



Board of Light, Gas and Water Commissioners

220 S. Main Street
Memphis, TN 38103
www.mlgw.com

Board Meeting

~ Minutes ~

Wednesday, April 3, 2019

1:00 PM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairwoman McCullough

The meeting was called to order at 1:04 p.m.

PLEDGE OF ALLEGIANCE:

Chairwoman McCullough

The Pledge of Allegiance was recited.

SAFETY BRIEFING:

J. T. Young

President Young addressed the audience giving instructions in the event of an emergency during the meeting. He explained that an alarm would sound with instructions given over the loud speaker. He pointed out exits and explained the responsibilities of the Security Officers. He asked for everyone's cooperation should an emergency arise.

ROLL CALL:

Dana Jeanes

Attendee Name	Title	Status	Arrived
Michael Pohlman	Board Member	Present	
Steven Wishnia	Board Member	Present	
Carlee McCullough	Chairwoman	Present	
Mitch Graves	Vice Chairman	Present	
Leon Dickson	Board Member	Present	

The following staff members were present: J. T. Young, President and CEO; Dana Jeanes, SVP, CFO and CAO (Secretary-Treasurer); Cheryl Patterson, VP and General Counsel; Alonzo Weaver, SVP & COO; Nick Newman, VP, Engineering & Operations; Christopher Bieber, VP, Innovation & Business Analytics; Lashell Vaughn, VP & CIO; Von Goodloe, VP, Shared Services; Gale Carson, VP Community and External Affairs; Jim West, VP, Chief Customer Officer; Roland McElrath, Controller; and Lesa Walton, Chief Internal Auditing Officer. Cliff DeBerry, VP Design, Construction & Delivery did not attend the meeting.

Advisory Board Members:

Dwain Kicklighter - Present

Kevin Young - Present

APPROVALS:

Motion To: Approve Minutes of the Meeting of March 20, 2019.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Steven Wishnia, Board Member
SECONDER:	Mitch Graves, Vice Chairman
AYES:	Pohlman, Wishnia, McCullough, Graves, Dickson

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated March 19, 2019, Items 14 through 22.

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

1) Bill Hawkins, 4000 Clearpool Circle, addressed the Board prior to the minutes being approved, asking to pull item #4 from the minutes, which is the sick leave policy, HR Policy 22-13. Mr. Hawkins is concerned with how the language is being interpreted and asking the Board to hold up on approving for thirty days to get a committee to review. Von Goodloe stated Mr. Hawkins was given the opportunity to ask questions and they answered them. IBEW's attorney was present to support Bill Hawkins' request. The IBEW attorney and Mr. Hawkins both argue the way the policy reads will cause grievances. After discussion between the Board, Bill Hawkins and Representatives of HR, Commissioner Leon Dickson asked if this is the same language presented at the Nov 7 HR Committee Meeting, and present to the Board on March 6 or at last week's Board Meeting in the Board Packet. The Board of Commissioners decided to approve the Minutes.

2) Richard Wright, 672 Sanga Creek, came before the Board asking to stop putting fluoride in water. He discussed cost savings and gave statistics that are being produced. He states that there is waste of resources and we need to stop adding fluoride.

PRESIDENT'S BRIEFING:

1. Review of Consent Agenda - J. T. Young

(President's Briefing Continued on Page 43)

The original of the resolutions and documents relating to each item is filed in the vault on the fifth floor of the MLGW Administration Building, 220 South Main. The original documents shall control in the event of any conflict between the description and these minutes and the original documents.

CONSENT AGENDA

(Items 1 through 13)

RESULT: APPROVED [UNANMOUS]
MOVER: Mitch Graves, Vice Chairman
SECONDER: Steven Wishnia, Board Member
AYES: Pohlman, Wishnia, McCullough, Graves, Dickson

CHIEF CUSTOMER OFFICER

(None)

CHIEF INFORMATION OFFICER

(None)

CHIEF PEOPLE OFFICER

1. Resolution approving Position No. 03747 - Crew Leader Mechanical Maintenance. (J. T. Young/Von Goodloe)
2. Resolution approving Change No. 1 to Contract No. 11750, Flexible Spending Administrator with WageWorks, Incorporated, with no increase in the contract value. (This change is to renew the current contract for the first of two annual renewal terms for the period covering May 1, 2019 through April 30, 2020 in the funded not-to-exceed amount of \$34,620.00, with no increase in rates from the initial term; which will be absorbed in the current contract value.) (Clifton Davis)

COMMUNITY AND EXTERNAL AFFAIRS

Motion To: SAME DAY MINUTES APPROVED FOR ITEM 3

RESULT: APPROVED [UNANIMOUS] – SAME DAY MINUTES (ITEM 3)
MOVER: Steven Wishnia, Board Member
SECONDER: Mitch Graves, Vice Chairman
AYES: Pohlman, Wishnia, McCullough, Dickson, Graves

3. Resolution approving an extension of Purchase Order Number 154955 to Three Point Graphics for utility bill paper on a month-to-month basis, not to exceed an eight month period or until a new purchase order has been executed. (The extension will prevent a lapse in current pre-printed utility bill paper which is used to print customer utility bills. MLGW's current contract for utility bill paper expires on April 17, 2019. Additional funds in the amount of \$69,640.00 are requested to cover this extension.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL) (SAME DAY MINUTES REQUESTED)

DESIGN CONSTRUCTION & DELIVERY

4. Resolution amending purchase orders to Lehman Roberts Company, North Memphis Landfill, Inc. and Memphis Wrecking Company for landfill services. (On September 20, 2018 the Board of Light, Gas and Water Commissioners approved purchase orders to award Lehman-Roberts, Co. 50% of contract; Memphis Wrecking Company 30% of contract and North Memphis Landfill, Inc. 20% of contract for landfill services. Due to

the inability of Lehman Roberts Company to provide the required environmental insurance needed to meet the contractual terms, it is proposed the purchase order to Lehman Roberts Company be cancelled and distributed between Memphis Wrecking Company and North Memphis Landfill, Inc. The new recommended distribution is 60% to Memphis Wrecking Company which is the next lowest bidder and can open up on Saturdays as needed. North Memphis Landfill, Inc. has the flexibility of allowing MLGW to dump twenty-four hours a day and seven days a week which works well for large emergency and planned work after regular business hours. They will receive 40% of award.) (Clifton Davis) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

ENGINEERING & OPERATIONS DIVISION

5. Resolution approving the cancellation of Contract No. 12030, Allen Pumping Station Piping and Valve Replacement to Chris-Hill Construction Company. (The contract was canceled by the Water Engineering and Operations Department due to budget constraints. This contract for services will be re-evaluated and bid in whole or in part at a later date.) (Clifton Davis)

Motion To: SAME DAY MINUTES APPROVED FOR ITEM 6

RESULT:	APPROVED [UNANIMOUS] – SAME DAY MINUTES (ITEM 6)
MOVER:	Steven Wishnia, Board Member
SECONDER:	Mitch Graves, Vice Chairman
AYES:	Pohlman, Wishnia, McCullough, Dickson, Graves

6. Resolution approving Change No. 4 to Contract No. 11884, Mallory Pumping Station Structural Repairs with Restocon Corporation, with no increase in the contract value. (This change is to extend the current contract term an additional nine months through December 31, 2019 to address new scheduling requirements in the filtration building and to resolve the water intrusion concerns in the East Reservoir so that the work can be completed on the floor and joints.) (Clifton Davis) (SAME DAY MINUTES REQUESTED)
7. Resolution approving Change No. 3 to Contract No. 11780, Waste Management Services with Veolia ES Technical Solutions, LLC, based on agreed upon rates, in the funded amount not-to-exceed \$125,000.00. (This change is to renew the current contract for the third of four annual renewal terms for the period covering June 23, 2019 through June 22, 2020. There is a 3% increase in rates from the previous year due to increased costs with disposal and recycling, supplies, and maintaining necessary training required by EPA, TDEC, OSHA, TOSHA, DOT and TDOT.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
8. Resolution approving Change No. 1 to Contract No. 11800, InfoWater Hydraulic Model Implementation Services with Innovyze, Incorporated, in the funded amount of \$10,720.00. (This change is to renew annual license, maintenance and support services for the Water Modeling Software for the period covering May 15, 2019 through May 14, 2020. Innovyze, Incorporated is the sole owner, developer, and distributor of the InfoWater Software Package. MLGW is requesting continuous maintenance of the

acquired system, which can only be performed by Innovyze, Incorporated.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S DIVISION

(None)

SVP, CFO & CAO, FINANCE DIVISION

9. Resolution requesting approval of SSM Partners Growth Equity III, a private equity fund manager, to manage approximately \$7,000,000 for the benefit of the MLGW OPEB Trust Fund, as part of a reallocation. (Dana Jeanes)
10. Resolution requesting approval of SSM Partners Growth Equity III, a private equity fund manager, to manage approximately \$18,000,000 for the benefit of the MLGW Retirement and Pension Fund, as part of a reallocation. (Dana Jeanes)
11. Resolution approving Change No. 13 to Contract No. 10793, Professional Portfolio Software with Advent Software, Incorporated, with no increase in the contract value. (This change is to renew the current contract for an additional term for the period covering May 11, 2019 through May 10, 2020 in the funded amount of \$34,891.53; which will be absorbed in the current contract value. This renewal reflects a 3% increase from the previous year due to continued development of the products, as well as, cost to support those products. MLGW is requesting approval of continuous maintenance support of the acquired system, which can only be performed by Advent Software, Incorporated.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

SHARED SERVICES

12. Resolution approving Change No. 1 to Contract No. 12022, Substation Roof Replacement(s) with B Four Plie, Incorporated, in the funded amount of \$29,973.00. (This change is to expand the scope of work to replace the roof at Substation 47 located at 385 East Holmes Road in Memphis, Tennessee which is leaking in the proximity of vital electrical equipment. In addition, this change is to increase the current contract value in the funded amount of \$29,973.00. The contract term will remain through July 31, 2019.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
13. Resolution approving Change No. 3 to Contract No. 11873, Professional Locksmith Services with Quality Safe & Lock Company, Incorporated, based on agreed upon rates, in the funded amount of \$50,000.00. (This change is to renew the current contract for the third of four annual renewal terms for the period covering May 14, 2019 through May 13, 2020, with no increase from the previous year.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

VP & GENERAL COUNSEL DIVISION

(None)

PRESIDENT'S BRIEFING (Continued):

2. Aquitard Project Update - Dr. Brian Waldron, CAESER (Center for Applied Earth Science and Engineering Research) Dr. Waldron thanked the Board, Alonzo Weaver and Nick Newman for having him and his team here. Dr. Waldron went over his presentation that explained the projects they are working on now for MLGW and the ones that are about to start work on. He answered questions from Commissioners Wishnia and Graves, then ended his presentation stating that there should be no alarm from anyone on drinking our water.

3. First Quarter, 2019 - Compliance Update - Allan Long reported to the Board that it has been a very busy start to 2019. The first audit with the new interview part added has been completed and there were no findings from the auditors. At this time he has not received the official report but it is expected soon. The next audit is scheduled for November, 2019.

4. TVA & MISO Visits - J. T. Young talked about the team that traveled to Chattanooga and the visit they had with the new TVA CEO, Jeff Wyatt and John Thomas and how they were able to see how TVA got there power and took a tour of the Sequoyah Nuclear Power Plant. Commissioner Dickson was impressed with the trading board, system operation and how everything works in real time. He also told that everything was going well until he was leaving the power plant and they all had to be scanned for radiation. He was not expecting that part and luckily none of them brought back any radiation. J. T. then talked about the team that traveled to Carmel, IN to talk with and tour the MISO operations which were very impressive as well. J. T. said that they were able to see monitors showing how electricity moves around different states and also, that MLGW would have to give MISO control of our transmissions if we decide on MISO. Commissioner Pohlman was somewhat impressed and said that MISO reliability was real good. He is glad that we are doing our due diligence.

5. MLGW's Power Supply Evaluation Process - J. T. Young advised a team is being put together of citizens all over the city at all levels to look at the power supply options. Our IRP Plan is to be released soon. Every angle will be looked at on whether to stay with TVA or go with another power source.

6. Other - J. T. Young stated that this is Chris Bieber's last Board meeting and wanted to thank him for his years of service to MLGW. Chris had already left the meeting.

COMMITTEE REPORTS:

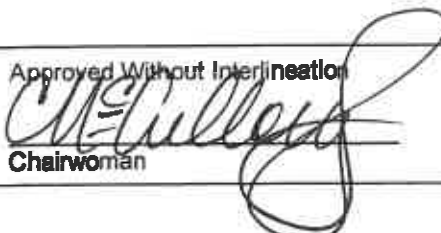
(None)

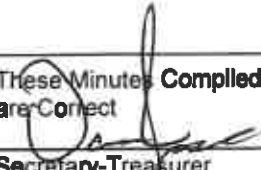
ADJOURNMENT

There being no further business, the meeting was adjourned at 1:58 P.M.

Immediately after adjournment, J. T. said please join us for birthday cake for Chairwoman McCullough and Commissioner Pohlman.

(See Minute File No. 1436.)

Approved Without Interlineation

Chairwoman

These Minutes Complied by Undersigned and
are Correct

Secretary-Treasurer