



Board of Light, Gas and Water Commissioners

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

Board Meeting

~ Minutes ~

Wednesday, September 5, 2018

1:00 PM

Board Room

CALL TO ORDER AND OPENING REMARKS:

Chairman Wishnia

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

PLEDGE OF ALLEGIANCE:

Chairman Wishnia

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
Steven Wishnia	Chairman	Present	
Carlee McCullough	Vice Chairman	Present	
Mitch Graves	Board Member	Present	
Leon Dickson	Board Member	Present	
Michael Pohlman	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; Nick Newman, VP, Engineering & Operations; Cliff DeBerry, VP Design, Construction & Delivery; Christopher Bieber, VP, Innovation & Business Analytics; Von Goodloe, VP, Shared Services; Lashell Vaughn, VP & CIO; Gale Carson, VP Community and External Affairs; Roland McElrath, Controller; and Lesa Walton, Chief Internal Auditing Officer. Alonzo Weaver, SVP & COO did not attend the meeting.

Advisory Board Members:

Dwain Kicklighter - Absent

Kevin Young - Present

APPROVALS:

Motion To: Approve Minutes of the Meeting of August 22, 2018.

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

CITY COUNCIL ACKNOWLEDGEMENTS & UPDATE:Dana Jeanes

Receipt of Certified Copies of City Council Resolutions dated August 28, 2018, Items 12 through 28 and Items 61 and 62. (See Minute File No. 1428.)

PRESENTATIONS:

(None)

GENERAL STATEMENTS FROM THE PUBLIC:

1) Rickey Lewis, 6399 Dimwood Cove, a suspended MLGW employee, addressed the Board stating he believes he has been wrongfully suspended. He is asking the Board to review his case and reconsider the actions taken. He is wanting his days returned to him. He named other MLGW employees that had similar circumstances, and were not suspended, and in his opinion he is being treated unfairly. Chairman Wishnia asked Von Goodloe to respond. Dr. Goodloe stated Mr. Lewis chose not to file the appropriate paperwork to appeal this decision. Commissioners Graves and McCullough asked for an update and for the HIPPA procedures to be reviewed.

2) Suhkara Yahweh, 838 Walker, #104, addressed the Board asking to have fluoride removed from the water. He brought documents for President Young and Councilwoman Robinson to consider. He stated this has become personal due his granddaughter's cancer diagnosis. He believes the fluoride is the reason for the cancer. He wants to move forward and have the fluoride removed.

PRESIDENT'S BRIEFING:

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

(President's Briefing Continued on Page 87)

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 14)

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

CONSTRUCTION & MAINTENANCE DIVISION

1. Resolution approving Change No. 1 to Contract No. 11959, Vertical Drilling at Various Substations with McKinney Drilling Company, with no increase in the contract value. (The initial term of this contract was for one year from the date of the Notice to Proceed with an option of four annual renewal terms. This change is to ratify and renew the current contract for the first of four annual renewal terms covering the period September 15, 2018 through September 14, 2019 in the funded amount of \$152,675.00, with no increase in rates from the previous year, which will be absorbed in the current contract value.) (Clifton Davis)
2. Resolution approving Change No. 4 to Contract No. 11679, MLGW Gas Transmission Rights-of-Way Mowing with Bean and Prince Contractors, Incorporated, in the funded amount of \$30,000.00. (This change is to ratify and renew the current contract for the fourth and final annual renewal term covering the period August 12, 2018 through August 11, 2019, which reflects a 2% increase in rates from the previous renewal. The increase is due to increase cost in diesel fuel and insurance premiums.) (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
3. Resolution awarding a thirty-six month purchase order to Memphis Ready Mix, for various types of concrete, in the amount of \$4,243,499.30. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)
4. Resolution awarding a purchase order to Williams Equipment and Supply Company, Inc., for three mini crawler excavators, in the amount of \$83,385.00. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

CUSTOMER CARE DIVISION

5. Resolution approving the Agreement for and payment of the on-going commitment to local economic and community development in the amount of \$175,000 to the Greater Memphis Chamber. (This payment is for services rendered by the Greater Memphis Chamber for the period September 1, 2017 through August 1, 2018, and this agreement is for services to be rendered for the upcoming period September 1, 2018 through August 31, 2019.) (Chris Bieber) (REQUIRES CITY COUNCIL APPROVAL)

ENGINEERING & OPERATIONS DIVISION

6. Resolution awarding a purchase order to ABB, Inc., for Smart Meter Backhaul Communications Equipment, in the amount of \$293,012.50. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

FINANCE DIVISION

7. Resolution awarding a thirty-six month purchase order to Brighter Days and Nites, Inc., for approximately 150,000 feet of fiber optic 48 A.D.S.S. cable, in the amount of \$226,408.43. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

8. Resolution approving the removal of certain employees from certain bank accounts due to the reorganization structure. Resolution also includes the adding of Wayne Allen, Nancy Miller, Valerie Whitlow and Andrew Stanley, giving approval to sign or countersign checks for certain MLGW bank accounts along with the closing of the Tri-State Bank Vehicle License Account. (Dana Jeanes)

GENERAL COUNSEL DIVISION

9. Resolution approving Change No. 2 to Contract No. 11782, Independent Claims Adjuster Services with Horton & Associates of Memphis, with no increase in the contract value. (This change is to ratify and renew the current contract for the second of four annual renewal terms for the period covering September 21, 2018 through September 20, 2019 in the funded amount of \$120,000.00, with no increase in rates from the previous year, which will be absorbed in the current contract value.) (Clifton Davis)

HUMAN RESOURCES DIVISION

10. Resolution approving the payment of \$25,000 for support of the Memphis Weekend Academy program for January 2018 through December 2018 and January 2019 through December 2019, with the Academy receiving \$12,500 each year of the two-year period. (Von Goodloe)
11. Resolution approving MLGW Human Resources Policy #21-11, Personnel Review Board. (JT Young/Von Goodloe)
12. Resolution approving MLGW Human Resources Policy #23-04, Travel (MLGW Business). (JT Young/Von Goodloe)
13. Resolution approving MLGW Human Resources Policy #23-19, Corporate Credit Cards. (JT Young/Von Goodloe)

INFORMATION SERVICES DIVISION

14. Resolution approving a purchase order to Thomas Consultants, Inc., for renewal of Netbackup Client Application support, in the amount of \$109,222.30. (Clifton Davis) (REQUIRES CITY COUNCIL APPROVAL)

PRESIDENT'S DIVISION

(None)

PRESIDENT'S BRIEFING (Continued):

2. Second Quarter, 2018 - Healthcare Report - Charles Perry thanked Marcus Tate for his help in gathering information for the report. Mr. Perry noted that the medical plan is currently trending at 11.84% less than second quarter, compared to 2017. He also noted that the Plan's overall PEPM for drug utilization for the quarter was trending 8.33% less through second quarter. He discussed statistics in detail comparing various years and quarters. He also stated if the trend remains as it is now, the rebate for 2018 will increase. The 2017 insurance contract spend review was included in the briefing packet and discussed.

3. 2019 Preliminary Budget - J. T. Young informed the Board that one-on-one meetings are being scheduled with the City Council members. He reiterated the budget schedule and made note of the key objectives in his overview. He discussed the fact that MLGW has the lowest combined EGW and sewer rates in the country for the fifth consecutive year. There has been no electric rate increase since 2004, no gas rate increase since 2008, other than power and gas cost pass through. A 2% rate increase was approved for the E&G Divisions, effective July 2018 and a 1% Water Division rate increase effective in February 2018, allocated specifically for aquifer study. In addition, President Young spoke of positions, savings through medical plan changes to OPEB funding and other factors. MLGW is embarking on an electric reliability and modernization improvement plan. The goal is to improve the customer experience, modernize to improve reliability and resilience in a 5-year MLGW commitment. He informed the Board they will be given an opportunity to meet one-on-one with him and Dana Jeanes.

4. Other - J. T. Young

COMMITTEE REPORTS:

- 1) Second Quarter, 2018 - Supplier Diversity Update - Renise Holliday reported MBE, locally-owned small businesses and WBE spend for the second quarter, 2018 at \$30,214,052.81. The Sheltered Market Program's second quarter, 2018 spend total was \$7,036,651.28. Ms. Holliday spoke of various promotional sources that MLGW is participating in to expand opportunities for others and to widen the pool of vendors.
- 2) Human Resources Committee - Commissioner Leon Dickson advised that Chandrika Winston, the new Corporate Security Director attended today's HR Committee Meeting. She has been working with Gulf Power in getting a safety program in place. He also thanked Bill Hawkins for getting premiums down and stated goals are being met.

ADJOURNMENT:

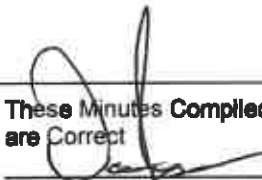
Prior to adjournment, Chairman Wishnia announced that Advisory Member Young is celebrating his birthday. Everyone sang and was invited for cake after the meeting.

There being no further business, the meeting was adjourned at 2:07 p.m.

(See Minute File No. 1429.)

Approved Without Interlineation

Chairman

These Minutes Compiled by Undersigned and
are Correct

Secretary-Treasurer