Board Of Water Works
REGULAR CALLED MEETING MINUTES
July 28, 2026
Louisville Water Tower

Board Members Present:
Ms. Jennifer Fust-Rutherford, Chair
Mr. William “Bill” E. Summers, IV, Vice Chair
Mr. Jacob Brown
Ms. Cathe Dykstra
Mr. Ken Marshall

Not Present:
Mayor Craig Greenberg
Dr. Sunny Dronawat

Others Present:
Mr. Spencer Bruce, President and Chief Executive Officer
Ms. Dana Mayton, Louisville Metro, Deputy Mayor
Mr. Dave Vogel, Executive Vice President, Distribution Operations and Customer Service, *retiring*
Mr. Larry Bryant, Vice President, Production Operations and Chief Engineer
Mr. Carlos Felix, Vice President, Information Technology
Mr. Jeremy Raney, Vice President, Distribution Operations and Customer Service
Mr. Terrence Spence, Vice President, Human Resources and Labor Relations
Mr. Michael Tigue, Vice President, Compliance, General Counsel and Corporate Secretary
Mr. Adam Purvis, President, Local 1683 of AFSCME, AFL-CIO
Ms. Jenni Schelling, Internal Audit
Ms. Shannon Tivitt, One Water, Project Director
Mr. Andrew Winslow, Director, Finance
Ms. Dakota DeRoche, Project Engineer
Mr. Steven Berry, Microcomputer and Network Analyst
Mr. Erin Rickett, Security Specialist
Ms. Beverly Soice, Senior Paralegal

Visitors:
Mr. Vince Guenthner, Consultant
Ms. Jennifer Caummisar-Kern, HWC Engineering
Mr. Josh Rivard, Jacob Engineering

The meeting of the Board of Water Works (BOWW/Board) was held at Louisville Water Tower, located at 3005 River Road, Louisville, KY on Tuesday, July 28, 2026. Chair Jennifer Fust-Rutherford called the meeting to order at 11:05 a.m.

Minutes of the Previous Regular BOWW Meeting Approved

Mr. William E. Summers, IV moved to approve the regular monthly meeting minutes of June 16, 2026. Cathe Dykstra seconded, and the motion unanimously carried.

President/CEO Report Given

Spencer Bruce announced that today is Dave Vogel’s last BOWW meeting before his retirement later this week. Mr. Bruce stated a few of Dave’s greatest accomplishments while at Louisville Water include implementation of Advanced Metering Infrastructure (AMI), the successful conversion to a new customer care and billing system, CC&B, and, most importantly, a change in the organization's safety culture.

Dave stated it has been a pleasure and an honor to serve Louisville Water and to work with this Executive Leadership Team.

Mr. Bruce also stated that Kelley Dearing Smith will not be attending today's meeting due to the passing of her father, and Jennifer Crough is out on PTO.

Mr. Bruce advised that Louisville Water joined thousands of water professionals at the 2026 Annual Conference & Expo (ACE) in Washington, DC hosted by the American Water Works Association (AWWA). ACE provides an opportunity every year for utilities across the country to connect, learn from each other, and showcase their skills and expertise in the water sector.

Mr. Bruce announced that the B.E. Payne Water Treatment Plant received the 15-year Excellence Award from the Partnership for Safe Water, recognizing Louisville Water's commitment to superior water quality.

Other highlights of the conference included presentation by Water Quality Director Peter Goodmann and Vice President of Communications Kelley Dearing Smith on research and how to build public trust in water. And Louisville Water's pipe tapping team, The Lady Legends, competed against other women to drill into a pipe and tap a water main.

Mr. Bruce participated in the Association of Metropolitan Water Agencies' June Board meeting. Discussions centered on upcoming regulatory and legislative issues including PFAS litigation, Lead and Copper Rule litigation, and upcoming constituents in the Unregulated Contaminant Monitoring Rule 6 (UCMR 6).

Project 16665: CHFP - Reservoir Liner Replacement / Sludge Removal Project Affirmed

Larry Bryant requested approval from the Board of Water Works to replace the aging cast iron guardrail around the Crescent Hill Reservoir under the existing CHFP – Reservoir Liner Replacement/Sludge Removal project.

On February 18, 2025, the Board approved a project budget increase with a $10,000,000 allocation to go towards replacing the guardrail. In April 2025, initial public communication about the intent to replace the guardrail was met with questions and concerns from historic preservation stakeholders. Louisville Water paused the design of the guardrail replacement and sought advice from the historic preservation community about how to address the aging guardrail.

Over the last year, many alternatives have been evaluated to restore and preserve the 147 year-old cast iron railing and address the structural and safety concerns. A thorough inspection has revealed deterioration so significant that the site was indefinitely closed to the public and restrictions were placed on employee access. Louisville Water worked with specialized cast iron contractors and structural engineers and obtained a budget price of $29 million for restoration which includes refabrication of many damaged pieces and preserving the original historic fabric where possible. This solution requires a secondary barrier to be placed in front of the existing railing to meet modern safety codes.

Alternatively, the same engineers and contractors developed a design for a new decorative railing that mimics the existing design but comes into modern code compliance. The design and fabrication for this option is currently estimated at $10 million.

Following a thorough discussion, Ms. Dykstra moved to affirm their previous decision to replace the guardrail and allow the demolition of the existing guardrail. Mr. Summers seconded, and the motion unanimously carried.

Mr. Bryant added that future contracts and change orders related to this upcoming work will come to the Board for approval in accordance with established internal controls.

Unbudgeted Project No. 342-26-0031 – Exigent Circumstance: Lexington Road Emergency Water Main Break Approved

Mr. Bryant requested Board of Water Works approval for an unbudgeted project proposal for an emergency water main break at the intersection of Lexington Road and Garden Drive. The total cost for this project is estimated to be $1,375,000.

During the night on Sunday, July 19, 2026, a main break on the 1930's vintage, 24-inch unlined cast iron water main at the intersection of Lexington Road and Garden Drive. Emergency turners responded and identified the valves needed to isolate the area. Southern Pipeline Construction was notified and mobilized to the site using the Louisville Water's Exigent Event procedures.

The scope of work includes replacement of approximately 100 feet of cast iron pipe with new ductile iron pipe and associated fittings to complete the repair, clean-up of roadways, and pavement repairs. Other project costs in this proposal include replacement of a demolished traffic signal, replacement of damaged electrical utilities, and all homeowner claims due to damage from the water main break.

Ms. Dykstra moved to approve this unbudgeted project related to the Lexington Road Emergency Water Main Break in the amount of $1,375,000. Mr. Summers seconded, and the motion unanimously carried.

Louisville Water Foundation – Association of Community Ministries Update Provided

Shannon Tivitt advised that in 2025, the Louisville Water Foundation Board created the Key Partner Liaison Committee to serve as the Foundation's primary point of contact and information channel with its core strategic partners. As Chair, Ms. Tivitt reviewed the Foundation's relationship with the Association of Community Ministries (ACM), its largest funded organization, and looked to identify opportunities to better connect with the work ACM performs on the Foundation's behalf. Over the past eight months, Ms. Tivitt has met with ACM representatives to learn more about their work and its connection with Louisville Water's customer assistance efforts, Drops of Kindness.

ACM is an umbrella organization comprising 13 Louisville-based Community Ministries that has served families and individuals at the neighborhood level throughout Metro Louisville for over 30 years. Its members work together to connect neighbors in crisis with needed resources.

As you know, Louisville Water and Louisville MSD provide annual customer-assistance funding to the Louisville Water Foundation, who then support ACM. For the first time, ACM now has data that offers clearer insight into this work. In 2025, ACM began using a new client-tracking system to collect selected program and demographic data. Ms. Tivitt directed the Board to ACM's 2025 Highlights Summary, their first data report to the Foundation on their water-assistance work and their overall work in the community.

Used alongside other data sources, including our Pledge Portal and Affordability Mapping Tool, this report will deepen our understanding of the customers reached through our assistance programs and support more targeted communication and outreach moving forward.

Second Quarter Certification of Projects and Change Actions

Mr. Bruce certified that the following Projects and Change Actions were authorized during the Second Quarter of 2026 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 Approved	Change In Total	Requested Total Estimate	Change In Current Year
16436	2024 MRRP Downtown Hospital	($431,000)	$431,000	$0	$22,500
16665	CHFP - Reservoir Liner Replacement/Sludge Removal	($1,493,000)	$1,493,000	$0	$0
17121	Browning Velocity 65 Reloc	($425,177)	$425,177	$0	($5,958)
3999-382-0027	2026 Water Meters	($400,000)	$400,000	$0	$400,000
Total		**($2,749,177)**	**$2,749,177**	**$0**	**$416,542**

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
15352	Middletown/English Station Rd Property	($72,500)	$114,000	$41,500	$114,000
16234	2022 MRRP - Fairdale Road Area	($195,000)	$195,000	$0	$195,000
16378	690 Plan Transmission Clermont Tank to Belmont	($196,230)	$196,230	$0	$196,230
16436	2024 MRRP Downtown Hospital	($431,000)	$431,000	$0	$22,500
16665	CHFP - Reservoir Liner Replacement/Sludge	($1,493,000)	$1,493,000	$0	$0
17016	Sanctuary Falls Section 5	($168,504)	$168,504	$0	$162,589
17034	Smyrna Parkway Apartments	($151,571)	$151,571	$0	$151,421
17069	Commerce Crossings Two	($245,511)	$245,511	$0	$244,757
17121	Browning Velocity 65 Reloc	($425,177)	$425,177	$0	($5,958)
17135	Norton Commons Hamlet - Section 3A	($101,140)	$101,140	$0	$100,738
17148	Clermont Tank Stabilization	($200,000)	$200,000	$0	$200,000
3999-382-0027	2026 Water Meters	($400,000)	$400,000	$0	$400,000
Total		**($4,079,633)**	**$4,121,133**	**$41,500**	**$1,781,277**

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
16081	Allmond-Facility Renovation	$0	$0	$0	$3,220,403
Total		**$0**	**$0**	**$0**	**$3,220,403**

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	$0	Pending Capital	2005 Budget
11310	BEP - Renovate Sludge Lagoons #1, #2, #3, and #4	$19,970,280	$21,157,026	Work In Progress	2006 Budget
13264	CHPS - Replace Slate Roof and Improve Masonry	$6,137,000	$31,651	Pending Capital	2012 Budget
13274	Metering - AMI for Jefferson County	$61,000,000	$70,024,757	Completed Not Closed	2013 Budget
14524	ATT RBF for CH	$221,905,253	$5,724,658	Pending Capital	2017 Budget
14542	Transmission - Urton Lane	$5,297,725	$789,366	Pending Capital	2017 Budget
15036	Condition 2017 - Reservoir Yard Piping and Valves	$5,000,000	$61,536	Pending Capital	2017 Budget - Program
15468	Kentucky,Oak,Glenmary Transmission Main Rehab 2019	$11,500,000	$15,282,351	Work In Progress	2019 Budget
15515	E Manslick Rd - MRRP 2019	$2,928,001	$1,567,379	Pending Capital	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

The Board of Water Works took a short break for lunch at 12:00 p.m. The meeting resumed at 12:22 p.m.

Second Quarter Certification of Contracts and Bids & Awards

Mr. Bruce certified that the following contracts were awarded during the Second Quarter of 2026 in accordance with the Purchasing Policy and Procedure.

Construction			
26-43	**St. Joseph Ave Area MRRP**		
16646	Allterrain Paving & Construction(WBE-LWC-SBE)		$1,670,000
	SUM BY BIDS AND AWARDS CATEGORY		***$1,670,000***
Procurement of Materials and Services			
13-101	**Print Utility & Mail Services 2026-2027 Contract Extension**		
	Doxim FKA - Utilitec	Estimate	$1,957,082
22-28	**Major Engine and Transmission Repairs – One Ton and Over 4th CPI Renewal**		
	AAMCO Transmission	Estimate	$519,585
25-16	**Ductile Iron Fittings & Accessories 1st PPI Renewal**		
	Core & Main	Estimate	$680,000
	SUM BY BIDS AND AWARDS CATEGORY		***$3,156,667***
Procurement of Professional Services			
	Gallagher Bassett for third-party administration of claims services		
	Gallagher Bassett		$313,679
20-03	**Plant & Facilities Engineering Services Master Agreement, - 3-month extension**		
	Black & Veatch	Estimate	$800,000
	SUM BY BIDS AND AWARDS CATEGORY		***$1,113,679***
Procurement of Sole Source Materials and Services			
	LOJIC Capital and Operations Costs for Fiscal Year 2026		
	Louisville and Jefferson County Information Consortium (LOJIC)		$487,498
	Procurement of Neptune Parts- UMEs and Registers		
	Neptune Technologies		$300,000
	SUM BY BIDS AND AWARDS CATEGORY		***$787,498***
	GRAND TOTAL		***$6,727,844***

Financial Report Given

In Jennifer Crough's absence, Andrew Winslow provided the Financial Report.

Mr. Winslow advised that total rainfall for June of almost 10 inches was well above average and the prior year; however, it was compressed to only about half the month. This helped total water sales still meet budget expectations, and coupled with lower operating expenses, net operating revenue was $1.0 million favorable to budget for the month. Additional nonoperating impacts, including the recognition of $3.4 million in PFAS settlement funds and grant revenue favorability of $0.5 million, led to net income exceeding budgeted expectations by $5.2 million. Details of the Company's financial performance as compared to budget and prior year follows.

Consumption of 3.0 billion gallons for June was 58 million gallons above budget and 43 million gallons lower than June 2025. The favorable variance to budget was primarily in the irrigation and wholesale classes, partially offset by a shortfall with industrial and commercial. Year-to-date consumption exceeded budget and the prior year by 2.9% and 2.1%, respectively, driven primarily by commercial, wholesale, irrigation, and residential, partially offset by industrial and Metro.

Water Revenue for June of $21.6 million was essentially flat with budget and $0.1 million higher than the prior year. The budget favorability in the irrigation, wholesale, and Metro customer classes was offset by shortfalls in residential, commercial, and industrial. For the year-to-date period, water revenue of $118.1 million was 1.6% and 5.5% above budget and prior year levels, respectively.

Other Operating Revenue for June of $2.0 million was 4.6% above budget and 0.8% higher than prior year. The favorable variance to budget was primarily driven by higher revenue from customer fees. Year-to-date, other operating revenue was 1.2% lower than budget and 0.8% higher than the prior year. The year-to-date variance to budget was largely due to lower revenue from the home warranty program and cross-connection fees.

Operating and Maintenance Expenses for June of $9.9 million were $0.4 million lower than budget and $0.5 million higher than June 2025. The favorable variance to budget was mainly driven by lower contractual services and chemical expense. The unfavorable variance to prior year was driven by higher total labor expenses, power, and chemicals. June year-to-date operating and maintenance expenses of $62.9 million were $2.1 million higher than budget and $5.8 million higher than prior year both driven by total labor expenses and contractual services.

Other Operating Expenses for June of $6.9 million were $0.5 million lower than budget, and $0.1 million lower than the prior year. The budget variance was driven by disposition of property favorability along with lower depreciation expense. Other operating expenses year-to-date were $1.0 million lower than budget, but $1.3 million higher than the prior year. The variance to budget was a result of lower depreciation expense and favorability with the disposition of property.

Interest Income of $4.3 million through June was $0.3 million above budget due to higher interest rates than anticipated and $2.4 million higher than prior year due to increased investment of funds received from the September 2025 bond issuance.

Interest Expense through June of $6.2 million was $1.0 million less than budget due to higher amounts of interest capitalized than anticipated. Interest expense was $3.0 million higher than the prior year due to the interest from the 2025 bond issuance, partially offset by bond principal payments made in 2025.

Net Income before Distributions and Contributions for June of $11.3 million was $5.2 million more than budget and $2.4 million more than June 2025. The variance to budget for the month was impacted by additional legal settlement funds recognized of $3.4 million and partial timing reversal of grant revenue from May of $0.5 million in addition to the net operating impacts of $1.0 million and lower net interest of $0.3 million. June year-to-date net income of $29.3 million was $4.8 million above budget and $0.1 million more than the prior year.

Communication and Marketing Report Given

In Kelley Dearing Smith's absence, Vince Guenthner provided the Communications and Markeing Report.

Mr. Guenthner reported that consumer research in June shows overall customer satisfaction had an impressive rebound following a dip in December. Louisville Water partners with a local firm for bi-annual customer satisfaction research and in June 850 residential customers participated in the online research: 504 through an email invitation and 346 through a social media invitation.

Overall satisfaction with Louisville Water saw a powerful recovery, climbing to 85% in June 2026 after a sharp drop to 73% in December 2025. Customer perception of Louisville Water meeting its foundational goal of providing high-quality drinking water and service reached a significant high point climbing to 80%. Additionally, overall service experience ratings rebounded by 15 percentage points, but the internal drivers of negative experiences have inverted: traditional complaints like agent discourtesy and long hold times plummeted, while complaints regarding a lack of agent knowledge and unresolved first-contact issues rose.

For the first time, we asked customers about how they receive their water bill. The customer base remains deadlocked between digital and traditional bill delivery methods (52% electronic vs. 48% paper). Encouragingly, the barriers preventing the move to paperless billing are psychological rather than technological, presenting a clear avenue for targeted behavioral marketing.

The rating for the price of tap water received a strong 85% satisfaction. Feedback highlights that for the perception of value, customer dissatisfaction is heavily intertwined with the combined billing structure.

Louisville Water uses this data to identify trends, communication opportunities, and operational changes. An internal team is already working on a marketing strategy to increase e-bill adoption.

Customer Service and Distribution Operations Report Given

Jeremy Raney provided a summary of the Customer Service and Distribution Operations Report.

Call Center operations received 21,650 calls in June. We anticipate moving 2,000 calls per month away from the Call Center once the full Starts, Stops and Transfer self-service is available (Phase 1 launches July 27 with a soft launch and Phase 2 should be within 60 days). Call volume is down 16% year-to-date, primarily driven by Intelligent Virtual Assistant (IVA) and Customer Portal Observe. The abandonment rate (5.8%) is up slightly from June 2025 (3.5%), but still well below the five-year average of 9.2%. The average to answer calls was 135 seconds, which is higher than June 2025 (71 seconds), but well below the five-year average (242 seconds). The AI coaching platform has been deployed to Call Center employees and most acknowledge its benefits and opportunities. The Call Center deployed a new interaction page to help provide more information about the customer journey in IVA, which is helping to reduce handle time.

Estimations for the month came in at 0.15% versus 0.19% last year and 1.48% for the five-year average. Disconnect and plug activity for the month was 1,937, which is higher than last year (1,063) and slightly higher than the five-year average (1,435). Our backlog for this activity continues to run at or below historical levels.

June ended with 28 main breaks, which is slightly higher than last year (23) and in line with the five-year average of 28. Year-to-date main break activity (531) has been higher than last year (368) and the five-year average (354). Capital work was busy for the month including new service installations, fire hydrant and valve replacements, and service renewals. Focus was also given to the Lost Water Pilot and field support provided for locating and repairing leaks that were identified by leak detection specialists.

Engineering and Production Operations Report Given

Mr. Bryant advised that 2026 capital program expenditures through June totaled $82,000,613 which is $2,777,939 or 3.51% higher than the same period last year. These expenditures equate to 37.89% of the 2026 total capital program of $216,420,101.

The amount of water produced and delivered to the system in June was 150.4 MGD, which was 4.5% higher than June 2025 and 4.9% higher than the June five-year average. For year-to-date, the amount of water delivered to the system was 5.2% higher than 2025, and 11.0% higher than the five-year average.

All water quality goals for June 2026 were achieved. No water-quality violations were incurred. A total of seven distribution-system water-quality customer complaints were received in June (the five-year average is six complaints). Zero treatment-related taste & odor complaints were reported in June.

Water Quality personnel completed 5,968 analyses on 2,384 samples. Personnel collected 270 routine distribution-system RTCR compliance samples and zero repeat samples. Zero Total Coliform and zero E. coli detections were noted. Personnel also collected 46 main-break compliance samples associated with 23 repairs. Seven local boil-water advisories were issued due to field conditions and zero due to initial water-quality monitoring results.

Fourteen chemical spills were reported upstream of the Zorn intake. None of these spills resulted in enhanced monitoring of the treatment plant or powdered-activated carbon (PAC) treatment. PAC was applied for 29 days during June 2026 in response to elevated herbicide (Atrazine) detections in the source water. This is nine days higher than the five-year average for the month of June; however, the PAC dosage was relatively low at an average of 27 lb/MG (pounds-per- million gallons of water) each day in June. The seven-day rolling average of combined MIB and Geosmin taste & odor measurements in Crescent Hill Filter Plant's finished water did not exceed the maximum goal of six ppt in June 2026.

Human Resources and Labor Relations Report Given

Mr. Terrence Spence provided a summary of recent and current interactions between Louisville Water Management and Local Union 1683, AFSCME, AFL-CIO which included two active grievances (one in hold status, and one pursuing mediation); attending monthly labor-management meeting where active grievances, training, and joint collaboration efforts were reviewed; celebrating Union Proud Month; attending monthly Executive Union Management Alliance Council (EUMAC) meeting; and posting and filling eight internal union positions.

Human Resources activities for June included attending the 2026 National Society of Human Resource Management (SHRM) Conference; 2026 Leadership Essential Skills Training – make up training; 2026 Oracle HCM Mid-Year Performance Roll-Out (July 6 – August 28); facilitated New Employee Orientation; and, filling 29 non-union vacancies year-to-date.

Inclusion & Belonging activities for June included earning the Great Place to Work Certification; 2026 Juneteenth Employee Celebration; Allmond Facility Safety Blitz; and, Allmond Facility Employee Touch Point Discussion.

And, Community Involvement activities for June included attending the Louisville Urban League Kentuckiana Builds "Heavy Construction Training" Graduation.

Information Technology Report Given

Carlos Felix provided a brief overview of the Information Technology Report.

Mr. Felix reported that IT continues execution of the revised IT Strategy through alignment of departmental priorities, project planning, and resource allocation. As part of this effort, the department completed an organizational restructuring that established two new director positions to strengthen leadership capacity, support succession planning, and better align the organization to future business and technology needs.

IT completed the current phase of Oracle Cloud Infrastructure (OCI) disaster recovery activities, transitioning focus from implementation to ongoing validation, testing, and operational readiness.

Enhanced network monitoring capabilities continue to be deployed, strengthening visibility across technology environments and supporting operational resiliency.

There being no further business, the meeting was adjourned at 12:43 p.m.

Respectfully submitted,

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