



Personnel Committee Meeting Minutes
Louisville & Jefferson County Metropolitan Sewer District
Date: March 10, 2025

Chairperson: John Selent

The meeting was held by teleconference via Zoom and YouTube, at 3:30 PM local time, with the following in attendance:

Personnel Committee Members

John Selent
Gerald Joiner

Staff

Parrott, J. A., Executive Director
Moreno-Rivera, C. A., Chief Administrative Officer / Chief of Staff
Akridge, A. L., Chief Strategy Officer
Bagley, P. J., Chief Information Officer
Gowdy, A. L., Human Resources Manager/AAO
Henderson, A., Chief Human Resources Officer
Hickerson-Harris, S., Senior Assistant General Counsel
Horne, S. A., Chief of Equity Community Partnerships
Price, D. D., Director of Records & Information Governance Program
Ross, J. L., Benefits Administrator
Thaxton, S., Recruitment Services Supervisor
Walker, K. M., Board Assistant

Guest

Angela Hall, AON
Hillary Morgan, AON

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There being a quorum present, Mr. Selent called the virtual meeting of the Personnel Committee to order at 3:30 p.m.

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There were no speakers to address the Committee.

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Upon motion by Mr. Joiner, seconded by Mr. Selent, by unanimous vote, the Personnel Committee approved the October 3, 2024, Personnel Committee Meeting Minutes as written.

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Ms. Henderson gave her Chief Human Resources Officer Report that included COVID-19 Update; Vacant Positions, she noted an error of correction should be average time to post was 34.5 days, but it should read "average time to fill" in the third sentence; and Contracts for Additional Benefits. Mr. Joiner inquired about benefit offerings and if it impacts recruiting. Does she find the benefit offerings to be below what potential associates may find palatable compared to other utilities. Ms. Henderson responded, we offer benefits people are seeking through other organizations, but what we are looking for are things that make us stand out from everyone else. She noted, from research, if the money is not there, the applicant may consider accepting our offer if we have certain benefits others do not have.

Ms. Henderson wrapped up her report with Human Resources Division Highlights.

Mr. Selent asked about the overall vacancy rate. Ms. Henderson responded that Angela Akridge details that in her report; she then noted approximately 11.1. Mr. Selent then asked what the process is for approving and acquiring additional benefits. Ms. Henderson explained they will identify what we are looking for and then will go through our normal procurement process.



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Ms. Akridge gave the Organizational Performance Management Update that included the FY25 Organizational Performance Goals Scorecard. She noted the data on the report is only through January, and if the scorecard color is “green” it’ll be a 3 or higher, if it’s “red” it will be a level 1 or 2. Ms. Akridge continued her report with highlighting Critical Business Activity Goal Elements, Personnel Committee Oversight; Vacant Positions Mitigation, Part 1 (3G1A).

Mr. Joiner asked, do you think about the impact of filling a role given the environmental factors, are we also seeing a turn in 2025 an increase in vacancies due to retirements, how is that impacting the overall rate? Ms. Henderson responded, we have not seen an unusual number of retirements, and she feels it’s more of people leaving and moving around in positions that creates vacancies. Mr. Joiner then asked if the vacancies were more in the maintenance area. Ms. Henderson noted most of the vacancies are in Operations.

Ms. Akridge then presented Vacant Positions Mitigation, Part 2 (3G1B).

Mr. Joiner asked regarding internal vacancies, promotions or laterals to other areas and the impact to the areas when people leave, are we seeing down ticks in morale to those still in the areas because they are having to do extra work when those positions are not filled. Ms. Akridge explained its different for Operations than for other areas due to frontline responsibility, and that is where we have seen the overtime because of vacancies. She noted it takes a while to fill those types of positions.

Mr. Parrott clarified that strain due to vacancies is seen more in the winter time because we need bodies to respond during inclement weather. Overtime in February was high and that put a strain on staff. There has been discussion about doing things a bit different in Operations and it is a concern and a focus we have.

Ms. Akridge wrapped up her report with Policy/Program Compliance Training (3G2A); Performance Management Goals Establishment (3G2B); Non-Union Employee Performance Appraisal Completion Timeliness (3G2C); Union Employee Performance Appraisal Completion Timeliness (3G2D); and Transformational Initiatives Completions (3G3A).

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Mr. Parrott gave his FY25 Executive Director Performance Objects and Goals that consisted of Operating Objectives and Goals containing Operating Budget Utilization, Return on Assets, Capital Spend Management, Infrastructure Effectiveness/Compliance. Mr. Joiner asked what percentage of bad debt we have today. Mr. Parrott responded we are at about 7% to 8% and is better than we were post COVID. However, we would like to see it below 5%.

Mr. Parrott continued his report with Employer of Purpose – Vacancy Mitigation Part 1 & 2, along with Part 1 & 2 Performance Scales; Strategic Objectives and Goals comprising of Customer Service & Trust, Sustain Quality and Compliance – Financial Stewardship, One Water Partnership with LWC, Employer of Purpose, and Technology/Innovation.

Mr. Selent asked, with respect to the brick sewer collapses, do we have a plan in place to replace the old brick sewers or do we have to wait until the need arises. Mr. Parrott explained the challenges with our combined sewer system is, we have large diameter pipes, and in the Consent Decree we have a commitment to a certain amount of money per year in asset replacement. Unfortunately, that does not leave a lot of money for the smaller diameter brick sewers which are mostly in the downtown area/Old Louisville. He and Mr. Johnson will be holding out more money in the next fiscal year to address those in a timely fashion.

Mr. Selent commented that he has started receiving his water bill monthly instead of bi-monthly. He asked, in order to help people understand what they are paying for, has MSD done bill inserts to explain that MSD is actually three utilities in one to help them understand what MSD does.



Mr. Parrott explained that MSD has provided inserts. Staff is exploring ideas on how to refer to “3 In 1” on the bills.

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Due to technical issues the IT Climate Assessment was moved to after the Group Health Insurance presentation.

Ms. Angela Hall with AON, gave a presentation on Group Health Insurance that included Marketing and Renewal Overview; Annual Health Plan Renewal – Executive Summary; Medical and Prescription Drug Trend (2025); Large Claimant Summary; and Health Plan Renewal. Ms. Hall noted, the rest of the presentation pertains to the ancillary items that Ms. Henderson discussed in her Chief report.

There was discussion on the plan premier action against year over year.

Mr. Selent asked if MSD has considered being self-insured. Mr. Parrott commented he had a discussion with the CFO and MSD is not in a position to take on being self-insured financially.

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Ms. Horne gave the IT Climate Assessment results that included Project Steps; Focus Group & Interview Methodology; Focus Group Themes; Leadership Interview Themes; Internal Customer Survey that contained Survey Methodology & Demographics, Survey Results – Top & Bottom 5; Internal Customer Survey Averages, By Demographic Breakout, Survey – Qualitative Themes.

Mr. Joiner asked how this assessment compares to the one in Operations and whether there are cultural differences or operational differences and how do associates feel about their experience overall about working at MSD. Ms. Horne addressed these differences noting the different work dynamics. Mr. Parrott commented, the culture in IT is they’re very supportive of their leader, Paul Bagley, and they like the atmosphere they work in. Their biggest concern is being able to have the flexibility of a hybrid work schedule and also moving to a new office facility. In Operations, it varies between the treatment plant operators and field service workers; to them you have culture within culture. But most of the issues for us is fixing the maintenance of our wastewater treatment plants and making sure we continue to work on our vacancy mitigation and ensuring we have supervisors that are getting the training they need to be able to be better managers of people and how to interface with people.

Ms. Horne wrapped up her report with Recommendation from the assessment.

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Upon motion by Mr. Joiner, seconded by Mr. Selent, by unanimous vote, the Personnel Committee voted to recommend the MSD Board authorize the Executive Director to enter into a group health insurance contract with Anthem for the HDHP and PPO for the FY '26 Plan year for an estimated annual cost of \$15,000,000 and continue to fund the HSA plans for the HDHP at an estimated \$52,000.

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Upon motion by Mr. Joiner, seconded by Mr. Selent, by unanimous vote, the Personnel Committee voted to recommend the MSD Board authorize the Executive Director to execute a contract with Higginbotham Insurance Agency, Inc. for Excess Workers Compensation Insurance for the FY '26 Plan Year for an estimated amount of \$245,000.00 with the option to renew with rate increases based upon a quote by the firm. The contract is effective July 1, 2025, through June 30, 2026. Authorize the Executive Director to approve up to three remaining one-year renewals with the annual increase not to exceed a potential contract ceiling of \$1,072,500.00.



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Upon motion by Mr. Joiner, seconded by Mr. Selent, by unanimous vote, the Personnel Committee voted to recommend the MSD Board authorize the Executive Director to adjust the Non-Union Salary Ranges by 2% effective March 1, 2025, and to adjust the pay for non-union employees by 2% effective March 1, 2025. The Personnel Committee and MSD Board will continue to consider any recommendations for a Non-Union Salary Range Adjustment and/or a corresponding non-union employee pay adjustment, if any, at the first Personnel Committee meeting of each year, with the effective date of any adjustment set for March 1 of each year.

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Upon motion by Mr. Joiner, seconded by Mr. Selent, by unanimous vote, the Personnel Committee voted to recommend the MSD Board approve the revised Personnel Committee Charter.

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There being no further business, the meeting adjourned at 5:03 p.m.

Submitted by: Kellie M. Walker, Board Assistant

Date: May 8, 2025

APPROVED BY:

Senior Assistant General Counsel

Date: 5/12/25

Signed by:

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Personnel Committee Chair

Date: 5/19/2025

Secretary/Treasurer

Date: 5-12-25