

Board Of Water Works
REGULAR CALLED MEETING MINUTES
October 20, 2020
Virtual Meeting

Board Members Present:

Dr. Sharon Kerrick, Chair
Dr. Sundeep “Sunny” Dronawat, Vice Chair
Mr. Greg Dearing
Mr. Paul Esselman
Ms. Jennifer Fust-Rutherford
Mr. William E. Summers, IV

Not Present:

Greg Fischer

Others Present:

Mr. Spencer Bruce, President and Chief Executive Officer
Mr. Daniel Frockt, CFO, Louisville / Jefferson County Metro Government
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, Engineering and Production Operations, and Chief Engineer
Dr. Tom Luckett, Vice President, Information Technology
Ms. Lynn Pearson, Vice President and Treasurer
Mr. Terrence Spence, Vice President, Human Resources and Labor Relations
Mr. Michael Tigue, Vice President, General Counsel and Corporate Secretary
Mr. Adam Carter, President, Union Local 1683 of the AFSCME
Mr. Jim Grunow, Director, Strategic Projects
Ms. Sue Purdy, Director, Finance
Mr. Rengao Song, Director, Water Quality & Research
Ms. Jenni Schelling, Director, Internal Audit
Ms. Shannon Tivitt, Director, Project Liaison, One Water
Mr. Mike Simon, Manger, Human Resources
Mr. Andrew Winslow, Manager. Finance
Ms. Ramiza Carpenter, Senior Accountant
Ms. Megan Starnes, Budget Specialist, II
Mr. Brian Sturgeon, Computer Network Administrator
Ms. Beverly Soice, Paralegal

Visitors: Rob Gipperich, AON

The regular called meeting of the Board of Water Works (BOWW) was held on Tuesday, October 20, 2020 by video teleconference via Zoom. Chair, Dr. Sharon Kerrick called the meeting to order at 11:01 a.m.

Minutes of the Previous Regular BOWW Meeting Approved

Dr. Sunny Dronawat moved to approve the Regular Monthly Meeting Minutes of September 22, 2020. Seconded by William Summers, and the motion unanimously carried.

Report Provided by the President/Chief Executive Office

Spencer Bruce advised that for more than 30 years, Louisville Water has coordinated an annual philanthropic effort to support local charities. The “Combined Giving Campaign” gives employees the option for a payroll deduction or one-time donation to four charities: Louisville Water Foundation, Fund for the Arts, Metro United Way and Water for People. Typically, the campaign includes a golf scramble, contests, chili cook-offs and cornhole tournaments. While the pandemic has prevented the in-person events from happening, we did kick off our “virtual” Combined Giving Campaign in early October with a breakfast that’s typically only for management, but this year we opened it to all employees with more than 150 participating. Tim Kraus is leading a team that’s planning the campaign which includes virtual contests.

Mr. Kraus advised that \$143,000 was raised last year and we hope to match that amount, but it may be difficult during the current COVID pandemic. Most donations are obtained through pledge cards that are provided to every employee. Mr. Bruce stated that we typically reach out to retirees and staff will be sending an email communication to the BOWW members later today asking for donations.

Dr. Kerrick thanked Mr. Kraus for leading this year’s campaign.

Mr. Bruce stated that it has been almost 1½ years since we lost employee Jimmy Stone in a tragic workplace accident. Louisville Water and Local 1683 partnered with the Rajon Rhondo Foundation, an organization that mentors young people, to launch the Jimmy Stone Memorial Locker Room Project in December of 2019. The project allows underprivileged children to earn “locker room money” to purchase items. The annual amount necessary to fund the project is \$10,000.

Adam Carter advised that the annual Jimmy Stone Memorial Golf Scramble was held on October 10, 2020. The scramble raised over \$15,000 and, after expense, netted over \$11,000. The money will fund the Jimmy Stone Memorial Locker Room Project.

Dr. Sharon Kerrick advised that she was recently named Executive Director for Digital Transformation for the University of Louisville. Mr. Bruce, staff and BOWW members congratulated her on the appointment.

Recognition of Rengao Song, Ph.D.

Mr. Bruce advised that Dr. Rengao Song will be retiring at the end of this month and staff wanted to honor him for his hard work and dedication to Louisville Water. Dr. Song has established a culture of 100 percent regulatory compliance for water quality at Louisville Water. He has led many technological improvements in water quality during his time with the organization. He also driven a culture of excellence in both water quality and research that will live on for many years to come.

Mr. Bruce advised that staff prepared the follow resolution which he requested be memorialized in the minutes of this meeting.

WHEREAS, Dr. Rengao Song joined Louisville Water Company on March 19, 1999 as a Senior Research Scientist, rising to the position of Director of Water Quality, until his planned retirement on October 31, 2020;

WHEREAS, Dr. Song's principled leadership and pursuit of excellence and innovation transformed Louisville Water's business culture in the area of Water Quality and Research;

WHEREAS, Dr. Song recognized that pipe corrosion was a major threat to safety and quality of drinking water and further optimized the Corrosion Control Treatment at Louisville Water through proactive research;

WHEREAS, Dr. Song developed an innovative chemical treatment technology to control nitrification and strengthen disinfectant residual management; work that was published in the Journal of Environmental Engineering and recognized by the American Society of Civil Engineers for the 2020 Samuel Arnold Greeley Award;

WHEREAS, Dr. Song is currently leading a national research on risk-benefit assessment and developing a cumulative risk assessment methodology to help the water industry reduce overall health risks in drinking water;

WHEREAS, Dr. Song's contributions to the betterment of the Louisville Water Company and the communities it serves have left an indelible mark upon which we place our most sincere gratitude.

NOW, THEREFORE, BE IT RESOLVED that the Board of Water Works does hereby convey its deepest appreciation for the distinguished services rendered by Dr. Song, to be forever remembered in the Minutes of this distinguished institution.

Dr. Kerrick moved to approve the resolution honoring Dr. Song. Mr. Summers seconded, and the motion unanimously carried.

Dr. Song thanked everyone for their kind words and stated and he will be leaving the water quality department in good hands. He stated the water quality staff has the dedication and knowledge to "get the job done." He also expressed that the Company is fortunate to have the current Executive Leadership Team (ELT) team members. He added that Mr. Bruce is a trustworthy and honest person and is leading the Company with a steady hand; he is not only smart, he is also wise.

Dr. Kerrick thanked Dr. Song for his hard work and dedication to Louisville Water and his contributions to water quality.

Dr. Song thanked the Board members and stated that working at Louisville Water was his job and his pleasure.

President/CEO Authorized to Execute and Submit an Application for Funding Assistance for Project 366-20-0037 – Roe Hill Area CDBG/SRF Project and to be the Official Project Representative for the Funding

Mr. Kraus informed the Board that Jim Grunow, Director of Engineering will be presenting this item to the Board.

The proposed 2021 Roe Hill Road Area CDBG/SRF Project includes extending water service to an area of northwestern Bullitt County to serve 37 residents on Roe Hill Road, P'Poole Lane, Kerr Lane, and Perkins Court.

Roe Hill Road and the contiguous roads of P'Poole Lane, Kerr Lane and Perkins Court are located on an isolated knob area in Bullitt County. This area has been designated as a Disadvantage Community by the Kentucky Infrastructure Authority. In addition, it has met the threshold of having greater than 50% of its residents being low-to-moderate income, making it eligible for potential Community Development Block Grant (CDBG) funding through Bullitt County Fiscal Court. Multiple sources of funding are being pursued to advance this project, including a grant and a State Revolving Loan. In addition, grant funding is being solicited from Bullitt County Fiscal Court and the Louisville Water Foundation along with a small tapping fee from higher income residents to pay the debt service on the State Revolving Loan.

Louisville Water was informed by the Kentucky Infrastructure Authority that the Roe Hill Road Area project was included on the 2021 Intended Use Plan and we were invited to submit an application for State Revolving Loan funding.

Mr. Summers moved to approve the following Resolution which authorizes Spencer Bruce to execute and submit an application to obtain funding assistance from the State Revolving Loan Program and to be Louisville Water's Official Project Representative for this funding assistance. Dr. Dronawat seconded and the motion unanimously carried.

WHEREAS, Louisville Water Company proposes to construct water distribution system improvements including a water main extension and a booster pump station to supply potable water service to Roe Hill Road, P'Poole Lane, Kerr Lane and Perkins Court in northwestern Bullitt County, Kentucky and

WHEREAS, Bullitt County Fiscal Court endorses said proposed service, and,

WHEREAS, under the terms of the Safe Drinking Water Act Amendments of 1996 (Public Law 104-182) and amendments to KRS 224A, the State is authorized to render financial assistance to eligible project applicants by way of capitalization grants from the U. S. Environmental Protection Agency and State match funds comprising the Federally Assisted Drinking Water Revolving Fund (State Revolving Loan Program). The program is established to aid in the construction of drinking water treatment facilities improvements and certain related facilities with consideration for approval to be based on applications submitted through the Kentucky Energy and Environment Cabinet and the Kentucky Infrastructure Authority, and,

WHEREAS, the improvements proposed for construction by Louisville Water Company within the Bullitt County area are considered eligible for such loan assistance.

NOW THEREFORE, BE IT RESOLVED by Louisville Water Company that the President and CEO and Successors-in-Title are hereby authorized to execute and submit an application through the Kentucky Energy and Environment Cabinet and the Kentucky Infrastructure Authority with such assurances and required supporting data as is necessary to obtain loan assistance from the Federally Assisted Drinking Water Revolving Fund (State Revolving Loan Program) for the proposed water distribution system improvements, and are hereby authorized as Louisville Water Company's Official Project Representative to carry out necessary negotiations for and administer the loan assistance the applicant may obtain from the Federally Assisted Drinking Water Revolving Fund (State Revolving Loan Program).

Audit Committee

The Audit Committee minutes of the September 14 are included in the agenda book for records purposes only. The minutes were discussed during the September Board meeting.

Compensation and Benefits Committee

Dr. Kerrick provided a summary of the discussions held at the October 29, 2020 meeting of the Compensation and Benefits Committee.

Dr. Kerrick advised that in terms of the salary structure movement, Mercer recommends a 2.0% increase be made and recommends budgeting for front-line, non-union employees a base salary increase between 2.5% and 3.0% overall and moving to one salary structure for both management and non-management for 2021.

Dr. Kerrick advised that Rob Gipperich with Aon was present at the committee meeting to review the projected premiums for the employee health insurance for 2021. Mr. Gipperich is also present at this Board meeting. Dr. Kerrick informed the Board that a recommendation was not made by the Compensation and Benefits Committee at its meeting on October 29. Terrence Spence and Mr. Gipperich requested additional time to negotiate with the insurance providers for a lower proposed premium rate increase.

Mr. Spence advised that he continued negotiations with the insurance carriers: Anthem and Humana (incumbent) following the committee meeting. The final negotiated 2021 premium increase proposals were 3.7% and 6.3%, respectively.

Following a thorough discussion, Paul Esselman moved to approve a 2.0% increase in the salary structures, budgeting 2.9% for 2021 merit based increases for front-line, non-union employees, and to utilize Anthem BlueCross BlueShield for Louisville Water's employee health insurance for the 2021 benefit plan year. Mr. Summers seconded, and the motion unanimously carried.

Mr. Bruce noted that ancillary insurance does not require the Board's approval as it is within the President's approval authority. Ancillary insurance includes dental, vision and life and disability.

Dr. Kerrick added that the committee also reviewed the mid-year performance report for the Shared Executive Operating Goals, Management Incentive Plan Goals and Corporate Performance Goals. As of the 2nd Quarter, all goals were on track for at least a "Successful Performance."

2021 Preliminary Operating and Capital Budget

Lynn Pearson and Mr. Kraus provided highlights of the preliminary 2021 Operating and Capital Budget. The presentation included a 2020 year in review, a full year forecast for 2020, an overview of the budget process and timetable along with a look at Louisville Water's 2021 funding priorities with key drivers and assumptions for operating revenue and expenses. A summary of the budgeted capital by category was also presented.

Third Quarter 2020 Certification of Contracts & Bids

Mr. Bruce certified that the following contracts were awarded during the Third Quarter of 2020 in accordance with the Purchasing Policy and Purchasing Procedure.

Construction

17-150	Assignment to Master Agreement - Transmission System Repairs and/or Capital Improvements Condition 2019 -Grade Ln 24" & Shepherdville Rd 30" Pipe Section Replacements change order #1	
15458	Southern Pipeline Construction, Co. (WBE)	\$108,646
17-150	Assignment to Master Agreement for Transmission Repairs-Condition 2020 PCCP and RCCP	
15635	Southern Pipeline Construction Co.	\$1,340,046
19-07	Eastern Parkway 48 inch Transmission Main Rehabilitation change order #2	
14321	Cleary Construction, Inc.	\$58,493
19-10	Zorn Pump Station Standby Generator Change order #1	
13109	Pace Contracting, LLC	NTE\$466,177
20-104	Preston Highway Spoil Site Improvements Project	
15639	Basham Construction & Rental Co, Inc	\$269,000
20-56	Newburg Road Water Main Replacement Project	
15665	Todd Johnson Contracting, Inc. (CWBE)	\$651,815
20-80	Preston Highway 24 inch Sector 6 Project	
12080	Basham Construction & Rental Co., Inc.	\$1,256,000
20-92	Old Highway 1793 PRV Site Improvements	
16006	Advanced Paving and Construction Co, Inc. (CWBE)	\$77,800
20-94	River Bluff Temporary Booster Pump Station Demolition	
16010	Seven Seas Construction (CMBE)	\$32,400
	SUM BY BIDS AND AWARDS CATEGORY	\$4,260,377

Procurement of Materials and Services

	Insurance Program Renewal	
	Cyber Liabilities-Beazley Insurance Company	\$46,260
	Errors and Omissions Insurance- Peleus Insurance Company	\$24,763
	Excess Umbrella Liability Insurance-Allied World National Insurance	\$231,813
	Management Liability - Directors & Officers and Employment Practices- Ace American Insurance Company	\$90,987
	Primary Automobile General Liability-Allied World Insurance Company63488	\$63,488
	Property Insurance-Affiliated FM Insurance Company	\$301,277
	Workers Compensation Insurance (KY)-Midwest Employers Causality Company	\$53,151
15-90	Heavy Equipment Rentals Contract Extension	
	Boyd-The Cat Rental Store A,B,C,D and E	Estimate \$95,681
	Construction Machinery Company C&D	\$50,543
16-109	Meter Setters 3rd PPI Renewal	
	Mueller, Co	Estimate\$110,495
16-119	Water Treatment Chemicals for Ft. Knox - Contract Extension	
	Acticarb, Inc. -Powdered Activated Carbon	Estimate \$53,011
16-154	Plate Trucks 4th & Final PPI Renewal	
	Kentucky Truck Sales, Inc	Estimate\$231,866
17-101	Assignment from Electrical Switchgear Cleaning / Inspection / Repair & Associated Electrical Work-Installation of new Switchgear Back-up Batteries	
	Eaton Corporation	Estimate \$23,915
17-101	Electrical Switchgear Cleaning /Testing/ Inspection / Repair & Associated Electrical Work - 3rd CPI Renewal	
	CE Power	Unit Price Estimate \$55,000
17-129	Fire Hydrants 3rd PPI Renewal	
	American Flow Control	Estimate\$593,651
17-153	Assignment to sole source Master Agreement - Electromagnetic Inspection and Leak Detection on Large Diameter Water Mains-Grade Lane 60-inch Water Main Inspection	
	Pure Technologies	\$160,239
17-53	Emergency Response (RFP 75% Technical, 25% Cost) 3rd CPI Renewal	
	Paul Davis Restoration	Estimate Annual Cost\$100,000
17-61	Assignment to Contingency Contract for Motor Repairs-Bearing Replacement and Cleaning of RBF #2	
	Horner Industrial	Estimate \$33,855

18-48	Assignment to Master Agreement 18-48 Electro-Mechanical Work for Water Treatment or Distribution Facilities. CHPS #4 Suction Valve	
15603.04	Ward Engineering	Estimate \$88,640
18-48	Assignment to Master Agreement 18-48 Electro-Mechanical Work for Water Treatment or Distribution Facilities. Rebuild 20-inch Cone Valve on BE Payne High Service #4	
	Ward Engineering	Estimate \$86,670
18-96	Concrete Paved Services 1st CPI Renewal	
	Allterrain Paving & Const. LLC	Estimate\$544,303
19-50	Spring Loaded Detector Check Valves Contract Extension	
	Plumbers Supply	Estimate \$79,165
19-66	Water Treatment Chemicals-FT Knox Locations 1st CPI Renewal	
	Mississippi Lime-Quicklime	\$100,295
	USALCO-Liquid Aluminum Sulfate	\$21,016
20-19	Aluminum Hatches	
	Straffer Pump and Supply	Estimate \$86,085
20-21	Valve Boxes, Lids and Risers	
	General Foundries	Estimate \$57,125
20-35	Tapping Saddles for PVC and Ductile Iron Pipe	
	Mueller Co, Ltd	\$89,507
20-74	Water Treatment Chemicals	
	Airgas Specialty Product (Aqua Ammonia)	Estimate\$112,190
	Chemical Resources- Liquid Sodium Bisulfite	\$20,126
	Chemical Resources-Liquid Polyaluminum Chloride (Pacl)	\$23,220
	Chemical Resources-Liquid Sodium Chlorite	\$33,000
	Gunther Salt-Sodium Chloride	\$540,366
	Ingevity (adjusted)- Powdered Activated Carbon PAC	\$209,988
	Kemira Water Solutions (Liquid Ferric Sulfate Iron Wgt)	\$1,302,444
	Mississippi Lime- Quicklime	\$1,365,965
	Polydyne- Diallyldimethylammonium Chloride	\$199,920
	PVS Technologies (Liquid Ferric Chloride dry weight)	\$1,231,656
	Univar Solutions (Fluorosilicic Acid)	\$226,923
	Water Solutions Unlimited- Liquid Sodium Permanganate	\$61,440
20-84	Diesel Fuel for Crescent Hill & Unleaded Fuel for Allmond Avenue and Crescent Hill Joint bid with Airport Authority	
	Lykins Energy Solutions	3 Year Estimate\$580,453
	Valor (Diesel Fuel)	3 Year Estimate\$146,154
20-88	Itron Pro Coder Pit Meters and Registers	
	Itron	Estimate\$340,538
GSA Contract	IT Oracle Project Consulting	
GS35F474GA	TMG Consulting	Estimate
\$2,000,000		
KY State Contract	Purchase of 19 Computer Systems	
MA7580600001126	Dell	\$25,175
KY State Contract	Switch Upgrade	
MA14000008766	Volta	\$487,939
RFP 18-01	Assignment to RFP 18-01/ Oracle Remote Application Management Support & Oracle Application Project Work- Golden Gate Technical Architect	
	Oracle Advanced Customer Services	Estimate\$182,651
WKU 553	Disaster Recovery Assessment and Developer	
	Volta	\$63,020
WKU 553	SentinalOne on Windows and the Isilon	
	Volta	\$170,312
WKU-553	Zerto Republication Software	
	Volta	\$259,647
	SUM BY BIDS AND AWARDS CATEGORY	\$13,055,928

Procurement of Professional Services

	Consumer Insights and Strategy	
	ThinkNew	\$39,210
13-169	Assignment from Contingency Contract for Commercial Diving Services- CHPS Overhaul Pump #4	
15603	Marine Solutions (CWBE)	NTE \$62,621

14-21	Assignment Plant & Facilities Engineering Services - Master Agreement - RFP (Technical- 45%, Interview-30%, Cost-25%) CHWTP Redundant Residual/Sludge Conveyance System	
15619	HDR Engineering	NTE \$1,498,903
14-21	Plant & Facilities Engineering Services - Master Agreement – RFP (Technical-45%, Interview-30%, Cost-25%) contract extension	
	CDM Smith	Annually
16-03	Transmission Pipeline system Design Engineering Services (RFP - 75% Technical, 25% Cost) 4th & Final CPI Renewal	
	CDM Smith	Hourly Rate Contract
17-13	Assignment from Engineer of Record - Master Agreement-BEP WTP Chloride Dioxide Generator System	
15606	Hazen & Sawyer	NTE\$333,717
SUM BY BIDS AND AWARDS CATEGORY		\$1,934,451

Procurement of Sole Source Materials and Services

17-153	Assignment to Sole Source Professional Service Master Agreement – Electromagnetic Inspection and Leak Detection on Large Diameter Water Mains- Condition 2020 PCCP-RCCP	
15635	Pure Technologies	\$1,126,117
17-153	Correction: Assignment to Sole Source Professional Service Master Agreement - Electromagnetic Inspection and Leak Detection on Large Diameter Water Mains- Condition 2020 PCCP-RCCP	
15635	Pure Technologies	\$114,210
Sole Source	2021 Residential Water Customer Satisfaction Survey	
	J.D. Power	\$34,000
SUM BY BIDS AND AWARDS CATEGORY		\$1,274,327
GRAND TOTAL		\$20,525,083

Third Quarter 2020 Certification of Projects & Change Actions

Mr. Bruce certified that the following Projects and Change Actions were authorized during the Third Quarter of 2020 in accordance with the Capital Projects Authorization Policy and Procedure.

Project Proposals Requiring Board Approval:

Project Number	Project Name	Requested Total Estimate	Contribution	LWC Net Cost	Current Year Estimate
Total					

Project Change Actions/Admin Notifications Requiring Board Approval:

Project Number	Project Name	Previously Approved Total	Change In Total Estimate	Requested Total Estimate	Change In Current Year Estimate
14325	CHFP Chemical Bldg and Lab Fire Protection and Office Space Imprv	\$ 9,982,740.00	\$ 4,125,000.00	\$ 14,107,740.00	\$ -
15606	BEP - Chlorine Dioxide System	\$ 1,500,000.00	\$ 2,660,000.00	\$ 4,160,000.00	\$ -
Total		\$ 11,482,740.00	\$ 6,785,000.00	\$ 18,267,740.00	\$ -

Project Proposals Approved by the President:

Project Number	Project Name	Requested Total Estimate	Contribution	LWCNet Cost	Current Year Estimate
16034	On Bill Customer Donation Portal	\$ 300,000.00	\$ -	\$ 300,000.00	\$ 300,000.00
16042	Critical Main 2020 Bullitt Lick	\$ 265,000.00	\$ -	\$ 265,000.00	\$ 265,000.00
Total		\$ 565,000.00	\$ -	\$ 565,000.00	\$ 565,000.00

Project Change Actions Approved by the President with Total Estimate Changes:

Project Number	Project Name	Previously Approved Total Estimate	Change In Total Estimate	Requested Total Estimate	Change In Current Year Estimate
12080	690 Plan - Transmission - Preston Highway 24-Inch Section 6	\$ 1,398,600.00	\$ 224,321.48	\$ 1,622,921.00	\$ 242,321.48
15458	Condition 2019 - PCCP	\$ 11,752,989.00	\$ 258,645.68	\$ 12,011,635.00	\$ 258,645.68
15612	Fire Hydrant Replacement and Renovation	\$ 1,658,500.00	\$ 390,000.00	\$ 2,048,500.00	\$ 390,000.00
15613	Lead Svc Renewal, Copper Svc Mod, FS Renov, Large Mtr Renov	\$ 675,780.00	\$ 300,000.00	\$ 975,780.00	\$ 300,000.00
Total		\$ 15,485,869.00	\$1,172,967.16	\$ 16,658,836.00	\$ 1,190,967.16

Project Change Actions Approved by the President with no change Total Estimate Changes:

Project Number	Project Name	Previously Approved Total	Change In Total Estimate	Requested Total Estimate	Change In Current Year Estimate
Total					

Status of Open Projects with Total Estimates over \$2,000,000:

Project Number	Project Name	Total Estimate	Total Cost To Date	Status	Budget Year Category
11264	Transmission - Cardinal Hill Second Supply Phase 2B	\$ 3,708,490.00	\$ 125,621.36	Pending Capital	2005 Budget
11310	BEP - Renovate Sludge Lagoons #1, #2, #3, and #4	\$ 19,970,280.00	\$ 11,210,980.73	Work In Progress	2006 Budget
11615	Transmission - Gene Snyder Freeway Section 1B	\$ 9,133,000.00	\$ 383,106.60	Pending Capital	2007 Budget
11616	Transmission - Gene Snyder Freeway Section 2A	\$ 6,641,500.00	\$ 64,331.00	Pending Capital	2007 Budget - Program
13109	ZPS - Standby Generator	\$ 15,408,083.00	\$ 4,268,458.36	Work In Progress	2011 Budget
13264	CHPS - Replace Slate Roof and Improve Masonry	\$ 6,137,000.00	\$ 215,724.56	Pending Capital	2012 Budget
13274	Metering - AMI for Jefferson County	\$ 61,000,000.00	\$ 5,782,348.01	Design In Progress	2013 Budget
13512	ZPS - Station #3 Slate Roof Replacement and Masonry Improvements	\$ 6,569,000.00	\$ 6,389,155.01	Completed Not Closed	2013 Budget
14321	Rehabilitation 2015 - Eastern Pkwy 48-inch main	\$ 27,186,000.00	\$ 26,944,371.34	Completed Not	2015 Budget
14325	CHFP - Chemical Building and Lab Fire Protection and Office Space Improvements for Productions	\$ 9,982,740.00	\$ 2,424,617.82	Work In Progress	2015 Budget
14330	CHWTP - Standby Generator	\$ 12,987,000.00	\$ 12,212,551.37	Work In Progress	2015 Budget -
14524	ATT RBF for CH	\$ 221,905,253.00	\$ 5,724,658.30	Pending Capital	2017 Budget
14534	I.T. - Oracle Utilities CCB,MWM Enhancements	\$ 3,500,000.00	\$ 3,111,748.90	Work In Progress	2016 Budget
14536	I.T. - Work and Asset Management System - WAM	\$ 23,526,488.00	\$ 22,353,499.73	Work In Progress	2016 Budget
14542	Transmission - Urton Lane	\$ 5,297,725.00	\$ 232,852.70	Pending Capital	2017 Budget
14543	860 PZ - Bardstown Road Elevated Storage Tank	\$ 6,343,131.00	\$ 6,340,576.07	Completed Not	2016 Budget
15035	Condition 2017 - PCCP	\$ 10,295,101.00	\$ 10,502,411.95	Completed Not	2017 Budget - Program
15036	Condition 2017 - Reservoir Yard Piping and Valves	\$ 5,000,000.00	\$ 54,047.53	Design In Progress	2017 Budget - Program
15055	Property Acquisition for Spoil Disposal - Site B	\$ 4,300,000.00	\$ 4,112,302.43	Design In Progress	2017 Budget
15253	900 Plan - Old Henry Rd to Terra Crossing Blvd	\$ 2,374,551.00	\$ 60,257.26	Pending Capital	2018 Budget
15255	Condition 2018 - PCCP	\$ 10,221,922.00	\$ 9,698,307.21	Completed Not	2018 Budget - Program
15438	660 Plan-SW Jefferson Cty Improvements-Lower Hunters Trace 20"	\$ 4,857,300.00	\$ 160,341.99	Design In Progress	2019 Budget
15458	Condition 2019 - PCCP	\$ 8,074,818.00	\$ 8,036,180.39	Completed Not	2019 Budget - Program

Status of Open Projects with Total Estimates over \$2,000,000:

Project Number	Project Name	Total Estimate	Total Cost To Date	Status	Budget Year Category
15468	Kentucky,Oak,Glenmary Transmission Main Rehab 2019	\$ 11,500,000.00	\$ 225,184.84	Design In Progress	2019 Budget
15506	660 Plan-SW Jefferson County Improvements-Blanton Lane 20 inch	\$ 5,464,300.00	\$ 395,727.00	Design In Progress	2019 Budget - Unbudgeted
15509	Belmont Road BPS	\$ 2,245,000.00	\$ 1,150,979.90	Work In Progress	2019 Budget
15511	690 Plan:Preston Hwy Area	\$ 7,476,000.00	\$ 745,610.38	Work In Progress	2019 Budget - Program
15513	Cardinal Hill-Slope Stability	\$ 2,770,400.00	\$ 2,503,587.41	Work In Progress	2019 Budget -
15515	E Manslick Rd - MRRP 2019	\$ 2,928,001.00	\$ 1,512,049.51	Work In Progress	2019 Budget -

- Pending - An approved project that has not yet begun. Some projects may go to Design and back to Pending if put on 'hold' with no construction.
- Design - The project is currently in Preliminary or Final Design, but a contract has not yet been awarded for construction.
- Work in Progress - Project has full approval to move forward, construction has begun, and a contract has been executed, if applicable.
- Complete Not Closed - Construction is complete, assets are in-service, but the project has not yet been closed due to various reasons.
- Contributed Capital is excluded from the Total Cost.

* This information is time sensitive

Note:

15506 - 660 Plan – SW Jeff County Imprv Blanton Ln 20 inch, \$155,000 Easement Acquisition #8642 - Lowe's Home Center, LLC.

In the interest of time, Dr. Kerrick ask each Vice President to provide a brief summary of their reports.

Financial Report Given

Ms. Pearson advised Consumption of 3.2 billion gallons for September 2020 is 221 million gallons or 6.5% lower than budget, and 243 million gallons lower than September 2019. All customer classes except residential and private fire services contributed to the budget shortfall this month. Residential water usage was strong, exceeding budget in September by 5.5%, but this was not nearly enough to overcome the shortfall in the other categories. Year-to-date consumption remains under budget and prior year with all customer classes except residential and private fire services contributing to the unfavorable budget variance.

Ms. Pearson advised that she spoke with representatives of Louisville Metro and MSD to learn more about their respective local vendor preference programs. She advised that work is progressing on drafting a local vendor preference to add to Louisville Water's purchasing procedures and that specific recommendations will be presented to the Board in November.

Communications and Marketing Report Given

Kelley Dearing Smith advised that on October 16, Louisville Water marked 160 years of delivering drinking water. Louisville Water began operations on October 16, 1860 with 512 customers and 26 miles of water main. Today, nearly one million people depend on Louisville Water to provide service through more than 4,200 miles of water main.

Since a large public celebration is not possible in 2020, we instead celebrated virtually and in small groups. Banners greeted employees at each location, dozens booked tours at the WaterWorks Museum and thousands of people engaged in a "virtual toast" on social media.

Louisville Water began restoring one of its National Historic Landmarks, the Louisville Water Tower. The first part of the project is removing the 10 statues that sit on the tower. Several of the statues are severely damaged and all will be restored and repainted. The statues were added in 1910 and have only been removed once for repairs.

Work is underway on a new education video to highlight how Louisville Water produces and delivers drinking water.

Customer Service and Distribution Operations Report Given

Dave Vogel advised that staff is launching a pilot program with Promise Pay to help customers manage their past due balances and avoid potential service interruptions. He also noted that the Public Service Commission recently announced it was lifting its moratorium on utility shutoffs for non-payment. Kentucky Governor Andy Beshear recently signed an executive order which will end the moratorium on shutoffs as of November 6, 2020. However, the order contains several conditions that must be met before service can be disconnected. Mr. Vogel advised that Louisville Water will not be conducting any residential disconnections before January 1, 2021 at the earliest.

Engineering and Production Operations Report Given

Mr. Kraus advised 2020 capital program expenditures through September totaled \$60,336,214, which is \$3,292,441 or 5.77% higher than the same period last year. These expenditures equate to 49.79% of the 2020 total capital program of \$121,176,319.

The amount of water produced and delivered to the system in September 2020 was 130.1 MGD, which was 10.5% lower than September 2019 and 4.0% lower than the September five-year average. For year-to-date, the amount of water delivered to the system was 2.6% lower than 2019, and 2.5% lower than the five-year average.

All water quality goals for September 2020 were achieved. No water quality violations occurred.

Seven localized boil water advisories (BWAs) were issued; four BWAs were issued due to field conditions, and three BWAs were issued due to water quality monitoring results.

Human Resources and Labor Relations Report Given

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

- Union and non-union employees participated in the first round of monthly Diversity Equity & Inclusion Pulse Surveys facilitated by Eric Ellis of Integrity Development.
- Union president Adam Carter participated in Louisville Water's virtual new hire orientation sessions providing an overview of Local 1683.
- Union and Company representatives convened virtually to initiate the planning process for on-going Labor Management on and off-site team building and discussion opportunities.
- Adam Carter communicated to the Company's Employee Activities Committee (EAC) the Union will provide \$500 toward holiday/year-end employee activities and events.
- The Company posted two regular and five temporary full-time classified positions for the internal union personnel bidding process.

Mr. Spence advised that to-date, nine Louisville Water employees had tested positive for COVID-19.

Information Technology Report Given

Tom Lockett provided a summary of the Information Technology report.

Information Technology (IT) is working with the business support team to support the Oracle Work & Asset Management (WAM) system and develop plans for further enhancement and user support requests. We have installed the latest release of WAM for testing with a target implementation to production of November 15. This release will address several issues that have surfaced post go-live.

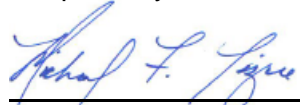
IT is working with the business support team to develop a combined project for managing Oracle Customer Care & Billing (CCB) and Enterprise Business Systems (EBS) application upgrades.

Staff continues to work on implementation of a full warm failover Disaster Recovery function by the end of the year, with a maximum target recovery point of ten minutes and recovery time of one hour. All hardware and data needed to recover Louisville Water's business systems are now on-site in Tennessee. The next steps include developing an automated failover plan for testing and then a simulated failover test, which should be completed by year-end.

The McAfee Antivirus and Advanced Malware Protection (AMP) replacement project has started with the intent to remove both products and implement a single replacement product which has the same functionality as both products at an overall lower cost.

There being no further business for the Board, the meeting was adjourned at 1:02 p.m.

Respectfully submitted,



Michael F. Tigue, Esq.
Vice President, General Counsel and
Corporate Secretary