

**Board Of Water Works  
REGULAR CALLED MEETING MINUTES  
April 18, 2023  
Louisville Water Company**

**Board Members Present:**

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

**Not Present:**

Mayor Craig Greenberg

**Others Present:**

Mr. Spencer Bruce, President and Chief Executive Officer  
Ms. Dana Mayton, Louisville Metro, Deputy Mayor  
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  
Mr. Jeff Knott, Vice President, Information Technology  
Mr. Michael Tigue, Vice President, General Counsel and Corporate Secretary  
Ms. Sue Purdy, Director, Finance and Accounting  
Mr. Matthew Griffith, Manager, Strategic Business  
Mr. Andrew Winslow, Manager, Finance, Budget, Rates and Analysis  
Mr. Jordan Basham, Director, Infrastructure Planning and Records  
Mr. Brian Sturgeon, Computer Network Administrator  
Ms. Beverly Soice, Paralegal

**Visitors:**

The meeting of the Board of Water Works (BOWW) was held on Tuesday, April 18, 2023 at Louisville Water Company corporate headquarters located at 550 South Third Street, Louisville, Kentucky. Vice Chair, Paul Esselman called the meeting to order at 11:11 a.m.

**Minutes of the Previous Regular BOWW Meeting Approved**

William Summers, IV moved to approve the regular monthly meeting minutes of March 21, 2023. Seconded by Greg Dearing and the motion unanimously carried.

**Report of Chief Executive Officer Given**

Spencer Bruce stated that March 22 is World Water Day which raises awareness of the importance of clean water and ensuring everyone has access to a reliable source. People take for granted that when they turn on the faucet, water will automatically come out.

Louisville Water employees know the role they play in providing safe, high quality Louisville Pure Tap® to nearly a million customers and take their responsibility seriously.

Mr. Bruce advised that some Louisville Water employees spent the morning with WaterStep celebrating the work it does to provide safe water to communities in developing countries and teach residents how to maintain that access. With the use of technology, the group talked virtually with a retreat center in Kenya who recently worked with WaterStep.

Following a program with Louisville Water's Education & Outreach team, Chancey Elementary held a shoe drive to benefit WaterStep. More than 830 pounds of shoes will help WaterStep fund safe drinking water projects around the globe.

### **Project Budget Increased and Contract Change Order Approved for Project No. 14325 – Chemical Building, Fire Protection and Office Space Improvements**

Tim Kraus requested the Board's authorization to increase the Crescent Hill Filter Plant: Chemical Building, Lab Fire Protection and Office Space Improvement project budget \$951,000, establishing a new total project budget of \$18,958,740 and authorize a contract change order in the amount of \$1,098,674 with Corbett Construction to complete Phase 3.

Mr. Kraus advised that Phase 1 of the project is complete, Phase 2 is underway and this request is for Phase 3. The additional project budget is required to renovate and update two existing Crescent Hill office spaces that were not included in the original project scope: the existing Process and Productions offices located in the Pump Station and the existing Facility offices located Grounds Maintenance building. The antiquated office spaces for the two locations will be renovated with new finishes and supplied with new furniture to match the original project updates. This includes a new HVAC system to replace the outdated existing system for the offices at the booster pump station. Upon completion of the two additional office spaces, all existing and new Crescent Hill office and lab spaces will be included in this renovation project.

Mr. Kraus added that he is very happy with the job Corbett Construction is doing on this project.

After a brief discussion, Mr. Dearing moved to increase the project budget by \$951,000 which will increase the current budget from \$18,007,740 to \$18,958,740 and to approve contract change order #12 in the amount of \$1,098,674 for Corbett Construction to continue with construction of the final Phase 3. Jennifer Fust-Rutherford seconded, and the motion unanimously carried.

### **One Water Board Appointment Approved**

Mr. Bruce advised that in addition to Mayor Greenberg appointing Deputy Mayor Dana Mayton as his representative to the BOWW, he has also appointed her to the One Water Board. Per the Amended and Restated Interlocal Cooperation Agreement Between the Board of Water Works and the Metropolitan Sewer District, the BOWW must approve his appointment to the One Water Board.

Mr. Esselman moved to approve the Mayor's appointment of Deputy Mayor Mayton to the One Water Board. Mr. Dearing seconded, and the motion unanimously carried.

### **HomeServe Amendment Approved**

Michael Tigie provided highlights of the negotiations to amend the existing contract with HomeServe. Louisville Water has had a mutually beneficial 15 year relationship with HomeServe.

Mr. Tigie reviewed the proposed amendments compared to the existing contract.

Following a brief conversation, Mr. Dearing moved to approve execution of the amendment with HomeServe. Mr. Summers seconded, and the motion unanimously carried.

**President and CEO Authorized to Execute Documents Related to Kentucky Infrastructure Grant Funding – Kentucky Cleaner Water Program**

Mr. Kraus requested that the Board officially designate Spencer Bruce as the authorized official to sign documents related to acceptance of funds from the Cleaner Water Grant Program provided through the American Rescue Plan Act of 2021 and funds from House Bill 1 from the 2022 Regular Session of the Kentucky General Assembly.

Louisville Water was awarded a total of \$18,919,689.00 in Round 2 grant funding from Kentucky Infrastructure Authority (KIA) for the following nine projects: Oak Street 48-inch Rehabilitation Phase 2, HCWD #2 Improvements-Salt River to Chapeze, Tom Wallace Road Water Main Extension, W. Muhammad Ali Area MRRP, Hwy 1694 8-inch Water Main Extension, Sylvania No. 6 Road Water Main Extension, John Lee Road 8-inch Water Main Extension, W Highway 146 Water Main Extension, and Eagles Road 6-inch Water Main Extension

Mr. Summers moved to designate Spencer Bruce as the authorized official to sign documents related to acceptance of Cleaner Water Grant Program funds, including the required Conditional Commitment Letters, and to ratify the signature of such documents signed prior to BOWW authorization. Mr. Esselman seconded, and the motion unanimously carried.

**Compensation and Benefits Committee Report Provided**

Ms. Fust-Rutherford provided a summary of the discussions that took place at the Compensation and Benefits Committee meeting on April 11, 2023. She reported that staff presented the proposed 2023 Leadership Shared Operating Goals, Management Incentive Goals and Corporate Performance Goals for review. Ms. Fust-Rutherford reviewed each goal with the Board.

Ms. Fust-Rutherford advised the committee to recommend approval of the proposed Leadership Shared Operating Goals, the Management Incentive Goals, and the Corporate Performance Goals as presented.

After a short discussion, Mr. Esselman moved to approve the proposed goals as presented. Mr. Summers seconded, and the motion unanimously

**First Quarter 2023 Certification of Projects & Change Actions**

Mr. Bruce certified that the following Projects and Change Actions were authorized during the First Quarter of 2023 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
<b>Total</b>					

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
16033	New Louisville Water Website	(\$302,127)	\$302,127	\$0	\$350,351
16086	ZPS-Overhaul Pump #9	(\$256,100)	\$256,100	\$0	\$256,100
<b>Total</b>		<b>(\$558,227)</b>	<b>\$558,227</b>	<b>\$0</b>	<b>\$606,451</b>

Project Proposals Approved by the President:

Project Number	Project Name	Requested Total Estimate	Contribution	LWCNet Cost	Current Year Estimate
<b>Total</b>					

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
16033	New Louisville Water Website	(\$302,127)	\$302,127	\$0	\$350,351
16040	Reloc-Fegenbush Ln @ Fenwick	(\$108,841)	\$108,841	\$0	\$106,570
16086	ZPS-Overhaul Pump #9	(\$256,100)	\$256,100	\$0	\$256,100
16125	Mud Lane Area-2021 MRRP	(\$207,084)	\$207,084	\$0	\$183,356
<b>Total</b>		<b>(\$874,152)</b>	<b>\$874,152</b>	<b>\$0</b>	<b>\$896,376</b>

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
15602	Fleet Program 2020	\$1,846,023	\$0	\$1,846,023	\$104,877
15606	BEP - Chlorine Dioxide System	\$0	\$0	\$0	\$104,224
15607	CHFP - North/South Filter Gallery Rehab	\$0	\$0	\$0	\$300,000
15654	I-71 Rest Area	\$0	\$0	\$0	\$104,202
16093	WAM/KG Investment 2021-25	\$0	\$0	\$0	\$903,655
16131	Farms at Lovers Ln Sec 4	\$0	\$0	\$0	\$148,279
16151	1007 S English Station	\$0	\$0	\$0	\$360,673
16243	2022 File & App Server Upgrade	\$0	\$0	\$0	\$153,497
16278	2022 Fleet Replacement	\$0	\$0	\$0	\$144,600
16281	Overlook at Eastwood Sec 3	\$0	\$0	\$0	\$182,256
16291	2022 Networking Upgrd & Repl	\$0	\$0	\$0	\$246,317
<b>Total</b>		<b>\$1,846,023</b>	<b>\$0</b>	<b>\$1,846,023</b>	<b>\$2,752,580</b>

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	\$15,627,853	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	\$15,038,141	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	\$41,810,397	Design In Progress	2013 Budget
14325	CHFP - Chemical Building and Lab Fire Protection and Office Space Improvements for Productions	\$14,107,740	\$14,164,857	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	\$58,228	Design In Progress	2017 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

**First Quarter 2023 Certification of Contracts & Bids**

Mr. Bruce certified that the following contracts were awarded during the First Quarter of 2023 in accordance with the Purchasing Policy and Procedure.

**Construction**

	<b>Relocation – Minor Lane Widening Improvements-Contractual Agreement Reimbursement</b>	
16482	Louisville Renaissance Zone Corporation	Estimate\$444,705
<b>22-105</b>	<b>Allmond Distribution Center Security Project</b>	
14439	Allterrain Paving & Construction (CWBE, LWC SBE)	\$338,000
<b>22-110</b>	<b>Lake Dreamland Water Main Replacement</b>	
16389	Excel Excavating, Inc.	\$372,000
<b>22-113</b>	<b>Private Lead Service Line Replacement – Known Lead Group A</b>	
16397	McColeman Group LLC/Property Scope Ops (LWC SBE)	\$234,500
<b>22-53</b>	<b>CHWTP – Pump Station Discharge System Improvements – Step 2</b>	
15609	Ulliman Schutte	Estimate\$775,000
<b>23-09</b>	<b>Private Lead Service Line Replacement – Group B</b>	
16397	Basham Construction & Rental Co., Inc. (LWC SBE)	\$219,100
<b>23-10</b>	<b>Private Lead Service Line Replacement – Known Lead Group C</b>	
16397	Basham Construction & Rental Co. Inc. (LWC-SBE)	\$219,100

<b>23-11</b> 16397	<b>Private Lead Service Line Replacement – Group D</b> Basham Construction & Rental Co., Inc. (LWC SBE)	\$227,500
<b>23-16</b> 16397	<b>Private Lead Service Line Replacement - Known Lead Agreement Group E</b> Basham Construction & Rental Co., Inc.	\$248,000
<b>SUM BY BIDS AND AWARDS CATEGORY</b>		<b>\$3,077,905</b>

### Procurement of Materials and Services

<b>13-101</b>	<b>Print Utility &amp; Mail Services 2023 Extension 3rd CPI Renewal</b> Doxim FKA – Utilitec	Estimate \$1,339,467
<b>15-154 KY State Contract</b> MA7582100000436	<b>Wireless Services (cell phone &amp; Data) 2023 Contract Renewal</b> Verizon Wireless	Annual Estimate\$300,000
<b>16-21</b>	<b>Assignment to Master Agreement-WAM/CCB Reporting Development, Enhancements and Support 2023</b> Intoollect LLC	\$213,000
<b>17-161</b>	<b>Fire Protection District Servicing Agreement 1st CPI Renewal</b> Multiple Fire Districts. Please see Bid tab	\$205,000
<b>17-61</b> 16086	<b>Assignment to Master Service Agreement Contingency Contract for Motor Repairs-ZPS-Overhaul Pump #9</b> Horner Industrial Services, Inc.	Estimate\$327,300
<b>17-71</b>	<b>Construction Inspection Services 60 Day Extension</b> RA Consultants, LLC	Estimate\$300,000
<b>18-01</b>	<b>Assignment to RFP 18-01 / Oracle Remote Application Management Support Master Agreement &amp; Oracle Application Project-Oracle SOA Applications Architect</b> Sierra-Cedar	Estimate\$385,000
<b>19-27</b>	<b>Stone, Soil, and Sand 3rd CPI Renewal</b> COURSE CONCRETE SAND-Quality Stone MANUFACTURED SAND-Hanson Aggregates MANUFACTURED SAND-Irving Materials SOIL-Earth First of Kentuckiana SOIL-Liter’s Environmental STONE-Hanson Aggregates STONE-Irving Materials STONE-Quality Stone	\$25,733 \$27,750 \$35,595 \$115,570 \$45,000 \$49,750 \$83,070 \$257,700
<b>20-101 GSA Contract</b> GSAG535F474GA	<b>2023 O&amp;M Support for Oracle Utilities CCB &amp; WAM</b> TMG Consulting, Inc.	\$380,550
<b>20-116</b>	<b>Ready Mix Concrete 2nd PPI Renewal</b> Ernst Concrete	Estimate \$544,122
<b>20-121</b>	<b>New Services 2nd CPI Renewal</b> Section A: Small Service Installations-Primary - Debbie Sutherland Excavating (CWBE) (LWC-SBE) Section B: Medium Service Installations-Primary - Southern Pipeline Section B: Medium Service Installations-Secondary - Basham Construction & Rental Section C1: Large Service Installations-Primary - Southern Pipeline Section C1: Large Service Installations-Secondary - Basham Construction & Rental Section C2: Fire Services-Primary - Southern Pipeline Section C2: Fire Services-Secondary - Basham Construction Section C3: Discontinue Services-Primary - Southern Pipeline Section C3: Discontinue Services-Secondary - Basham Construction	Estimate\$1,078,674 \$423,531 \$79,642 \$284,135 \$100,384 \$313,707 \$54,121 \$232,174 \$26,171
<b>20-16</b>	<b>Distribution System Repairs &amp; Capital Improvements - Recommendation to Renew Master Agreement - 2nd CPI Renewal</b> Basham Construction & Rental Co., Inc. MAC Construction & Excavating, Inc. Southern Pipeline (CWBE)	Estimate \$2,375,000 Estimate \$1,500,000 \$2,375,000
<b>20-46</b>	<b>Cold Water Meters 2nd PPI Renewal</b> Badger Meter \$232,194 Neptune Technologies	Estimate \$159,217
<b>21-03</b> 16033	<b>Assignment to Louisville Water New Website Design Technical - H2Info and finalizing LouisvilleWater.com</b> Price Weber	\$207,543
<b>21-11</b>	<b>Resilient Seated Gate and Wheel Valves 2nd PPI Renewal</b> Mueller Co. LLC	Estimate \$432,310

<b>21-135</b>	<b>Assignment to Master Agreement Contingency For Pump Repairs – ZPS-Overhaul Pump #9</b>	
16086	Layne Christensen Company	\$250,000
<b>21-64</b>	<b>Commercial Diving Services-2nd CPI Contract Renewal</b>	
	Marine Solutions, Inc. (CWBE)	Estimate \$250,000
<b>22-112</b>	<b>Transmission System Repairs and or Capital Improvements Master Agreement</b>	
	Basham Construction & Rental Co., Inc. (LWC SBE)	Estimate Unit Price Contract \$1,000,000
<b>GSA Contract</b>	<b>DR STORAGE UPGRADE</b>	
47QTCA21D00BD	PROSYS Information Systems (CWBE)	Estimate \$ 638,538
<b>23-34</b>		
<b>GSA Contract</b>	<b>PRODUCTION STORAGE EXPANSION</b>	
47QTCA21D00BD	PROSYS Information Systems (CWBE)	Estimate \$309,466
<b>23-34</b>		
<b>KY State Contract</b>	<b>Cisco SmartNet Support Renewal</b>	
MA7582100000767	Volta Inc.	\$265,028
<b>Ky State Contract</b>	<b>Oracle Technology License and Support</b>	
MA7582000000580	Mythics	\$1,273,362
<b>21-72</b>		
<b>WKU-553</b>	<b>Cisco HyperFlex Software Support Renewal</b>	
16419	Volta Inc.	\$213,737
<b>WKU-553/22-83</b>	<b>Software-as-a-Service for Security and Networking</b>	
	Volta	\$287,280
	<b>SUM BY BIDS AND AWARDS CATEGORY</b>	<b>\$18,995,821</b>

### Procurement of Professional Services

	<b>Oracle Applications Technical Architect</b>	
	V-Soft Consulting (CMBE)	Estimate \$341,120
<b>19-110</b>	<b>Advanced Metering Project (AMI) Engineering Consulting and Design Services Extension</b>	
	HDR Engineers Inc.	NTE \$210,000
<b>20-03</b>	<b>Plant &amp; Facilities Engineering Services Master Agreement 2nd CPI Renewal</b>	
	Black & Veatch	Annually \$500,000
<b>23-08</b>	<b>Potable Water Tank Cleaning &amp; Inspection Services - Master Agreement – 3-year contract</b>	
	Dixon Engineering	3-year Estimate \$525,000
	<b>SUM BY BIDS AND AWARDS CATEGORY</b>	<b>\$1,576,120</b>

### Procurement of Sole Source Materials and Services

	<b>LOJIC Capital and Operations Costs for Fiscal Year 2023</b>	
	Louisville and Jefferson County Information Consortium (LOJIC).	\$417,533
	<b>SUM BY BIDS AND AWARDS CATEGORY</b>	<b>\$417,533</b>
	<b>GRAND TOTAL</b>	<b>\$24,067,379</b>

The Board took a short break for lunch at 11:58 AM. The meeting resumed at 2:10 PM.

### Financial Report Given

In Lynn Pearson's absence, Sue Purdy provided the Financial Report.

Ms. Purdy advised that the 2022 year-end close is now complete. The Kentucky Retirement System recently released audited reports for fiscal year 2022, enabling finance staff to complete the required journal entries which our auditors have reviewed and approved. The 2022 audit is in its final stage and we anticipate it will be complete by the end of April.

Ms. Purdy provided an overview of financial results for March, which must be considered preliminary until the audit of the 2022 financial statements is complete.

Total water consumption was under budget for March and the resulting shortfall in revenue was only partially offset by a favorable variance in other operating revenue. Total operating expenses and non-operating income and expense all performed favorably to budget however, and as a result, net income for the month exceeded budget by \$266,000.

Consumption of 2.5 billion gallons for March is 104 million gallons lower than budget, and 157 million gallons less than March 2022. The budget shortfall was primarily in the residential, industrial and wholesale classes, and was partially the result of a timing difference between February and March. Year-to-date consumption remains over budget and prior year by 5.3% and 5.8% respectively, with the residential and commercial classes driving the favorable budget variance.

Water Revenue for March 2023 is \$586,000 lower than budget and \$318,000 lower than the prior year. Lower consumption is the key factor driving lower water revenue for this period as compared to budget. Residential, industrial and wholesale are under budget for the month. For the year-to-date period, water revenue performance remains very strong, coming in 3.8% over budget and 9.8% higher than prior year levels.

Other Operating Revenue for March is \$129,000 higher than budget and \$109,000 above year-ago levels. The variance to budget is mainly due to higher late charges and to a lesser degree higher service deactivation fees. The increase over prior year is mainly driven by higher late charges, service deactivation fees and sewer billing charges. Year-to-date, other operating revenue is \$293,000 higher than budget and \$357,000 higher than prior year. The year-to-date variance to budget is primarily due to higher revenue from late charges and service deactivation fees.

Operating and Maintenance Expenses for March of \$8.8 million are \$654,000 lower than budget and \$466,000 higher than March 2022. The March variance to budget is due to lower contractual services and to a lesser extent lower labor and labor related expenses, bad debt and insurance reserves. Contractual services are under budget partially due to lower main breaks, however, some of the variance is timing related and we anticipate that will turn around in the coming months. The unfavorable variance to March 2022 is primarily due to higher labor and labor related, chemicals, power and systems support and maintenance costs partially offset by lower contractual services and insurance reserves. March year-to-date operating and maintenance expenses are \$324,000 lower than budget and \$2.1 million higher than year-ago levels. Labor and labor related expenses, contractual services and bad debt were all lower than budget through March, though the favorable variances were partially offset by higher utilities, chemicals and materials and supplies. The variance to prior year through March reflects the continued impact of inflation with higher than normal increases in most categories with utilities, chemicals, systems support and maintenance, insurance reserves and labor and labor related expense having the most significant overages.

Total Operating Expenses for March of \$15.1 million are \$495,000 lower than budget and \$1.5 million more than prior year. The budget variance is due to lower operating and maintenance expenses and depreciation slightly offset by higher loss from disposition of assets. Two MRRP projects closed in March with losses which were budgeted later in the year. The variance to prior year is mainly due to higher operating and maintenance, depreciation and loss from disposition of property. Total operating expenses year-to-date are 0.9% lower than budget and 9.2% higher than last year. The year-to-date budget variance is primarily the result of lower operating and maintenance costs.



Non-Operating Income through March is \$1.9 million, which is \$582,000 higher than budget due to higher interest rates earned than anticipated. Non-operating income through March is \$1.8 million higher than the prior year due to higher interest rates earned as a result of increased market rates, along with a higher dollar amount invested.

Non-Operating Expense through March is \$2.0 million which is \$171,000 less than budgeted due to higher amounts of interest capitalized than anticipated. Year-to-date through March, non-operating expense is \$555,000 higher than year-ago levels due to the issuance of bonds in the fall of 2022.

### **Communication and Marketing Report Given**

Kelley Dearing Smith advised that concern and attention over a barge crash created widespread interest in Louisville's drinking water quality. The barge incident in March was downriver from where Louisville Water pulls water from the Ohio River, but staff managed through a week of media questions and social media comments. Overall, Louisville Water's message that there was never a concern for the quality of our drinking water was positively received.

Ms. Dearing Smith provided data which highlights the dominance of digital for traditional media and shows sentiment for the media coverage which is overwhelmingly neutral and positive.

During March, Louisville Water had nearly 500 press mentions for a reach of 1.2 billion people. Outside of the barge incident, we received positive attention on a community outreach event during "Fix a Leak Week."

Louisville Water's education and outreach efforts reached nearly 18,000 people in March. There were 59 school and community programs including education on finding and fixing leaks, library visits for *Tapper's Big Adventure* book, seven schools for a traveling field trip and partnership events with Bellarmine University and Louisville Visual Arts.

March is the start of the event season where we serve Louisville Pure Tap®. Distribution crews set up water stops for the Triple Crown of Running and a special Quench Water Bar was featured at Rabbit Hole distillery. The distillery released its landmark series, a special barrel selection with six Louisville landmarks on the labels. Rabbit Hole selected the Louisville Water Tower as one of the landmarks. Rabbit Hole frequently talks about the quality of Louisville's drinking water on its distillery tours. The landmark bottle featuring the Louisville Water Tower will be sold in local stores.

Louisville Water branding efforts were highlighted to young professionals participating in a Kentucky-Tennessee water leadership academy; several hundred industry professionals learned how we manage risk communications through a webinar with the American Water Works Association (AWWA); the storytelling that accompanies our diversity efforts was featured at a utility management forum; and, Louisville Water participated in AWWA's annual Fly-In in Washington, D.C where nearly 200 utility leaders met with lawmakers and congressional staff to advocate for support on a variety of water issues.

### **Customer Service and Distribution Operations Report Given**

Mr. Vogel advised work continues on the implementation of new payment processing and lockbox vendors. We are also in the final stages of selecting a new phone system provider. Once this selection is made, we will bring the project to the BOWW for approval.

In house support for AMI continued with 162 Diagnose and Repair tickets, 74 small meter exchanges, and 129 large meter retrofits. Each month we continue training more employees to perform AMI maintenance. We completed 1,121 field activities using AMI data and back office personnel. Automation of these types of orders is scheduled to go live later this month. As of March 31, 163,506 AMI endpoints have been installed.

Mr. Vogel was very pleased to announce that there have been no OSHA recordables so far this year.

### **Engineering and Production Operations Report Given**

Mr. Kraus advised that 2023 capital program expenditures through March totaled \$17,230,264 which is \$2,733,724 or 18.86% higher than the same period last year. These expenditures equate to 14.15% of the 2023 total capital program of \$121,781,334.

The amount of water produced and delivered to the system in March 2023 was 113.9 MGD, which was 0.5% lower than March 2022 and 6.7% higher than the March five-year average. For year-to-date, the amount of water delivered to the system was 0.9% higher than 2022, and 6.8% higher than the five-year average.

All water quality goals for March 2023 were achieved. No water quality violations were incurred.

Mr. Kraus advised that several Louisville Water employees will be staffing the water stops during the mini-marathon and marathon on Saturday, April 29. He stated that if any BOWW members would like to participate, please let him know.

### **Human Resources Report Given**

In Terrence Spence absence, Mr. Bruce 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).

- One active grievance filed by the Union.
- Louisville Water management and Union leadership established and is currently facilitating a points of clarification committee to answer questions and provide clarity regarding the recently ratified Collective Bargaining Agreement.
- The Executive Union Management Alliance Council established the groups' 2023 accountability goals.
- The Company posted two temporary and one regular full-time classified Union positions.
- Louisville Water is in the final stages of recruiting a Director of Diversity, Equity, Inclusion and Belonging (DEIB).
- Louisville Water concluded an internal pay equity analysis with no indication of adverse impact or pay inequities within different job groups.
- Louisville Water's CORE Council facilitated the Company's messaging of celebrating Neurodiversity Awareness Month by displaying banners of observance at each facility location.

Mr. Bruce then reviewed a list of DEIB efforts/actions Louisville Water has conducted over the last year to build a strong DEIB foundation.

## **Information Technology Report Given**

Jeff Knott advised that IT has been notified that the two Uninterrupted Power Supplies (UPS) are at their end of life as of December 31, 2023. After evaluation of options, staff has determined that the cost to replace these is less expensive than moving to a hosting facility. The two UPS will be replaced later this year.

The implementation of the software defined network product that will provide increased redundancy and more bandwidth is now scheduled to be completed at the end of April.

Additional enhancements for Work Order and Asset Management (WAM) were completed by the end of March. Further enhancements will be discussed in the second quarter.

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

Final demonstrations for the PeopleSoft replacement were held last month and the RFP for a Systems Integrator is being completed this month.

IT staff is working on a project and resource plan for the Oracle Cloud migration and will be reviewing it this month to determine the timeline and whether outside resources will be needed to complete the work.

Mr. Bruce advised that Laura Armistead, Director of IT, will be leaving Louisville Water next month.

Michael Tighe advised that Louisville Water's Service Board has been invited to Metro United Way's 2023 IMMIES (Community Impact Awards) which is being held at the Speed Art Museum.

There being no further business, the meeting was adjourned at 12:30 p.m.

Respectfully submitted,



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