

Board of Water Works
REGULAR CALLED MEETING MINUTES
September 18, 2018

Board Members Present:

Mr. Creighton Mershon, Chair
Dr. Sundeep “Sunny” Dronawat
Mr. Paul Esselman
Dr. Sharon Kerrick
Ms. Tierra Kavanaugh Wayne
Mr. Craig Willman

Not Present:

Mayor Greg Fischer

Others Present:

Mr. Dave Vogel, Executive Vice President, Customer Service and Distribution Operations
Ms. Kelley Dearing Smith, Vice President, Communications and Marketing
Mr. Tim Kraus, Vice President, Production Operations and Chief Engineer
Dr. Tom Luckett, Vice President and Chief Information Officer
Ms. Lynn Pearson, Vice President, Finance and Treasurer
Mr. Terrence Spence, Vice President, Human Resources and Labor Relations
Mr. Michael Tigue, Vice President, Compliance, General Counsel and Corporate Secretary
Ms. Kim Reed, One Water Liaison
Ms. Jenni Schelling, Director, Internal Audit
Mr. Adam Carter, President of Local 1683 (the Union)
Mr. Karambir Yadav, Manager, Business Systems Support
Ms. Emily O’Mara, Senior Business System Analyst
Ms. Beverly Soice, Paralegal

Visitors:

The regular called meeting of the Board of Water Works (“BOWW”) was held on Tuesday, September 18, 2018 at the Louisville Water Company (“Louisville Water” or “Company”) located at 550 South Third Street, Louisville, Kentucky. Chair Creighton Mershon called the meeting to order at 11:05 a.m.

Minutes Approved of the Previous Regular BOWW Meeting

Dr. Sharon Kerrick moved to approve the Regular Called Meeting Minutes of July 17, 2018 and the Special Called Meeting Minutes of August 28, 2018, seconded by Mr. Craig Willman and the motion was unanimously carried.

Report Provided by the President/Chief Executive Office

In Spencer Bruce’s absence, Mr. Dave Vogel provided a summary the President’s monthly report.

In late July, Niagara Bottling, LLC announced the construction of a 469,000 square-foot manufacturing and bottling facility in the River Ridge Commerce Center. Niagara will invest \$56 million in the project and hire 49 employees. Louisville Water worked with Greater Louisville Inc. and other partners in this effort,

meeting with company representatives on multiple occasions. Louisville Water has operated the treatment facility for the River Ridge complex since 2011 and has a strong partnership with the River Ridge Development Authority d/b/a River Ridge Commerce Center. We consistently work together to ensure high quality water is produced and distributed to all River Ridge tenants.

The Kentucky Rural Water Association is a strategic partner for Louisville Water. Most of our wholesale customers are members and we frequently work with the Association on legislative agendas. In late August, nearly 700 water professionals from across the state attended the Association's annual conference in Louisville with many of these attendees participating in programming we offered. At the beginning of the conference, Louisville Water hosted more than 70 members for a tour of the WaterWorks Museum and the Crescent Hill Water Treatment Plant. Then, in the exhibit hall, our partnerships with bourbon distilleries were highlighted.

Third Quarter 2018 Dividend Declared

Ms. Lynn Pearson advised that Section 508 of the Series 2009 Water System Revenue Bond Resolution provides that the Louisville Water Company will pay to the Louisville / Jefferson County Revenue Commission an annual dividend on the Louisville Water Company stock owned by Louisville / Jefferson County Metro Government, Kentucky. The dividend declared for 2017, based upon estimated net income, is required to be adjusted after completion of the annual audit to reflect any difference between estimated and actual net income. The amount of such adjustments is to be paid with or deducted from the regular quarterly dividend payments in 2018.

The annual audit was completed during the second quarter. Net income of \$38,905,852 requires a total 2017 dividend to Louisville / Jefferson County Metro Government, Kentucky of \$19,024,825. The total dividends paid during 2017 were \$20,827,200. The difference between the dividend paid for 2017 and the actual dividend computed and declared for 2017 is \$1,802,375. This difference was deducted from the second quarter 2018 dividend payment as directed by Louisville Metro Office of Management and Budget.

The 2018 Annual Budget provides for a budgeted annual dividend of \$21,453,700. Mr. Paul Esselman moved to declare the third quarterly 2018 dividend in the amount of \$5,363,425.

WHEREAS, it has been the long-established policy of Louisville Water Company to pay a dividend on its common stock related to its net earnings, after giving consideration to any requirements for debt amortization and bond reserve requirements, and

WHEREAS, a covenant written into the 2009 Water System Revenue Bond Resolution sets forth a formula for determining the amount of any such dividend, and

WHEREAS, such covenant requires payment of a dividend each year based on estimated annual adjusted net income, with adjustment upon completion of the annual audit to reflect any difference between estimated and actual net income, such adjustment to be made in the quarterly dividend payments of the following year, and

WHEREAS, an estimated dividend of \$20,827,200 was paid in 2017 based on estimated Adjusted Net Income of \$43,740,600 and

WHEREAS, the annual audit for 2017 has now been completed which establishes the full dividend for 2017 as \$19,024,825 based on actual Adjusted Net Income of \$35,905,852, and the resolution adopted in June 2018 amended the Board resolution of December 18, 2017 to decrease the 2017 annual dividend by \$1,802,375 from \$20,827,200 to \$19,024,825, and the difference was deducted from the second quarterly 2018 dividend payment, as directed by Louisville Metro, and

WHEREAS, the 2009 Bond Resolution requires that the Board of Water Works pay a quarterly dividend based on the formula contained therein, such quarterly payments to be as nearly equal in amount as possible, and

WHEREAS, the 2018 Louisville Water Company Annual Budget reflects the 2018 annual dividend to be \$21,453,700, it would be in order at this time to declare a regular third quarter dividend of \$5,363,425; therefore, be it

RESOLVED, the regular third quarter 2018 dividend of \$5,363,425 is hereby declared, and further **RESOLVED**, that the President of the Company hereby is authorized and directed to pay \$5,363,425 to the Louisville / Jefferson County Revenue Commission on September 28, 2018, this being the third quarterly dividend for 2018.

Mr. Willman seconded, and the motion unanimously carried.

Project Scope Increased, Contract Change Order Approved and New Budget Established for Project No. 15035: Condition 2017-Prestressed Concrete Cylinder Pipe

Mr. Tim Kraus advised Louisville Water's 2017 Condition Assessment Project was initiated to perform electromagnetic condition assessment on 16.92 miles of 24", 30", and 60" prestressed concrete cylinder pipe (PCCP) along multiple corridors in Louisville Water's service area. Timely assessment results in the repair, rehabilitation, and/or replacement of distressed PCCP pipe sections in advance of catastrophic failures. The program also replaces or rehabilitates valves, air valves, and drain assemblies to ensure these critical appurtenances are functioning properly.

Louisville Water's condition assessment contractor, Pure Technologies, completed the inspection of the scheduled mains in late 2017. Louisville Water's historical damaged PCCP pipe section rate is approximately 0.40%. This was used in estimating the number of repairs and/or replacements (18) for the 2017 inspection. Upon review of the reporting received in February 2018, a total of 70 pipe sections (1.55%) were identified as being damaged. After a thorough review, the determination was made to replace and/or rehabilitate 45 of those pipe sections deemed to be most at risk with the remaining to be monitored and re-evaluated during the next inspection cycle.

The scope of work is to be distributed to each Louisville Water contractor on the existing Transmission System Repairs and/or Capital Improvements Master Agreement 13-15. MAC Construction & Excavating was awarded the replacement work on the Marquette 30" transmission main. Garney Companies are to be awarded the replacement work on the Frey's Hill Discharge 24" and the New Cut Rd 24" transmission mains. Southern Pipeline Construction, the current site contractor, is to be awarded the replacement work on the Fern Valley Rd 30", the Shepherdsville Rd 24", and the Smyrna Suction 24" transmission mains. As the number of repairs and/or replacements is significantly higher than anticipated, a change in the project budget is recommended at this time.

A change order quote was requested from Southern Pipeline Construction to replace the damaged pipe sections on the Fern Valley Rd 30", the Shepherdsville Rd 24", and the Smyrna Suction 24" mains. The change order was received on August 29, 2018, in the amount of \$2,207,324.00 (net \$1,139,547.22) and was 2.61% higher than the Project Engineer's cost estimate. Following staff review, the change order is acceptable to complete the remaining repair work allotted.

Mr. Willman moved to increase the project scope to include the items listed, to approve the contract change order for Southern Pipeline Construction, and to increase the budget of record for the Condition 2017-PCCP to \$8,925,610.00. Dr. Kerrick seconded and the motion unanimously carried.

Approve Change Order for Project No. 11310: B.E. Payne Water Treatment Plant Lagoon Residuals Removal

Mr. Kraus advised that as part of the water treatment process, the Louisville Water operates a system of four lagoons located adjacent to the Ohio River at the B.E. Payne Water Treatment Plant. The purpose of the lagoons is to collect and decant residuals sediment and process water, such as filter backwash water, generated by both the Crescent Hill and B.E. Payne water treatment facilities. The lagoons were designed and constructed in phases in the 1970's with a life expectancy of 30 to 40 years.

In August 2014, Louisville Water opened bids on a project to remove residuals from Lagoon No. 3. The project was awarded to Liter's, Inc. in September 2014, in the amount of \$3,475,000 for the removal of approximately 220,000 cubic yards (CY) of residuals from Lagoon No. 3. The project included excavation, transportation and disposal of residuals. Final compensation to the contractor, for residuals removed, would be based on actual quantities removed as determined by final field survey. In December 2015, Change Order No. 1 in the amount of \$160,700 was executed with Liter's for disposal of residuals that had accumulated in two wastewater basins at the Crescent Hill Water Treatment plant, with that work being completed in February 2015.

In June of 2016, the Board approved Change Order No. 3 in the amount of \$2,937,150 for removal of 203,000 CY of residuals from Lagoon No. 1, which resulted in a revised total project budget of \$7,272,800. Based on the most recent survey of Lagoon No. 1, by Civil Design, Inc., the total estimated volume of residuals to be removed from Lagoon No. 1 is anticipated to be 235,846 CY. This is an increase of 32,846 CY from the original estimate in Change Order No. 3. Using a unit price of \$12.50/CY for residuals removal and disposal, yields an additional change order amount of \$410,575. An additional amount of \$54,425 is also requested for project capital interest (\$44,500), surveying (\$9,000) and project management and materials (\$925), which results in a new project budget of \$7,737,800.

Mr. Esselman moved to approve an increase in the amount of \$410,575 for additional removal of residuals in Lagoon No. 1 and that a new budget of record of \$7,737,800 be established for the B.E. Payne Water Treatment Plant Lagoon Residuals Project. Dr. Kerrick seconded, and the motion unanimously carried.

Marketing Committee

Dr. Sunny Dronawat provided a summary of the discussion which took place during the Marketing Committee meeting held on August 20, 2018.

Investment Report

Ms. Pearson advised that the Investment Guidelines adopted by Louisville Water in April of 2016 require that, on a semi-annual basis (as of June 30th and December 31st), an update will be provided to the Board of Water Works on investments held in the Portfolio. The Guidelines require the reports be presented to the Board of Water Works by the second board meeting following June 30 and December 31.

Ms. Pearson reported on the current investment holdings by the Company.

Work Asset Management (WAM) Demonstration

Mr. Dave Vogel introduced Ms. Emily O'Mara and Mr. Karambir Yadav who provided a demonstration of WAM and KloudGin that will be rolled out to the Water Quality Production Operations in mid-October.

Financial Report Given

Ms. Pearson summarized the Financial Report for August.

Consumption and water sales were well under budget in August, driving an overall shortfall in operating revenue of 6.4%. Operating expenses and non-operating income and expense, however performed favorably to budget for the month, offsetting a portion of the operating revenue shortfall. As a result, net income for the month was \$672,000 lower than budgeted. Details of the Company's financial performance as compared to budget and prior year are as follows.

Consumption of 3.1 billion gallons for August 2018 is 204 million gallons lower than budget, and 197 million gallons lower than August 2017. The largest portion of the unfavorable variance to budget is in residential and irrigation, reflecting the impact of summer rainfall that was significantly higher than normal. Year-to-date consumption remains over budget and prior year, by 1.8% and 2.1%, respectively. Every customer class except for industrial and Metro Government is higher than budget for the first eight months of the year, with wholesale accounting for more than half of the favorable variance. All customer classes except residential and irrigation are higher than prior year through August.

Water Revenue for August 2018 is \$1.1 million lower than budget and \$287,000 less than prior year. Water revenue through August surpassed budget by \$383,000 and is \$5.2 million more than last year. Higher consumption is a key factor driving increased water revenue for the year-to-date period as compared to both budget and prior year levels.

Other Operating Revenue for August is \$67,000 lower than budget but is \$73,000 higher than year-ago levels. The budget variance for the month was driven by shortfalls in consulting services, service line protection and disconnect fees. Through August, other operating revenue is lower than budget by \$45,000, but is \$41,000 higher than the prior year. The variance to budget for the year-to-date period is primarily attributable to lower revenue from disconnect fees and contract revenue partially offset by favorable variances in late charges, profit on sale of materials and service line protection. The variance to prior year for the year-to-date period is primarily due to higher revenue in service line protection and sewer billing revenue offset to an extent by unfavorable variances in contract revenue and disconnect fees.

Operating and Maintenance Expenses for August of \$6.4 million are \$367,000 lower than budget and \$460,000 higher than August 2017. The favorable variance to budget for August is primarily in labor and labor-related costs, contractual services and insurance reserves partially offset by higher fleet costs, chemicals and a reversal of prior timing differences in memberships. August year-to-date operating and maintenance expenses are \$220,000 below budget and \$4.1 million over prior year. For the year-to-date period, favorable variances in materials and supplies, contractual services and employee travel and training costs were only partially offset by overages in chemicals, equipment maintenance, bad debt and overtime. The large number of main breaks earlier in the year had a significant negative impact on labor costs and as well as other expense categories.

Total Operating Expenses for August of \$11.5 million are \$404,000 lower than budget and \$652,000 more than August 2017. Total operating expenses year-to-date are lower than budget by 0.1% and higher than prior year by 6.9%. The favorable budget variance for the month of August is mainly due to lower operating and maintenance expenses. The year-to-date budget variance is primarily due to lower operating and maintenance expenses and lower loss from disposition of property, partially offset by higher depreciation.

Non-Operating Income through August is \$1.2 million, which is \$179,000 higher than budget and \$546,000 more than the same period in 2017. The variance to prior year is due to funds reinvested in treasury securities at a substantially higher effective rate than those which matured late in 2017. The variance to budget is due to receiving a higher rate on the new treasuries than anticipated.

Non-Operating Expense through August of \$4.5 million is \$639,000 less than budgeted and \$1.1 million less than year-ago levels. Interest expense is less than prior year and budget due to higher amounts of interest capitalized. Principal payments made on bonds during 2017 also reduced interest expense as compared to prior year levels.

Net Income before Distributions and Contributions for August is \$5.5 million, which is \$672,000 less than budgeted. In comparison between years, net income is \$680,000 less than August 2017. August year-to-date net income of \$32.8 million is \$1.3 million higher than budget and \$983,000 more than the eight months ended August 2017.

Contributions through August of \$6.7 million are \$1.3 million higher than budgeted and \$715,000 more than prior year.

Cash and Short-term Liquid Investments totaled \$83.7 million at the end of August 2018, well in excess of 250 days of estimated Operations and Maintenance expense of \$53.5 million.

Communications and Marketing Report Given

Ms. Kelley Dearing Smith summarized the Communications and Marketing report for August.

Guests to the renovated Kentucky International Convention Center (KICC) will notice unique messaging throughout the facility. Louisville Water has installed branding at 18 drinking water fountains that highlights our quality water and connection to the community. The branding is part of a partnership with Kentucky Venues, which manages KICC and the Kentucky Exposition Center. KICC has a goal of being a sustainable site, and in addition to the fountain branding, we are working with the facility's caterer on how water is served in meeting rooms and banquet space. In the coming months, this partnership will expand to the Exposition Center as it installs bottle filling stations. Since many of the guests to these facilities are from outside Louisville Water's service area, the branding introduces visitors to the great-tasting and high-quality tap water. When KICC reopened on August 6, Louisville Water's partnership was highlighted in local and state media.

Visitors to the Spirit of Kentucky exhibit at the Frazier History Museum will learn the connection of Louisville Water to the state's signature industry, bourbon. This exhibit is part of a partnership with the Kentucky Distillers Association which marks the Frazier Museum as the starting point for the Kentucky Bourbon Trail. With a grant from the Louisville Water Foundation, the Frazier staff created content on arguably the most important asset to bourbon, water. The story of Louisville Water is highlighted in multi-media and signage. The exhibit is designed for both families and the general public and a partnership with Louisville Water also includes a school-based education program and joint field trips to the WaterWorks Museum.

The Louisville pure tap® team was at more than a dozen events in August including Bernheim's Connect, Louisville Zoo's Brew at the Zoo, National Night Out campaigns, St. Joe's Picnic, and the Frankfort Avenue Trolley Hop. In addition, staff also participated in several back-to-school events throughout the service area. At Field Elementary (which sits adjacent to the Crescent Hill Treatment Plant), Tapper greeted students and parents as they started the school year.

Louisville Water Tower Park and the WaterWorks Museum were once again part of the Mayor's Cultural Pass program, an effort where adults can receive free admission in the summer when they bring a child to participating museums and attractions. Through a grant from The Fund for the Arts, participating attractions receive a percentage of the admission returned. This year, 860 adults and children visited the WaterWorks Museum on "Cultural Pass" days.

Louisville Water has a school-based education program that visits more than 100 schools annually. This year, staff is working to expand that reach with existing programming. A recent example highlights the success we are seeing. At the beginning of the school year, staff visited every classroom in kindergarten through 5th grade at Lebanon Junction Elementary in Bullitt County with a program on how we make drinking water and the importance of hydration. At Lebanon Junction, 99% of the students receive free or reduced meals and the school was interested in highlighting the importance of hydration and saving money by drinking tap water. Now, we are working with the school to extend that programming to parents through the school's existing events and messaging. Content now accompanies these special efforts. For example, the local newspaper covered the education day and we provided a story to the board of education and state representative.

Louisville Water's focus on infrastructure and water quality was highlighted in local and national media. Working with our engineering group, staff produced a media event on a robotic inspection of a 48-inch water main along Westport Road. The event allowed local media to see how we inspect the large pipes and learn of our funding commitment. A New York city digital publication named Louisville Water as one of the "five best tap waters in the United States" and the writer commented on our unique marketing and advanced treatment with riverbank filtration.

The story of how two of our employees helped rescue a kitten trapped in a damaged fire hydrant had all the pieces for media interest. When Chad Harper and Jimmie Stone responded to a report of a fire hydrant knocked over, they found the kitten several feet in the ground at the bottom of the hydrant barrel. (When the hydrant was knocked over, there was an open hole on the surface and somehow the kitten stumbled in.) The crew called Metro Animal Services which saved the trapped kitten. "Hydrant Kitty" now has a new home and thousands of fans. The story was picked up by local and national media in more than a dozen media outlets.

Customer Service and Distribution Operations Report Given

Mr. Vogel summarized the Customer Service and Distribution Operations report for August.

The Call Center operations received 34,017 calls in August with an abandonment rate of 11.1%. The average speed of answer (ASA) came in at 4:20 m:s for the month which is lower than last year and the five-year average. The Call Center performance was hindered due to lower staffing levels as a result of internal promotions, as well as voluntary and involuntary turnover. Staff is working closely with our temporary agencies and our Human Resources group to bring in additional resources. Year-to-date our abandonment rate is running at 11%, which is significantly lower than last year (16.5%) and also lower than the five-year average (19.4%). Year-to-date our ASA is 4:25 m:s, which is also lower than both last year (7:32 m:s) and the five-year average (6:10 m:s). The front lobby processed 9,173 payments (6,445 cash and 2,728 check) for the month.

Main break activity was lower than normal for the month. August ended with 22 main breaks, which is approximately 36% lower than last year (35) and the five-year average (34). New service installations continued to be busy for the month with four crews, plus a contractor, installing new services. An additional

three union retirements occurred at the end of July and all of these were crew leaders with 20 plus years of experience. Six General Laborers were hired and started work on July 30 and we are in the process of filling two supervisor vacancies.

Billing accuracy for the month came in at 99.94%, which is slightly lower than last year (99.96%) and higher than the five-year average (99.86%). Metering and Billing Operations continue the year with an improved focus on performance metrics and seeking opportunities for improvement. The team maintained relatively low aging on both nonpayment (11.1 days) and plug/lock (7.3 days) orders.

After seeing improvement earlier in the year, bad debt retreated in July and August and came in higher than budget. Bad debt for August was \$153K, which is higher than last year, but lower than the five-year average. Year-to-date there have been a large volume of write-offs related to SFOs as well as leaks from the winter months. Staff continues its focus on delinquent accounts specifically working to better identify larger balances and collecting payments.

Unfortunately, we continue to struggle with our safety performance this year. After two poison ivy cases in August, we now stand at 13 OSHA recordable injuries, which puts us right at the industry average. Of note, only one of the injuries thus far has been severe, our highest risk area (Distribution) is having its safest year ever, and we continue to push safety throughout the organization. On July 23rd we held a very successful safety blitz which included management visiting, and promoting safety, with almost every crew and individual field employee working that day.

Engineering and Production Operation Report Given

Mr. Kraus summarized the Engineering and Production Operations report for August.

2018 capital expenditures through August totaled \$63,721,413 which is \$19,105,859 or 42.82% higher than the same period last year. These expenditures equate to 57.43% of the 2018 total capital program of \$110,955,773.

The amount of water produced and delivered to the system in August 2018 was 135.9 MGD, which was 0.7% higher than August 2017 and 0.4% higher than the five-year average. Year-to-date, the amount of water delivered to the system was 5.6% higher than 2017, and 3.6% higher than the five-year average.

There were 11 chemical spills reported by ORSANCO during the month of August; eight occurred upstream of Louisville Water's Zorn intake. There was no impact to Louisville Water from any of these reported incidents. All treatment goals were achieved.

Water Quality (WQ) staff monitored 1,133 water quality parameters of a required 973 per federal and state regulatory requirements. There were zero violations.

Staff collected 280 compliance distribution samples. There were zero total coliform and zero *E-Coli* results. All internal water quality goals were met. Staff also collected 36 main break samples on 18 repairs in the month, of which 10 localized boil water advisories were issued due to field conditions and two were issued due to water quality monitoring results. There was a total of 10 water quality customer complaints, in comparison to the five-year average of 23 complaints.

Human Resources Report Given

Mr. Terrence Spence provided a summary of recent and current activity between the Louisville Water's Labor Management and Local Union 1683 of the American Federation of State, County and Municipal Employees, AFL-CIO (the Union).

Union and Company representatives attended the Labor Management Conference held September 11th through September 13th at the Kentucky Dam Village State Park. The event provides participants a relaxed atmosphere, apart from the work environment, which is conducive to positive, meaningful dialogue between labor and management.

Currently, there are six active grievances filed by the Union. Five are at the Step #4 level pending review of a recommended resolution proposed by the Company to Union Leadership. One is at Step #3 pending recommendations from a sub-committee consisting of Union and Non-Union members for resolution.

Union and Company representatives attended a follow-up third party mediation session on August 6th facilitated by the Louisville Labor Management Committee in an attempt to resolve two active grievances. From the mediation, the Company proposed a cooperative resolution to remedy the grievances to be presented by Union Leadership to the Union's Executive Board for possible acceptance.

The Executive Leadership Team, including Union Leadership, facilitated quarterly operations update sessions at different Company locations on August 9th.

Union Leadership and Management conducted a Labor Management meeting to discuss working agendas and a review of active grievances on August 13th.

The Decisions Partnership Team met August 15th to discuss various Union/Company initiatives that included Employee Safety, AMI, Workforce Management, and Training.

The Company posted six regular full-time and one temporary full-time classified union positions for the internal union personnel bidding process on August 20th.

The Company hired seven General Laborers (GL) on July 30th, and re-initiated recruitment efforts by posting additional GL positions internally and externally on August 22nd.

Company Management and Union Leadership visited Fairdale High School on August 23rd, to discuss their Heavy Equipment Science Academy Program and reviewed ways to expand the partnership for program enhancements and possibly establish a summer internship/jobs program.

Information Technology Report Given

Dr. Tom Luckett summarized the Information Technology (IT) Report for August.

Information Technology (IT) is working with Oracle WAM implementer Ernst & Young on End to End Testing Cycles that are taking place in September. Staff is also preparing the production environment for the Phase 1 Go-Live in October.

Louisville Water is currently testing a multi-factor authentication technology to improve the security of its computer systems. Multi-factor security adds an additional element of security above using just a username and password. This is similar to using a Personal Identification Number (PIN). Many banks and brokerage

companies use this technology now. Staff is currently planning this implementation over the next 60 – 90 days.

Vendors have been delayed in the submission of updated responses to the Oracle Support Request for Proposal (RFP) resulting from the elimination of WAM from the scope of the RFP. Staff is now targeting mid-October to begin negotiations with the selected vendor.

BLOOP, the web-based solution to replace the antiquated Oracle Forms and Reports application known as Splash, has its first component in production. The Records Management application which tracks and manages offsite record storage went live on August 22, 2018. The BLOOP application is java-based and will run on desktops, laptops, and mobile devices. Many other BLOOP development efforts continue including a Worksite Safety Audit application, cellular usage dashboard, and numerous activities related to Strategic Plan metrics.

There being no further business for the Board, Mr. Esselman moved to adjourn at 12:53 p.m., seconded by Mr. Willman and the motion unanimously carried.

Respectfully submitted,



Michael F. Tighe
Vice President, Compliance, General Counsel
and Corporate Secretary