

**Board Of Water Works
REGULAR CALLED MEETING MINUTES
January 24, 2023
Louisville Water Company**

Board Members Present:

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

Not Present:

Mayor Craig Greenburg
Mr. Greg Dearing
Mr. Paul Esselman, Vice Chair

Others Present:

Mr. Spencer Bruce, President and Chief Executive Officer
Mr. Aaron Jackson, Louisville Metro Budget Director
Mr. Dave Vogel, Executive Vice President, Customer Service and Distribution Operations
Mr. Jeff Knott, Vice President, Information Technology
Mr. Tim Kraus, Vice President, Engineering and Production Operations, Chief Engineer
Ms. Lynn Pearson, Vice President Finance and Treasurer
Ms. Kelley Dearing Smith, Vice President, Communications and Marketing
Mr. Terrence Spence, Vice President, Human Resources and Labor Relations
Mr. Michael Tigue, Vice President, Compliance and General Counsel
Ms. Jenni Schelling, Director, Internal Audit
Ms. Shannon Tivitt, One Water Executive Director
Mr. Larry Bryant, Director, Production Operations
Mr. Bart Potts, Senior Technical Engineer
Mr. Brian Sturgeon, Computer Network Administrator
Ms. Beverly Soice, Paralegal

Visitors:

Ms. Donna Perry, Dinsmore & Shohl

The meeting of the Board of Water Works (BOWW) was held on Tuesday, January 24, 2023 at Louisville Water Company corporate headquarters located at 550 South Third Street, Louisville, Kentucky and virtually via Microsoft Teams. Chair, Dr. Sunny Dronawat called meeting to order at 11:12 a.m.

Minutes of the Previous Regular BOWW Meeting Approved

William Summers moved to approve the Regular Monthly Meeting minutes of December 20, 2022. Seconded by Jennifer Fust-Rutherford and the motion unanimously carried.

Report of Chief Executive Officer Given

Spencer Bruce reported that during the 2022 arctic blast, Louisville Water employees faced dangerously cold temperatures coupled with wind chills below zero amid various obstacles in the field. Our team, behind the scenes, juggled the calls of main breaks, “no water”, and leaks to

resolve issues and assign the tasks that required repairs. We also effectively managed increased water demands due to the large number of breaks and customers leaving water running to keep their pipes from freezing. Many employees worked long hours away from their families over the holidays, all committed to serving our customers and delivering the high-quality Louisville Pure Tap® they rely on.

Ms. Bruce thanked all Louisville Water employees for their efforts to ensure our community is served no matter what challenges we face.

Tim Kraus provided information concerning main breaks that occurred over the holidays. Dave Vogel advised that information retrieved from the new AMI system was helpful in determining if the high-water usage was due to leaks or residential consumption. Mr. Vogel stated that staff could see that many of our customer ran a tiny stream of water so their pipes would not freeze.

Dr. Dronawat asked who pays for the AMI retrofit if it breaks or is damaged. Mr. Vogel advised that Louisville Water pays for it unless it is damaged by a third party. If a customer, plumber or irrigation company gets in the vault and breaks it, they will be responsible for the replacement cost.

Kelley Dearing Smith advised that a communication plan is being developed to send to our customers, plumbers, irrigation companies and others about the new AMI meters.

Mr. Vogel advised that 141,000 AMI endpoints have been installed to-date.

One Water Update Given

Shannon Tivitt provided a summary of the Louisville One Water Partnership Board that was held on November 17, 2022.

The Board presented the One Water Partner of Lifetime award to both Mayor Fisher and Deputy Mayor Ellen Heslen and thanked them for their leadership and dedication as water utility advocates over the past 12 years.

The Board received an update on the 2022 insurance premium for One Water and a copy of the 1st and 2nd quarter shared services reimbursement reports.

The Board received a copy of the One Water Partnership *Partnering for Progress* communication piece which was presented to the BOWW and MSD Board in October.

An update on the 2022 One Water Project Plan was presented to Board members by team leaders.

The One Water Board members voted on a resolution that outlined board meeting dates for 2023.

Ms. Tivitt advised the next One Water Board meeting is scheduled for Thursday, April 20, 2023.

Fourth Quarter Certification of Projects & Change Actions Authorized Given

Mr. Bruce certified that the following Projects and Change Actions were authorized during the Fourth Quarter of 2022 in accordance with the Capital Projects Authorization Policy and Procedure.

Project Proposals Requiring Board Approval:

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

Project Change Actions/Admin Notifications Requiring Board Approval:

| Project Number | Project Name | Previously | Change In Total | Requested Total Estimate | Change In Current Year |
|----------------|--|-----------------------|---------------------|--------------------------|------------------------|
| 15027 | 760 Plan-Oak Hill Rd BPS and Peaceful Valley Tank Demolition | (\$1,711,879) | \$1,986,879 | \$275,000 | \$0 |
| 15252 | Water Tower Restoration & Museum Renovation | (\$1,279,776) | \$1,557,776 | \$278,000 | \$798,182 |
| 15441 | 760 Plan-Peaceful Valley BPS Rehab | (\$819,000) | \$1,169,000 | \$350,000 | \$0 |
| 15602 | Fleet Program 2020 | \$1,553,542 | \$292,481 | \$1,846,023 | \$0 |
| 15606 | BEP - Chlorine Dioxide System | (\$350,000) | \$350,000 | \$0 | (\$150,000) |
| 15634 | 2020 RR - 3218 7th Street Rd | (\$266,600) | \$266,600 | \$0 | (\$10,000) |
| 15637 | ZPS - Roadway and Parking Improvements | (\$1,530,000) | \$1,530,000 | \$0 | (\$459,000) |
| 16033 | New Louisville Water Website | (\$875,086) | \$875,086 | \$0 | \$0 |
| 16081 | Allmond-Facility Renovation | (\$57,230,000) | \$57,230,000 | \$0 | \$0 |
| 16093 | WAM/KG Investment 2021-25 | (\$345,000) | \$345,000 | \$0 | \$0 |
| 16095 | Trans Valve Cond Assess 2021 | (\$250,322) | \$250,322 | \$0 | \$250,322 |
| 16102 | 2021 Fleet Replacement | (\$421,000) | \$421,000 | \$0 | \$0 |
| 16230 | 2022 MRRP - Steedly Drive Area | (\$825,000) | \$825,000 | \$0 | \$0 |
| 16235 | 2022 MRRP - Sylvania Road Area | (\$465,919) | \$465,919 | \$0 | (\$249,781) |
| 16278 | 2022 Fleet Replacement | (\$365,796) | \$365,796 | \$0 | \$150,000 |
| 16314 | 2022 Lead Service Line Pilot Prj | (\$350,500) | \$350,500 | \$0 | \$350,500 |
| Total | | (\$65,532,337) | \$68,281,360 | \$2,749,023 | \$680,223 |

Project Proposals Approved by the President:

| Project Number | Project Name | Requested Total | Contribution | LWCNet Cost | Current Year Estimate |
|----------------|--------------|-----------------|--------------|-------------|-----------------------|
| Total | | | | | |

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

| Project Number | Project Name | Previously Approved | Change In Total | Requested Total Estimate | Change In Current Year |
|----------------|---|-----------------------|---------------------|--------------------------|------------------------|
| 15027 | 760 Plan-Oak Hill Rd BPS and Peaceful Valley Tank | (\$1,711,879) | \$1,986,879 | \$275,000 | \$0 |
| 15252 | Water Tower Restoration & Museum Renovation | (\$1,279,776) | \$1,557,776 | \$278,000 | \$798,182 |
| 15335 | Southpointe Commons - Bardstown Rd to Wingfield | (\$221,000) | \$245,000 | \$24,000 | (\$1,490) |
| 15441 | 760 Plan-Peaceful Valley BPS Rehab | (\$819,000) | \$1,169,000 | \$350,000 | \$0 |
| 15602 | Fleet Program 2020 | \$1,553,542 | \$292,481 | \$1,846,023 | \$0 |
| 15606 | BEP - Chlorine Dioxide System | (\$350,000) | \$350,000 | \$0 | (\$150,000) |
| 15632 | 2020 RR - 6546 W Highway 146 | (\$187,800) | \$187,800 | \$0 | \$0 |
| 15634 | 2020 RR - 3218 7th Street Rd | (\$266,600) | \$266,600 | \$0 | (\$10,000) |
| 15637 | ZPS - Roadway and Parking Improvements | (\$1,530,000) | \$1,530,000 | \$0 | (\$459,000) |
| 16033 | New Louisville Water Website | (\$875,086) | \$875,086 | \$0 | \$0 |
| 16081 | Allmond-Facility Renovation | (\$57,230,000) | \$57,230,000 | \$0 | \$0 |
| 16093 | WAM/KG Investment 2021-25 | (\$345,000) | \$345,000 | \$0 | \$0 |
| 16095 | Trans Valve Cond Assess 2021 | (\$250,322) | \$250,322 | \$0 | \$250,322 |
| 16102 | 2021 Fleet Replacement | (\$421,000) | \$421,000 | \$0 | \$0 |
| 16217 | Oxmoor Center Redev Reloc | (\$140,000) | \$140,000 | \$0 | \$140,000 |
| 16230 | 2022 MRRP - Steedly Drive Area | (\$825,000) | \$825,000 | \$0 | \$0 |
| 16235 | 2022 MRRP - Sylvania Road Area | (\$465,919) | \$465,919 | \$0 | (\$249,781) |
| 16252 | 2022 New Lrg Svc FH & FS | (\$154,000) | \$154,000 | \$0 | \$154,000 |
| 16278 | 2022 Fleet Replacement | (\$365,796) | \$365,796 | \$0 | \$150,000 |
| 16314 | 2022 Lead Service Line Pilot Prj | (\$350,500) | \$350,500 | \$0 | \$350,500 |
| 16386 | Bayly Ave Lead Tailpiece | (\$149,500) | \$149,500 | \$0 | (\$200,000) |
| 16423 | 2023 SBE MRRP - Oxmoor Center 12" | (\$100,471) | \$100,471 | \$0 | \$0 |
| Total | | (\$66,485,107) | \$69,258,130 | \$2,773,023 | \$772,733 |

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

| Project Number | Project Name | Previously Approved Total Estimate | Change In Total Estimate | Requested Total Estimate | Change In Current Year Estimate |
|----------------|--|------------------------------------|--------------------------|--------------------------|---------------------------------|
| 15506 | 660 Plan-SW Jefferson County Improvements-Blanton Lane 20 inch | \$5,464,300 | \$0 | \$5,464,300 | \$250,000 |
| 15619 | CHWTP - Redundant Sludge Conveyance System | \$0 | \$0 | \$0 | \$300,000 |
| 16120 | Smyrna Pkwy Area-2021 MRRP | \$0 | \$0 | \$0 | \$216,000 |
| 16229 | 2022 MRRP - Beechland Ave. Area | \$0 | \$0 | \$0 | \$187,093 |
| 16233 | 2022 MRRP-Mile of Sunshine Dr | \$0 | \$0 | \$0 | \$500,000 |
| 16237 | 2022 MRRP - Milton St Area | \$0 | \$0 | \$0 | \$250,000 |
| Total | | \$5,464,300 | \$0 | \$5,464,300 | \$1,703,093 |

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

| Project Number | Project Name | Total Estimate | Total Cost To | 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 | \$15,478,152 | 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 Child |
| 13109 | ZPS - Standby Generator | \$15,624,260 | \$15,037,080 | Completed Not Closed | 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 | \$39,303,928 | Design In Progress | 2013 Budget |
| 14325 | CHFP - Chemical Building and Lab Fire Protection and Office Space Improvements for Productions | \$14,107,740 | \$13,067,882 | Work In Progress | 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 | \$57,695 | Design In Progress | 2017 Budget - Program |
| 15253 | 900 Plan - Old Henry Rd to Terra Crossing Blvd | \$2,374,551 | \$60,257 | Pending Capital | 2018 Budget |
| 15468 | Kentucky,Oak,Glenmary Transmission Main Rehab 2019 | \$11,500,000 | \$413,272 | Design In Progress | 2019 Budget |
| 15506 | 660 Plan-SW Jefferson County Improvements-Blanton Lane 20 inch | \$5,464,300 | \$4,011,385 | Work In Progress | 2019 Budget - Unbudgeted |

- 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

Fourth Quarter Certification of Contracts & Bids Awarded Given

Mr. Bruce certified that the following contracts were awarded during the Fourth 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 – 2021 Transmission Valve Condition Assessment – Clay Street Corridor Change order#1 | |
| 16095 | Southern Pipeline Construction | \$250,322 |
| 17-150 | Assignment to Master Agreement- Transmission System Repairs and/or Capital Improvements-2022 Transmission Valve Condition Assessment –Broadway 20” Corridor | |
| 16275 | MAC Construction & Excavating Inc. | \$429,581 |
| 20-16 | Assignment to Distribution System Repairs & Capital Improvement Master Agreement-2022 MRRP – Sylvania Road Area | |
| 16235 | MAC Construction & Excavating, Inc. | \$1,300,000 |
| 20-97 | BE Payne Chlorine Dioxide System CO #3 | |
| 15606 | Thieneman Construction, Inc. | \$193,941 |
| 22-75 | Oxmoor Center 12 Inch Water Main Replacement Project | |
| 16423 | Basham Construction & Rental Co. Inc. (LWC- SBE) | \$626,000 |
| 22-79 | S. 36th Street Water Main Replacement | |
| 16424 | Allterrain Paving & Construction - (CWBE) (LWC SBE) | \$206,000 |

| | | | |
|--|--|--|--------------------|
| 22-82 16274 | Billtown Tank Coating Renovation Viking Painting, LLC | | \$840,500 |
| 22-86 16425 | University Road Water Main Replacement Allterrain Paving & Construction LLC (CWBE) (LWC SBE) | | \$485,000 |
| 22-91 16386 | Bayly Ave Lead Tailpiece Replacement Project Basham Construction & Rental Co. (LWC SBE) | | \$327,000 |
| 22-93 16421 | Creek Trail Court MRRP Allterrain Paving & Construction (CWBE) (LWC SBE) | | \$340,000 |
| SUM BY BIDS AND AWARDS CATEGORY | | | \$4,998,344 |

Procurement Of Materials and Services

| | | | |
|--|---|----------------------------------|---------------------------------|
| 21-111 | Meter Box Maintenance 1st CPI Renewal Basham Construction (Secondary) Reid Brothers Inc. (Primary) | | \$308,641 Estimate \$642,348 |
| 22-81 | Flagging and Traffic Control Services AWP, Inc. Safe Zone Services | | Estimate \$966,070 \$22,150 |
| 22-88 | Brass Fittings and Valves AY McDonald Hayes Pipe Supply | | Estimate \$976,269 \$283,841 |
| 22-94 <i>Piggyback with MSD Contract</i> | Locating Services-Contract One Call Concepts Locating Services | | Estimate \$1,370,076 |
| 22--98 | Employee Group Dental/Vision Insurance Delta Dental | LWC Estimated Cost: \$231,204.75 | \$308,273 |
| 22-99 | Employee Group Basic Life Insurance Ochs/Securian Madison (Life & Disability) | | Estimate \$131,691 |
| 22-99 | Employee Group Retiree Life Insurance Ochs/Securian Madison (Life & Disability) | | Estimate \$111,000 |
| 22-99 | Employee Group Short/Long Term Disability Insurance Ochs/Securian Madison (Life & Disability) | | Estimate \$190,770 |
| GSA Contract <i>GSA47QTCA21D00BD</i> | Storage System Update PROSYS Information Systems (CWBE) | | \$353,250 |
| GSA Contract - 22-115 <i>47QTCA18D00CC</i> | WAM KloudGin Phase5 Wave 2023 License renewal KloudGin | | \$536,385 |
| KY State Contract <i>MA7582000000580</i> | 2023 EBS and PeopleSoft Support Renewal Mythics | | \$228,218 |
| KY State Contract <i>MA6052000000452</i> | Five (5) 2023 Freightliner (108SD) Tandem Dump Truck Project #16278 Kentucky Truck Sales Inc. | Purchase and Deliver | \$742,040 |
| KY State Contract <i>MA7581800000180</i> | Four (4) 2023 Ford F450 XL Reg Cab (4WD V8) Flatbed w/upfit Configuration project 16102 Paul Miller Ford | Purchase and Deliver | \$293,556 |
| KY State Contract <i>MA7581800000180</i> | One (1) 2023 Ford F250 XL Super Cab (4WD V8) Inspector Configuration project 15602 Paul Miller Ford | Purchase and Deliver | \$73,899 |
| KY State Contract <i>MA7581800000180</i> | One (1) 2023 Ford F550 XL Reg Cab (4WD V8) Meter Repair Leader Configuration Paul Miller Ford | Purchase and Deliver | \$107,454 |
| KY State Contract <i>MA7581800000180</i> | Three (3) 2023 Ford F350 XL Reg Cab (4WD V8) Meter Exchange Configuration project 16102, 16278 Paul Miller Ford | Purchase and Deliver | \$235,092 |
| KY State Contract <i>MA7581800000180</i> | Two (2) 2023 Ford F250 XL Super Cab (4WD V8) Surveyor Configuration project 15602 Paul Miller Ford | Purchase and Deliver | \$146,998 |
| Ky State Contract <i>MA7581800000180</i> | Two (2) 2023 Ford F350 XL Reg Cab (4WD V8) ET Turner Configuration Paul Miller Ford | Purchase and Deliver | \$286,788 |
| KY State Contract <i>MA7581800000180</i> | Two (2) 2023 Ford F350 XL Reg Cab (4WD V8) Fleet Mechanic Configuration project 15620, 16278 Paul Miller Ford | Purchase and Deliver | \$184,608 |
| KY State Contract <i>MA7582000000580</i> | Utilities Support Renewals (CCB, MWM, WAM, OATS) Mythics | | \$416,485 |
| SUM BY BIDS AND AWARDS CATEGORY | | | \$8,915,902 |

Procurement of Professional Service3s

| | | | |
|-------|---|----------|------------------|
| 17-13 | BE Payne Chlorine Dioxide System CO# 1 | | |
| 15606 | Hazen and Sawyer | | \$168,100 |
| 20-03 | Assignment to Plant & Facilities Engineering Services Master Agreement-Westport Road Transfer Station Standby Generator | | |
| 15638 | CDM Smith, Inc | Estimate | \$240,265 |
| 20-91 | Facilitation of Louisville Water Company's (Louisville Water/the Company) Diversity, Equity & Inclusion (DEI) initiative 1st Renewal | | |
| | Integrity Development Corporation | | \$275,000 |
| | SUM BY BIDS AND AWARDS CATEGORY | | \$683,365 |

Procurement of Sole Source Materials and Services

| | | | |
|--------|--|-------------------|---------------------|
| | WaterSmart/Pure Connect 2022 License renewal | | |
| | ITRON | | \$264,916 |
| 21-104 | Electromagnetic Inspection and Leak Detection on Large Diameter Water Mains Master Agreement- Renew Sole Source Master Agreement Contract Extension | | |
| | Pure Technologies U.S. Inc. | 1st Year Estimate | |
| | SUM BY BIDS AND AWARDS CATEGORY | | \$264,916 |
| | GRAND TOTAL | | \$14,862,527 |

Closed Session Held

Ms. Fust-Rutherford moved to go into closed session to discuss potential and pending litigation pursuant to KRS 61.810(1)(c) at 11:30 p.m. Mr. Summers seconded, and the motion unanimously carried.

Open Session Resumed

Mr. Summers moved to return to Open Session at 12:24 p.m. Dr. Sharon Kerrick seconded, and the motion unanimously carried.

Financial Report Given

Lynn Pearson advised that financial statements for December and full year 2022 will not be final until the annual audit by our external auditors, Crowe LLP, is complete. The audit will be done partially on site and partially remote this year. The ultimate completion date of the audit and the year-end financial statements is uncertain as it is dependent upon the timing of the release of the audited pension report by the state. The report provides updated liability numbers and other information related to pension and other post-employment benefits that we must have in order to finalize the audit and the financial statements.

Ms. Pearson provided preliminary information on our water consumption and revenue based on data available through January 20, 2023. December consumption of 2.5 billion gallons is under budget by 2.5% and is 5.1% lower than December 2021. Total consumption for the full year 2022 came in at 33.5 billion gallons, which is only 0.8% below budget and 0.1% lower than the prior year. December water revenues are \$622,000 less than budget and \$412,000 higher than the prior year. For the full year 2022, residential and industrial revenue finished the year under budget, but a good portion of those shortfalls were offset by favorable variances in commercial, irrigation and wholesale. As a result, overall water revenue for the year is close to budget, coming within 1.5%.

Communication and Marketing Report Given

Ms. Dearing Smith advised that Louisville Water has a new company website. Staff completed building the site in December and the new site launched January 10. This was the first rebuild of the customer website since Louisville Water created a website in the early 2000s. New features include a single sign-on for account information, easier navigation to find projects, water quality information, procurement, careers and education. Louisville Pure Tap® branding is featured throughout the site. Ms. Dearing Smith then presented a video about the new website.

In December, extreme cold weather, education, and rates drove positive earned media with Louisville Water's content reaching more than 277 million people. A campaign on preventing frozen pipes and plumbing attracted statewide attention and local media covered an education partnership with early childhood centers where preschoolers learn the best way to wash hands.

Customer Service and Distribution Operations Report Given

Mr. Vogel advised that the extreme weather in late December resulted in several operational challenges such as main breaks, frozen pipes, and emergency off orders. As a result, the main break activity for the month of December was higher than past periods. For the month, there were 108 main breaks versus 54 last year and 75 for the five-year average. Year to date, the main break activity was also higher than last year and the five-year average.

The Call Center operations saw improvement from previous months primarily driven by new staffing. While performance is not to the levels we expect, several new CSRs completed training and began taking customer calls. A nesting process for new hires is showing progress with agents demonstrating more confidence and higher quality scores than previous classes. 25,099 calls were received in December with an abandonment rate of 17.2%. The Call Center continues to recruit to fill existing vacancies and two new employees are expected to start in January. Staff will also be attending a large job fair at the end of the month.

The AMI implementation is creating intermittent periods of low meter reading work and we are actively managing this by assigning meter maintenance, AMI installation, and field services work to employees during these periods.

Engineering and Production Operations Report Given

Mr. Kraus advised that year-end capital program data is not available due to the December books not being closed.

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

Water Quality personnel analyzed 1,200 water quality parameters; 994 of which were required pursuant to federal and state regulations. Personnel collected 280 routine distribution system (RTCR) compliance samples. Zero Total Coliform and zero E. coli detections were noted.

Four chemical spills were reported upstream of the Zorn intake; none that impacted water treatment.

Human Resources Report Given

Terrence Spence provided a summary regarding recent and current activity between the Louisville Water'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).

- The Union will be voting on a proposed Collective Bargaining Agreement today.
- Two active grievances filed by the Union.
- Union and Company leadership conducted their monthly Labor Management meeting to review various on-going and future joint initiatives and status updates.
- The Company posted three temporary and one regular full-time classified union positions.
- Company and Union leadership facilitated an informational roll-out of the recently negotiated contract to union and non-union personnel for review prior to the union body vote scheduled for January 24, 2023.

Integrity Development Corporation conducted on-site management/supervisory Diversity, Equity, Inclusion & Belonging (DEI&B) training on January 17.

Through an agreed to partnership, the University of Louisville will begin offering a \$500 scholarship per semester (maximum of \$1,000 for each academic calendar year) to Louisville Water employees who are eligible for and utilize the Company's Tuition Assistance Benefit.

Mr. Spence also reviewed EEOC reports.

Information Technology Report Given

Jeff Knott advised that all Louisville Water employees were required to take cybersecurity training in 2022. However, 12 employees still need to complete the training.

Legal Report Given

Michael Tigue reported the inaugural Louisville Water Service Board (Service Board) was formed in June 2022 to better coordinate and improve upon the impact of the Company's annual philanthropic pursuits. Underlying its principal purpose was also the hope that the Service Board's efforts would foster a greater sense of community and camaraderie among the Company's employees.

Mr. Tigue was pleased to share that the Service Board, with the support of their fellow employees, far exceeded expectations.

The Service Board, with the support of numerous employees, took on participating in this year's Salvation Army Angel Tree project initially committing to sponsor a modest 25 angels as well as to donate some volunteer hours to the cause. However, the Service Board's efforts and their peers' generosity ultimately ballooned into 65 angels sponsored, 40 volunteer hours spent assisting Angel Tree registration, 92 hours spent processing and preparing Angel Tree bags for distribution, and 72 hours spent distributing them to families and children in need. Two Company employees were also interviewed during Wave3's annual Angel-a-thon.

As a result of the work and generosity of our employees, Louisville Water was recognized as the 2022 Salvation Army Volunteer Group of the Year beating out volunteer groups from GE, Humana, Kroger and others.

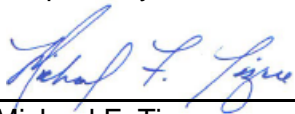
The Company employees also:

- Raised \$120,000.00 in this year's annual Pledge Drive exceeding last year's total in support of the United Way, Water for the People, Fund for the Arts and the Louisville Water Foundation;
- Raised \$1,154.26 in this year's Making Strides walk benefitting cancer research;
- Collected and donated an entire truck bed of school supplies to the Jefferson County Public Schools annual backpack give-away;
- Spent two weekends packing 1,300 backpacks and then distributed them to hundreds of JCPS students;
- Conducted several employee appreciation events at each workplace location consisting of fun games, ice cream and lunchtime socials including participation by representatives of each charitable organization who are supported by the annual Pledge Drive.

Mr. Tigie stated that being a part of this year's Service Board was truly inspiring. The spirited efforts of Amanda Cannon, Clarence Collins, Camille Fort, Nate Frederick, Eric Grant, Sonja Minch, Maleka Plachat, Chrissy Roe and Kathleen Speicher are commendable.

There being no further business, the meeting adjourned at 1:13 p.m.

Respectfully submitted,



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