

Monthly Executive Report

Financial & Capital Program Updates

As of February 29, 2024



MONTHLY EXECUTIVE REPORT

February 29, 2024

NOTE TO THE READER:

The following Monthly Executive Report is prepared and used by Louisville MSD for purposes of updating its governing Board of Directors of various operational and financial matters regarding Louisville MSD on a monthly basis. The Report is not prepared to help investors decide whether to purchase or sell financial obligations of Louisville MSD. As such, the Report contains unaudited financial information that may change after the date of the Report. In addition, the Report contains forward-looking statements in the form of financial and operating budgets, performance targets, and other information. These statements are not a guarantee of future performance and actual results may differ. Investors should not consider the enclosed Report a recommendation to purchase or sell financial obligations of Louisville MSD. The Report does not present a complete summary of Louisville MSD's financial or operational position to investors and should not be used in that manner.

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Acronyms & Abbreviations

AEAP	Additional Early Action Projects
APCD	Air Pollution Control District
AO	Agreed Order
B	Billions
BC	Bullitt County
BCE	Business Case Evaluation
BOD	Biochemical Oxygen Demand
BMP	Best Management Practice
BRIC	Building Resilient Infrastructure & Communities Grant Program
CCWQTC	Cedar Creek Water Quality Treatment Center
CD	Consent Decree
CIP	Capital Improvement Program
CMF	Centralized Maintenance Facility
CMOM	Capacity, Management, Operations, and Maintenance Program
COP	Commencement of Performance
CP	Commercial Paper
CRRP	Critical Repair and Replacement Plan
CSF	Critical Success Factor
CSG	Collections System Group
CSO	Combined Sewer Overflow
CSS	Combined Sewer System
DOW	Kentucky Department of Water
DRGWQTC	Derek Guthrie Water Quality Treatment Center
DRI	Drainage Response Initiative
EAC	Estimate-at-Completion
EAP	Early Action Plan
ENV	Environmental
EPA	Environmental Protection Agency
EPM	Enterprise Program Manager
FEMA	Federal Emergency Management Agency
FEPS	Final Effluent Pump Station
FFWQTC	Floyds Fork Water Quality Treatment Center
FM	Force Main
FPS	Flood Pump Station
FY	Fiscal Year
GASB	General Accounting Standards Board
GIS	Geographical Information System
HCWQTC	Hite Creek Water Quality Treatment Center
HSE	Health and Safety Evaluation
HVAC	Heating, Ventilation, and Air Conditioning
ID	Project Budget Identification Number
IOAP	Integrated Overflow Abatement Plan
IT	Information Technology
JC	Jefferson County
KPDES	Kentucky Pollutant Discharge Elimination System
LG	Louisville Green Biosolids Processing System
LOJIC	Louisville Jefferson County Information Consortium
LTCP	Long Term Control Plan
LWC	Louisville Water Company
M	Millions
MBE/WBE	Minority Owned Business Enterprise/Women Owned Business Enterprise
MCC	Motor Control Center
MEB	Morris Forman WQTC Maintenance Equipment Building
MHI	Median Household Income

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Acronyms & Abbreviations - Continued

MFWQTC	Morris Forman Water Quality Treatment Center
MS4	Municipal Separate Storm Sewer System Program
MSD	Metropolitan Sewer District
NMC	Nine Minimum Controls
NOA	Notice of Advisement
NOI	Net Operating Income
NTP	Notice to Proceed
OC	Oldham County
OCEA	Oldham County Environmental Agency
PM	Project Manager
PMIS	Project Information Management System
PSC	Property Service Connection
PS	Pump Station
Q	Quarter of Year
RAS	Return Activated Sludge
RFP	Request for Proposals
RR	Repair and Replacement
RTC	Real Time Control
SCADA	Supervisory Control and Data Acquisition
SIFMA	Securities Industry and Financial Markets Association
SRF	State Revolving Loan Fund Program
SSDP	Sanitary Sewer DP
SWPS	Southwestern Pump Station
TBD	To Be Determined
TSS	Total Suspended Solids
USACE	United States Army Corps of Engineers
USEPA	United States Environmental Protection Agency
VFD	Variable Frequency Drive
WIFIA	Water Infrastructure Finance and Innovation Act
WQTC	Water Quality Treatment Center
WWTF	Wet Weather Treatment Facility
WWPS	Wastewater Pump Station
YTD	Year-to-Date

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SECTION 1: EXECUTIVE SUMMARY

The Louisville and Jefferson County Metropolitan Sewer District (MSD) provides wastewater, stormwater and flood protection services to a population of nearly 800,000 throughout the service area. The MSD operating budget supports the day-to-day operation and maintenance of all infrastructure, while the capital budget supports the infrastructure investments through its Capital Improvement Program (CIP). The organization continues to complete important projects; comply with Consent Decree and regulatory requirements; and repair/replace critical assets. This report provides a summary of the financial position and the progress made through February 2024, with respect to Fiscal Year 2024 (FY24) program health and regulatory compliance.

FINANCIAL HEALTH

A high-level summary of key financial information is presented in the table below. More detailed information is presented in Section 2 of this report.

Summary of FY24 Financial Information

Description	Status as of February 29, 2024
Operating Revenues	Year to date, total operating revenues were \$7.8 million favorable to budget (wastewater service charges \$3.3 million favorable, drainage service charges \$1.3 million favorable and other operating income \$3.2 million favorable).
Operating Expenses	Service and administrative expenses were \$388 thousand favorable to budget and \$194 thousand more than February 2023. Year to date, service and administrative expenses were \$9.1 million favorable to budget. Contractual Services account for \$5.3 million of the savings to budget, Chemicals account for \$2 million.
Interest Expense	Interest expense was \$909 thousand unfavorable to budget and \$1.5 million more than February 2023. Year to date, interest expense was \$1 thousand favorable to budget.
Statement of Cash Flows	Cash and cash equivalents increased \$21.4 million in February. Net cash provided by operating activities was \$23.7 million. Net cash used by capital-related financing activities was \$13.2 million. Net cash provided by investing activities was \$10.9 million
Commercial Paper Notes	Commercial paper notes outstanding total \$219 million with an average duration to maturity of 31 days.

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CAPITAL PROGRAM HEALTH

A high-level summary of the status of key programs and initiatives is presented in the table below. More detailed information is presented in Section 3 of this report.

Summary of FY24 Capital Program Performance To-date

Key Programs and Initiatives	Status as of February 29, 2024
Consent Decree and Agreed Order Compliance	All Consent Decree and Agreed Order deadlines have been satisfied through the reporting period.
Emergency Repairs & Reactive Equipment Replacements	One (1) emergency project started in the reporting month. The Southwestern Basin waste management project will dispose of all waste removed from the basin.
Cashflow Performance*	Budget Performance Target is \$241.2M as of February 29, 2024. The FY24 forecasted spend is \$231.4M.

*Discussion on Performance Target and Budget Ceiling is found in the Capital Program Performance Section

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SECTION 2: FINANCIAL REPORT

The Financial Report is prepared monthly to provide readers with a high-level understanding of MSD's financial position. This report contains information on the following:

- Monthly financial results for February 2024
- Customer Statistics
- Employee Headcount
- Cash Balances
- Investment Summary
- Commercial Paper Program Summary

JANUARY FINANCIAL SUMMARY

Financial Highlights for the month of February 2024

- Total operating revenues were \$6.7 million favorable to budget
- Service and administrative expenses were \$388 thousand favorable to budget

Results of Operations for the month of February 2024

Total operating revenues were \$6.7 million favorable to budget and \$5.7 million more than February 2023. Wastewater service charges were \$5.2 million favorable to budget and \$4.5 million more than February 2023. Drainage service charges were \$1.1 million favorable to budget and \$860 thousand more than February 2023. Other operating revenues were \$461 thousand favorable to budget and \$344 thousand more than February 2023. Year to date, total operating revenues were \$7.8 million favorable to budget (wastewater service charges \$3.3 million favorable, drainage service charges \$1.3 million favorable and other operating income \$3.2 million favorable).

Service and administrative expenses were \$388 thousand favorable to budget and \$194 thousand more than February 2023. Year to date, service and administrative expenses were \$9.1 million favorable to budget. Contractual Services account for \$5.3 million of the savings to budget, Chemicals account for \$2 million.

Depreciation and amortization expenses were \$2.1 million unfavorable to budget and \$2 million more than February 2023. Year to date, depreciation and amortization expenses were \$15.9 million unfavorable to budget. Depreciation expense is being driven by the large number of capital projects that were placed in service in June of 2023. Amortization expense is being driven by GASB 96 reporting standards for Subscription Based Information Technology Assets.

Investment income was \$843 thousand favorable to budget and \$608 thousand more than February 2023. Year to date, investment income was \$7.6 million favorable to budget.

Interest expense was \$909 thousand unfavorable to budget and \$1.5 million more than February 2023. Year to date, interest expense was \$1 thousand favorable to budget.

Statement of Cash Flows

Cash and cash equivalents increased \$21.4 million in February. Net cash provided by operating activities was \$23.7 million. Net cash used by capital-related financing activities was \$13.2 million. Net cash provided by investing activities was \$10.9 million.

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FINANCIAL STATEMENTS – FY24

Comparative Statement of Net Position

Louisville & Jefferson County Metropolitan Sewer District				
Monthly Comparative Statement of Net Position				
Month Ended, February 29, 2024				
	YTD Feb-2024	YTD Feb-2023	Variance	Percent
Current Assets				
Unrestricted Cash & Cash Equivalents	\$163,125,766	\$118,782,146	\$44,343,621	37.33%
Sewer & Drainage Receivable	27,351,988	27,906,359	(554,372)	-1.99%
Assessment Warrants Receivable	130,353	183,416	(53,063)	-28.93%
Miscellaneous Receivables	4,794,259	1,097,608	3,696,650	336.79%
Inventories	6,185,452	5,619,113	566,340	10.08%
Prepaid Expenses	3,042,853	5,259,372	(2,216,519)	-42.14%
Restricted Funds	177,317,852	150,201,911	27,115,941	18.05%
Accrued Interest Receivable	587,953	340,553	247,399	72.65%
Total Current Assets	382,536,476	309,390,477	73,145,999	23.64%
Non-Current Assets				
Utility Plant in Service	5,082,106,087	4,741,968,637	340,137,450	7.17%
Accumulated Depreciation	(1,751,595,122)	(1,640,237,025)	(111,358,097)	6.79%
Construction in Progress	451,622,774	527,986,222	(76,363,447)	-14.46%
Subscription Assets	6,082,388	0	6,082,388	0.00%
Net Fixed Assets	3,788,216,128	3,629,717,834	158,498,294	4.37%
Non-Current Receivables	20,353,127	21,251,723	(898,596)	-4.23%
Total Assets	4,191,105,731	3,960,360,034	230,745,696	5.83%
Total Deferred Outflow of Resources	51,085,654	69,571,279	(18,485,624)	-26.57%
Total Assets & Deferred Outflow of Resources	4,242,191,385	4,029,931,313	212,260,072	5.27%
Current Liabilities				
Miscellaneous Accounts Payable	6,484,677	6,985,708	(501,031)	-7.17%
Accounts Payable - Construction	5,064,487	6,069,851	(1,005,364)	-16.56%
Contract Retainage	9,436,628	5,244,714	4,191,913	79.93%
Accrued Interest Payable	32,855,516	30,522,399	2,333,117	7.64%
Current Maturities of Bonds Payable	51,115,000	52,880,000	(1,765,000)	-3.34%
Current Maturities of Subordinate Debt	9,524,464	2,419,874	7,104,590	293.59%
Current Subscription Payable	68,243	0	68,243	0.00%
Deposits Payable	1,768,990	1,990,231	(221,241)	-11.12%
Accrued Salaries & Wages	3,056,363	2,263,800	792,563	35.01%
Accrued Workers' Comp Insurance	1,963,828	1,512,835	450,993	29.81%
Employee Comp Absences Payable	5,369,452	4,935,189	434,263	8.80%
Total Current Liabilities	126,707,646	114,824,600	11,883,045	10.35%
Non-Current Liabilities				
Long-Term Senior Debt Payable	2,429,152,301	2,228,405,000	200,747,301	9.01%
Long-Term Subordinate Debt Payable	263,231,423	375,020,628	(111,789,205)	-29.81%
Other Long-Term Liability	312,230,350	276,864,383	35,365,967	12.77%
Total Non-Current Liabilities	3,004,614,074	2,880,290,011	124,324,063	4.32%
Total Liabilities	3,131,321,719	2,995,114,611	136,207,108	4.55%
Total Deferred Inflow of Resources	38,688,948	51,579,614	(12,890,666)	-24.99%
Total Liabilities & Deferred Inflow of Resources	3,170,010,667	3,046,694,225	123,316,442	4.05%
Net Position	1,072,180,718	983,237,088	88,943,630	9.05%
Total Liabilities, Deferred Inflow of Resources and Net Position	4,242,191,385	4,029,931,313	212,260,072	5.27%

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Statement of Revenues, Expenses & Change in Net Position

Louisville & Jefferson County Metropolitan Sewer District							
Monthly Statement of Revenues, Expenses, and Changes in Net Position							
Month Ended, February 29, 2024							
	YTD	YTD	YTD	% YTD	YTD	YTD	% YTD
	Actual	Budget	Variance	Variance	Prior Year	Variance	Variance
Wastewater Charges							
Residential	\$ 118,989,883	\$ 119,183,408	\$ (193,525)	-0.2%	\$ 112,121,947	\$ 6,867,936	6.1%
Commercial	67,313,666	66,051,450	1,262,216	1.9%	63,821,110	3,492,556	5.5%
Industrial	19,856,096	17,105,160	2,750,936	16.1%	16,390,084	3,466,012	21.1%
Other Wastewater	6,130,999	6,587,892	(456,892)	-6.9%	6,661,406	(530,407)	-8.0%
Free Wastewater Charges	(3,780,996)	(3,725,210)	(55,785)	1.5%	(3,793,328)	12,333	-0.3%
Total Wastewater Charges	208,509,649	205,202,699	3,306,950	1.6%	195,201,219	13,308,430	6.8%
Drainage							
Residential	24,878,917	23,877,232	1,001,686	4.2%	22,880,705	1,998,212	8.7%
Commercial	36,361,399	36,602,288	(240,889)	-0.7%	34,951,606	1,409,793	4.0%
Industrial	4,533,281	4,278,562	254,718	6.0%	4,121,445	411,836	10.0%
Other Stormwater	3,199,908	2,911,827	288,081	9.9%	2,827,801	372,107	13.2%
Free Stormwater Charges	(2,048,521)	(2,031,868)	(16,653)	0.8%	(1,929,829)	(118,692)	6.2%
Total Drainage Charges	66,924,983	65,638,041	1,286,942	2.0%	62,851,728	4,073,255	6.5%
Total Service Charges	275,434,632	270,840,740	4,593,892	1.7%	258,052,947	17,381,685	6.7%
Other Operating Income	6,204,982	2,999,197	3,205,785	106.9%	4,299,959	1,905,023	44.3%
Total Operating Revenue	281,639,614	273,839,937	7,799,677	2.8%	262,352,906	19,286,708	7.4%
Operating Expenses							
Salaries & Wages	42,213,180	42,302,581	(89,401)	-0.2%	37,779,684	4,433,495	11.7%
Labor Related Overhead	18,928,443	17,758,013	1,170,430	6.6%	17,674,689	1,253,754	7.1%
Utilities	10,528,081	12,151,558	(1,623,477)	-13.4%	12,394,312	(1,866,231)	-15.1%
Materials & Supplies	5,718,396	6,372,990	(654,594)	-10.3%	5,630,389	88,007	1.6%
Contractual Services	20,494,710	25,840,682	(5,345,971)	-20.7%	20,775,818	(281,108)	-1.4%
Chemicals	5,377,836	7,422,794	(2,044,958)	-27.5%	4,561,790	816,046	17.9%
Fuel	993,228	1,349,023	(355,796)	-26.4%	1,148,417	(155,189)	-13.5%
Insurance Premiums & Claims	5,115,268	4,889,880	225,388	4.6%	4,734,624	380,644	8.0%
Bad Debt	2,221,359	2,350,936	(129,577)	-5.5%	2,769,608	(548,249)	-19.8%
Other Operating Expense	1,489,854	1,788,207	(298,353)	-16.7%	1,287,090	202,764	15.8%
Mapping/Insurance Recovery	-	-	-	0.0%	-	0	0.0%
Capitalized Overhead	(27,629,758)	(29,334,399)	1,704,642	-5.8%	(25,365,968)	(2,263,790)	8.9%
Capital Expenses (over)/under applied							
Net Service and Administrative Costs	85,450,598	92,892,265	(7,441,667)	-8.0%	83,390,454	2,060,144	2.5%
Depreciation	83,299,356	69,367,337	13,932,019	20.1%	71,758,020	11,541,335	16.1%
Amortization	3,007,298	1,006,465	2,000,833	198.8%	1,042,378	1,964,920	188.5%
Total Depreciation/Amortization	86,306,653	70,373,801	15,932,852	22.6%	72,800,399	13,506,255	18.6%
Total Operating Expenses	171,757,251	163,266,066	8,491,185	5.2%	156,190,852	15,566,399	10.0%
Net Operating Income	109,882,363	110,573,871	(691,507)	-0.6%	106,162,054	3,720,309	3.5%
Non-Operating Revenue (Expenses)							
Gain/Loss Disposal of Assets	101,100	-	101,100	0.0%	(737,011)	838,111	-113.7%
Investment Income	16,774,579	9,128,800	7,645,779	83.8%	11,413,545	5,361,034	47.0%
Interest Expense	(66,316,205)	(71,766,214)	5,450,009	-7.6%	(61,264,334)	(5,051,871)	8.2%
Total Non-Operating Revenue (Expenses)	(49,440,526)	(62,637,414)	13,196,888	-21.1%	(50,587,800)	1,147,274	-2.3%
Contributions	1,038,832.81	-	1,038,833	0.0%	210,578	(828,255)	393.3%
Change in Net Position Before Swaps	61,480,670	47,936,457	13,544,213	28.3%	55,784,833	(5,695,837)	10.2%
Change in Fair Value of Swaps	6,421,663	-	6,421,663	0.0%	4,420,434	(2,001,229)	45.3%
Change in Net Position After Swaps	\$ 67,902,333	\$ 47,936,457	\$ 19,965,876	41.7%	\$ 60,205,267	\$ (7,697,066)	12.8%

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Statement of Cash Flows

Louisville and Jefferson County Metropolitan Sewer District		
Statement of Cash Flows		
For the Month Ended, February 29, 2024		
	FY 2024 YTD	FY 2023 YTD
Cash Flows from Operating Activities		
Cash received from customers	\$ 277,942,163	\$ 259,483,356
Cash paid to suppliers	(75,625,477)	(76,749,296)
Cash paid to employees	(41,699,278)	(39,371,995)
Net Cash Provided by Operating Activities	160,617,408	143,362,065
Cash Flows from Capital and Related Financing Activities		
Proceeds from issuance of revenue bonds	107,259,497	-
Proceeds from issuance of bond anticipation note	-	229,468,019
Proceeds from issuance of commercial paper	1,635,975,000	260,000,000
Proceeds from issuance of other subordinated debt	4,252,832	-
Payments for retirement of bond anticipation note	(226,340,000)	(226,340,000)
Payments for retirement of commercial paper	(1,381,780,000)	(210,000,000)
Payments for retirement of other subordinated debt	(3,848,945)	(1,674,548)
Payments for interest expense	(59,481,808)	(56,174,582)
Payments for interest on swaps	(1,450,379)	(3,160,887)
Build America bond interest subsidy	7,468,751	7,324,100
Proceeds from capital grants	1,837,133	-
Proceeds from sale of capital assets	101,100	(737,011)
Payments for capital assets	(149,842,290)	(135,511,529)
Proceeds from assessments	496,589	629,200
Net Cash Provided (Used) by Capital and Related Financing Activities	(65,352,520)	(136,177,238)
Cash Flows from Investing Activities		
Purchase of investments	(204,035,557)	(74,740,357)
Maturity of investments	155,613,856	80,881,756
Investment income	5,647,787	9,214,320
Net Cash Provided (Used) by Investing Activities	(42,773,914)	15,355,718
Net Increase (Decrease) in Cash and Cash Equivalents	52,490,974	22,540,545
Cash and Cash Equivalents, Beginning of Year	91,786,053	71,854,355
Cash and Cash Equivalents, End of Year	\$ 144,277,027	\$ 94,394,900
Reconciliation of Operating Income to Net Cash provided by Operating Activities		
Income from operations	\$ 109,882,363	\$ 106,162,054
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	86,306,653	72,800,398
Capitalized Overhead	(27,629,758)	(25,365,968)
Accounts receivable	(3,324,333)	(2,939,678)
Inventories	(373,856)	(356,832)
Prepaid expense	(2,805,003)	(2,310,300)
Accounts payable	(1,641,182)	(2,821,513)
Customer deposits	(373,118)	70,128
Accrued liabilities	575,642	(1,876,224)
Net Cash Provided by Operating Activities	\$ 160,617,408	\$ 143,362,065
Non-Cash Capital Financing and Investing Activities		
Contribution of plant, lines and other facilities by developers and property owners	\$ (798,300)	
Construction costs in accounts payable	14,501,115	11,314,565
Change in fair value of investments	(3,531,738)	(1,116,358)
Decrease in interest rate swap deferred revenue	(150,976)	(331,300)
Change in fair value - swap agreements	6,421,663	(4,420,434)
Bonds issued for refunding of debt	\$ 271,900,000	\$ -

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Actual vs. Budget Operating and Maintenance Expenses

Louisville & Jefferson County Metropolitan Sewer District							
Operating and Maintenance Expenses							
Month Ended, February 29, 2024							
	YTD Actual	YTD Budget	YTD Variance	% YTD Variance	YTD Prior Year	YTD Variance	% YTD Variance
Salaries & Wages							
51120 - Regular Salaries & Wages	\$ 33,957,402	\$ 40,514,700	\$ (6,557,298)	-16.2%	\$ 29,948,581	\$ 4,008,821	13.4%
51130 - Overtime	1,948,911	1,513,651	435,260	28.8%	1,850,975	97,936	5.3%
51135 - Special Event Compensation	91,700	255,185	(163,485)	-64.1%	102,720	(11,020)	-10.7%
51140 - Wages pd for vacation, holidays & other	6,237,576	0	6,237,576	0.0%	5,858,191	379,385	6.5%
51145 - Incentive Pay - Performance, ERT, Sugg	(45,085)	0	(45,085)	0.0%	6,942	(52,027)	-749.4%
51147 - Service & Safety Incentive Awards	22,675	19,045	3,630	19.1%	12,275	10,400	84.7%
Total Salaries & Wages	42,213,180	42,302,581	(89,401)	-0.2%	37,779,684	4,433,495	11.7%
Labor & Related Overhead							
51210 - Short-Term Disability	211,188	0	211,188	0.0%	199,152	12,036	6.0%
51220 - Workers' Compensation Insurance	220,321	200,000	20,321	10.2%	59,092	161,229	272.8%
51225 - Workers' Compensation Claims	609,745	640,000	(30,255)	-4.7%	276,815	332,930	120.3%
51230 - Long-Term Disability	70,906	0	70,906	0.0%	(21,033)	91,939	-437.1%
51240 - Group Life - AD&D Insurance	16,958	83,328	(66,370)	-79.6%	80,324	(63,366)	-78.9%
51250 - Tuition Assistance	12,146	43,332	(31,186)	-72.0%	(6,472)	18,617	-287.7%
51260 - Empl Assistance & Wellness Program	7,919	9,336	(1,417)	-15.2%	4,070	3,849	94.6%
51300 - Payroll Taxes	2,998,425	3,066,638	(68,213)	-2.2%	2,677,100	321,325	12.0%
51400 - Unemployment Insurance	0	22,405	(22,405)	0.0%	6,800	(6,800)	0.0%
51500 - Med Ins: MSD's port. of prem for grp	5,785,198	5,062,926	722,272	14.3%	4,846,515	938,683	19.4%
51600 - Retirement Contributions	8,995,639	8,630,048	365,592	4.2%	9,552,327	(556,687)	-5.8%
Total Labor & Related Overhead	18,928,443	17,758,013	1,170,430	6.6%	17,674,689	1,253,754	7.1%
Utilities							
53310 - Electric	7,935,917	9,113,920	(1,178,004)	-12.9%	9,028,636	(1,092,719)	-12.1%
53320 - Natural Gas	529,874	691,164	(161,290)	-23.3%	1,039,037	(509,163)	-49.0%
53330 - Water	1,149,143	1,223,471	(74,328)	-6.1%	1,360,712	(211,570)	-15.5%
53340 - Telephone	164,573	197,867	(33,294)	-16.8%	193,005	(28,433)	-14.7%
53345 - Data Communications	748,576	925,137	(176,561)	-19.1%	772,922	(176,561)	-3.1%
Total Utilities	10,528,081	12,151,558	(1,623,477)	-13.4%	12,394,312	(2,018,446)	-15.1%
Materials & Supplies							
53100 - Tires & Tire Service Expense	209,062	243,736	(34,674)	-14.2%	200,536	8,526	4.3%
53140 - Materials & Supplies	5,195,367	5,877,254	(681,887)	-11.6%	5,249,520	(54,153)	-1.0%
53150 - Inventory Adjustments	623	0	623	0.0%	0	623	0.0%
53160 - Landfill Cost of fill dirt	313,344	252,000	61,344	24.3%	180,333	133,011	73.8%
Total Materials & Supplies	5,718,396	6,372,990	(654,594)	-10.3%	5,630,389	88,007	1.6%
Contractual Services							
51700 - Uniforms	205,483	208,252	(2,769)	-1.3%	158,947	46,536	29.3%
52110 - Billing & Collection	4,224,627	4,840,106	(615,479)	-12.7%	4,645,463	(420,836)	-9.1%
52130 - Custodial & Watchmen	489,252	510,407	(21,155)	-4.1%	548,153	(58,901)	-10.7%
52140 - Professional Services	1,824,069	3,381,085	(1,557,015)	-46.1%	1,647,679	176,390	10.7%
52145 - Legal	276,432	600,000	(323,568)	-53.9%	297,682	(21,250)	-7.1%
52155 - Banking Services	24,702	18,400	6,302	34.3%	32,900	(8,198)	-24.9%
52160 - Maintenance & Repairs	2,852,099	3,892,005	(1,039,906)	-26.7%	2,992,613	(140,514)	-4.7%
52170 - Sludge & Grit Disposal	2,313,989	2,215,225	98,764	4.5%	2,143,632	170,357	7.9%
52180 - Temporary Services	115,034	66,350	48,684	73.4%	51,196	63,838	124.7%
52195 - Other Contractual Services	8,169,022	10,108,852	(1,939,830)	-19.2%	8,257,552	(88,530)	-1.1%
Total Contractual Services	20,494,710	25,840,682	(5,345,971)	-20.7%	20,775,818	(281,108)	-1.4%
Bad Debt							
54200 - Bad Debts	2,021,359	2,350,936	(329,577)	-14.0%	2,569,608	(548,249)	-21.3%
54210 - Bad Debt - Assessments	200,000	0	200,000	0.0%	200,000	0	0.0%
Total Bad Debt	2,221,359	2,350,936	(129,577)	-5.5%	2,769,608	(548,249)	-19.8%
Chemicals							
53205 - Peracetic Acid	29,318	266,667	(237,349)	-89.0%	0	29,318	0.0%
53210 - Chlorine	0	6,300	(6,300)	0.0%	0	0	0.0%
53215 - Sodium Hypochlorite	2,160,331	2,553,927	(393,596)	-15.4%	1,322,424	837,907	63.4%
53220 - Polymer	1,539,411	2,558,087	(1,018,676)	-39.8%	1,714,560	(175,149)	-10.2%
53225 - Sodium Aluminate	108,081	270,831	(162,750)	-60.1%	132,728	(24,647)	-18.6%
53230 - Liquid Oxygen	90,118	219,011	(128,892)	-58.9%	166,328	(76,210)	-45.8%
53235 - Liquid Nitrogen	21,054	98,933	(77,879)	-78.7%	44,325	(23,271)	-52.5%
53240 - Other Chemicals	30,746	36,537	(5,792)	-15.9%	14,520	16,225	111.7%
53250 - Dechlorination	230,264	353,975	(123,711)	-34.9%	245,082	(14,817)	-6.0%
53275 - Defoamer	24,030	24,694	(664)	-2.7%	20,021	4,009	20.0%
53280 - Biocide	1,147,748	1,033,333	114,414	11.1%	901,802	245,946	27.3%
53285 - Sodium Hydroxide	0	500	(500)	0.0%	0	0	0.0%
53295 - Sodium Chloride	(3,264)	0	(3,264)	0.0%	0	(3,264)	0.0%
Total Chemicals	5,377,836	7,422,794	(2,044,958)	-27.5%	4,561,790	816,046	17.9%
Fuel							
53120 - Gasoline	480,354	490,589	(10,235)	-2.1%	483,875	(3,521)	-0.7%
53130 - Diesel Fuel	512,874	858,434	(345,561)	-40.3%	664,542	(151,668)	-22.8%
Total Fuel	993,228	1,349,023	(355,796)	-26.4%	1,148,417	(155,189)	-13.5%
Insurance Premiums & Claims							
54110 - General Liability Insurance	2,891,935	2,988,688	(96,753)	-3.2%	2,793,433	98,502	3.5%
54130 - Property Insurance	1,936,133	1,517,856	418,277	27.6%	1,474,071	462,062	31.3%
54140 - General Liability Claims	287,200	383,336	(96,136)	-25.1%	467,120	(179,920)	-38.5%
Total Insurance Premiums & Claims	5,115,268	4,889,880	225,388	4.6%	4,734,624	380,644	8.0%
Other Operating Expense							
53410 - Equipment Rental	141,444	149,884	(8,440)	-5.6%	192,478	(51,034)	-26.5%
53420 - Space Rent	20,800	20,000	800	4.0%	20,000	800	4.0%
53430 - Leased Parking	70,226	53,027	17,199	32.4%	54,654	15,572	28.5%
54250 - Contributions	226,729	284,083	(57,355)	-20.2%	213,880	12,849	6.0%
54300 - Fines, Penalties & Damages	21,334	0	21,334	0.0%	0	21,334	0.0%
54400 - Advertising	45,673	96,315	(50,643)	-52.6%	23,748	21,925	92.3%
54500 - Travel & Meetings	254,995	310,523	(55,528)	-17.9%	161,832	93,163	57.6%
54550 - Training	196,037	304,981	(108,944)	-35.7%	145,132	50,905	35.1%
54600 - Dues, Fees and Subscriptions	505,691	559,794	(54,103)	-9.7%	468,576	37,115	7.9%
54700 - Board Members	5,575	9,600	(4,025)	-41.9%	4,925	650	13.2%
55555 - Over/under payments	1,352	0	1,352	0.0%	1,866	(514)	-27.5%
Total Other Operating Expense	1,489,854						

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SUPPLEMENTAL FINANCIAL REPORTING

Revenue by Customer Class

	Number of Customers		Revenue by Customer Class		Budget By Customer Class	
	Feb-2024	Feb-2023	Feb-2024	Feb-2023	Feb-2024	Feb-2023
Wastewater						
Residential	236,861	235,867	16,547,090	14,221,226	13,784,466	12,311,388
Commercial	21,924	21,951	7,659,673	6,625,481	6,421,045	5,461,977
Industrial	398	394	3,270,439	2,059,178	2,038,214	1,860,429
Sub-Total	259,183	258,212	27,477,203	22,905,885	22,243,724	19,633,794
Drainage						
Residential	211,110	209,719	3,568,129	3,067,062	3,047,218	2,664,576
Commercial	13,855	14,010	4,673,844	4,429,033	4,220,656	4,289,141
Industrial	281	278	570,871	524,585	521,492	456,328
Sub-Total	225,246	224,007	8,812,844	8,020,680	7,789,365	7,410,045
Grand Total			\$ 36,290,047	\$ 30,926,566	\$ 30,033,089	\$ 27,043,839

Wastewater Revenue by County

	Number of Customers		Revenue by Customer Class		Budget by Customer Class	
	Feb-2024	Feb-2023	Feb-2024	Feb-2023	Feb-2024	Feb-2023
Jefferson County						
Residential	225,326	224,404	15,770,814	13,628,169	13,177,301	11,642,149
Commercial	21,529	21,518	7,519,082	6,491,091	6,269,158	5,332,254
Industrial	396	392	3,268,015	2,057,006	2,035,666	1,857,983
Sub-Total	247,251	246,314	26,557,911	22,176,265	21,482,125	18,832,386
Bullitt County						
Residential	4,579	4,567	329,430	288,684	298,720	243,862
Commercial	165	162	86,706	92,955	110,522	79,930
Industrial	1	1	2,329	2,172	2,457	2,356
Sub-Total	4,745	4,730	418,465	383,811	411,699	326,148
Oldham County						
Residential	6,956	6,896	446,846	304,373	308,445	425,377
Commercial	230	271	53,885	41,436	41,365	49,793
Industrial	1	1	95	-	90	90
Sub-Total	7,187	7,168	500,827	345,809	349,899	475,260
Grand Total			\$ 27,477,203	\$ 22,905,885	\$ 22,243,724	\$ 19,633,794

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Headcount

The approved fiscal year 2024 operating budget fully funded 679 staffed positions, provided partial funding for 152 vacant positions, bringing the total Budget Approved positions to 831.

The Currently Authorized column includes any positions that have been added or moved since the budget was adopted.

The chart below shows staffing level by division as of February 29, 2024.

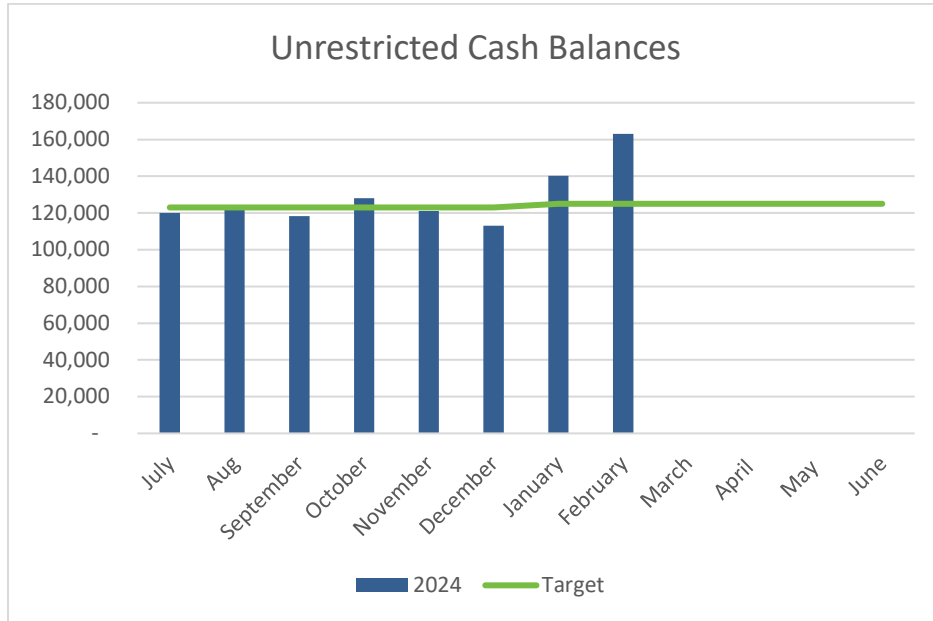
FY24 Headcount by Division			
	Budget Approved	Current Authorized	Filled
Administration			
Community Benefits & Partnerships	8	8	6
Customer Relations	21	20	14
Executive Offices	2	3	3
Government & Public Affairs	7	7	7
Innovation	5	4	4
Internal Audit	4	4	3
Records and Information Governance	9	9	8
Corporate	1	1	1
Engineering	102	102	88
Facilities, Safety & Security	39	36	32
Finance	21	23	20
Human Resources	21	22	19
Information Technology	33	33	32
Legal	12	9	8
Operations	519	512	456
Supply Chain & Economic Inclusion	27	27	23
Total Authorized Positions	831	820	724
*Excludes temporary & seasonal staff			

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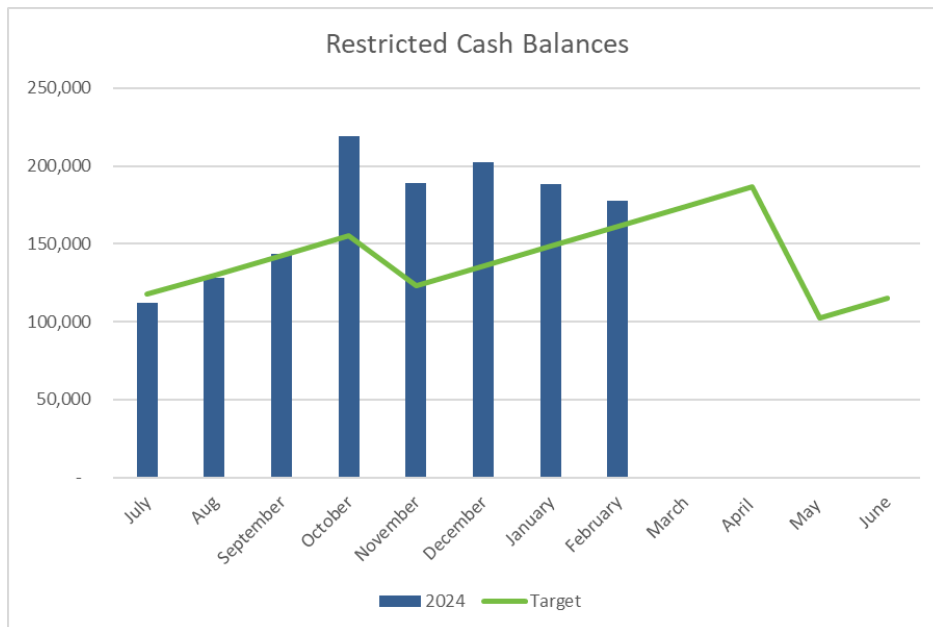
February 29, 2024

Cash Balances

Unrestricted cash & cash equivalents generated from service fees and our operating income are used to pay for operating expenses. Unrestricted cash balance is a measure of financial health and supports the underlying credit rating. Low cash balances indicate poor flexibility and inability to manage contingencies.



Restricted cash & cash equivalents are reserved for the purpose of bond debt service, funding of capital construction, cost of issuance, and debt service reserves. MSD supplements its restricted debt service reserve cash and investments with a \$75 million bond surety policy to meet its required level of annual debt service reserve funding.



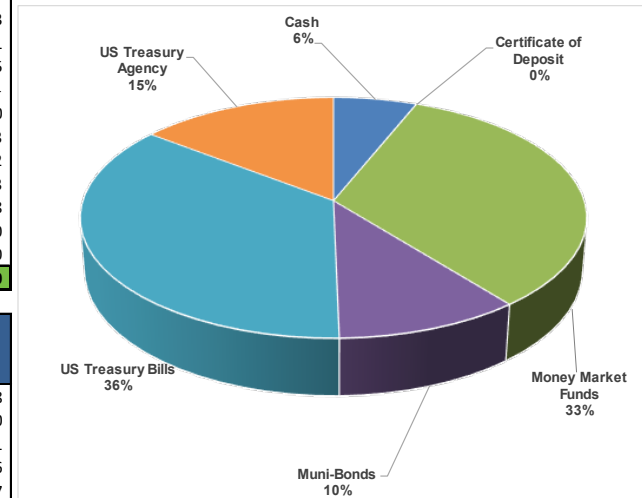
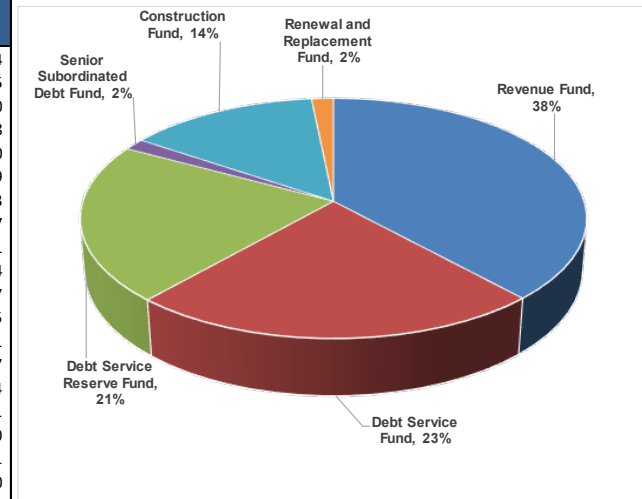
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Current Investment Model

MSD's Investment Policy requires distribution of a monthly investment report with an analysis of the status of the portfolio.

Account / Series	Revenue Fund	Debt Service Fund	Debt Service Reserve Fund	Senior Subordinated Debt Fund	Construction Fund	Renewal and Replacement Fund	Total
2008A	-	-	1,007,694	-	-	-	1,007,694
2009A	-	-	1,820,655	-	-	-	1,820,655
2009B	-	-	8,856,180	-	-	-	8,856,180
2009C	-	9,588,181	3,964,657	-	-	-	13,552,838
2010A	-	5,227,071	16,005,749	-	-	-	21,232,820
2013A	-	-	25,993,769	-	-	-	25,993,769
2013B	-	908,273	-	-	-	-	908,273
2013C	-	-	105,837	-	-	-	105,837
2014A	-	2,612,841	-	-	-	-	2,612,841
2015A	-	3,523,919	915	-	-	-	3,524,834
2015B	-	3,000,927	-	-	-	-	3,000,927
2016A	-	1,976,845	-	-	-	-	1,976,845
2016B	-	1,104,521	-	-	-	-	1,104,521
2017A	-	6,043,053	1,456,874	-	-	-	7,499,927
2017B	-	12,476,094	-	-	-	-	12,476,094
2018A	-	612,171	-	-	-	-	612,171
2020A	-	3,104,269	1,175,641	-	-	-	4,279,910
2020C	-	510,771	-	-	-	-	510,771
2021A	-	11,192,830	-	-	-	-	11,192,830
2022A	-	2,804,617	-	-	-	-	2,804,617
2023A	-	1,247,983	-	-	-	-	1,247,983
2023B	-	527,351	-	-	-	-	527,351
2023C	-	8,784,767	8,716,784	-	44,967,615	-	62,469,165
CP 2023 A-1 & A-2	-	-	-	-	-	-	-
CP Note Payment Fund	-	-	-	5,031,110	-	-	5,031,110
BNY Mellon	-	-	-	-	-	5,163,093	5,163,093
Fifth Third Rate Stabilization Fund	15,045,812	-	-	-	-	-	15,045,812
Fifth Third Securities	68,620,783	-	-	-	-	-	68,620,783
JP Morgan Chase Bank, N.A.	19,637,468	-	-	-	-	-	19,637,468
JP Morgan Securities	20,000,000	-	-	-	-	-	20,000,000
Liberty Bank	100,000	-	-	-	-	-	100,000
Total	\$ 123,404,064	\$ 75,246,484	\$ 69,104,754	\$ 5,031,110	\$ 44,967,615	\$ 5,163,093	\$ 322,917,120



Asset Description	Revenue Fund	Debt Service Fund	Debt Service Reserve Fund	Senior Subordinated Debt Fund	Construction Fund	Renewal and Replacement Fund	Total
Cash	19,637,468	-	-	-	-	-	19,637,468
Certificate of Deposit	100,000	-	-	-	-	-	100,000
Money Market Funds	20,319,724	75,246,484	5,964,654	5,031,110	288,815	262,273	107,113,061
Muni-Bonds	-	-	33,584,316	-	-	-	33,584,316
US Treasury Bills	45,776,645	-	22,195,312	-	44,678,800	2,899,560	115,550,317
US Treasury Agency	37,570,227	-	7,360,472	-	-	2,001,260	46,931,959
Total	\$ 123,404,064	\$ 75,246,484	\$ 69,104,754	\$ 5,031,110	\$ 44,967,615	\$ 5,163,093	\$ 322,917,120

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Monthly Investment Activity

Following is a list of individual investment transactions executed over the last month. Unless otherwise noted, redemptions represent maturities of investments.

Account	Transaction Type	Bank	Securities	Qualified Broker	Amount
2010A Debt Reserve	Purchase	Bank of New York Mellon	University of Kentucky	Cantor Fitzgerald L.P.	1,000,000.00
2010A Debt Reserve	Redemption	Bank of New York Mellon	Federal Home Loan Bank	Cantor Fitzgerald L.P.	(1,004,250.00)
2011/2013 Debt Reserve	Purchase	Bank of New York Mellon	United States Treasury Bill	Cantor Fitzgerald L.P.	22,194,515.27
2011/2013 Debt Reserve	Purchase	Bank of New York Mellon	University of Kentucky	Cantor Fitzgerald L.P.	1,000,000.00
2011/2013 Debt Reserve	Redemption	Bank of New York Mellon	Federal Home Loan Bank	Cantor Fitzgerald L.P.	(1,004,250.00)
2011/2013 Debt Reserve	Redemption	Bank of New York Mellon	United States Treasury Bill	Cantor Fitzgerald L.P.	(22,194,968.05)
2023C Construction Fund	Redemption	Bank of New York Mellon	United States Treasury Bill	Cantor Fitzgerald L.P.	(9,851,476.67)
2023C Debt Reserve	Redemption	Bank of New York Mellon	Federal Home Loan Bank Discount	Cantor Fitzgerald L.P.	(9,850,116.67)
Fifth Third Rate Stabilization Fund	Purchase	Fifth Third	United States Treasury Bill	Fifth Third Securities INC	4,940,620.42
Fifth Third Rate Stabilization Fund	Purchase	Fifth Third	United States Treasury Note	Fifth Third Securities INC	4,900,195.31
Fifth Third Securities	Purchase	Fifth Third	United States Treasury Note	Fifth Third Securities INC	4,221,274.61
Fifth Third Securities	Redemption	Fifth Third	Federal Home Loan Bank	Fifth Third Securities INC	(4,000,000.00)

MSD's qualified brokers are Cantor Fitzgerald L.P., Fifth Third Securities INC & JP Morgan Securities LLC

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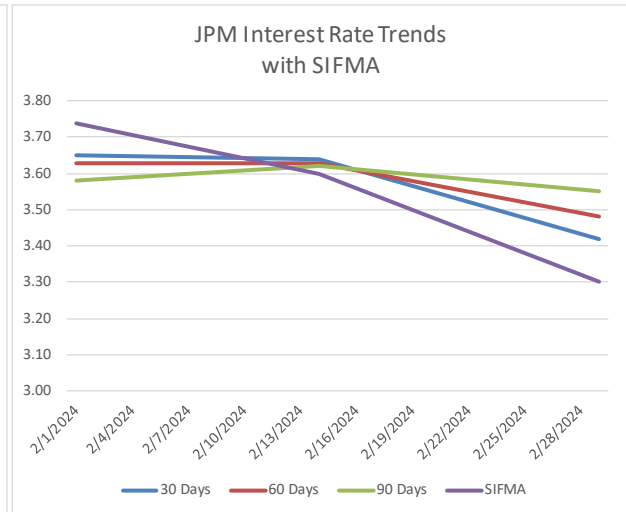
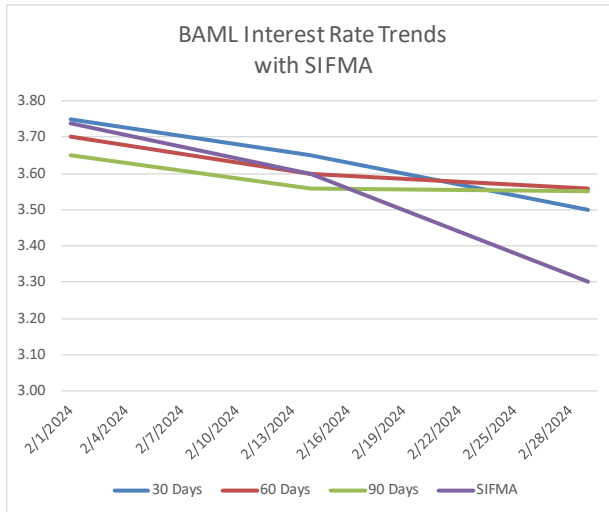
Commercial Paper Program Summary

MSD operates a \$500 million Commercial Paper (CP) program as part of its overall capital financing program. Liquidity support is provided by JP Morgan Chase and Bank of America, NA. JP Morgan Securities and BofA Securities are dealers for the CP program. In February, we had two notes mature and were replaced with new notes with an average rate of 3.50% and average terms of 31 days. In March, we have two notes maturing totaling \$219,195,000.

The CP Construction Fund balance as of February 29, 2024, was \$0.00. Outstanding CP notes are currently split 50% with JP Morgan Chase and 50% with Bank of America, NA.

CP Issuance Details										
Currently Outstanding										
Issuance Date	CUSIP	CP Principal	MSD Rate	Term (# of days)	Maturity Date	Dealer (JPM/BAML)	Interest Cost	New Issuance or Roll?	SIFMA Index	Spread over (under) SIFMA
2/2/2024	54660FAX2	109,598,000	3.50%	31	3/4/2024	BAML	325,791.32	Roll	3.74%	-0.24%
2/2/2024	54660HAX8	109,597,000	3.50%	31	3/4/2024	JPM	325,788.34	Roll	3.74%	-0.24%
Currently Outstanding: \$ 219,195,000							\$ 651,580			

The Securities Industry and Financial Markets Association (SIFMA) publishes a 7-day high-grade market index comprised of tax-exempt Variable Rate Demand Obligations (VRDOs) with certain characteristics. The Index is calculated and published by Bloomberg and is overseen by SIFMA's Municipal Swap Index Committee. The SIFMA is a short-term interest rate index that MSD uses to gauge the interest rates we receive on our CP placements.



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SECTION 3: CAPITAL PROGRAM PERFORMANCE

The Capital Program Performance Section is prepared to provide MSD's Executive Director and the MSD Board with a high-level understanding of progress made with implementing the FY24 CIP, including Consent Decree and other mandated projects, regulatory compliance commitments, and high priority asset management needs. The following information is presented in this report:

- Comparison of forecast and expenditures to the approved FY24 budget performance target (approved budget minus Management Reserve)
- Discussion of change management activities occurring during the reporting period
- Major project highlights and program challenges
- Forecast of upcoming procurement activities

FY24 CAPITAL BUDGET BASIS

The FY24 CIP budget of \$255.3M for Jefferson, Bullitt, and Oldham Counties was approved by the Board in May 2023.

Many projects span across multiple fiscal years so the annual budget often does not represent the total estimate for the project. Construction spending is dependent upon the Contractor's actual progress with the work contracted. Complex construction projects are difficult to predict exactly how spending will occur each month. Variations in starting project activities, equipment deliveries, weather delays, subsurface conditions, etc. can affect the speed of monthly and annual spending. For large capital projects MSD reviews the Contractor's anticipated rate of spending and compares it with MSD's cashflow forecast on a monthly basis.

FY24 forecasting efforts will be particularly challenging because there are two very large projects in construction simultaneously: MFWQTC Biosolids Facility and Paddy's Run Flood Pump Station. These two projects alone could spend upwards of \$100M in this fiscal year. Additionally, emergency projects have been escalating and must be dealt with even if it required other planned projects to be deferred.

The priorities for the capital program are presented below along with a summary table of the planned 5-Yr CIP (FY24 – FY28).

- **Regulatory Compliance Programs**: Mandates per a federal, state, or local regulation, rule, code, permit, Consent Decree, Agreed Order, or Administrative Order. This includes the provision included in the Second Amendment to the Consent Decree to spend an average of \$25 million per year through 2035 for maintaining MSD's existing wastewater assets. Regulatory compliance projects represent 82-percent of the 5-Year CIP.
- **Wastewater Programs (non-regulatory)**: Through 2035 this program excludes asset management needs and includes development coordination and funding set aside to address infrastructure emergencies. It is envisioned after 2035 this program category will include asset management based work. This program represents 6-percent of the 5-Year CIP.
- **Stormwater & Flood Protection Programs (non-regulatory)**: This program includes infrastructure improvements related to drainage and the Ohio River Flood Protection System that are not mandated by regulatory requirements. This program represents 7-percent of the 5-Year CIP.
- **Support Systems Programs**: This program includes improvements needed to keep MSD's infrastructure operating as intended including vehicles and large equipment; buildings and structures, information technology hardware and software, and general facility improvements. This program represents 3-percent of the 5-Year CIP.
- **Management Reserve**: Funding set aside to assess unforeseen circumstances, emergencies, bids over engineer's estate, and changing/new infrastructure priorities for FY24.

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Service Type	FY24	FY25	FY26	FY27	FY28	5-Year
Regulatory Compliance Programs	\$ 159,953,000	\$ 210,996,000	\$ 216,395,000	\$ 127,873,000	\$ 72,554,000	\$ 787,771,000
Wastewater Programs (non-regulatory)	\$ 45,685,000	\$ 51,987,000	\$ 55,630,000	\$ 53,372,000	\$ 55,109,000	\$ 261,783,000
Stormwater & Flood Protection	\$ 14,472,000	\$ 15,999,000	\$ 21,182,000	\$ 17,459,000	\$ 10,218,000	\$ 79,330,000
Support Systems Programs	\$ 21,333,000	\$ 7,238,000	\$ 7,869,000	\$ 6,568,000	\$ 7,960,000	\$ 50,968,000
Management Reserve	\$ 13,865,000	\$ 5,850,000	\$ 75,000	\$ 100,000	\$ 1,300,000	\$ 21,190,000
Total	\$ 255,308,000	\$ 292,070,000	\$ 301,151,000	\$ 205,372,000	\$ 147,141,000	\$ 1,201,042,000

FY24 CIP OVERALL PERFORMANCE

MSD assigned funds to a Management Reserve to fund emergencies and unanticipated priorities. The baseline FY24 budget included \$13.9M in Management Reserve. MSD is reporting cash flow performance excluding this unutilized reserve position. The following new budget performance nomenclature is introduced into this monthly report:

- **Budget Ceiling:** This represents the total annual capital spend approved with the FY24 CIP of \$255.3M inclusive of all projects, appropriations, and Management Reserve funds.
- **Performance Budget Target:** This represents the Budget Ceiling minus the current level of Management Reserve (as captured in G24031, W24032, and Y24032 for Jefferson, Oldham, and Bullitt Counties, respectively). This target, which will change as Management Reserve is utilized, better measures the progress of the working slate of projects.

The overall Capital Budget Performance summary is provided below.

Capital Budget Performance Summary

Financial Category	Jefferson	Bullitt	Oldham	Total	Comments
Budget Ceiling	\$244.4M	\$6.4M	\$4.5M	\$255.3M	MSD Board Approved
Vehicles & Equipment Replacement (Fleet)**	\$5.9M	-	-	\$5.9M	
Management Reserve	\$8.2M	\$1.3M	\$2.1M	\$11.6M	Current
Performance Budget Target	\$230.3M	\$6.4M	\$4.5M	\$241.2M	Budget Ceiling minus Fleet & Mgmt. Reserve*
Spending Projection	\$223.9M	\$5.1M	\$2.4M	\$231.4M	Forecasted Spend
Actuals	\$114.5M	\$3.0M	\$2.3M	\$119.8M	49.7% of Perf. Target

*The Performance Budget Target shall not be lower than the Budget Ceiling minus the original Fleet & Management Reserve values for the FY.

**Vehicles and Equipment Replacement budget has been removed from the Performance Budget Target per the MSD Finance Division Standard Operating Procedure for Fleet Replacement prepared in March 2024.

Note: The forecast will continue to evolve throughout the FY based on changes to the program including project schedules and estimates.

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Challenges to CIP Execution

Efforts made by staff to meet project schedules and budgets have been impacted by the following:

Construction bids

- Reduced the number of respondents or responsive bidders for some procurements.
- Due to unprecedented construction escalation rates, bids are often coming in much higher than anticipated. Some non-regulatory projects will be subject to internal discussion and may be put on hold.

Supply-Chain Project Impacts

- Nationwide electronic chip shortage impacting the delivery of new vehicles.
- Supply shortage of material impacting delivery of equipment.
- Shortage of external workforce.

Third-Party Coordination Impacts

- Obtaining easements and stakeholder approval have resulted in delays for some projects.
- Contractor learning curve to understand and properly comply with Supplier Diversity requirements is requiring some projects to be re-bid.

MONTHLY PROJECT ACTIVITIES

MSD's working definitions for each project's schedule activity are as follows:

- **Initiation/ Procurement Activity**: The time when a project in the approved CIP is waiting for planning to be completed; a design Project Manager (PM) assignment; or a consulting Professional Services Agreement Notice-to-Proceed (NTP).
- **Design Activity**: The time from when a project is transitioned from planning to preliminary design through final design, through bidding, until the NTP is issued for construction.
- **Construction Activity**: The time from when a project is issued a NTP through achievement of Substantial Completion of the contracted scope of work.
- **Studies**: Specific projects for assessments, evaluations, studies, and plan development.

A summary of the status of projects active during the reporting period is provided in the tables below.

Summary of Active Non-Appropriation Projects During Reporting Month (Jefferson)

Current Project Activity	# of Projects	Lifetime Actuals	FY24 Budget	FY24 Actuals
Initiation & Procurement	16	\$996,745	\$9,965,000	\$996,745
Design	66	\$21,831,378	\$28,374,916	\$7,779,842
Construction	52	\$244,534,355	\$156,207,890	\$77,758,784
Studies	14	\$5,883,948	\$1,292,777	\$1,294,872
TOTAL	197	\$273,246,426	\$195,840,583	\$87,830,243

Does not include projects in Closeout phase

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Summary of Active Non-Appropriation Projects During Reporting Month (Oldham)

Current Project Activity	# of Projects	Lifetime Actuals	FY24 Budget	FY24 Actuals
Design	2	\$ 170,248	\$ 962,210	\$ 23,741
Closeout	3	\$ 9,553,701	\$ 3,465,000	\$ 2,222,018
TOTAL	5	\$ 9,723,949	\$ 4,427,210	\$ 2,245,759

Does not include projects in Closeout phase

Summary of Active Non-Appropriation Projects During Reporting Month (Bullitt)

Current Project Activity	# of Projects	Lifetime Actuals	FY24 Budget	FY24 Actuals
Design	11	\$ 2,454,467	\$ 4,620,000	\$ 1,683,597
Closeout	7	\$ 1,722,306	\$ 925,000	\$ 1,184,678
TOTAL	18	\$ 4,176,773	\$ 5,545,000	\$ 2,868,275

Does not include projects in Closeout phase

Emergency Contracts to Repair Infrastructure Damage

When emergencies become larger than internal resources can handle and/or present immediate public safety dangers, emergency contracts are executed. MSD issues emergency contracts under the Chief Engineer's and Executive Director's authority. In general, emergencies are any situation that disrupt service to customers and community related to wastewater treatment, stormwater management and flood protection. Often emergencies are due to the condition and age of MSD's assets, while some are due to heavy rain events and saturated soils undermining of pipe infrastructure and drainage runoff has washing away and/or eroding drainage systems. For the past decade MSD had to defer spending for asset management in order to comply with construction of new assets mandated in the Consent Decree to mitigate unauthorized discharges.

Active emergency projects are included in the table below. The amount presented typically reflects the construction contract only. The Budget ID assigned to each project is listed. Projects that are routine in nature and repaired relatively quickly are performed under the annual appropriation FY24 Renewal and Replacement - Budget ID G24001. Projects more complex or requiring more time for completion are assigned a new Budget ID.

Active Emergency Contract Work (Jefferson)

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
MFWQTC LG Dryer Replacements	D20285	1/1/2020	\$ 69,668,264	Judy Construction
SGC Gates Replacement - Design	H22022	7/1/2021	\$ -	AECOM
15th Street Sewer Repair	A22183	3/7/2022	\$ 500,000	Temple and Temple
SGC Gates Replacement - Construction	H22022	4/1/2022	\$ 2,000,000	Pace Contracting, LLC
Levee Repair at Western FPS	F21096/Approps	5/4/2022	\$ 75,000	MAC Construction

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Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
5th St FPS MCC's	F15012	12/22/2022	\$ 335,000	AES, Inc
Tree Line Pump Station	G24001	6/2/2023	\$ 250,000	TEM Group
Underwater Operation MF CCC	G24001	12/1/2023	\$ 35,000	Allied Underwater Services
6603 Burlwood Dr. FM Repair	G24001	1/5/2024	\$ 50,000	Basham Construction and Rental
E Ky Street Brick Sewer Repair	G24001	1/8/2024	\$ 150,000	Flynn Brothers
MFWQTC DAFT Nos. 1-8 repair	D24143	1/8/2024	\$ 400,000	Judy Construction
DRG Bio Bed Replacement	TBD	1/15/2024	\$ 350,000	Various Vendors
DRG Aeration Basin 5 Gate Investigation and Repair	G24001	1/17/2024	\$ 30,000	Allied Underwater Services
Jackson St. Sewer Replacement	A24069	1/17/2024	\$ 941,522	TRC, LLC (WBE)
Southwestern Basin Emergency Cleaning	Ops./#7252143; G/L 52195	1/31/2024	\$ 500,000	Ulliman Schutte
Southwestern Basin Emergency - WM	Ops./#7252143; G/L 52195	2/2/2024	\$ 500,000	Waste Management
MFWQTC MEB East & West Freight Elevators	D23194	NTP 4/07/23 - waiting on material delivery; anticipated 3/2024	\$ 500,000	Oracle Elevators

Active Emergency Contract Work (Bullitt)

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
N/A				

Active Emergency Contract Work (Oldham)

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
N/A				

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Major Project Highlights

A major project is defined as one with an FY24 budget larger than \$5M. The following tables list major projects in design and construction.

Major Design/Build Projects

Budget ID & Project Name	Substantial Completion	Current EAC	Lifetime Actuals	FY24 Budget	FY24 Actuals	FY24 Spending Projection	Project Outlook
D22100 Morris Forman WQTC New Biosolids Facility	12/8/2027	\$313.8M	\$39.7M	\$47M	\$14.2M	\$35.7M	In Stage 2 Construction Phase
F18515 Paddy's Run Pump Station Capacity Improvements	12/31/2026	\$241.4	\$32.5M	\$45M	\$24.2M	\$46.7M	In Stage 2 Construction Phase

Major Projects Under Construction

Budget ID & Project Name	Substantial Completion	Current EAC	Lifetime Actuals	FY24 Budget	FY24 Actuals	FY24 Spending Projection	Project Outlook
D17042 MFWQTC Sedimentation Basin RR	1/15/2025	\$43.4M	\$33.2M	\$11.7M	\$12.0M	\$14.5M	On schedule
H20147 Western Outfall Infrastructure Rehabilitation - Maple St.	4/1/2024	\$19.0M	\$15.7M	\$7.0M	\$7.2M	\$10.5M	On schedule

CIP MANAGEMENT TEAM MEETING HIGHLIGHTS

The CIP Management Team held its regular meeting on February 27, 2024. Decisions made during the meeting, facilitated by Wolffie Miller, are found below:

Variance Reporting

No major variance decisions required.

Construction Advancements

- **G23036 Main Office HVAC Chillers**
 - Further discussion needed due to 53-week lead time on equipment.

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Alternative Funding

- **USACE P3 Alternative Delivery Program: Move Forward with Application**
 - **APPROVED**

PROCUREMENT ACTIVITIES

The table below presents the projects currently advertised. The bid dates represent anticipated dates and are subject to change via addendum.

Upcoming Construction Bid Openings

Budget ID	Project Name	Projected Bid Opening
D23159	CCWQTC Maintenance Offices Roof Replacement	3/5/2024
H23050	WQTC Regional Lab Upgrade	3/5/2024
Y24087	BC Hillview 3 UV and Flow Monitoring	3/15/2024
D24106	CCWQTC South Electrical Service	3/24/2024
E17053	Buechel Trunk Sewer Rehab	3/25/2024
A24132	Southwestern CSO Basin Bar Screen Replacement	3/26/2024
C24147	Romaina Drive DIP	4/14/2024
C24139	Shawnee Trap Catch Basin Replacement	4/19/2024

Bid Openings

Bids opened during the reporting month are shown below.

Budget ID	Project Name	Bid Opening	Bid Award
F23059	Water Stop and Concrete Repair	2/1/2024	TBD
D23168	MFWQTC Odor Control Chemical Storage Building Roof Replacement	2/29/2024	TBD

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Construction - Notice to Proceeds (NTP) Issued

The Notice-to-Proceeds issued for projects are listed below.

Budget ID	Project Name	NTP Date
D22080	DRG Clarifier 4-6 Mechanism Update	2/5/2024
E15035	Lake Forest Pump Station Eliminations	2/9/2024
C24097	Beargrass Creek Barrent Hill Road Bank Repair	2/13/2024
C24121	California Trap Catch Basin Replacement Phase 2	2/22/2024

END OF REPORT