

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

**Board Members Present:**

Dr. Sundeep “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. Jeff Knott, Vice President, Information Technology  
Ms. Lynn Pearson, Vice President, Finance and Treasurer  
Mr. Tim Kraus, Vice President, Engineering and Chief Engineer  
Mr. Terrence Spence, Vice President, Human Resources and Labor Relations  
Mr. Michael Tigue, Vice President, General Counsel and Corporate Secretary  
Ms. Jenni Schelling, Director, Internal Audit  
Ms. Shannon Tivitt, Executive Director, One Water  
Mr. Matthew Griffith, Manager, Strategic Business  
Mr. Mark Campbell, Scientist III  
Mr. Brian Sturgeon, Computer Network Administrator  
Ms. Beverly Soice, Paralegal

**Visitors:**

Ty Adams, Consultant

The meeting of the Board of Water Works (BOWW) was held on Tuesday, July 18, 2023 at Louisville Water Company corporate headquarters and located at 550 South Third Street, Louisville, Kentucky and virtually via Microsoft Teams. Chair, Sunny Dronawat called the meeting to order at 11:08 a.m.

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

Paul Esselman moved to approve the annual and regular monthly meeting minutes of June 20, 2023. William Summers seconded, and the motion unanimously carried.

**CEO Report Given**

Spencer Bruce advised that he attended the American Water Works Association’s Annual Conference and Expo (ACE) in Toronto last month.

Mr. Bruce explained that ACE is one of the largest international events for water professionals with

ten thousand attendees from 94 countries in attendance. ACE is a great opportunity for other water utilities to dive into regulatory matters, discuss issues we face collectively, explore new communication strategies, and network and collaborate.

Mr. Bruce attended several sessions targeting contaminants of emerging concern such as PFAS which is a manufactured chemical found in many things such as fabrics, food packaging, and pesticides. Attendees shared different approaches to managing PFAS and the impact of the proposed EPA regulations.

With the 2024 deadline for the EPA's revised Lead and Copper Rule, lead was also a topic of much discussion. Mr. Bruce stated that Louisville Water is at the forefront of protecting the community from the risks of lead in drinking water. Lead is not in the water when it leaves Louisville Water's treatment plants. He added that many cities have not even started to replace their lead lines.

Louisville Water is well-respected at water conferences like ACE. Other utilities recognize how Louisville Water invests in infrastructure, manages water quality, and connects with our community through communication, education, and outreach. Mr. Bruce added that he was proud to see a small California utility highlight Louisville Water's communications work in their presentation as a model they aspire to achieve.

#### **Contract Awarded for Project No. 16362 – 2023 MRRP – N. English Station Road Area**

Tim Kraus requested the BOWW's authorization to award the construction contract for the North English Station Road Main Replacement Project to Mac Construction & Excavating. This project consists of 2,695 linear feet of distribution water main replacement, with pipe sizes ranging from 12-inch diameter to 8-inch diameter along North English Station Road between Shelbyville Road and Aiken Road.

Louisville Water received competitive bids from four prequalified contractors for construction of this project. The Project Manager's estimate for the project was \$1,930,000. The low bidder was Mac Construction and Excavating with a bid of \$1,543,597, 20% lower than the project manager's estimate. The total approved project budget is \$2,057,901.

Mr. Esselman moved to award the construction contract for this project to Mac Construction & Excavating in the amount of \$1,543,597. Greg Dearing seconded and the motion unanimously carried.

#### **Contract Awarded for Project No. 16368 – 2023 MRRP – Bicknell Avenue Area**

Mr. Kraus requested the BOWW's authorization to award the construction contract for Bicknell Avenue Area Main Replacement Project to Basham Construction & Rental Co. This project includes 4,035 linear feet of distribution water main replacement, with pipe sizes ranging from six-inch diameter to 12-inch diameter along four streets.

Louisville Water received competitive bids from four prequalified contractors. The Project Manager's estimate for the project was \$1,665,000. The low bidder was Basham Construction & Rental Co. with a bid of \$1,626,000, 2.4% lower than the Project Manager's estimate. The total approved project budget is \$1,796,000.

Mr. Dearing moved to award the construction contract for this project to Basham Construction & Rental Co. in the amount of \$1,626,000. Mr. Williams seconded and the motion unanimously carried.

## Corporate Goals Modification Approved

Terrence Spence stated that Louisville Water encourages all employees to be mindful and take an active role in establishing and maintaining a healthy lifestyle. In support of this effort, he requests the BOWW approve modification of the Employee Wellness component of the 2023 Corporate Performance Incentive Goals.

Mr. Spence explained that the amended goals will more closely align the wellness section of the Corporate Performance goals for all non-union employees with those recently agreed upon between Louisville Water and Local 1683 union employees. The update of the wellness goals will also provide employees the opportunity to be incentivized to achieve various wellness goal levels and reward status collectively and individually.

Management believes that modifying the 2023 wellness goals will enhance the Company's employee wellbeing strategy through increased awareness, participation, and with the potential to positively impact Company health insurance premium rates for the 2025 benefit year.

Mr. Spence reviewed the proposed modifications with the Board. The modifications allow individuals to achieve a bonus if they reach a certain level. Union personnel and nonmanagement will receive the same opportunity for a bonus. The proposed maximum award level will be \$125.00 per employee.

Dana Mayton asked the breakdown of union vs nonunion employees. Mr. Spence advised that it is approximately 50/50.

Mr. Esselman moved to approve the modifications as proposed. Mr. Dearing seconded, and the motion unanimously carried.

## Second Quarter Certification of Contracts & Bids Awarded

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

### Construction

<b>22-112</b>	<b>Assignment to Transmission System Repairs and or Capital Improvements Master Agreement-20" Transmission Main break-300 W. Woodlawn Ave</b>	
16532	MAC Construction & Excavating, Inc.	\$406,593
<b>23-40</b>	<b>Private Lead Service Line Replacement - Known Lead Agreement Group F</b>	
16397	Basham Construction & Rental Co., Inc. (LWC SBE)	\$219,000
<b>23-50</b>	<b>Eagles Road 6" Water Main Extension</b>	
16179	C J Hughes Construction Co., Inc.	\$269,974
<b>23-52</b>	<b>West Ashland Avenue Water Main Replacement Project</b>	
16366	S-Walk Inc. dba Seven Seas Construction (CMBE ) & (LWC SBE)	\$365,705
<b>23-53</b>	<b>Castlewood Avenue Water Main Replacement</b>	
16367	Allterrain Paving & Construction (CWBE), (LWC-SBE)	\$950,000
<b>23-55</b>	<b>Zorn Pump Station Road Improvement</b>	
15637	Allterrain Paving & Construction (WBE), (LWC SBE)	\$1,430,782
<b>23-59</b>	<b>Monty Lane Water Main Replacement Project</b>	
16225	Allterrain Paving & Construction LLC (CWBE & LWC SBE)	\$348,000
	<b>SUM BY BIDS AND AWARDS CATEGORY</b>	<b>\$3,990,054</b>

### Procurement of Materials and Services

<b>310-22-0001</b>	<b>Replacement Phone Call Center Phone System &amp; IVR (NCPA) 3-Year contract</b>	
	Nextidia	\$1,340,172
<b>17-140</b>	<b>Crew Truck with Crane Contract Extension</b>	
	UHL Truck Sales	\$252,000

<b>21-24</b>	<b>Ductile Iron Fittings &amp; Accessories 2nd PPI Renewal</b> Hayes Pipe Supply - Primary Supplier	Estimate	\$520,000
<b>22-28</b>	<b>Major Engine and Transmission Repairs – One Ton and Over 1st CPI Renewal</b> AAMCO Transmission	Estimate	\$477,816
<b>22-29</b>	<b>Major Engine and Transmission Repairs – Under One Ton 1st CPI Renewal</b> AAMCO Transmission	Estimate	\$315,000
<b>GSA Contract</b>	<b>Assignment to IT Project Consulting Services Master Agreement-2023 Technical work for Oracle Cloud Infrastructure project</b> TMG Consulting, Inc.	Estimate	\$187,040
<i>GSAG535F474GA</i> <i>20-101</i>			
<b>GSA Contract</b>	<b>Assignment to IT Project Consulting Services Master Agreement-TMG Consulting Technical resources for the Oracle Cloud Infrastructure project</b> TMG Consulting, Inc.	NTE	\$214,300
<i>GSAG535F474GA</i> <i>20-101</i>			
<b>KY State Contract</b>	<b>2023 – 2024 Utilities Support Renewal (WAM, OATS)</b> Mythics		\$366,234
<i>MA7582000000580</i> <i>21-72</i>			
<b>KY State Contract</b>	<b>HCM Cloud Subscription Fee's</b> Mythics		\$651,595
<i>MA7582000000580</i> <i>21-72</i> <i>16447</i>			
<b>WKU-553</b>	<b>Technical Services – Consulting</b> Volta Inc.	NTE	\$230,400
<b>WKU-553/ 22-83</b>	<b>OCI Migration Services</b> Volta Inc.		\$276,980
<i>16507</i>			
<b>SUM BY BIDS AND AWARDS CATEGORY</b>			<b>\$4,831,537</b>

**Procurement of Professional Services**

<b>16-02</b>	<b>Assignment to Architectural &amp; Facility Engineering Design Services - Master Agreement (RFP 35% Technical, 40% Interview, 25% Cost)-CHFP Chemical Bldg. and Lab Fire Protection and Office Space Improvements - PHASE 3</b> JRA Architects, Inc.	NTE	\$203,500
<i>14325</i>			
<b>20-03</b>	<b>Assignment to Plant &amp; Facilities Engineering Services Master Agreement-Task 10 CHPS – Discharge System Improvements (Plant Capacity Study)</b> HDR Incorporated		\$463,142
<i>15609</i>			
<b>20-03</b>	<b>Westport Road Transfer Station Standby Generator CO#1</b> CDM Smith, Inc	NTE	\$317,076
<i>15638</i>			
<b>GSA Contract</b>	<b>2023 TMG CCB Phase 3 Enhancements Support</b> TMG Consulting		\$225,000
<i>GS35F474GA-16092</i> <i>20-101</i>			
<b>SUM BY BIDS AND AWARDS CATEGORY</b>			<b>\$1,208,718</b>

**Procurement of Sole Source Materials and Services**

<b>23-39</b>	<b>CIS Analytics</b> In-Tool-Lect		\$213,000
<b>SUM BY BIDS AND AWARDS CATEGORY</b>			<b>\$213,000</b>
<b>GRAND TOTAL</b>			<b>\$10,243,309</b>

**Second Quarter Certification of Projects & Change Actions Authorized**

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

Project Change Actions/Admin Notifications Requiring Board Approval:

Project Number	Project Name	Previously Approved	Change In Total	Requested Total Estimate	Change In Current Year
14325	CHFP - Chemical Building and Lab Fire Protection and Office Space Improvements for Productions	\$13,156,740	\$951,000	\$14,107,740	\$768,175
<b>Total</b>		<b>\$13,156,740</b>	<b>\$951,000</b>	<b>\$14,107,740</b>	<b>\$768,175</b>

Project Proposals Approved by the President:

Project Number	Project Name	Requested Total	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	Change In Total	Requested Total Estimate	Change In Current Year
14325	CHFP - Chemical Building and Lab Fire Protection and	\$13,156,740	\$951,000	\$14,107,740	\$768,175
16285	LCRR Corrosion Control Treatment Study	(\$125,000)	\$125,000	\$0	\$45,000
<b>Total</b>		<b>\$13,031,740</b>	<b>\$1,076,000</b>	<b>\$14,107,740</b>	<b>\$813,175</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
16376	690 Plan HCWD 2 Ph1 Wilson Crk	\$0	\$0	\$0	\$614,000
<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$614,000</b>

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	\$16,072,665	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
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	\$47,183,278	Design In Progress	2013 Budget
14325	CHFP - Chemical Building and Lab Fire Protection and Office Space Improvements for Productions	\$14,107,740	\$15,364,111	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	\$58,947	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	\$460,618	Design In Progress	2019 Budget
15506	660 Plan-SW Jefferson County Improvements-Blanton Lane 20 inch	\$5,464,300	\$4,278,781	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

## Oldham County Advisory Board Report Given

Dave Vogel provided a summary of the Oldham County Advisory Board meeting held on June 27, 2023.

## Marketing Committee Report Given

Mr. Summers provided a summary of the items discussed at the Marketing Committee meeting held on June 25, 2023.

Matthew Griffith, manager of Louisville Water's Strategic Business Unit, provided a summary of the presentation he made to the June 25, 2023 Marketing Committee meeting.

Mr. Griffith presented a Pure Spout Business Review which began in 2019 with the design phase, then testing and certifying the product, field testing the “Pilot” product, and now preparation for and executing a limited national launch. Mr. Griffith reviewed important milestones that occurred along the way.

Mr. Griffith advised that today, management will be requesting the BOWW to authorize a limited national launch of the Pure Spout products. Mr. Griffith provided a summary of the launch strategy and the initial target cities.

Mr. Griffith next turned his attention to resourcing needs for Blue Focus, Louisville Water’s wholly owned subsidiary under which Pure Spout is operating. He provided a proforma and advised that funds are budgeted for 2023 and no additional funds are needed this year.

Following a brief discussion, Mr. Dearing moved to approve proceeding with a limited national launch of the Pure Spout products. Mr. Esselman seconded, and the motion unanimously carried.

Dr. Sharon Kerrick congratulated Mr. Griffith and the whole team on the great work they have done.

The Board took a short break for lunch at 12:10 p.m. The meeting resumed at 12:25 p.m.

Mr. Griffith provided a brief update on Louisville Water’s Water Leak Protection pilot. Kelley Dearing-Smith emphasized that this is a Louisville Water product, while the Pure Spout products are being developed under Blue Focus, LLC

### **Financial Report Given**

Lynn Pearson advised that the total operating revenue was less than budget in June, with water revenue and other operating revenue both contributing to a negative variance. Total operating expense, along with non-operating income and expense performed favorably to budget, but this was not enough to fully offset the shortfall in total operating revenue. As a result, net income for the month is \$163,000 under budget, falling short for the first time this year. Details of the Company’s financial performance as compared to budget and prior year are as follows.

Consumption of 3.0 billion gallons for June is 115 million gallons lower than budget, and 136 million gallons higher than June 2022. Residential and commercial consumption account for the majority of the unfavorable budget variance, with wholesale contributing to a much lesser degree. A portion of the negative variance is due to timing issues in May, which had water consumption that was significantly higher than budget. Year-to-date consumption remains above budget and prior year by 3.2% and 6.2% respectively, with the residential and commercial classes driving the favorable budget variance.

Water Revenue for June is \$1.0 million lower than budget and \$1.7 million higher than the prior year. Lower consumption is the key factor driving lower water revenue for this period. All customer classes are lower than budget for the month with the exception of industrial and Metro government. For the year-to-date period, water revenue performance remains strong, coming in 1.8% over budget and 10.1% higher than prior year levels.

Other Operating Revenue for June is \$111,000 lower than budget and \$126,000 above year-ago levels. The variance to budget is attributable to shortfalls in late charges, service line protection, profit on sale of materials and cross connection fees. The increase over prior year is mainly driven by sewer billing charges and service line protection, somewhat offset by lower revenue from late charges. Year-to-date, other operating revenue is \$284,000 higher than budget and \$639,000 higher

than prior year. The year-to-date variance to budget is primarily due to increased revenue from late charges, disconnect fees and temporary service fees.

Operating and Maintenance Expenses for June of \$8.1 million are \$729,000 lower than budget and \$142,000 lower than June 2022. The June variance to budget is due to lower contractual services, systems support and maintenance, insurance reserves, and labor and labor-related costs slightly offset by higher materials and supplies costs. A portion of the variance in contractual services is timing and the expense budgeted in June is expected to be incurred later in the year. The favorable variance to June 2022 is primarily due to lower contractual services, systems support and maintenance, insurance reserves, and bad debt offset by increases in labor and labor-related expenses, utilities, and materials and supplies. June year-to-date operating and maintenance expenses are \$822,000 lower than budget and \$4.3 million higher than year-ago levels. Labor and labor-related, contractual services, system support and maintenance and bad debt expenses were all lower than budget through June, however these favorable variances were partially offset by unfavorable variances in utilities and materials and supplies. The variance to prior year through June reflects the continued impact of inflation with higher than normal increases in most categories with utilities, chemicals, materials and supplies, contractual services, systems support and maintenance, insurance reserves and labor and labor-related expense having the most significant growth.

Total Operating Expenses for June of \$14.7 million are \$743,000 lower than budget and \$845,000 more than prior year. The budget variance is due to lower operating and maintenance expenses and depreciation costs, the latter mostly due to timing. The variance to the prior year is mainly due to a higher net loss on disposition of property and higher depreciation costs, offset by lower operating and maintenance expenses. Total operating expenses year-to-date are 1.3% lower than budget and 9.3% higher than last year. The year-to-date budget variance is primarily the result of lower operating and maintenance costs, depreciation and loss from disposition of property.

Non-Operating Income through June is \$3.8 million, which is \$1.2 million above budget as a result of earning higher interest rates than anticipated. Non-operating income through June is \$3.6 million higher than the prior year due to higher interest rates earned, along with a higher dollar amount invested.

Non-Operating Expense through June is \$4.1 million which is \$210,000 less than budgeted due to higher amounts of interest capitalized than anticipated. Year-to-date through June, non-operating expense is \$1.3 million higher than year-ago levels due to the issuance of bonds in the fall of 2022.

Net Income before Distributions and Contributions for June is \$5.7 million, which is \$163,000 less than budgeted. In comparison between years, net income for June is \$1.3 million more than prior year. June year-to-date net income of \$23.6 million is \$4.6 million higher than budget and \$4.8 million above prior year.

Contributions through June of \$3.9 million are \$4.5 million less than budgeted and \$2.2 million less than prior year. Variance to budget is due to timing as there were projects budgeted with contributed labor that did not close in the first six months of the year as expected.

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

Kelley Dearing Smith advised that Louisville Water's focus on brand journalism produced positive results in June with stories in traditional and digital media. A media event to provide an update on work at the historic Louisville Water Tower and Pumping Station No. 1 attracted the most attention. There is a continued interest in the work to restore the National Historic Landmarks from local and national media.

Along with the Louisville Water Tower story, there were features on the AMI program and a celebrity reading program for *Tapper's Big Adventure* book.

Several employees frequently take photographs and share them with the Communications department. A photo taken by James Brooks showing a double rainbow that ended at the Louisville Water Tower went viral on Facebook with more than 430 comments and a reach of nearly 20,000 people.

The education and outreach programming reached more than 97,000 people in June. The seasonal team was at Buy Local Fair, PrideFest and Kentucky Craft Bash to serve Louisville Pure Tap® plus smaller events including Americana's GlobalLou Festival and a Water Safety Day at La Casita.

Louisville Water attends Mayor Greenberg's "Night Out" events and the one in June in west Louisville drew a larger-than-normal crowd. The education team provided programming at 20 zip codes in June. Much of the summer outreach is at libraries, camps and festivals.

Louisville Water shared its work in communications and marketing with two peer organizations: the Water Environment Federation and the American Water Works Association (AWWA). At AWWA's national conference, our work in communicating about lead and examples in how we use Louisville Water's history in Diversity Equity and Inclusion (DEI) content attracted large audiences. One utility highlighted Louisville Water's impact on its strategy in a presentation on strengthening public trust.

The Water Environment Federation's board held its meeting in Louisville. The 30+ attendees received an overview of Louisville Water's history and participated in a water tasting as part of a look at our branding and outreach.

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

Mr. Vogel advised that in addition to the items in his report, he was happy to report that approximately two-thirds of all AMI endpoints have been installed and 122,000 customers have been converted to monthly billing.

Mr. Vogel stated that he recently spoke with a customer who did not want their current meter replaced with an AMI meter. Since the beginning of the AMI project, less than 10 customers have requested to opt-out of the program and keep their existing meters. Mr. Vogel advised that he or project manager, Eric Ayers would speak with the customers and explain that Louisville Water is not allowing customers to opt-out. Mr. Vogel stated after explaining how the new meters work and answering all their questions, most customers agreed to the new meters.

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

Mr. Kraus advised that 2023 capital program expenditures through June totaled \$43,440,514, which is \$2,020,325 or 4.88% higher than the same period last year. These expenditures equate to 35.67% of the 2023 total capital program of \$121,781,334.

The amount of water produced and delivered to the system in June 2023 was 142.0 MGD, which was 2.4% higher than June 2022 and 7.8% higher than the June five-year average. For year-to-date, the amount of water delivered to the system was 1.8% higher than 2022, and 8.2% higher than the five-year average.

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



Water Quality personnel analyzed 1,295 water quality parameters; 1,089 of which were required pursuant to federal and state regulations. Personnel collected 283 routine distribution system compliance samples. One Total Coliform and zero E. coli detections were noted. Personnel also collected 58 main-break compliance samples for 30 repairs. One localized boil-water advisory (BWA) was issued due to field conditions. Zero BWAs were issued due to water quality monitoring results.

### **Human Resources Report Given**

Mr. 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).

- One active grievance filed by the Union is pending mediation.
- Union and Company leadership conducted their monthly Labor Management meeting to review various on-going and future joint initiatives and status updates.
- The Company internally posted seven regular full-time and six temporary full-time classified union positions.

The Human Resources Department facilitated a multiple-day new hire orientation for 22 employees providing a comprehensive introduction to the Company's history, operations, benefits and career opportunities.

Human Resources implemented and communicated to all employees the recently enacted Pregnant Worker Fairness Policy effective June 27, 2023.

Human Resources in conjunction with the Legal Department established and confirmed the Company's renewal of employer provided health insurance at a zero percent rate increase for the majority of the 2024 benefit calendar year.

### **Information Technology Report Given**

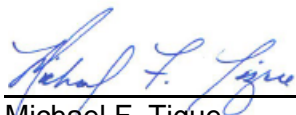
Jeff Knott advised that a Request for Proposal (RFP) for a Human Resource Management Systems Integrator was released on May 5 and staff is currently answering questions from potential Systems Integrators and evaluating proposals for this work. The RFP window closed on June 14 and staff is targeting August 25 for evaluations to be complete.

Oracle migration to the cloud environment is underway and testing is scheduled to begin this month. The tentative timeline for completion of this migration is the end of December, 2023.

After a second round of interviews with the top candidates for the Director of Information Technology position, an offer was made and accepted. The new IT director will start on-boarding on Wednesday.

There being no further business, the meeting was adjourned at 12:55 p.m.

Respectfully submitted,



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