

LOUISVILLE ONE WATER SPECIAL BOARD MEETING
July 29, 2021
3:00 P.M.
550 S. THIRD STREET, LOUISVILLE, KY
Virtual Meeting

I. CALL TO ORDER AND INTRODUCTIONS:

The July 29, 2021 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 3:02 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:

Mr. Brad Good, Louisville MSD, Chief Financial Officer
Mr. Brian Bingham, Louisville MSD, Chief of Operations
Ms. Camille Fort, Louisville Water, Executive Assistant
Mr. Dave Vogel, Louisville Water, Executive Vice President
Mr. James A. Parrott, Louisville MSD, Executive Director
Ms. Lynne Fleming, Louisville MSD, Human Resources Director
Ms. Rene' Lindsay, One Water, Chief Procurement Officer
Ms. Shannon Tivitt, One Water, Project Liaison Director
Mr. Spencer Bruce, Louisville Water, President & CEO
Mr. Tim Kraus, Louisville Water, Vice President, Chief Engineer
Mr. Wesley Sydnor, Louisville MSD, Intergovernmental Relations Director
Mr. Mathew Griffith, Louisville Water, Strategic Planning and Performance Specialist
Ms. Channa Newman, Louisville Water, Manager – Education and Outreach
Ms. Dana Price, Louisville MSD, Director of Records & Information Governance Program
Mr. Brian Sturgeon, Louisville Water Computer Network Administrator
Mr. David Johnson, Louisville MSD, Chief Engineer
Mr. Bill Malcolm, One Water, Fleet Services Director
Ms. Lynn Pearson, Louisville Water, Vice President, Finance/Treasurer
Ms. Jenni Schelling, Louisville Water, Internal Auditor
Mr. Jeff Knott, Louisville Water, Director, Information Systems
Mr. Paul Bagley, Louisville MSD, Director, Information Technology
Mr. Michael Tighe, Louisville Water, General Counsel

II. REVIEW AND APPROVE April 22, 2021 MEETING MINUTES

Mr. J.T. Sims asked if everyone had a chance to review the minutes from the April 22, 2021 meeting. Dr. Sharon Kerrick moved to approve the Special Meeting Minutes as amended seconded by Marita Willis and the motion unanimously carried.

III. BOARD ELECTIONS

Dr. Sharon Kerrick made a joint motion to re-elect Mr. JT Sims as chair and Mr. Williams Summers as vice chair for the One Water Board seconded by Marita Willis and the motion unanimously carried.

IV. LAGIT RENEWAL

Ms. Shannon Tivitt reviewed the 2021-2022 Louisville Area Governmental Self Insurance Trust Renewal (LAGIT). In 2015 the board elected to provide liability coverage for its members. The insurance policy for the 2021-2022 policy year will increase 26% from the previous year. She also noted a small decrease in coverage from 7MM to 5MM due to the loss of the excess liability insurance coverage. She requested approved for 2021-2022 self-insurance renewal. Bill Summers made a motion to approve seconded by Marita Willis. The motion unanimously carried.

V. PARTNERSHIP UPDATE

A. SHARED SERVICES REIMBURSEMENT REPORT (Quarter 2) - 2021)

Ms. Lynn Pearson presented the 2021 Quarter Two shared service expenses. The report is grouped by labor and non-labor related expenses. Through the second quarter four positions with labor costs totaling \$54,565 were allocated to Louisville Water. Four positions with labor costs totaling \$38,293 were allocated to MSD. Assetworks implementation and backup data line services for customer services made up a large portion of the non-labor costs. She also shared the Year-to-date shared services expenses with the grand total allocated to Louisville Water amounting to \$756,975 and \$612,485 being allocated to MSD.

B. 2021 ONE WATER PROJECT PLAN – 2nd QUARTER REPORT

Ms. Channa Newman updated the board on the execution of the Drops of Kindness program. She stated the co-branding assets or messaging campaign between Louisville Water and MSD focused on website and digital branding as well as stakeholder outreach. The team also continued to work with Metro government to secure potential funding for water bill assistance. An agreement with the US Water Alliance was finalized for the affordability project. Louisville Water and MSD are also teaming up to be one of the nine cites participating in the program to discuss

affordability issues surrounding water utilities. The effort will kick off in the fall with a cross section of employees from Louisville Water and MSD.

Mr. Dave Vogel shared the progress of updating customers to monthly billing. The plan to convert four cycles of monthly billing in the Third and Fourth quarter is on target. The next cycle (cycle 42) will receive their first monthly bill in September 2021. He noted many departments have come together to make this transition smooth, including IT and customer service. The goal is to have 28,000 customers converted to monthly billing in 2021.

Ms. Tivitt shared the developments of renegotiating the billing agreement between MSD and Louisville Water. The team continues to meet bi-weekly and has been divided up into sub-groups: rates, collection, policies and procedures strategic investments in service levels. The subgroups are meeting in July and August and will provide recommendations to the original working group. To date, the team is on target with the goal of having the new agreement in place by year end.

Ms. Rene Lindsey presented the progress of implementing the findings of the Mayor's equity in contracting and procurement task force. MSD and Louisville Water along with other agencies provided their 1st quarter diversity expenditure report and monthly outreach reports. Both companies continue to actively participate in the subcommittee group meetings and well as provide data such as the companies currently doing business with MSD and Louisville Water. This data is shared to a drive hosted by LG&E. The goal is to create a database with all minority and women owned businesses that each agency is doing business with. This will form a central location all agencies can go to find those minority and women owned businesses. The City's FY 22 Budget allocated \$250,000 for Equity in Procurement to help fund data collection, outreach events and the creation of a new website. The goal of the website will be to provide a one-stop place for minority and women owned companies to find information and other resources.

Ms. Tivitt gave information on sustainable green opportunities. The Mayor has asked each organization to look at and evaluate green and sustainable opportunities. A meeting with Metro officials was attended in late July by Ms. Tivitt to learn more about Louisville's sustainable goals and efforts and how MSD and Louisville Water can plug into some of those efforts. We are continuing to collect internal data on current endeavors and to look for new opportunities.

Mr. David Johnson presented an update on MSD's working with federal funding to prioritize investment in water infrastructure. MSD pursued a grant with Building Resilient Infrastructure and Communities (BRIC) for the Paddy's Run pump station unfortunately the grant was not received. The team is working with DC to understand what can be done in future application efforts to ensure applications are opened and reviewed. Community Project Funding is currently under review by the House Appropriations Committee and looks promising. In April 2021, a loan with Water Infrastructure Finance and Innovation Act (WIFIA) was closed for the bio solids project. These funds will greatly help with the Morris Forman Water Treatment plant along with other projects. Another funding opportunity was available through Senate Bill 36. This grant provides \$250MM in funding for water and wastewater infrastructure projects throughout the state. Of that \$14MM was allocated to Louisville. Louisville Water and

MSD agreed to share the funding 50/50 and have made application to KY Infrastructure Authority (KIA) for consideration.

Mr. Tim Kraus shared the efforts by Louisville Water to find federal and state funding for water infrastructure projects. Louisville Water and MSD have developed new and revised project profiles in KIA's WRIS portal. As recommended by Louisville Metro, Louisville Water will begin to look at pursuing projects in unserved areas. Louisville Water is also planning to submit an application to BRIC for funding through FEMA. The team will be working with MSD for guidance as they have previously submitted an application.

Mr. David Johnson noted at the November 2021 board meeting a report on the funding pursued both jointly and separate by MSD and Louisville Water will be presented to the board. JT Sims asked if funding from the infrastructure bill has been approved. Mr. Wes Sydnor noted the effort is being moved forward in a bi-partisan way and looks promising.

Ms. Ellen Hesen offered to provide a resource in intergovernmental affairs in DC to aid in understanding and submitting grant applications.

Mr. Wes Sydnor updated the progress on economic development. He announced House Foods America will be building a new facility location in the Riverport area of Louisville. Both MSD and Louisville Water were part of state and local announcements. The unified approach has yielded a huge win for both teams.

Ms. Tivitt presented the work ongoing in offering billing services to other entities. Much background work has been done through the TMG Consulting feasibility study. Once a new billing agreement has been signed the team can really look at leveraging new opportunities.

Mr. Bill Malcom presented an update on the Fleet management information system. AssetWorks was chosen to host the fleet software. Weekly meetings are being held with the program manager, senior implementation consultant, IT Staff and Fleet Services. Data uploads to the hosted test website are continuing with an anticipated completion date of August 1, 2021. Integration with the NAPA parts system and fuel providers are ongoing. Laptops for technicians have been ordered and system training is planned for September 2021. This system integrates AI to save time in parts ordering and many other benefits. He added the project continues to be on-time as initially targeted with a go live date in October.

Ms. Lynn Pearson presented an update on the small business equity program for Louisville Water. Louisville Water held their monthly SBE program workshop to train and encourage Small Business Enterprises (SBEs) to apply to their program and conducted one-on-one phone calls as a form of outreach to recruit SBEs. She added Louisville Water successfully completed a sheltered market bid and awarded to an African American SBE. A list of Louisville Water's SBEs has been provided to MSD. Ms. Rene Lindsey added MSD's efforts in the ongoing efforts of developing an outreach and recruitment plan. MSD launched its small business plan on July 1, 2021. MSD has scheduled informational sessions with the goal of building a list of SBE. Outreach has already begun through one-on-one phone calls as well as emailing

potential participants. Future trainings will be held to ensure participants working under this program will be successful in submitting bids and filling out the proper paperwork. MSD has also held a virtual town hall meeting to discuss the program.

VI. NEXT MEETING DATE (*BOARD ACTION*) (MOVE DATE FROM 10/22/21 TO 11/4/21)

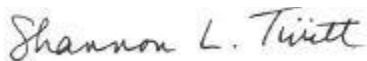
Mr. Sims asked for a motion to approve moving the next meeting date from October 22, 2021 to November 4, 2021. The motion was made by Ellen Hesen and seconded by Bill Summers and the motion carried unanimously.

Mr. Sims noted the next meeting scheduled will be held by video conference Thursday November 04, 2021 at 3pm.

With no further business a motion to adjourn was made by Dr. Sharon Kerrick and seconded by Marita Willis. Meeting adjourned at 3:55 p.m.

VI. ADJORN

These minutes were approved by the Board on November 4, 2021.



Shannon Tivitt, Secretary