

**LOUISVILLE ONE WATER SPECIAL BOARD MEETING**  
**April 21, 2022**  
**3:00 P.M.**  
**550 S. THIRD STREET, LOUISVILLE, KY**  
**Virtual Meeting**

**I. CALL TO ORDER AND INTRODUCTIONS:**

The April 21, 2022, special meeting of the Louisville One Water Board was held by teleconference video via Zoom Communications. The meeting was called to order by Mr. J.T Sims at 3:01 p.m.

**Board members present:**

Mr. J.T. Sims, Chair  
Mr. William Summers, Vice Chair  
Ms. Ellen Heslen  
Ms. Marita Willis  
Dr. Sharon Kerrick

**Others present:**

Ms. Anne Trout, MSD, Assistant General Counsel  
Ms. Camille Fort, Louisville Water, Paralegal  
Mr. Dave Vogel, Louisville Water, Executive Vice President  
Mr. James A. Parrott, MSD, Executive Director  
Ms. Kelley Dearing Smith, Louisville Water, VP of Communications, Marketing & Econ Dev  
Ms. Kimberly Reed, One Water, Chief Innovation Officer  
Ms. Lynne Fleming, MSD, Human Resources Director  
Ms. Rene' Lindsay, One Water, Chief Procurement Officer  
Ms. Megan Hancock, Louisville Water, Director - Customer Service  
Ms. Shannon Tivitt, One Water, Executive Director  
Mr. Spencer Bruce, Louisville Water, President & CEO  
Mr. Terrence Spence, Louisville Water, Vice President, HR, and Labor Relations  
Mr. Tim Kraus, Louisville Water, Vice President, Chief Engineer  
Mr. Wesley Sydnor, MSD, Chief of Government and Public Affairs  
Mr. Mathew Griffith, Louisville Water, Manager – Strategic Business  
Ms. Dana Price, MSD, Director of Records & Information Governance Program  
Mr. Brian Sturgeon, Louisville Water Computer Network Administrator  
Mr. David Johnson, MSD, Chief Engineer  
Ms. Lynn Pearson, Louisville Water, Vice President, Finance/Treasurer  
Mr. Paul Bagley, MSD, CIO  
Mr. Jeff Knott, Louisville Water, Vice-President and CIO  
Mr. Michael Tigue, Louisville Water, General Counsel  
Mr. Bill Malcolm, One Water, Fleet Services Director

## II. REVIEW AND APPROVE November 04, 2021, MEETING MINUTES

Mr. J.T. Sims called the meeting to order and asked if everyone had a chance to review the minutes from the November 04, 2021, meeting. Ellen Hesen moved to approve the Special Called Meeting Minutes, seconded by Bill Summers and the motion unanimously carried.

## III. 2021 ANNUAL REVIEW

### A. ONE WATER PROJECT PLAN RESULTS

Ms. Shannon Tivitt presented the 2021 project plan successes. Key successes include the Drops of Kindness program. For the 2021 calendar year, 24,970 customers were helped in service areas and \$9 million was distributed through our program. Drops of Kindness also now includes new federal funding, LIHWAP (Low Income Household Water Assistance Program) Jefferson County received \$1.2 million in LIHWAP funds.

Another success was Pure Connect - As of 12/30/21, there are 73,465 AMI meters in the ground (total to convert is 285,000). 28,665 customers were converted to monthly billing in 2021 and it is expected that approximately 50,000 more customers will be converted in 2022.

A billing services agreement was successfully negotiated, finalized, and presented to the MSD Board for approval on December 20, 2021.

The implementation of a new fleet management information system was another success. MSD and Louisville Water went live with the new Fleet Management Information system on November 1st. Integration with the NAPA parts system is being fine-tuned and integration with Fuel transaction imports from vendors continues

### B. REPORTS

Ms. Shannon Tivitt presented the 2021 Progress report and Value document. The annual report outlines our project plan and also our shared services, labor, contracts, etc. Last year was a highly productive year for the One Water Partnership. Along with providing safe drinking water and wastewater services to the community, One Water continued to find new ways to work together in operations, infrastructure planning, and with technology improvements. The annual One Water work plan, which consisted of ten major projects, was designed to better focus resources, and align with One Water goals. Each project had a team leader (or leaders) as well as team members from both organizations who committed to developing milestones, executing deliverables, and reporting to the Board each quarter.

### C. Final Thoughts/ WRAP UP

Kim Reed announced a new One Water Partnership Employee Recognition Award. The 'Partner of the Year' will be awarded annually to an employee/s or teams who perform exemplary work with the partnership. Tony Parrott recognized the first partner of the year, Megan Hancock. Megan serves as Louisville Water's Director of Customer Service and has been instrumental in implementing the partnerships Drops of Kindness initiative for the past two years. The program has become a model for other utilities. Megan accepted the award and thanked her team. Spencer Bruce introduced the second individual 'Partner of the Year' award recipient Bill Malcolm. Bill has made vast improvements in employee performance and in fleet system upgrades. Both Bill and Megan received a crystal award and a proclamation from the Mayor.

## IV. PARTNERSHIP UPDATE

### A. UNVEIL 2022 ONE WATER PROJECT PLAN

Ms. Tivitt shared the One Water initiatives for 2022. The first initiative will focus on building a Water Affordability Roadmap, with Spencer Bruce and Tony Parrott co-leading the effort. Using lessons learned from the Render Sprint Session, the team will evaluate building a Water Affordability Roadmap for our community. She added the team will use the racial equity toolkit to gather data and define affordability; create a budget/resource plan and analyze other data. The process will also include building a diverse, skilled team (internal/external); analyzing critical data from affordability programs and collaborating with stakeholders to continue to obtain funding and reduce barriers to water affordability. The target completion date is December 2022.

The second initiative will be to continue to promote the Drops of Kindness program under the guidance of Kelley Dearing Smith. The team will use research to improve the integrated communications plan for Drops of Kindness and they will also evaluate the customer and partner experience (through third-party research.)

The third initiative in the 2022 Project Work Plan is to convert more customers to monthly billing through PureConnect. Dave Vogel will continue to lead this initiative. Customers in Jefferson County will be moved to monthly billing, by billing cycle, through the implementation of Advanced Metering Infrastructure (AMI). All Jefferson County customers will ultimately be converted to monthly billing as part of this effort. The target Completion date is December 2024.

The fourth initiative involves reviewing recommendations from the Equity in Contracting & Procurement Task Force with a new consultant to determine feasible future efforts. This is an ongoing initiative.

Maintaining collaboration efforts on economic development and regionalization opportunities is the fifth initiative for 2022.

The sixth project will be our legal teams administering the requirements of the signed Billing Agreement.

The last initiative is to set up Internal Working Group to evaluate opportunities to offer Billing Services to other entities. The team lead by Dave Vogel and Kim Reed will develop a project plan, outline resources, develop strategy on Product Licensing, and finalize contracts with business partners (TMG, KloudGin, Utilitech, Promise, etc.), They will also outline a plan to partner with TMG/KloudGin to demo at 2023 Industry conferences and outline financial models and strategy for service offering agreements.

**B. SHARED SERVICES REIMBURSEMENT REPORT (JAN -MAR 2022)**

Ms. Lynn Pearson shared the First quarter 2022 shared services expenses.

The report is grouped into labor and non-labor related expenses. Through the first quarter four (4) positions with labor costs totaling \$54,632 were allocated to Louisville Water. Three (3) positions with labor costs totaling \$36,868 were allocated to MSD. Quarter one non-labor costs included a backup data line for customer service and The Greater Louisville Inc. annual meeting. Both were divided equally among both companies.

**C. INNOVATION PRESENTATIONS**

**i. Partnership**

Ms. Kim Reed provided an update on the innovation efforts. In 2019 a feasibility study was conducted that showed our systems are capable and a market exists to offer billing services. Next, the team looked at target markets and recommended revenue projects by creating an operation plan and financial model. Dave Vogel added recently there was an opportunity to offer billing services leveraging our relationship with TMG consulting. Ms. Reed added, for 2022, the team will look at developing a project plan and outline resources. They will also create a strategy on product licensing, finalize contracts with business partners and outline a plan to potentially partner with consultants to demo at 2023 Industry conferences. Kim added they will also outline financial models and strategy for service offering agreements.

**ii. Louisville MSD**

Ms. Reed then presented the innovation efforts for Louisville MSD. Louisville MSD has been successful in providing support to neighboring counties by utilizing expertise, economies of scale, and existing watersheds to own and operate wastewater collection and treatment systems resulting in a mutual benefit for regionalization. Louisville MSD is also looking at new biosolids technology which allows for energy recovery and reuse. The goal will be to offset new operating costs as well as provide solutions to landfill for local industries. Another innovation is plan review and inspection cost recovery. These were services historically provided free of charge to developers. New fees went into effect July 1, 2021. A new eServices Portal has been developed and implemented to improve transparency with customers. Pilot Artificial Intelligence (AI) has been implemented at MSD's DRG facility to provide real-time performance and advisory as well as

time performance and advisory as well as enable an optimized wastewater treatment.

iii. Louisville Water

Spencer Bruce provided an update on Louisville Water innovation. He stated the I-65 Corridor regionalization efforts have seen growth. Louisville Water will continue to support industrial growth to Hardin County by providing 1.4 million gallons per day (mgd) in 2025, ramping up to 4.2 mgd by 2030 to support the new Ford Battery Plant. He added that with distilleries opening more bourbon opportunities in Nelson County, the area has seen tremendous growth. Louisville water is projecting providing 1 mgd in 2025, ramping up to 2 mgd in 2030. Seeking state funding of \$35 million for future business growth in Bullitt, Nelson, Hardin, and Meade Counties. Louisville Water will work to form a Regional Water Supply Coalition to ensure adequate water supply for the I-65 Corridor for the next 20 years.

Another growing corridor is the I-64 Corridor Louisville Water continues to provide technical, operational, and business support to water systems in central Kentucky. Work is ongoing to evaluate opportunities to contract operate multiple water systems in central Kentucky. He added supporting economic development growth in Shelby County will be key with three new industrial companies locating in Shelby County by 2027.

Spencer also shared wins in innovation including, the finalized contract with House Foods America, Inc. for its high-water usage at its tofu production plant. As well as the finalized contract with River Ridge to contract operate the water treatment facility for the next 5 years.

Kelley Dearing Smith provided an update on economic development. She shared Economic development strategy is grounded in relationships and messaging. This is achieved with collaboration with MSD, LG&E, Louisville Forward, Greater Louisville Inc., and Kentucky's Economic Development Cabinet. The goal is to make sure water is "on the table" for site visits and FAM tours as well as using targeted messaging and presentations to entice water users (manufacturing, food, and beverage). 2022 has seen the highest number of economic development requests for new business. Going into next year, a new campaign called 'Water Grows Kentucky' will highlight water's connection to Kentucky's economic growth.

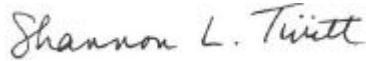
Matthew Griffith presented the products, services and partnerships that are part of Louisville Water's innovation. The first product highlighted was the WaterPro Water Leak Protection Plan. A phase one pilot has been completed with an official launch decision pending the pilot outcomes. Louisville Water is also exploring outside Louisville. Another product in innovation is Pure Spout. A local area pilot will be launched Q2/Q3. He added Louisville Water's Strategic Business Unit is tasked with building "pipelines" that cultivate high-potential Products, Services, and Partnerships (PSPs).

Mr. Sims noted the next meeting scheduled will be held Thursday November 17, 2022, at 3:00PM.

With no further business a motion to adjourn was made by Bill Summers and seconded by JT Sims. Meeting adjourned at 4:33 p.m.

**V. ADJOURN**

These minutes were approved by the Board on November 17, 2022

A handwritten signature in cursive script that reads "Shannon L. Tivitt".

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Shannon Tivitt, Secretary