

Babs Elliott, Secretary