

**Board Of Water Works
REGULAR CALLED MEETING MINUTES
July 26, 2022
Louisville Water Company and Virtually**

Board Members Present:

Dr. Sundeeep "Sunny" Dronawat, Chair
Mr. Paul Esselman, Vice Chair
Mr. Greg Dearing
Ms. Jennifer Fust-Rutherford (via teleconference)
Dr. Sharon Kerrick (via video teleconference)
Mr. William E. Summers, IV

Not Present:

Mayor Greg Fischer

Others Present:

Mr. Spencer Bruce, President and Chief Executive Officer
Mr. Dave Vogel, Executive Vice President, Customer Service and Distribution Operations
Mr. Jeff Knott, Vice President, Information Technology
Ms. Lynn Pearson, Vice President Finance and Treasurer
Ms. Kelley Dearing Smith, Vice President, Communications and Marketing
Ms. Shannon Tivitt, Executive Director, One Water
Mr. Jeremy Raney, Director, Engineering
Ms. Jenni Schelling, Director, Internal Audit
Mr. Jim Smith, Director, Regional Development
Ms. Patti, Kaelin, Project Manager, Regional Development
Mr. Jordan Basham, Manager, Infrastructure Planning
Mr. Brian Sturgeon, Computer Network Administrator
Ms. Beverly Soice, Paralegal

Visitors:

James Graham, Cosmos Technologies

The meeting of the Board of Water Works (BOWW) was held on Tuesday, July 26, 2022 at the Louisville Water Company located at 550 South Third Street, Louisville, Kentucky and virtually via Microsoft Teams. Chair, Dr. Sunny Dronawat called the meeting to order at 11:01 a.m.

Tim Kraus introduced James Graham with Cosmos Technologies that is headquartered in Pittsburgh, Pennsylvania. Cosmos Technology is an engineering consulting firm located in Pittsburgh, PA with offices in Harrisburg, PA, Cleveland, OH, Akron, OH and Louisville, KY. Cosmos Technology is a certified minority business enterprise (MBE) and HUBZone company. Mr. Graham advised that he was born and raised in Louisville and received his education from the University of Louisville. He just wanted to stop in and introduce himself.

Minutes of the Previous Regular BOWW Meeting Approved

Willman Summers moved to approve the Regular Monthly Meeting minutes of June 21, 2022. Craig Dearing seconded, and the motion unanimously carried.

Dr. Dronawat announced that the Board will now go into closed session to discuss a specific proposal.

Michael Tigue advised the discussions during closed session is subject to Kentucky's Open Meetings law: KRS 61.810(1)(g) Discussions concerning a specific proposal, that if openly discussed, would jeopardize the siting, retention, expansion or upgrade of the business. Discussions during closed session may also touch on matters subject to KRS 61.810 (1)(b) Acquisition of Real Property; KRS 61.810(1)(m) Public Records Exempt from Disclosure; and KRS 61.810(1)(n) Selection of Successful Bidders.

Closed Session Held

Mr. Dearing moved to go into closed session to discuss a specific proposal pursuant to KRS 61.810(g), (b), (n) and (m) at 11:09 a.m., seconded by Mr. Summers, and the motion unanimously carried.

Open Session Resumed

Dr. Sharon Kerrick moved to return to open session at 11:46 a.m., seconded by Mr. Summers, and unanimously carried. No action was taken in closed session.

Report Provided by the President/Chief Executive Officer

Spencer Bruce referred the Board to his letter which provides general information related to the proposal discussed in closed session.

Phase One of the I-65 Regional Water Supply Improvement Projects Approved and Budget of Record Established

Mr. Kraus requested Board approval and authorization to fund Phase One of the I-65 Regional Water Supply Improvements. Phase One of the I-65 Regional Water Supply Improvements will increase Louisville Water's supply capacity to Hardin County Water District #2 and North Nelson Water District and allow for the City of Bardstown to connect to Louisville Water's system as a new wholesale customer.

The combined total estimated construction cost of these improvements is estimated at \$68,134,640. Mr. Kraus provided a summary of each project listed below:

- 690 Plan - North Nelson Water District Hwy. 245 Transmission Main and Master Meter
- 690 Plan - North Nelson Water District New Hwy. 245 BPS
- 690 Plan-Transmission Salt River to Chapeze BPS
- 690 Plan-Transmission Clermont Tank to Belmont BPS
- 690 Plan-Transmission Minor Ln. BPS Expansion
- 690 Plan - Wilson Creek Tank – Ph 1

Mr. Kraus advised that these projects will reinforce Louisville Water's role as a regional provider of safe, high-quality water, support the largest economic development project in the history of the Commonwealth, Ford's BlueOvalSK Battery Park, contribute to the continued growth of Bardstown's booming bourbon industry, and support economic development throughout Bullitt County.

Mr. Summers moved to approve the I-65 Regional Water Supply Improvement projects with a total budget of \$68,134,640 and authorize staff to proceed with Phase One. Mr. Dearing seconded, and the motion unanimously carried.

The Board took a short break at 12:00 p.m. and resumed the meeting at 12:12 p.m.

Contract Awarded for Project No.16230: Steedly Drive Area Eater Main Replacement

Mr. Kraus requested the Board award a contract for the Steedly Drive Area Water Main Replacement Project.

The Steedly Drive project consists of the supply and installation of 5,715 linear feet of distribution water main replacement, with pipe sizes ranging from 12-inch diameter to four-inch diameter along three different streets located in the west central side of Louisville Metro. These mains were selected utilizing our cohort analysis paired with a net present value analysis to select candidates for replacement. All the mains are of the same vintage and are experiencing failures in similar corrosive soils, which tends to be a major driver for pipe failure in our distribution system.

The apparent low bid for this project is \$2,293,000, which is 9.1% higher than the engineers estimate of \$2,100,000. This difference is due to the increases in material and labor cost.

Mr. Esselman moved to award the contract for the Steedly Drive Area Water Main Replacement Project to the apparent low bidder, MAC Construction & Excavating, Inc., in the amount of \$2,293,000. Mr. Summers seconded, and the motion unanimously carried.

Second Quarter Certification of Projects & Change Actions

Mr. Bruce certified that the following Projects and Change Actions were authorized during the Second Quarter of 2022 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
XXXXX	2023 MRRP N English Station Rd	\$ 5,006,033	\$ -	\$ 5,006,033	\$ -
XXXXX	2023 MRRP Clayborne Rd Area	\$ 4,156,692	\$ -	\$ 4,156,692	\$ -
XXXXX	2023 MRRP Buechel Bank Area	\$ 3,947,422	\$ -	\$ 3,947,422	\$ -
16342	Owl Creek Lane Extension	\$ 548,415	\$ -	\$ 548,415	\$ 20,000
16350	BEP Water Treatment Plant Expansion	\$ 29,730,000	\$ -	\$ 29,730,000	\$ 1,580,000
Total		\$ 43,388,562	\$ -	\$ 43,388,562	\$ 1,600,000

Project Change Actions/Admin Notifications Requiring Board Approval:

Project Number	Project Name	Previously Approved Total Estimate	Change In Total Estimate	Requested Total Estimate	Change In Current Year Estimate
13274	Metering - AMI for Jefferson County	\$ 61,000,000	\$ 8,628,227	\$ 69,628,227	\$5,600,000
15252	Water Tower Restoration & Museum Renovation	\$ 3,977,444	\$ 2,745,554	\$ 6,722,999	\$500,000
Total		\$ 64,977,444	\$ 11,373,781	\$ 76,351,226	\$6,100,000

Project Proposals Approved by the President:

Project Number	Project Name	Requested Total Estimate	Contribution	LWCNet Cost	Current Year Estimate
16313	900 PZ Expansion - Gellhaus BPS to PRV Conv	\$ 359,310	\$ -	\$ 359,310	\$ 23,000
16314	BEP Water Treatment Plant Expansion	\$ 275,000	\$ -	\$ 275,000	\$ 275,000
16352	48" Main Break 1149 Kentucky St	\$ 315,000	\$ -	\$ 315,000	\$ 315,000
Total		\$ 949,310	\$ -	\$ 949,310	\$ 613,000

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

Project Number	Project Name	Previously Approved Total	Change In Total Estimate	Requested Total Estimate	Change In Current Year Estimate
16094	Frankfort Ave 60" Transmission	\$ 16,565,927	\$ 400,204	\$ 16,966,131	\$ 400,204
16169	JLH Bldg Roof Replacement	\$ 871,000	\$ 104,000	\$ 975,000	\$ 104,000
19999.03	Preliminary Engineering BE Payne HDD	\$ 75,000	\$ 99,000	\$ 174,000	\$ 99,000
Total		\$17,511,927	\$603,204	\$18,115,131	\$603,204

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
16119	Bells Mill Rd Area-2021 MRRP	\$ 1,459,000	\$ -	\$ 1,459,000	\$ 300,000
Total		\$1,459,000	\$0	\$1,459,000	\$300,000

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	\$125,621	Pending Capital	2005 Budget
11310	BEP - Renovate Sludge Lagoons #1, #2, #3, and #4	\$19,970,280	\$13,987,037	Work In Progress	2006 Budget
11615	Transmission - Gene Snyder Freeway Section 1B	\$9,133,000	\$383,107	Pending Capital	2007 Budget
11616	Transmission - Gene Snyder Freeway Section 2A	\$6,641,500	\$64,331	Pending Capital	2007 Budget - Program
13109	ZPS - Standby Generator	\$15,624,260	\$14,980,636	Work In Progress	2011 Budget
13264	CHPS - Replace Slate Roof and Improve Masonry	\$6,137,000	\$215,725	Pending Capital	2012 Budget
13274	Metering - AMI for Jefferson County	\$61,000,000	\$29,310,950	Design In	2013 Budget
14325	CHFP - Chemical Building and Lab Fire Protection and Office Space Improvements for Productions	\$14,107,740	\$9,482,545	Work In Progress	2015 Budget
14330	CHWTP - Standby Generator	\$13,005,472	\$13,107,429	Completed Not	2015 Budget -
14524	ATT RBF for CH	\$221,905,253	\$5,724,658	Pending Capital	2017 Budget
14542	Transmission - Urton Lane	\$5,297,725	\$232,853	Pending Capital	2017 Budget
15036	Condition 2017 - Reservoir Yard Piping and Valves	\$5,000,000	\$57,044	Design In	2017 Budget - Program
15253	900 Plan - Old Henry Rd to Terra Crossing Blvd	\$2,374,551	\$60,257	Pending Capital	2018 Budget
15438	660 Plan-SW Jefferson Cty Improvements-Lower Hunters Trace 20"	\$4,857,300	\$3,217,629	Work In Progress	2019 Budget
15458	Condition 2019 - PCCP	\$8,074,818	\$11,850,608	Completed Not	2019 Budget - Program
15468	Kentucky,Oak,Glenmary Transmission Main Rehab 2019	\$11,500,000	\$333,763	Design In Progress	2019 Budget
15506	660 Plan-SW Jefferson County Improvements-Blanton Lane 20 inch	\$5,464,300	\$2,471,924	Design In Progress	2019 Budget - Unbudgeted
15511	690 Plan:Preston Hwy Area	\$7,476,000	\$3,903,259	Completed Not	2019 Budget - Program

- 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

Second Quarter Certification of Contracts & Bids

Mr. Bruce certified that the following contracts were awarded during the Second Quarter of 2022 in accordance with the Purchasing Policy and Procedure.

Construction

17-150

Assignment to Master Agreement- Transmission System Repairs and/or Capital Improvements. 2022 Transmission Valve Condition Assessment-Trevilian Way 24" Corridor, Cherokee Parkway 24" Corridor, and PeeWee Reese 24" Corridor
Southern Pipeline Construction Co.

16275

\$606,078

21-04	Transmission- Frankfort Avenue 60" Project Change Order #5	
16094	MAC Construction & Excavating, Inc.	\$400,205
22-23	Beechland Ave Water Main Replacement	
16229	MAC Construction & Excavating, Inc.	\$746,000
22-38	Billtown Road Area - Angel Terrace Water Main Replacement	
16226-15	Seven Seas Construction / S-Walk Inc. (CMBE & LWC SBE)	\$423,198
22-39	Billtown Road Area – Leo Lane Water Main Replacement Project	
16226-14	Basham Construction & Rental Co., Inc. (LWC SBE)	\$420,000
22-40	Billtown Road Area - Chambers Way and Seagrape Road Water Main	
16226-13	Basham Construction & Rental Co., Inc. (LWC SBE)	\$500,000
22-41	Steadly Drive Area Water Main Replacement - Downes Terrace	
16230	Basham Construction & Rental Co., Inc. (LWC SBE)	\$625,000
22-42	Steadly Drive Area Water Main Replacement - Evangeline Avenue	
16230	Allterrain Paving & Construction	\$485,000
	SUM BY BIDS AND AWARDS CATEGORY	\$4,205,481

Procurement of Emergency Materials and Services

17-150	Assignment to Master Agreement- Transmission System Repairs and/or Capital Improvements. 48-inch Main Break 1149 Kentucky Street	
16352	Southern Pipeline Construction Co.	\$251,081
	SUM BY BIDS AND AWARDS CATEGORY	\$251,081

Procurement of Materials and Services

	13-101/Print Utility & Mail Services CPI Renewal - 2022 Extension	
	Doxim FKA - Utilitec	\$1,400,000
	Kentucky, Oak, Glenmary Transmission Rehabilitation - Final Design, Support during Construct - Phase 2	
15468	HDR, Inc.	\$845,629
	Plant & Facilities Engineering Services - Master Agreement Renewal - 1st Renewal	
	Hazen & Sawyer, HDR, CDM Smith, Black & Veatch and GRW	
17-77	Potable Water Tank Cleaning & Inspection Services 3rd CPI Renewal	
	Dixon Engineering	Annually\$210,000
18-64	Contract Renewal for 10 YD Mobile Mixing Concrete Truck - 4th & Final PPI Renewal	
	Pro-All	\$245,359
20-101	IT Project Consulting Services - Master Agreement- CCB Phase 2 Support	
GSAGS35F474GA	TMG Consulting	\$487,296
20-16	Distribution System Repairs & Capital Improvements - Recommendation to Renew Master Agreement - 1st CPI Renewal	
	Basham Construction	\$2,375,000
	Southern Pipeline	\$2,375,000
21-24	Ductile Iron Fittings & Accessories 1st PPI Renewal	
	Hayes Pipe Supply (Primary Supplier)	Estimate\$420,000
21-26	Lockbox Services	
	Independence Bank	5-year Estimate\$790,980
21-64	Commercial Diving Services -1st CPI Renewal	
	Marine Solutions, Inc.	\$250,000
22-19	John L. Huber Building Roof Replacement	
16169	American Roofing & Metal	\$844,000
22-25	Mile of Sunshine Area Water Main Replacement Project	
16233	Basham Construction & Rental Co., Inc. (LWC SBE)	\$1,199,000
22-28	Major Engine & Transmission Repairs - One Ton & Over	
	AAMCO Transmission	\$300,000
22-30	Helen & Railroad Avenue Water Main Replacement Project	
16229	Allterrain Paving & Construction LLC	\$310,000
22-31	Tuts Road Water Main Replacement Project	
14125	Southern Pipeline Construction Co., Inc.	\$343,000
KY State Contract	Two (2) 2022 Caterpillar 306CR Mini-Excavator's w/Hammer & 12", 24" Buckets	
MA7581800000609	Boyd Cat	Purchase and Deliver \$207,399
	SUM BY BIDS AND AWARDS CATEGORY	\$12,602,663

Procurement of Professional Services

WAM Phase 5 (2.4 Upgrade and Enhancements)

EY Consulting

SUM BY BIDS AND AWARDS CATEGORY

GRAND TOTAL

\$825,000

\$825,000

\$17,884,225

Financial Report Given

Ms. Pearson advised that June financial performance was strong, with total consumption and water revenue coming in considerably higher than budget. Total operating expense, other operating revenue, non-operating revenue and non-operating expense also performed favorably to budget. As a result, net income for the month exceeded budget by \$819,000.

Consumption of 2.9 billion gallons for June is 195 million gallons more than budget, and 164 million gallons higher than June 2021. Commercial consumption accounted for the majority of the favorable budget variance, with irrigation and wholesale contributing to a lesser degree. Residential consumption however continues to run under budget. Year-to-date consumption remains under budget and prior year by 3.1% and 1.8%, respectively, with residential and wholesale being the main drivers of the year-to-date budget variance. The majority of the shortfall in the year-to-date wholesale consumption comes from Hardin County Water District No. 1, as their plant came back into service earlier than anticipated.

Water Revenue for June 2022 is \$577,000 higher than budget and \$1.1 million higher than the prior year. Higher consumption is the key factor driving higher water revenue for this period as compared to budget. All customer classes were over budget for the month except residential. For the year-to-date period, water revenue is 2.9% less than budget and 2.2% higher than prior year levels.

Other Operating Revenue for June is \$85,000 higher than budget and \$39,000 above year-ago levels. The variance to budget is due to higher revenue from late charges and to a lesser extent, cross connection fees slightly offset by lower service deactivation fees and profit on sale of materials. The increase over prior year is driven by higher revenue from late charges, service deactivation fees and service line protection offset by lower revenue from profit on sale of materials and contract revenue. Year-to-date, other operating revenue is \$503,000 higher than budget and \$1.2 million higher than prior year. The year-to-date variance to budget is primarily due to higher revenue from late charges and service line protection.

Operating and Maintenance Expenses for June of \$8.2 million are \$200,000 higher than budget and \$940,000 higher than June 2021. The June unfavorable variance to budget is driven by chemicals and contractual services, partially offset by lower labor and labor related expenses and materials and supplies. The impact of inflation is clearly evident in the increase in costs over June 2021 in almost every category including utilities, chemicals, materials and supplies, contractual services and equipment maintenance. June year-to-date operating and maintenance expenses are \$394,000 higher than budget and \$4.1 million higher than year-ago levels. Chemicals, contractual services and fleet expenses were all higher than budget through June, offset to an extent by lower insurance reserves, materials and supplies, equipment maintenance and employee training costs. The year-to-date variance to prior year also reflects the significant impact of inflation with higher costs in almost every category including labor and labor related, chemicals, utilities, contractual services, materials and supplies, equipment maintenance, and bad debt expense.

Total Operating Expenses for June of \$13.8 million are \$117,000 lower than budget and \$743,000 more than prior year. The favorable budget variance is due to lower depreciation expense and higher

net gain on disposition of property somewhat offset by higher operating and maintenance expenses. June includes a net gain of \$58,000 for the sale of the Minor Lane property and \$307,000 on the sale of the Bullitt County office. The variance to prior year is mainly due to higher operating and maintenance expense along with higher depreciation, offset by net gain from disposition of property. Total operating expenses year-to-date are 1.3% lower than budget and 6.2% over year-ago levels. The year-to-date budget variance is primarily the result of lower depreciation and net loss from disposition of property slightly offset by higher operating and maintenance expenses. Year-to-date net gain from disposition of property includes \$230,000 gain from sale of property on Johnstontown Road recognized in March, along with gain of \$365,000 from the sale of the two properties mentioned above. The remaining favorable variance is due to timing with closing capital projects along with timing related to the AMI metering project.

Non-Operating Income through June is \$64,000 higher than budget and \$262,000 less than June 2021. The favorable variance to budget is due to a treasury investment made at the end of February which is earning at a higher rate than budgeted levels. The variance to prior year is due to a lower overall effective rate earned on our portfolio in the current year, along with a lower dollar amount invested than in June 2021.

Non-Operating Expense through June is \$3,000 less than budgeted and \$208,000 lower than year-ago levels. Variance to budget is due to lower amounts of interest capitalized than anticipated. Interest expense is lower than prior year due to bond principal payments made in 2021, slightly offset by lower capitalized interest.

Net Income before Distributions and Contributions for June is \$4.3 million, which is \$819,000 more than budgeted. In comparison between years, net income for June is \$403,000 more than prior year. June year-to-date net income of \$18.8 million is \$1.0 million less than budget and \$1.6 million lower than prior year.

Communication and Marketing Report Given

Kelley Dearing Smith advised that copies of the Annual Report are being distributed at today's meeting and is also available on-line at www.louisvillewater.com.

Ms. Dearing Smith advised that Louisville Water's education team reached more than 3,000 people in June through partnerships with Lou City Soccer, YMCA, Louisville Zoo and Kentucky Science Center. A "Touch a Truck" event at the Kentucky Science Center included participation from our field crews. Professional development for teachers is also an important piece of our summer outreach. Librarians in Jefferson County Public Schools learned about Louisville Water's curriculum and tour opportunities through a Summer Academy.

More than 20,000 people were at events in June where Louisville Pure Tap® was served. The outreach team was at the Kentucky Brewers Guild Craft Bash, Waterfront Wednesday concert and the opening of Angel's Envy new visitor experience.

Ms. Dearing Smith also advised that Louisville Water enjoyed positive media attention in June, with 70 mentions. The highlights include coverage of the distribution management award, the discovery of a historic valve along the Frankfort Avenue project and the company's response to the EPA's health advisory level for PFAS. We continue to see positive interactions on LinkedIn, especially with employee profiles. A post that highlighted employees at Louisville Water and MSD who received the inaugural One Water partnership award garnered more than 1,000 impressions.

Recently, a media event to announce the start of the restoration project for the Louisville Water Tower attracted local and national media. This eight-month project will restore the exterior and

interior of the tower as well as the 10 statues that sit on the balustrade. We will provide periodic updates throughout the project. A video of the Louisville Water Tower restoration and museum renovation was shared with the Board.

Customer Service and Distribution Operations Report Given

Dave Vogel was happy to report that there are now over 100,000 AMI services installed.

Mr. Vogel advised that we continue to struggle filling vacancies and are experiencing an increase in off duty situations. Staff is working with our HR team to develop new and creative ways to recruit and retain employees for the department. Applications for new services are up 6% year to date and the team is turning these around, on average, in four business days.

We continue to work with our new meter reading vendor on quality and productivity issues as they are also struggling with finding new employees. Our Meter Reading supervisor, who was recently promoted from the field, is also spending one day per week helping the vendor train their new employees. Staff is also using weekend work to keep up with the reads in order to meet our customer billing schedule. We continued to leverage AMI in completing field tickets remotely. For the month, 807 field orders were completed through this process and year-to-date, 2,509 have been completed using the AMI system.

Distribution Operations is having a strong year in reducing our preventable motor vehicle accidents (PMVAs). There were no accidents in June and year-to-date, the team has only experienced one PMVA.

Engineering and Production Operations Report Given

Tim Kraus advised 2022 capital program expenditures through June totaled \$41,420,189 which is \$9,428,465 or 29.47% higher than the same period last year. These expenditures equate to 37.14% of the 2022 total capital program of \$111,534,377.

The amount of water produced and delivered to the system in June 2022 was 145.4 MGD, which was 5.6% higher than June 2021 and 12.7% higher than the June five-year average. For year-to-date, the amount of water delivered to the system was 2.2% higher than 2021, and 7.5% higher than the five-year average.

All water quality goals for June 2022 were achieved. No water quality violations were incurred.

Seven chemical spills were reported upstream of the Zorn intake; none that impacted water treatment. Herbicide run-off in the river impacted treatment for 29 days. The highest atrazine level detected in finished water was 0.497 ppb on June 1 (Goal < 0.80 ppb). All treatment goals continue to be achieved. Three water-quality customer complaints were received in June (the five-year average is six complaints).

Human Resources Report Given

Terrence Spence provided a summary regarding 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).

- Currently there are five active grievances filed by the Union.
- Union and Company representatives attended the monthly labor management meeting and discussed various work-related topics.

- Union and Company representative are continuing negotiations for the next collective bargaining agreement (CBA).
- Executive Union Management Alliance Council (EUMAC) conducted their monthly meeting to review the strategic goals status for 2022.
- The Company posted two temporary full-time classified union positions.

Integrity Development Corporation (IDC) conducted on-site Diversity, Equity, and Inclusion Leadership Training on June 23.

On July 1, 2022, per the Consolidated Appropriations Act's Transparency in Coverage Rules, Louisville Water posted a link on its website allowing employees/consumers access to Anthem's webpage for public access to Machine Readable Files (MRF's).

The Human Resources Department held an "HR Road Show" visiting each Louisville Water location to provide on-site visibility, answers to a variety of questions and a more detailed overview of the services delivered to employees.

Louisville Water's Employee Activities Committee (EAC) coordinated/hosted an Employee Blizzard Day on July 21, 2022.

Information Technology Report Given

Jeff Knott advised over the last several months we have had an increase in phishing attempts from external sources. In addition to enhancing our cybersecurity rules we will be requiring all employees to go through training over the next two quarters as well as perform phishing testing for all employees by the end of the year. Both efforts began on June 1.

In addition, we began implementing additional security on our SCADA network as recommended by Homeland Security.

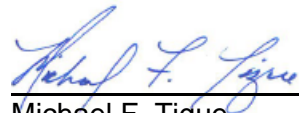
Upgrades to Work order and Asset Management (WAM) and GIS are underway and will include further enhancements to improve support for our business processes.

E-Business Suite (EBS) Phase 2 enhancements are now underway.

Customer Care and Billing (CC&B) Upgrades have been completed and further enhancements and additional functionality are being discussed.

There being no further business, the meeting adjourned at 12:35 p.m.

Respectfully submitted,



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