



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, June 6, 2018

1:00 PM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairman Wishnia

The meeting was called to order at 1:00 p.m.

PLEDGE OF ALLEGIANCE:

Chairman Wishnia

The Pledge of Allegiance was recited.

SAFETY BRIEFING:

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
Steven Wishnia	Chairman	Present	
Carlee McCullough	Vice Chairman	Absent	
Mitch Graves	Board Member	Present	
Leon Dickson	Board Member	Absent	
Michael Pohlman	Board Member	Present	

Advisory Board Members - Dwain Kicklighter - Present
Kevin Young - Absent

The following staff members were present: J. T. Young, President and CEO; Dana Jeanes, Vice President, CFO and Secretary-Treasurer; Cheryl Patterson, Vice President and General Counsel; Nick Newman, Vice President, Construction and Maintenance; Christopher Bieber, Vice President, Customer Care; Alonzo Weaver, Vice President, Engineering and Operations; Von W. Goodloe, Vice President, Human Resources; and Lashell Vaughn, Vice President and Chief Technology Officer.

APPROVALS:

Motion To: Approve the Minutes of the Meeting of May 16, 2018 with an Amendment to Item No. 11 (MLGW HR Policy #21-18). The official record is kept in the vault.

RESULT:	ADOPTED AS AMENDED [UNANIMOUS]
MOVER:	Mitch Graves, Board Member
SECONDER:	Michael Pohlman, Board Member
AYES:	Michael Pohlman, Steven Wishnia, Mitch Graves
ABSENT:	Carlee McCullough, Leon Dickson

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated May 22, 2018, Items 12 through 20. (See Minute File No. 1425.)

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

1. Angela Anderson, 6245 Kirby Downs Drive, addressed the Board requesting their assistance in removing her "no-rehire" status from her personnel file. She explained that she took FMLA leave beginning February 1, 2016 and returned to work after using 30 days of time for a surgical procedure. She became ill on March 3, 2016 and returned to work with a doctor's note on March 7. She stated she was called into the Manager's office on March 26 and was terminated for falsified doctor's note. Chairman Wishnia asked Eric Conway to talk with Ms. Anderson outside of the Board Room in a private setting.

2. Chet Kibble, Sr., 3329 Lakeview Road, stated he is in attendance today to confirm that he is a friend of MLGW and wants to keep us informed of the studies he is following. He pointed out that results are showing that the CDC has used numbers that are too high and this is being investigated. There is another meeting coming up on the 23rd and he plans to share the information from that meeting with MLGW.

3. Minister Suhkara Yahweh, 888 Walker Ave., #104, distributed a handout to the Board. He stated that President Young has been challenged by information coming from the FDA stating fluoride is a drug with no degree of safety. He plans to contact the EPA and is asking that MLGW remove the fluoride from the water.

PRESIDENT'S BRIEFING:

1. Review of Consent Agenda - J. T. Young
(President's Briefing Continued on Page 51)

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 19)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Michael Pohlman, Board Member
SECONDER:	Mitch Graves, Board Member
AYES:	Michael Pohlman, Steven Wishnia, Mitch Graves
ABSENT:	Carlee McCullough, Leon Dickson

CONSTRUCTION & MAINTENANCE DIVISION

1. Resolution awarding a thirty-six month purchase order, to Memphis Wrecking Company, for landfill in the amount of \$206,250.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
2. Resolution approving Change No. 3 to Contract No. 11771, Generator Preventive Maintenance and Emergency Repair with Cummins Mid-South, LLC, in the funded amount of \$15,000.00. (This change is to add additional change funds in the funded amount of \$15,000.00 to allow MLGW to complete scheduled generator repair services as well as emergency generator repairs under the responsibility of the MLGW Building Construction and Maintenance Department through the end of the current contract term.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

CUSTOMER CARE DIVISION

3. Resolution approving Contract No. 11541 between Memphis Light, Gas and Water Division and Texas Gas Transmission, LLC, in the amount of approximately \$10,200,000.00. (The contract extension will be for 100,000 MMBtu/day during the winter season and 1,000 MMBtu/day for the summer. The contract extension has been amended to be an Enhanced Short-Term Firm transportation agreement and includes a Discount Letter. The contract term is for five years, effective April 1, 2019 and ending March 31, 2024.) (Chris Bieber) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution approving payment of an invoice from Platts, for annual subscription services, in the funded amount of \$35,640.00. (Chris Bieber)
5. Resolution approving Contract No. 12046 between Memphis Light, Gas and Water Division and Texas Gas Transmission, LLC. (The new contract will be for a reduced hourly overrun transportation rate of \$0.20 per MMBtu for all Texas Gas Transmission, LLC pipeline agreements. The contract term is for five years, effective April 1, 2019 and ending March 31, 2024.) (Chris Bieber) (REQUIRES CITY COUNCIL APPROVAL)

ENGINEERING & OPERATIONS DIVISION

6. Resolution awarding strategic alliance purchase orders to Mitsubishi Electric Power Products, Inc. and Siemens Industry, Inc., for high voltage power circuit breakers, in a combined amount not to exceed \$8,300,000.00 for a 60-month period with the option to renew for two additional single year terms. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution awarding a purchase order to Flash Technology, for Federal Aviation Administration (FAA) obstruction lighting, in the amount of \$147,033.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
8. Resolution approving the payment of an invoice from the City of Memphis Public Works Department for the annual sewer discharge fee for the 2017 filter backwash discharge for eight water pumping stations in the amount of \$325,355.66. (Alonzo Weaver) (REQUIRES CITY COUNCIL APPROVAL)
9. Resolution awarding Contract No. 12013, MLGW Water E&O Generator Maintenance and Repair to Cummins, Incorporated, in the funded amount not-to-exceed \$200,000.00, based on agreed upon rates. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution approving Change No. 3 to Contract No. 11823, Master Tower Services with Signal Point Systems, Incorporated, in the funded amount of \$73,600.00 with no increase in rates from the previous year. (This change is to ratify and renew the current contract for the second of four annual renewal terms for the period covering June 6, 2018 through June 5, 2019.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution awarding Contract No. 12014, MLGW Shaw Pumping Station Generator #1 Switchgear Replacement, to Tri-State Armature and Electrical Works, Incorporated, in the funded amount of \$247,167.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

FINANCE DIVISION

12. Resolution adopting the amendments to Section 1.57 of the Memphis Light, Gas and Water Division Retirement and Pension System, as amended and restated effective January 1, 2015. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)
13. Resolution approving revisions to the Investment Policy Statement for each of the Memphis Light, Gas & Water Retirement and Pension Fund and Other Post-Employment Benefits Trust. (Dana Jeanes)
14. Resolution awarding a thirty-six month purchase order, for bare copper soft-drawn tinned wire, to Brighter Days and Nites, Inc., in the amount of \$439,560.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
15. Resolution approving of Change No. 2 to Contract No. 11822, Ignite Payments, LLC, (formerly First Data) in the funded amount of \$6,200,000.00. (Ignite Payments, LLC is a sole source provider that provides services for transaction processing, returns processing as well as reporting for debit cards (pin debits/no pin), and credit cards. The

services shall also include ATM card processing for the following: 1) Web access; 2) Interactive Voice Response (IVR); 3) Point of Sale (POS) at Community Offices; and 4) Compressed Natural Gas (CNG) sales at the Choctaw and South Centers. The initial term of the contract was for a period of one (1) year from the date of the Notice to Proceed with provisions for annual renewals. This change is to ratify and renew the current contract for the period covering June 1, 2018 through May 31, 2020) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

GENERAL COUNSEL DIVISION

(None)

HUMAN RESOURCES DIVISION

16. Resolution awarding Contract No. 12031, MLGW background check, to Data Facts, Incorporated in the funded amount not-to-exceed \$50,000.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
17. Resolution awarding Contract No. 12024, Employee Dental Plan to Cigna Health and Life Insurance Company, in the funded amount of \$7,992,741.24. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

INFORMATION SERVICES DIVISION

18. Resolution approving Change No. 6 to Contract No. 10171, Operating System Recovery Project, with NewEra Software, Incorporated, in the funded amount of \$2,250.00. (This change is to renew annual hardware and software maintenance, licenses, and support services for one year covering the period September 1, 2018 through August 31, 2019 with no increase in fees from the previous year. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by NewEra Software, Incorporated.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
19. Resolution awarding a purchase order to Thomas Consultants, Inc., for Citrix Software subscription renewal, in the amount of \$104,202.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S DIVISION

(None)

PRESIDENT'S BRIEFING (Continued):

2. Healthcare Report - 1st Quarter, 2018 - Henry Jackson pointed out comparisons of medical claims and prescription costs for the first quarter compared to 2016 and 2017. He also noted during labor contract negotiations that MLGW and IBEW agreed on a medical plan design that would yield cost containment of \$4.3 million annually, also projected by Segal to reduce the division's OPEB liability greater than \$50 million, effective May 1, 2108. Mr. Jackson noted in the first quarter of 2018, there were 41,354 medical claims processed equivalent to claims cost of \$11,530,044.13.

3. 2018 Customer Care Policy - Frank Fletcher addressed the Board with proposed revisions to the 2018 Customer Care Policy. He stated the policy is normally presented to the Board during the month of November, but due to the new in-coming President, it was thought best to delay until his arrival. He indicated that the Customer Care Policy

assures consistent and equal treatment to everyone. Proposed changes are being recommended in regard to refund of deposits, deferred payment plan, diversion or utility tampering, and disconnect services. The revisions are minor.

4. Other - J. T. Young

- a.) President Young informed the Board that a copy of the 2018 Utility Bill Comparisons booklet for select cities has been placed in front of them to review. He pointed out that Memphis is in the top five of the majority of the categories. Dana Jeanes thanked the rates group for gathering the information and Corporate Communications for completing the printing.
- b.) President Young stated he had met with IBEW on Saturday with a lot of information sharing. He felt it was a good meeting.

COMMITTEE REPORTS:

Supplier Diversity Update - 1st Quarter, 2018 - Renise Holliday referenced a power point presentation sent to the Commissioners in a previous e-mail. She pointed out that the total diversity spend for the first quarter equates to 30% of the total procurement spend. The total spend for the Sheltered Market Program for the first quarter was \$4,647,215.57. The presentation included first quarter comparisons from previous years of 2016 and 2017. She indicated that there are various sources of which suppliers can bid. She discussed the fact that there are a multitude of outreach activities to make the public more aware of opportunities.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 1:41 p.m.

(See Minute File No. 1426.)

Approved Without Interlineation


Chairman

These Minutes Compiled by Undersigned and
are Correct


Acting Secretary-Treasurer