



Board of Light, Gas and Water Commissioners 220 S. Main Street
Memphis, TN 38103
www.mlgw.com

Board Meeting

~ Minutes ~

Wednesday, July 19, 2017

1:00

Netters Business Center

CALL TO ORDER AND OPENING REMARKS:

Chairman Wishnia

The meeting was called to order at 1:01 p.m.

Chairman Wishnia recognized and thanked Councilwoman Robinson for her attendance.

PLEDGE OF ALLEGIANCE:

Chairman Wishnia

The Pledge of Allegiance was recited.

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	Present	
Derwin Sisnett	Board Member	Present	

The following staff members were present: Jerry R. Collins, Jr., 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; Alonzo Weaver, Vice President, Engineering and Operations; Von W. Goodloe, Vice President, Human Resources; and Lashell Vaughn, Vice President and Chief Technology Officer. Christopher Bieber, Vice President, Customer Care did not attend the meeting.

APPROVALS:

Motion To: Approve Minutes of the Meeting of July 5, 2017.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Derwin Sisnett, Board Member
SECONDER:	Leon Dickson, Board Member
AYES:	Steven Wishnia, Mitch Graves, Leon Dickson, Derwin Sisnett
ABSENT:	Carlee McCullough

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:

Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated July 11, 2017, Item 3 and Items 9 through 20. (See Minute File No. 1414.)

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

(None)

PRESIDENT'S BRIEFING:

1. Review of Consent Agenda - Jerry R. Collins, Jr.

(President's Briefing Continued on Page 73)

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 12 and Items 14 through 18)

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

CONSTRUCTION & MAINTENANCE DIVISION

1. Resolution awarding a purchase order to H & E Equipment Services, for a compactor, in the amount of \$57,970.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
2. Resolution approving Change No. 7, for an invoice payment, to Davis H. Elliot Construction Company, Incorporated, Contract No. 11576, Emergency Storm Restoration, based on agreed upon rates, in the funded amount of \$154,502.11. (This payment request is for emergency restoration work performed on MLGW's electric system as a result of the April 30, 2017 storm in. The current contract term is in the second and final renewal term which will remain through January 14, 2018.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

CUSTOMER CARE DIVISION

(None)

ENGINEERING & OPERATIONS DIVISION

3. Resolution approving the payment of an invoice from the City of Memphis Public Works Department for the annual sewer discharge fee for the 2016 filter backwash discharge for seven water pumping stations in the amount of \$454,142.55. (Alonzo Weaver) (REQUIRES CITY COUNCIL APPROVAL)

4. Resolution awarding a purchase order to AZZ Enclosure Systems, for prefabricated steel modular structure, in the amount of \$340,579.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
5. Resolution awarding a purchase order to Graybar Electric Co., Inc., for variable frequency drives, in the amount of \$55,157.28. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
6. Resolution approving Change No. 3 to Contract No. 11566, Replacement of Distributed Process Control (DPC) System at all MLGW Pumping Stations, with Allen & Hoshall, based on agreed upon rates, in the funded amount of \$213,400.00. (This change is to expand the scope of work to provide professional engineering design services to replace the interface between the new DPC Systems and MLGW Operators at all MLGW Water Pumping Stations. The change is due to the current DPC hardware and software system experiencing compatibility issues. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
7. Resolution approving Change No. 1 to Contract No. 11633, Local Dial Tone Services, with Windstream, in the funded amount of \$108,000.00. (This change is to renew the current contract for the first of two annual renewal terms for the period covering October 1, 2017 through September 30, 2018, with no increase in rates from the previous year.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
8. Resolution approving Change No 1 to Contract No. 11884, Mallory Pumping Station Structural Repairs, with Restocon Corporation, in the funded amount of \$74,286.90. (This change is to expand the scope of work to include unforeseen repairs to the West Reservoir top which was not included in the initial award.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

FINANCE DIVISION

9. Resolution approving the issuance of, and recommending to and requesting that the City Council issue and sell, through negotiated sale, not to exceed \$25,000,000, Water System Revenue Bonds, Series 2017, pursuant to the Water System Revenue Obligations Master Resolution, adopted by the Board on December 5, 2013 and by the City Council on December 17, 2013, as supplemented by the Third Supplemental Resolution. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)
10. Resolution approving the issuance of, and recommending to and requesting that the City Council issue and sell, through negotiated sale, not to exceed \$40,000,000 Gas System Revenue Bonds, Series 2017, pursuant to the Gas System Revenue Obligations Master Resolution, adopted by the Board on June 1, 2016 and by the City Council on July 5, 2016, as supplemented by the Second Supplemental Resolution. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)
11. Resolution approving the issuance of, and recommending to and requesting that the City Council issue and sell, through negotiated sale, not to exceed \$90,000,000, Electric System Revenue Bonds, Series 2017, pursuant to the Electric System Revenue Obligations Master Resolution, adopted by the Board on June 20, 2002 and by the City

Council on July 2, 2002, as supplemented by the Seventh Supplemental Resolution. (Dana Jeanes) (REQUIRES CITY COUNCIL APPROVAL)

12. Resolution awarding an extension of Purchase Order Number 156632 with AFL Telecommunications, LLC, for fiber optic ground wire until January 22, 2018. (Clifton Davis)

GENERAL COUNSEL DIVISION

Motion To: Delete Item No. 13 from Consent Agenda

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Derwin Sisnett, Board Member
SECONDER:	Leon Dickson, Board Member
AYES:	Steven Wishnia, Mitch Graves, Leon Dickson, Derwin Sisnett
ABSENT:	Carlee McCullough

13. Resolution approving the creation of two ex officio advisory members of the Board of Commissioners, who are customers of the division and reside outside of the city limits of the City of Memphis. (Cheryl Patterson/Jerry R. Collins, Jr.)

HUMAN RESOURCES DIVISION

14. Resolution approving revisions to MLGW HR Policy 20-01, Equal Employment Opportunity. (Jerry R. Collins, Jr./Von Goodloe)
15. Resolution approving revisions to MLGW HR Policy 20-02, Promoting Mutual Respect and Tolerance of Diversity. (Jerry R. Collins, Jr./Von Goodloe)
16. Resolution approving revisions to MLGW HR Policy 23-12, Anti-Harassment (Formerly Sexual Harassment). (Jerry R. Collins, Jr./Von Goodloe)

INFORMATION SERVICES DIVISION

17. Resolution approving Change No. 7 to Contract No. 10546, Lapres Software Maintenance Agreement, with XL Print USA, LLC, in the funded amount \$9,639.00. (This change is to renew the current contract for one year for the Paris Designer and Spooler Software covering the period September 1, 2017 through August 31, 2018, with no increase in rates from the previous year. MLGW is requesting continuous maintenance of the acquired system, which can only be performed by XL Print USA, LLC.) (Clifton Davis (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S DIVISION

18. Resolution approving Change No. 2 to Contract No. 11874, Courier Services, with Express Courier International, Incorporated, in the funded amount of \$151,523.58. (This change is to renew the current contract for the first of four annual renewal terms covering the period September 6, 2017 through September 5, 2018, with no increase in rates from the previous year.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S BRIEFING (Continued):

2. Policy #23-24 - Falsification of MLGW Records - Eric Conway summarized the proposed revisions to the policy on pages 2 and 3 of the President's Briefing packet.
3. Policy #23-17 - Use of Division Telephones and Facsimile Machines - Eric Conway stated the revisions are for language clarification that is needed.
4. Other - Jerry R. Collins, Jr.

President Collins formally updated the Board on the events that occurred on Saturday, July 8, 2017. He stated at 7:25 a.m. it was recognized that there was a widespread problem with kiosks and clerk assisted pay stations. There were long lines of customers and a rumor was out in the community if the customer would pay \$5 on their utility bill a local celebrity/sports star would pay up to \$495 on individual utility bills. The kiosks are owned by TIO and they would accept payments, but were issuing incorrect receipts with balances from \$1.00 to \$10.00. It was emphasized that MLGW does not own the kiosks or software. The kiosks were turned off. President Collins held a news conference at noon on Saturday to clarify that the rumor was not true and to provide information to the public regarding the "glitch" with the kiosks.

TIO owner and CEO, Hamed Shahbazi addressed the Board from the podium. He explained what had failed and stated he is confident with the changes in the programming features that this will not happen again. He confirmed there was no error on MLGW's part. He also confirmed that TIO has reimbursed all the convenience fees and allowed the small businesses to keep the fees.

Chairman Wishnia questioned Mr. Shahbazi as to how confident can MLGW be to know this will not happen again. Mr. Shahbazi reiterated that he is extremely confident. He also added that new software has been installed that compares the previous day to the current day. If there were a drastic difference, alarms would set off and it would be caught in advance and corrected. He also noted that this was no fault of MLGW and thanked the MLGW staff in assisting TIO in getting this corrected. Chairman Wishnia explained to Mr. Shahbazi that the public perception is that this was MLGW's fault and it is hard to get across to people that it is not.

President Collins also informed the Board he had advised the City Council on Tuesday the details of what had occurred. He commented that this all shows the power of social media.


COMMITTEE REPORTS:

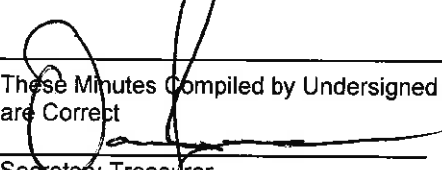
Human Resources Committee Report - Commissioner Leon Dickson reported that the Committee discussed the three policies on the agenda and the OFCC report shows that MLGW is in compliance.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:29 p.m.

(See Minute File No. 1415.)

Approved Without Interlineation

Acting Chairman

These Minutes Compiled by Undersigned and
are Correct

Secretary-Treasurer