

**LOUISVILLE ONE WATER BOARD MEETING
NOVEMBER 06, 2019
1:00 P.M.
550 S. THIRD STREET, LOUISVILLE, KY
LOUISVILLE WATER BOARD ROOM**

I. CALL TO ORDER

The November 06, 2019 meeting of the Louisville One Water Board was called to order by Mr. J.T Sims at 1:07 p.m. in the LOUISVILLE WATER Boardroom. Mr. Sims introduced Camille Fort as the recorder for the One Water Board meetings.

Board members present:

Mr. Creighton Mershon, Vice Chair
Mr. Craig Willman
Ms. Ellen Heslen
Mr. J.T. Sims, Chair

Others present:

Ms. Anne Trout, MSD Assistant General Counsel
Mr. Brad Good, MSD Controller
Mr. Brian Bingham, MSD Chief of Operations
Ms. Camille Fort, Louisville Water Executive Assistant
Mr. Dave Vogel, Louisville Water Executive Vice President
Mr. James A. Parrott, MSD Executive Director
Ms. Kelley Dearing Smith, Louisville Water Vice President of Communications
Ms. Kimberly Reed, One Water, Chief Innovation Officer
Ms. Lynne Fleming, MSD Human Resources Director
Mr. Michael Tighe, Louisville Water Vice President Compliance / General Counsel
Ms. Rene' Thomas, MSD Chief Procurement Officer (One Water)
Ms. Shannon Tivitt, One Water Project Liaison Director
Mr. Spencer Bruce, Louisville Water President & CEO
Mr. Terrence Spence, Louisville Water Vice President, Human Resources and Labor Relations
Mr. Tim Kraus, Louisville Water Vice President, Chief Engineer
Mr. Tom Lockett, Chief Information Officer (One Water)
Mr. Wesley Sydnor, MSD Intergovernmental Relations
Mr. Mathew Griffith, Louisville Water Strategic Planning and Performance Specialist
Ms. Dana Price, MSD Board, Policy & records Program Manager

II. REVIEW AND APPROVE JULY 25, 2019 MEETING MINUTES

Mr. Sims asked if everyone had a chance to review the minutes. Craig Willman moved to approve the Regular Called Meeting Minutes of July 25, 2019 seconded by Creighton Mershon and the motion unanimously carried.

VI. ONE WATER JOURNEY DISCUSSION

Ms. Reed presented information on the One Water journey. The Black and Veatch study outlined the potential cost savings and that metric is being used as a baseline. Currently, One Water has not been able to pursue all items identified by the 2016 Black and Veatch report. Mr. Sims recommended creating a new baseline with attainable goals for each organization to work on in 2020.

Mr. Mershon asked what areas on the 2016 report have not pursued that could be cost-savings. Ms. Reed explained the original Black and Veatch list contains items that have been evaluated but not pursued. Areas such as laboratories would not produce cost-savings.

Mr. Tighe explained innovation, regionalization and development conversations are happening and although a dollar amount of savings cannot be attached, the benefits to both organizations are there.

Ms. Reed elaborated the need to continue to look for opportunities in innovation, regionalization and new revenue generating opportunities for both organizations. Those types of projects were not listed in the 2016 Black and Veatch study however, they can potentially have great benefits and the next step is to start identifying what innovation efforts should be pursued under the One Water Partnership.

Ms. Tivitt added for the remainder of the year One Water will be refreshing the strategic initiatives. With a target date of presenting these initiatives at the February 2020 board meeting.

Mr. Mershon suggested tracking cumulative savings. Mr. Sims encouraged the team to look at all benefits not just dollars.

VII. HUMAN RESOURCES UPDATE

The Chair recognized Lynne Fleming and Terrence Spence to present an update on Human Resource activities.

Mr. Spence presented information on results from the HR steering committee meeting. A decision was made to review feasibility of a shared benefits premium rates. The benefits broker AON recommended not including medical benefits however, to look at dental, vision, life and liability benefits. A joint and separate RFP was initiated. The 2020 proposed joint premiums saw a three percent reduction with a 3-year rate hold for both dental and vision benefits. Life and disability benefits saw a 14.6% reduction with a 3-year hold. This initiative could result in a three-year potential combined savings of \$391,000.

Mr. Bruce added due to non-common ownership, MSD and Louisville Water will sign separate contracts.

build on the company's tradition of water quality & innovation. The "Business Transformation" priority is specifically designed to affirm this commitment to innovation and catalyze the advancement of the company's three revenue-generating strategies: Regionalization, Economic Development, and Products, Services, and Partnerships. This effort will include collaborating with MSD through the One Water partnership where there are overlapping efforts, such as Billing Services.

Ms. Reed also discussed how Louisville Water and MSD are both participating utilities in the Water Research Foundation Project (WRF).

Under the Partnership's Innovation program, offering Billing Services to other water/wastewater utilities is being considered. A study for billing services has been produced by TMG Consulting and the One Water Advisory Council (OWAC) members are discussing next steps. The Partnership will also conduct a cost of service study sometime in 2020.

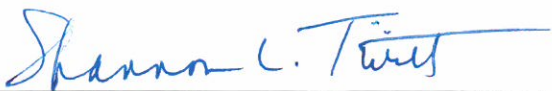
As another potential partnership effort, Ms. Heslen suggested looking at including Louisville Metro in the conversation of fleet vehicle maintenance.

IX. NEXT MEETING DATE

Mr. Sims noted the next meeting will be held in the MS board room on February 13, 2020 at 3:00 p.m. A motion by Craig Wilman to adjourn was made and seconded by Creighton Mershon. Meeting adjourned at 2.36 p.m.

X. ADJOURN

These minutes were approved by the Board on July 30, 2020.

A handwritten signature in blue ink that reads "Shannon C. Tivitt".

Shannon Tivitt, Secretary